

CLARK COUNTY STAFF REPORT

DEPARTMENT: General Services Purchasing

DATE: October 4, 2017

REQUESTED ACTION: Raise Purchasing Thresholds for Informal and Formal purchases of Goods and Services to Align with Washington State House Bill 2427: Local Governments Modernization

Consent Hearing County Manager

BACKGROUND

Clark County Purchasing requests that the purchasing thresholds for goods and services be brought into alignment with Washington State Substitute House Bill 2427: Local Governments-Modernization, effective 06/09/2016.

As a political subdivision of Washington State, Clark County is using outdated purchasing thresholds that require at least three (3) documented quotes for purchases between \$5,000 and \$25,000; with a formal solicitation process required on purchases above \$25,000.

House Bill 2427 recognizes that the cost of goods and services has risen considerably in the past 10 years. Washington State has raised the purchasing thresholds for at least three (3) documented quotes for purchases between \$10,000 and \$50,000; with a formal solicitation process required on purchases above \$50,000.

Clark County does not solely rely on the "at least three (3) quote" process for purchases in this price range. It is a standing policy to seek use of existing Washington State contracts for goods and services, or other advantageous agency contracts we can use via cooperative use agreements. That practice will continue with this modernization increase in our purchasing thresholds. Purchasing supports this increase as departments are hampered in their efforts to complete their work in a timely manner under the current thresholds.

COUNCIL POLICY IMPLICATIONS

None

ADMINISTRATIVE POLICY IMPLICATIONS

This action will update General Services Quotations policy 140, and Formal Bid policy 020.

COMMUNITY OUTREACH

None

BUDGET IMPLICATIONS

| YES | NO | |
|-----|----|--|
| X | | Action falls within existing budget capacity. |
| | X | Action falls within existing budget capacity but requires a change of purpose within existing appropriation |
| | X | Additional budget capacity is necessary and will be requested at the next supplemental. If YES, please complete the budget impact statement. If YES, this action will be referred to the county council with a recommendation from the county manager. |

BUDGET DETAILS

| | |
|--------------------------|-----------------------------|
| Local Fund Dollar Amount | \$0 |
| Grant Fund Dollar Amount | \$0 |
| Account | General fund |
| Company Name | General Services Purchasing |

DISTRIBUTION:

Board staff will post all staff reports to The Grid. <http://www.clark.wa.gov/thegrid/>

Priscilla Ricci

Priscilla Ricci
Senior Buyer

Bob Stevens

Bob Stevens
General Services Director

APPROVED: *[Signature]*
CLARK COUNTY, WASHINGTON
BOARD OF COUNTY COUNCILORS

DATE: *Oct. 17, 2017*

SR# *209-17*





GENERAL SERVICES POLICY STATEMENT

| | |
|------------------------|--------------------------|
| POLICY NO: | P-020 |
| POLICY TITLE: | FORMAL BID POLICY |
| EFFECTIVE DATE: | October 4, 2017 |

PURPOSE: To provide policy concerning Clark County's solicitation of formal competitive bids.

SCOPE: The Formal Bid Policy applies to all Clark County solicitations for bid items and services meeting Washington State statutory requirements for formal, publicly advertised, and sealed bids.

POLICY: The Responsibilities and Awards sections of this policy are to be liberally construed and applied to ensure compliance with statutory law, equitable treatment of all bidders, and that the best interests of the County are being objectively considered.

Responsibilities:

The Purchasing Supervisor, in conjunction with the Prosecuting Attorney's Office, is responsible for determining which items and services required by the County must be formally bid.

The Purchasing Supervisor is responsible for maintaining a uniform set of procedures and forms to serve the bid process. Consideration should include mechanisms for vendor notification, bid analysis and summary, appropriate bonding, mailing lists, competitive invitations, instructions to bidders, addendums and notifications of award.

The Buyer, in conjunction with the requesting agency personnel, is responsible for developing competitive specifications for the bid.

Purchasing is responsible for marketing the bid in a manner that will ensure its broadest dissemination and to promote the most advantageous response to the bid.

