



Caroline County, Maryland Purchasing Manual Part 1

Introduction

Much of Part 1 of this manual consists of a rewrite of the County's Purchasing Ordinance. The Ordinance is the local law that governs how Caroline County buys goods and services. From the Ordinance:

“The purpose of this chapter is to ensure that 1) the taxpayers of Caroline County receive full return on the investment of tax dollars; 2) Caroline County government operates openly, efficiently, and effectively in public purchasing; 3) vendors and potential vendors are treated fairly; 4) local businesses are given the opportunity to provide goods and services where both cost effective and in the County's interest.

The goal of the purchasing ordinance is to determine not simply the best price for a good or service, but the best value. Another goal is make the process of doing business with the County open, transparent, and as simple as practicable. While some purchasing may be done through a central purchasing agent or office, County department heads also have authority to make purchases in conformance with this chapter and the adopted budget. To the extent possible, purchasing processes will fully utilize the County's website and other digital media.”

Purchasing is important because it is how County employees spend taxpayer dollars. While following Purchasing Ordinance and these regulations may seem frustrating and time consuming, the requirements in this manual are not a paper-shuffling exercise. The rules exist for specific reasons and have been shaped by years of successful (and unsuccessful) experiences buying goods and services.

1. Ethics

The County has an Ethics Ordinance (Chapter 33) that every County official and employee is obliged to follow. In addition to rules in the Ordinance, employees engaged in purchasing should abide by the following:

- A. Always be mindful of Caroline County's mission.
- B. Work hard to obtain maximum value for each County dollar spent.
- C. Politely decline all personal gifts or gratuities.
- D. Treat vendors fairly and equitably by maintaining a "level playing field."
- E. Conduct business openly, honestly, and in good faith.
- F. Demand honesty and responsiveness from vendors.
- G. Respond promptly and accurately to inquiries.
- H. When in doubt, ask the County Attorney and/or the County Administrator.

2. Key Purchasing Tips

- A. Keep good records.** The most common problem in purchasing is poor record keeping. Document everything related to a purchase and maintain a thorough file. Verbal bids are allowed in some circumstances, but keep a written record of the bid amounts. Make written notes and keep those notes in the purchasing file. As a check, put together what you think is a complete purchasing file and ask the Finance Office to review it.
- B. Follow the process.** The second most common pitfall is failing to follow the proper steps in the right order. Secure bids before making a purchasing decision, not after. If you need permission for an alternate process like sole source or piggybacking, get permission before you complete the purchase order. If a purchase order must be signed by the Commissioners, make sure you submit a complete package to the Chief of Staff.
- C. When in doubt, bid it out.** Even if bids are not required, comparison shopping helps ensure the County is getting the best value for every dollar. With the Internet, it doesn't take long to check at least three websites to compare prices.
- D. With new vendors, make sure there is a complete vendor file.** Many of the goods and services we purchase are from vendors with whom we've

worked for years. When you are buying something from a new vendor, please check with Finance to ensure we have up-to-date vendor file on record. Depending on the situation, we may need insurance certificates, tax forms, and other information. The time to gather this information is before we make a purchase. This includes checking SDAT to ensure a vendor is in “good standing” with the State of Maryland.

- E. Use a standard County contract, not a vendor’s proposal.** The Office of Law has templates for contracts and agreements: short-form, long-form, professional services, etc. We use County contracts rather than vendor proposals because our agreements give us a higher level of legal protection. If one of the “fill-in-the-blank” contracts doesn’t work, please contact the Office of Law for help.
- F. Please ensure Finance receives the purchase order before they receive the invoice.** Some vendors send invoices very quickly. When an invoice arrives at Finance, the first step is check the invoice against the purchase order. If they can’t find a purchase order (or a vendor file), they will call and ask... and that’s not efficient or considerate.
- G. Ask vendors to put our purchase order number on invoices.** The purchase order number is a reference for Finance. Occasionally, we have orders that take months for vendors to fill. If the purchase order number is on the invoice, it is much easier for Finance to track down the file and complete the transaction.
- H. All invoices must be sent to Finance, not to individual departments.** All purchasing and money flows through Finance. There have been times when an invoices has been sent to a department (or allied agency) and forgotten. At some point, we begin receiving notices for having a past due account. We are not only a county government; we’re part of the community. It’s just bad business to have a local vendor waiting on payment because our administrative lapses.
- I. Complete a receiving form.** It’s not enough to “know” we received something. We need to verify we’ve received what we’ve ordered. In the case of major purchases, please complete a receiving form. With minor purchases, it’s enough to simply write “Received” on a copy of the invoice and legibly sign and date the paper.