Awards:

The following factors, in combination, not necessarily listed in their order of importance, will be considered in reviewing bids and awarding contracts:

- Prices
- Bidder's previous record of performance and service
- Ability of bidder to render satisfactory service in this instance
- Availability of bidder's representative for consultation with using department
- Quality and conformance to specifications
- Delivery

The County reserves the right to reject any and all bids, waive informalities and to contract as the best interests of the County may require.

Procedures:

The following formal bid procedures promote the successful application of the Formal Bid Policy and ensure that the County's best interests are secured:

The Buyer, when obtaining bids, should keep in mind other segments of the County that may be able to provide the desired materials or service.

Answers to technical questions arising during the bidding process should be provided by the requesting agency. The Purchasing department must coordinate the reply and ensure all potential bidders are provided the same information.

Determination of the most responsive bidder and award of the contract will be made by the Buyer(s), only after all factors of award and the preference of the requesting agency have been considered.

The Buyer will be responsible for notifying all unsuccessful bidders that the bid has closed and has been awarded.

Unless a specific exception has been obtained from the Prosecuting Attorney's Office, bids shall not be solicited from, nor any order placed with, any company that:

1. Is owned, controlled or actively influence by any employee, officer or elected official of the County or immediate relative of said person.
2. Employs in a management, consulting or sales capacity any employee, officer or elected official of the County.
3. Employs in any capacity an employee, officer or elected official of the County who is in a position to influence the selection of, or conduct business with, such company.

Guidelines:

General Procedures

The Purchasing Office facilitates the Bid Process on behalf of County Departments and Elected Officials. The Bid invites vendors to submit pricing for specified goods, in a sealed envelope, by a specific date and time. Bids are awarded, by either the County Manager, or Board of County Councilors, to the lowest responsive, responsible bidder. The process typically takes four weeks to complete before the good(s) or services can be purchased.

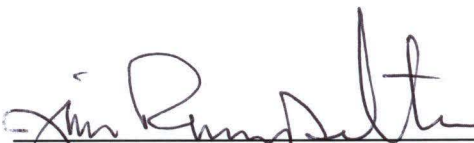
1. The Requesting Department initiates the Bid Process by:
 - a. Contacting the County Buyer: providing staff with product description, requirements, specifications, projected quantities, time frame product or service is required, and attachments if applicable.
 - b. Developing specifications: a description of the physical or functional characteristics or by product name, material, or process, indicating if appropriate, the procedures to determine whether the requirements are satisfied.
(Sample Types of specifications are: brand name or equal specifications, combination specification, design specification, performance specification, restrictive specification and standard specification)
2. The Bid document is developed by Purchasing as per County standard terms and conditions and contains:
 - a. Invitation to Bid
 - b. General Terms & Conditions
 - c. Special Provisions
 - d. Performance Requirements
 - e. Product Specifications
 - f. Specifications & Drawings
 - f. Bid Tabulation
3. The Purchasing Office shall coordinate all legal advertising to appear in the appropriate publication under the "Public Notices" section. The advertisement shall contain The Bid Title, Bid Number, and a brief description of the goods / service needed, where to obtain the Bid and the date and time the Sealed Bid must be received. Legal advertising shall appear for two consecutive weeks as per statutory requirements. The Requesting Department shall incur special or target advertising costs.

The Advertising Process:

- a. Purchasing arranges for the printing and/or electronic distribution of the bid packets. The requesting department shall incur the direct printing costs.
 - b. Purchasing distributes Bids to all vendors interested in participating.
 - c. Purchasing documents all interested vendors on the Plan Holders List.
 - d. Purchasing receives all Sealed Bids.
 - e. Purchasing ensures no Sealed Bids are obtained after the date and time of closure.
(The "close date" is typically established at least one week after the final advertisement appears)
4. Bid Openings are conducted by Purchasing with the Clerk to the Board of County Councilors on Tuesdays at 2:00 p.m. Requesting Departments are welcome to attend the Bid Opening and all responding vendors are documented as public record.
 5. The Requesting Department facilitates the vendor selection process and Purchasing will provide assistance as needed. The Bid is evaluated to ensure compliance with specifications and requirements. The lowest responsible bidder is identified and the award decision is recommended to Purchasing.
 6. Purchasing presents the recommendation of award to the County Manager or Board of County Councilors. If accepted, the contract award is based on the recommendation.
 7. Purchasing sends a Notice of Award to the vendor selected by the County Manager or Board of County Councilors requesting acceptance and formalizing the agreement.
 8. The Purchase Order is created, noting the Bid Number in the Header Description of the Purchase Order, and the order is placed in accordance with the Bid Specifications.