- J. **Purchasing takes time so plan ahead.** A process like a Request for Proposal (RFP) takes time, both to prepare and administer. Please don't wait until weeks before a contract ends to begin the process. Having to extend a contract because of a lack of planning on our part is not effective procurement.
- K. If you are using a County Purchase Card, you must follow all of the County's normal purchasing rules.
- L. Always keep receipts! If online, print a copy of all receipts and other paperwork for the purchasing file.

3. Definitions

The following definitions are copied directly from the County Purchasing Ordinance simply to allow users to avoid having to keep a copy of the Code handy.

ADDENDUM - A written change to an Invitation for Bids.

ALTERNATE BID - A dollar amount to be added to or subtracted from the base bid price. The Director of Purchasing may request Alternate Bid prices in order to compare various options that may be in the County's best interest.

AWARD - A determination, after review, that a certain Vendor will be given the contract.

BID - A price submitted by a Vendor for a product, service, or construction.

BIDDER - Any Person who submits a Quote, Proposal or Bid.

CAROLINE COUNTY GOVERNMENT - The County Commissioners of Caroline County, Maryland, and all Departments under their authority and, for the purposes of purchasing, the Caroline County Health Department.

CONDITIONAL BID - A Bid submitted by a Bidder on which the Bidder has made certain conditions for acceptance that are contrary to the conditions of the IFB or that were not requested in the IFB.

CONTRACT - A legal agreement between a Vendor and the County.

COUNTY - Caroline County, Maryland, a body corporate and politic.

COUNTY ADMINISTRATOR - The chief administrative officer for Caroline County, appointed by the County Commissioners and described in Chapter 18, § 18-7, of the Caroline County Code and as may be amended from time to time.

COUNTY COMMISSIONERS - The County Commissioners of Caroline County, Maryland.

DEBARMENT - An action taken by the County to bar a vendor from doing business with the County for a period of time.

DEPARTMENT - Any functional division of the Caroline County Government and the Caroline County Health Department.

DEPARTMENT HEAD - The County employee who is in charge of a Department.

DIRECTOR OF PURCHASING - The County Administrator or any County employee so designated by the County Administrator.

EMERGENCY - A sudden and unexpected occurrence or condition which the County Commissioners reasonably could not foresee, posing an actual and immediate threat to the continuance of essential normal operation of a County agency or the need to cope with a public exigent condition.

FORMAL BID - A sealed bid for goods, services, or construction.

IFB - Invitation for bids.

INCIDENTAL PURCHASE - The purchase of goods or services where the total value is less than \$1,000.

IN-COUNTY BIDDER - A Bidder whose principal place of business is located in Caroline County, Maryland. Determination of an in-county bidder shall be made in the sole and exclusive discretion of the Director of Purchasing.

INVITATION FOR BIDS - A document or collection of documents or materials constituting a solicitation for Proposals or Bids.

LOWEST RESPONSIVE AND RESPONSIBLE BIDDER - The Bidder who has submitted the lowest price, has met all specifications, qualifications, and requirements of an Invitation for Bids, and is capable of carrying out the terms of the contract as determined by the Director of Purchasing or his or her designee.

MAJOR PURCHASE - The purchase of goods, services or construction where the total value is equal to or greater than \$40,000.

MINOR IRREGULARITY - One which is merely a matter of form and not of substance or pertains to some immaterial or inconsequential defect or variation of a Bid or Proposal from the exact requirement of the solicitation, the correction or waiver of which would not be prejudicial to the other Bidders as determined by the Director of Purchasing.

MINOR PURCHASE - The purchase of goods, services or construction where the total value is less than \$40,000 but equal to or greater than \$1,000.

OPEN PURCHASE ORDER - An open purchase order effective for a stated period of time and not to exceed stated dollar limits to which miscellaneous individual similar purchases can be charged.

OUT-OF-COUNTY BIDDER - A Bidder whose principal place of business is not located in Caroline County, Maryland. Determination of an out-of-county bidder shall be made in the sole and exclusive discretion of the Director of Purchasing.

PERSON - An individual, corporation, partnership of any kind, limited liability company, trust, unincorporated association, unincorporated business, or any

other form of business or entity of any kind, whether or not recognized under the laws of the State of Maryland.

PROFESSIONAL SERVICES - Services provided by physicians, auditors, attorneys, architects, engineers, graphic designers, consultants or other individuals or organizations possessing a high degree of technical skill.

PROPOSAL - The written submission of a firm price other than by Sealed Bid.

PURCHASING AGENT - Any individual designated a Purchasing Agent pursuant to this chapter.

PURCHASING CARD - A credit card, debit card, or other similar authority enabling a Purchasing Agent, Department Head, or other authorized individual to purchase materials, supplies, or services on and for the County's account as provided for in this chapter.

QUOTE - The oral submission of a price.

REQUEST FOR PROPOSALS (RFP) - A solicitation for proposals.

REQUEST FOR QUALIFICATIONS (RFQ) - A solicitation for qualifications.

SEALED BID - The secret submission of a price that will be opened and read aloud in a public meeting.

SOLE SOURCE PURCHASE - The purchase of goods, services, or construction from a single vendor without competitive bid or quotes.

SOLICITATION - The act of seeking bids, proposals, or qualifications from potential vendors.

TIE BID - Responsive bids from bidders that are identical in price, terms and conditions and which meet all the requirements and evaluation criteria set forth in the Invitation for Bids.

VENDOR - A supplier of goods, services or construction.

VENDOR LIST - A list of qualified vendors maintained by the County.

4. **Purchasing Authority**

A. **Documentation** - Purchasing authority must be established in writing whether in the County Code or in a memo where the Director of Purchasing (the County Administrator) or a Department Head delegates some level of authority. If done as a memo, a copy must be placed in the employee's personnel record and must contain the dollar amount of the purchasing authority. No paperwork = no purchasing authority.

B. **Purchase Levels** - Per the Ordinance, County Department Heads have purchasing authority as defined below:

(1) Director, Office of Finance - \$40,000

- (2) Director, Department of Corrections (Warden) - \$20,000
- (3) Director, Department of Emergency Services - \$20,000
- (4) Director, Department of Public Works - \$20,000
- (5) Director, Office Information Technology - \$10,000
- (6) Director, Department of Recreation and Parks - \$10,000
- (7) Director, Department of Planning and Codes - \$10,000
- (8) Director, Office of Human Resources - \$10,000
- (9) Director, Office of Tax (Comptroller) - \$10,000
- (10) County Attorney, Office of Law - \$10,000
- (11) Chief of Staff, Commissioners' Office - \$10,000

C. **Delegation** - A Department Head may delegate purchasing authority in an amount of up to fifty (50) percent of the Department Head's authority to any employee within their department. If any purchasing authority is delegated, the Department Head shall provide the Director of Purchasing with a list of the personnel with the authority to make purchases and the amount delegated.

D. **Accountability** - Delegation of purchasing approval by the Department Head shall not relieve him or her for responsibility therefor.

E. **Reduction or Suspension** - From the County Code, "The Director of Purchasing or his or her designee (the Finance Director) may temporarily reduce or suspend the purchasing authority for any County department head for cause as determined in the sole and exclusive discretion of the Director of Purchasing."