Bob Stevens
General Services Director



Jim Rumpeltes
Interim County Manager



GENERAL SERVICES POLICY STATEMENT

POLICY NO: P-140
POLICY TITLE: QUOTATIONS POLICY
EFFECTIVE DATE: October 17, 2017

PURPOSE: The purpose of the **Quotations Policy** is to provide guidance concerning the solicitation of competitive quotations.

SCOPE: The **Quotations Policy** applies to all representatives of Clark County engaged in the purchasing process. This policy applies to the solicitations of quotes for all goods, materials and services with an estimated unit, lot or service delivery price of more than \$10,000 (excluding tax and shipping) and less than \$50,000 (See Policy No. P-020 for items and services of \$50,000 and over)

POLICY: The responsibilities, practices and procedures outlined as part of this policy are to be liberally construed and applied to ensure compliance with sound purchasing practices, equitable treatment of all vendors and that the best interests of the County are being objectively considered.

Quotations for unfamiliar items costing less than \$10,000 are advisable.

All quotations solicited for goods, materials and services estimated to have delivery cost of more than \$10,000, but less than \$50,000 shall be formally documented via the Financial Management System (FMS) with at least (3) three quotations.

Documentation for quotations of software applications, cloud solutions, and services with data transfer via the web shall include a completed cyber security assessment for the preferred vendor.

Purchasing may require cyber security assessments of products between \$1 and \$10,000 on a case by case basis. Product orders shall not be placed until Technology Services reviews the cyber security assessment and releases the product for purchase.

All quotations shall be kept totally confidential until a vendor has been selected and the order successfully placed.

Quotations are not to be "Shopped"; the practice of disclosing one vendor's quotation to a competing vendor in an effort to obtain a more favorable price is considered to be unethical and will not be tolerated in the County's purchasing process.

Buyers shall include the suppliers in the applicable category from the vendor registration program when obtaining quotes. Keep in mind other segments of the County that may be able to provide the desired materials or service.

Answers to technical questions arising during the quotation process should be provided by the requesting agency. The Buyers must coordinate the reply and ensure all potential vendors are provided the same information.

Determination of the most responsive vendor and award of the contract will be made by the Buyers only after all factors of quotation and the preference of the requesting agency have been considered.

When circumstances deem the solicitation of quotation inappropriate, the buyer shall document the facts in an attachment to the PO or submit written documentation of same to the Purchasing Manager and obtain specific approval of the Purchasing Manager prior to placing an order.

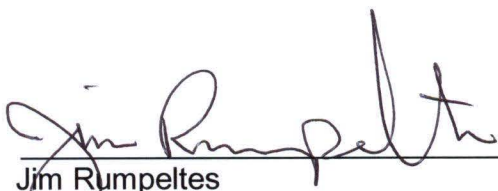
Unless a specific exception has been obtained from the Prosecutor's Office, quotes shall not be solicited from, nor any order placed with, any company that:

1. Is owned, controlled or actively influenced by any employee, officer or elected official of the County or immediate relative of said person.
2. Employs in a management, consulting or sales capacity, any employee, officer or elected official of the County.
3. Employs in any capacity an employee, officer or elected official of the County who is in a position to influence the selection of, or conducts business with, such company.

GUIDELINES: A solicitation for quotations, although an informal process, should receive the same attention to detail and be considered tantamount to a formal bid in maintaining the integrity of the purchasing system and serving the County's best interests.



Bob Stevens
General Services Director



Jim Rumpeltes
Interim County Manager