Reductions or suspensions generally fall into two broad categories: precautionary and punitive. If the Office of Finance finds an irregularity in purchasing activity, for example, they may recommend a temporary suspension of purchasing authority while an investigation occurs. If an investigation demonstrates misuse of purchasing authority or a failure to abide by the Ordinance or this manual, purchasing authority can be reduced or suspended. Failing to follow the rules can also result in disciplinary action up to and including termination of employment.

5. **Routine Purchasing**

If a County employee or official has the authority to make a purchase, the next step is determining the required process. Normally, the process is driven by the

dollar value of the purchase. Larger purchases have more extensive requirements. When calculating the amount of purchase, the value is the amount over the term of the contract. For example, a five-year contract paying a vendor \$5,000 a year would be considered a \$25,000 purchase.

Less than \$1,000 - While seeking three or more verbal or written bids is recommended, it is not required.

Up to \$5,000 - This is considered a Minor Purchase and three or more verbal bids are required. Verbal bids must be documented and are subject to internal review/audit.

Between \$5,001 and \$20,000. This also is considered a Minor Purchase. Three or more written bids are required.

Between \$20,001 and \$40,000. This also is considered a Minor Purchase. Three or more written proposals are required where such proposals shall be sent to the Director of Purchasing, the Director of Finance or a designee.

Over \$40,000. This is a Major Purchase. Three or more sealed bids are required. Only the County Commissioners can approve a Major Purchase unless specific authority has been delegated to the Director of Purchasing.

6. Routine Purchasing - Step-by-Step

Step 1 - Ensure the potential purchase is in the budget.

Step 2 - Ensure you have the authority to purchase the good or service.

Step 3 - Determine the amount of the purchase.

Step 4 - Secure bids from qualified vendors.

Step 5 - Open a "procurement file" with the item sought, the bid results, and a worksheet showing the results of the bid process.

Step 6 - Review the bid results and select a preferred vendor.

Step 7 - Inform participating vendors of the bid results.

Step 8 - Use a contract and/or a County purchase order. When uncertain, contact the County Attorney for guidance on the proper legal document.

Step 9 - Submit the procurement file, purchase order, contract and other supporting documents to the Office of Finance.

Step 10 - Make the purchase.

Step 11 - Document receipt of the goods and/or services in writing.

7. **Contracts .**

Any County employee signing a contract is doing so on behalf of the County Commissioners. The official name of the County is “the County Commissioners of Caroline County, a body politic and corporate and a political subdivision of the State of Maryland.”

A. Standard Contracts. The County Attorney maintains template documents including a short-form contract, long-form contract, and professional services agreement. The County Attorney may update these template documents from time to time.

B. Frequently Asked Questions.

When do I need a contract? Contracts are required for all major purchases and for minor purchases of services.

Who can sign a contract? The Director of Purchasing, his or her designee, and all Department Heads have the authority to sign into contracts on behalf of the County within their purchasing authority.

Does the County Attorney need to approve the contract? All contracts must be approved for form and legal sufficiency by the County Attorney. The County Attorney has approved standard short-form, long-form, and professional services contracts which can be used without formal legal review. If using a standard template agreement, please provide a copy of the final agreement to the County Attorney before signing or submitting an agenda request for signature. Even template contracts may need tweaking.

How many originals with signatures? We normally execute at least two original contracts: One for our files and one for the vendor.

Who keeps the original or copies? The Office of Law hold original contracts but a copy of all contracts should be kept in the Office of Finance and in the purchasing file.

8. **Alternative Purchasing Processes.**

The preferred method of selecting a vendor is through a competitive bid process. The Purchasing Ordinance recognizes that securing competitive bids may not always be possible or practicable.

A. **Cooperative (Piggyback) purchases.** “As a matter of policy, the County strongly supports cooperative purchasing. This includes the authority to purchase goods, services and construction and the ability to enter contracts based on existing purchasing, procurement, or contracts of other units of government including but not limited to the Federal Government, the State of Maryland, other Maryland counties and municipalities, neighboring local or state governments whether or not such contracts have specifically provided for such cooperative purchasing. Cooperative purchasing or contracts may be done when determined by the Director of Purchasing or his or her designee to be in the County’s interest.” If the source contract is based on a solicitation more than one (1) year old and has not been extended by the original purchaser, please check with the Director of Purchasing before proceeding.

Things to know about piggyback purchasing:

- It isn’t enough to simply refer to a local government or state contract. Secure and retain a copy of the source bid documents and contract in the purchasing file and have the Purchasing Director sign a piggyback approval form.
- A piggyback purchase still requires a Caroline County contract, purchase order, vendor file, and other paperwork.
- The vendor must provide the same terms, conditions, and price to the County as provided to the source government.
- The total amount of a piggyback contract can vary from the source contract, but the unit costs should remain the same.

B. **Emergency purchases.** In the event of an emergency, the President of the Board of County Commissioners shall have the power to suspend requirements of this chapter for such purchases and contracts to secure such goods or services as deemed immediately necessary to protect public health, safety, and welfare. After any instance where the requirements of this chapter are suspended in the event of an emergency, the President and Director of Purchasing shall make a full report to the Board regarding any and all such expenditures at the next scheduled Commissioners’ meeting.

Things to know about emergency purchasing:

- Don't wait for an emergency to happen. The County can enter into contracts to provide goods and services during an emergency (like generators, snow removal, debris removal) in advance.
- Even during a crisis, follow the purchasing rules to the extent possible.
- Remember that every purchasing decision will be scrutinized after the emergency is over.

C. **Sole Source.** Sole source purchasing may be authorized when 1) only one specific good or service will produce the desired result or is the most appropriate for a given situation; 2) the good or services is only available from one source; and 3) the use of such sole source is economically feasible and operationally in the County's best interest. A request for sole source purchase shall be submitted to the Director of Purchasing and shall include a comprehensive justification. When a sole source purchase is approved, only the President of the Board of Commissioners, the Director of Purchasing, or the Director's designee shall be authorized to sign the contract and/or purchase order.

Things to know about sole source purchasing.

- Sole source purchasing is probably the most misunderstood alternative process. The key is understanding the difference between lowest cost and greatest value. There are times when the efficiency of a single provider (or settling on a standard product) outweighs a small cost savings to have multiple vendors.
- A request for a sole source purchase should explain in a way clear and straightforward way why buying the good or service without a competitive bid process is in the County's interest.
- While there may be cost savings to standardize on a single provider, this should not become a permanent arrangement. Absent extraordinary circumstances, the maximum length of time a sole source contract should be in effect is five years.

D. **Professional Services.** Contracts involving professional services such as accounting, architecture, auditing, engineering, law, planning and surveying may be negotiated by the Director of Purchasing or a designee rather than competitively bid, with the approval of the County Commissioners.

Things to know about professional services.

- The purpose of this alternate process is to allow the County to select the best qualified professionals, i.e., lawyers, architects, engineers, graphic designers.
- A “Request for Qualifications” (RFQ) process can be used to create a list of potentially interested vendors from which a professional or firm can be selected.
- Professional services contracts may be “time and materials” but are still subject to purchasing authority limits established in the Purchasing Ordinance.
- The Purchasing Ordinance requires the approval of the County Commissioners. This approval can be a simple authorization in open session to proceed, but it must occur before the agreement is signed.

E. **Service, repair, and maintenance contracts.** The nature of service and repair contracts may make it impractical to solicit prices by invitation for bids. Therefore, the Director of Purchasing or his or her designee may request proposals rather than engage in a formal bid process. The Director of Purchasing may consider ongoing Vendor relationships in the selection process, as well as other appropriate criteria to justify the final selection

Things to know about service, repair & maintenance contracts.

- The cost of a maintenance contract is part of the total purchase price.
- To the extent possible, the cost of maintenance/service contracts should be fixed at the time of purchase.
- Service, repair and maintenance contracts should not contain an auto-renewal clause and all contracts must be reviewed by the County Attorney.

F. **Services price fixed by law.** Services for which the rate or price is fixed by a public authority authorized by law to fix rates or prices may be purchased without competitive bidding.

Things to know about fixed prices.

- Some examples of prices fixed by law are electricity rates, tolls, and water/sewer.

G. **Lease or purchase of real estate.** Because of the nature of limited availability of real property and the specific needs of the County, leases for real property

may be made through direct negotiation by the Director of Purchasing and are not otherwise subject to the provisions of this chapter. Leases and fee simple purchases for real property shall be approved by the County Commissioners.

Things to know about real estate.

- The Commissioners approve all real estate transactions, purchase or lease.
- The County Attorney must approve all real estate and lease documents.

Caroline County, Maryland Purchasing Manual Part 2 - Bid Processes

1. Solicitation (the competitive bid process)

From the Purchasing Ordinance, “The preferred method for the County to procure goods, services, and construction is through competitive bid processes. The requirements for informal and formal solicitations shall be defined in the County’s purchasing manual. This includes but is not limited to bid bonds, performance bonds, modification of bids, withdrawal of bids, late bids, mistakes in bids, tie bids, single bids, alternate and conditional bids, bid evaluations, bid awards, rejections of bids, and bid protests.”

The single most important part of any bid process is providing **a complete, accurate, and detailed description** of what you are bidding.

2. Verbal bids

For goods and service up to \$5,000 in value, verbal bids are permitted. Historically, the process of securing verbal bids involved calling potential bidders by phone and asking for a quote or estimate. Now, the term “verbal” bid has expanded to include options like printing price data from an Internet website.

Three bids are a minimum, not a maximum. The person soliciting the bids must write the price/cost estimate, the name of the company, the person with whom they spoke, the date/time, and all other information necessary to independently confirm the bids.

3. Written bids

Any purchase of \$5,001 or greater requires a written bid unless an alternate process is approved. The simplest form of a written bid is a price/cost estimate provided by a firm. Written bids should include the cost/price information, the name of the company, the date the bid was submitted, and be signed by the person with the authority to provide the bid. Bids provided by email qualify as written bids. Specific rules for the information a bid must contain are normally

found in the bid documents, i.e., the Request for Bids (RFB) or Request for Proposals (RFP).

4. Vendor Lists

The County routinely receives requests from firms who want to sell us goods or services. The County's purchasing maintain vendor lists of interested firms by category. Over the course of the year, we may receive requests from a dozen firms who request being adding to the vendor list for turf mowing. If an RFB or RFP for turf mowing is issued, a copy of the bid documents will be mailed or emailed to every vendor on the appropriate vendor list.

Please refer interested vendors to the Purchasing section of the County's website:

<http://www.carolinemd.org/140/Purchasing-Procurement>

Or to the County's Purchasing Agent. Vendor lists will be reviewed annually. A vendor will remain on the appropriate vendor list for three (3) years after a request is made.

5. Advertising Bids

A major goal of the bid process is to secure as many qualified and responsive bids as possible. The first step is sending bid packages to firms on the vendors list. The Purchasing Agent also will ensure the bid is posted on the County's website and on eMaryland Marketplace. The Purchasing Agent may also post bid information on the County's social media site. To the extent possible, bids will be advertised through email, the Internet, and social media rather than print advertising.

6. Bid Documents & Specifications

One way to secure more qualified bids is to make the bid documents **simple** and **straightforward**. The County Attorney or Purchasing Director can provide a model Request for Bids (RFB) and Request for Proposals (RFP). As noted previously in the Purchasing Manual, it is critical to define exactly what goods or services the County is seeking. Well-written bid specifications result in more accurate bids and far fewer bid questions.

Caroline County tries to issue bid specifications that follow generally-accepted business practices and standards of workmanship. If a vendor believes County bid specifications are unreasonable and impose an impractical burden, they may contact the Purchasing Agent with those concerns. If the County finds the bid specifications to be unreasonable, the Purchasing Agent may issue a bid addendum. Any change to bid specifications (or any other part of the bid package) will be made in writing and a copy provided to all prospective vendors via email. Any bid addenda will be sent to vendors allowing enough time for bidders to make changes to bid submissions.

7. Pre-Bid Conferences

A pre-bid conference can be a useful way to handle questions about a bid package or to provide better information through a site visit. Pre-bid conferences can be voluntary or mandatory. Failure to participate in a mandatory pre-bid conference automatically disqualifies a vendor.

If a pre-bid conference is part of the bid process, the date, time, and place of the conference should clearly stated in the bid documents. The pre-bid conference should include a sign-in sheet to verify bidder attendance. This sign-in sheet should include a name, company, phone number, and email address.

At the opening of the pre-bid conference, the Purchasing Agent or County employee conducting the conference should briefly review the bid documents. Potential bidders may ask questions or seek clarification during the conference. The Purchasing Agent will keep notes. Any answer that materially changes the bid specifications will be codified as a bid addendum and provided to all prospective vendors via email.

8. Bidder's Responsibilities

The bidder is responsible for:

- Reading and understanding the bid documents, specifications, limitations, obligations, and terms.
- Reading and understanding the County's Purchasing Ordinance, Ethics Ordinance, and Purchasing Manual.
- Completing the bid response documents and providing all required information, samples, or descriptions.
- Signing the bid submission.

- Ensuring the bid response is complete and received by the County prior to the bid opening deadline.
- If the bid is award, completing all paperwork necessary to become an approved County vendor.

9. Bid Questions

All bid questions must be submitted in writing to the Purchasing Agent or to the contact person identified in the bid documents. Verbal questions will not be answered. Questions received in writing prior to the established deadline will be answered in writing. The answer(s) will be distributed to all vendors that have received a bid package.

10. Bid Addenda

The County reserves the right to amend bid documents. Bid documents are normally amended through a written addendum. An addendum may be issued to:

- Make changes in the bid opening date, time, or place.
- Correct inaccuracies or clarify ambiguities.
- Ensure all vendors have the same bid information.
- Correct quantities on the bid schedule
- Correct, add, deduct, or clarify specifications.

Bid addenda will be sent via email to all vendors that have received a bid package. The vendor must confirm receipt of the addendum. If a vendor fails to acknowledge receipt, the County reserves the right to dismiss this as an informality, if the vendor's submission shows that the information addendum has been addressed in the bid. If a vendor fails to address information included in a bid addendum, the Purchasing Agent may determine that the bid is not responsive. Bid addenda will not be issued within 48 hours of a bid opening.

11. Submitting Bids

All bid proposals must be received before the stated deadline. Sealed bids must follow the rules set out in the bid documents, i.e., submitted in a sealed envelope bearing the name of the vendor and the bid information. Once submitted, bids may not be retracted. If a bidder identifies an error in a submission, the vendor

may submit a correction prior to the bid opening, however; no corrections will be made the day of the bid opening or after the bid opening.

12. Sealed Bid Openings

At the time, date, and place established in the bid documents, sealed bids shall be opened and read aloud. The Purchasing Agent or his/her designee will record the name of each vendor and the bid amount. Unless otherwise noted, all bid responses shall be valid 60 days from the bid opening. The bid submission shall be binding on the bidder for this period. Both parties may agree to extend this period. Late bids will not be accepted or opened.

13. Evaluating Bids

Bids can be evaluated by an individual like a department head or the Purchasing Agent. Bids also may be evaluated by the panel. Ideally, the criteria for evaluating a bid should be included in the bid documents. The criteria may be a simple list of factors or there can be a formula where different factors are given different weights. For example, a bid might be evaluated giving 60 percent weight to cost and 40 percent weight to vendor qualifications/experience.

Low bid versus Most Favorable

Often bidders believe that the low bid is entitled to receive the bid award. This is not true. For a bid to be considered, it first must be responsive. The bid must contain the necessary components and comply with the bid submission rules. Whether a bid is responsive or not is determined by the County official who issued the bid with the assistance of the Purchasing Agent or the Purchasing Director.

All responsive bids are evaluated by price and may be evaluated based on other criteria including (but not limited to) the terms and conditions of a bid submission, the qualifications and experience of the bidder, timeline for delivery, local preference, references, and any other conditions outlined in the bid documents or determined to be relevant by the County. If the low bidder does not receive the bid award, the Purchasing Agent and/or person issuing the bid must prepare a written summary of why another bidder was selected.

Factors routinely considered:

- Status to conduct business in the State of Maryland.
- Financial ability to provide the services required to complete the contract as well as being current on federal, state and local taxes.
- Skill, judgment, experience and resources to capably provide the services or complete the Contract.
- Necessary facilities, staff, personnel, and equipment to complete the contract.
- Demonstrated ability to satisfactorily perform work in a prompt and conscientious manner as indicated by positive references where similar work has been successfully performed.
- Demonstrated ability to comply in situations where the award is contingent on special considerations subject to the nature of the services or contract required.

14. Protesting Bids

An individual or firm who submits a bid and is not selected may protest the bid award. Protest may be filed during the bid process or within five (5) days of the bid award.

If the protest arises during the bid response period prior to bid opening, the bidder shall provide notice to the Purchasing Director detailing the protest not later than five (5) calendar days prior to the opening. If the protest is filed after the bid opening, the bidder will provide notice to the Purchasing Agent no less than five (5) days after the bid opening. If the dispute is filed after the bid opening, the bidder shall provide a protest bond equal to 10 percent of winning bid or \$25,000, whichever is less. A letter of credit or other approved security payable to the County may be accepted. Failure to submit a bond simultaneously with the protest shall invalidate the bid protest.

The protest may be forwarded to the Purchasing Agent by email or by certified mail. The notice shall be on the bidder's letterhead and signed by an individual with the authority to represent the firm. All available facts, information, and documentation shall be provided to the Purchasing Director by the bidder with the notice of protest at the time the protest is filed. Any additional documentation not provided by the protestant shall not be considered unless the information indicates fraud or misrepresentation in the procurement process.

The Purchasing Director's decision shall be made in writing and provided to the vendor by email, surface mail, and/or certified mail. If the bid amount is within the

purchasing authority of the Purchasing Director, his or her decision is final. If the bid amount is above that level, a copy of the Purchasing Director's decision shall be provided to the County Commissioners when approval is sought for the purchase order.

15. Awarding Bids /Notice of Award

Once the evaluation process is complete, the Purchasing Department shall provide a Notice of Award to the successful bidder and notification to all unsuccessful bidders. The Notice of Award shall contain information on the protest process and that the award will not become final until the five (5) day protest period has ended.

If all bids are rejected, the Purchasing Department will notify all participating bidders. The Purchasing Agent, Purchasing Department, and/or Purchasing Director serves the right to reject any and all bids when it is determined such rejection is the County's best interest. A bid process may be cancelled at any time if it is determined that cancellation is in the County's best interest.

16. Notice to Proceed

After the Notice of Award is issued, the Purchasing Department shall issue a Notice to Proceed after all bid requirements (vendor certification, bid bond issuance, etc.) are met. The Purchasing Department should consult with the Purchasing Agent to verify completion of the bid requirements. On construction contracts, the number of workdays allowed is normally calculated based on the Notice to Proceed.

17. County Agreements

By submitting a bid response, a bidder understands and agrees to execute the County's form contract. An example of the form contract should be provided in the bid documents. Failure or refusal to execute the County's form contract may result in the bidder losing the award and removal from the County's Vendors List.

18. In-County Preference

From the Purchasing Ordinance:

The County Commissioners reserve the right to show preference to local Bidders in the purchase, lease, or lease-purchase of goods, services, and construction. The amount of preference shall not exceed five (5) percent in purchases up to or equaling \$100,000 and two-and-one-half percent (2.5) in purchase greater than \$100,000. Any In-County Bidder in default on payment of any County or state tax shall not be eligible to receive preference until all taxes due are paid.

Local preference is based on the business address of the bidding firm.

19. Review

The Office of Finance may review any purchase made by a County department. This review may include an audit of all records.

Purchasing Manual Adoption and Revision History:

- Adopted; Resolution #2017-024; September 5, 2017