

<p align="center">FINANCIAL POLICY</p>	<p align="center">EFFECTIVE DATE: February 28, 2023</p>	<p align="center">NUMBER: 1320-002</p>
<p align="center">PURCHASING POLICY</p>	<p align="center">APPROVED BY: Board of Supervisors</p>	<p align="center">REVISION: 2001, 2006, 2011 2015,2017</p>



PURCHASING POLICY

February 28, 2023

COCONINO COUNTY PURCHASING POLICY

TABLE OF CONTENTS

MISSION STATEMENT	5
SECTION ONE: PURPOSE	6
SECTION TWO: GENERAL PROVISIONS	
2.1 Applicability	7
2.1.1 Exemptions.....	7
2.2 General Principals of Law and Good Faith Applicable.....	7
2.3 Authority	7
2.4 Conflict of Interest	9
2.5 Severability	10
2.6 Confidential Information	10
2.7 Capital Purchases.....	11
2.8 Records Retention.....	11
2.9 Taxes	12
2.10 Purchasing with Grant Funds.....	12
2.11 Year End Cut Off.....	12
2.12 Procurement Card	12
2.13 Approval of Accounting System.....	13
2.14 Right to Inspect.....	13
2.15 Right to Audit Records	13
2.16 Reporting of Anticompetitive Practices.....	13
SECTION THREE: PURCHASING ETHICS	
3.1 Employee Ethics	14
3.2 Vendor Ethics	15
3.3 Fraud	15
3.4 Penalty	16
SECTION FOUR: REQUISITIONS AND PURCHASE ORDERS	
4.1 Purpose of Requisitions	17
4.2 Purchasing Requirements at Various Dollar Thresholds	17
4.3 Exempt Purchases	18
4.4 General Information	18
4.5 Purchase Order Revisions (PO Change Order)	19
SECTION FIVE: CONTRACT / CONSTRUCTION CHANGE ORDERS	
5.1 General Information	20
5.2 Construction Projects, Equipment, Goods, and Services	21

SECTION SIX: SOURCE SELECTION

- 6.1 Developing Suppliers22
- 6.2 Bidders List22
- 6.3 Competitive Sealed Bids22
 - 6.3.1 Authority22
 - 6.3.2 Bid Specifications23
 - 6.3.3 Invitation for Bids.....23
 - 6.3.4 Pre-bid Conference24
 - 6.3.5 Addendum to a Bids24
 - 6.3.6 Bid Opening24
 - 6.3.7 Pre-Opening Modification or Withdrawal of Bids24
 - 6.3.8 Errors/Corrections to Bids25
 - 6.3.9 Unsigned Bids.....25
 - 6.3.10 Late Bids25
 - 6.3.11 Bid and Performance/Payment Bonds25
 - 6.3.12 Identical Bids26
 - 6.3.13 Rejection and Cancellation of Bids.....26
 - 6.3.14 Rejection of Individual Bids, Proposals, Quotes or Statements
Qualifications.....27
 - 6.3.15 Bid Acceptance and Evaluation27
- 6.4 Contract Award.....28
 - 6.4.1 Consideration of Taxes in Competitive Sealed Bidding.....28
- 6.5 Construction Contracts.....28
- 6.6 Competitive Sealed Request for Proposals (RFP) 28
 - 6.6.1 General Provisions28
 - 6.6.2 Request for Proposals Procedures.....28
 - 6.6.3 Evaluation of Proposals29
 - 6.6.3.1 Evaluation Committee29
 - 6.6.4 Proposal Addenda and Best and Final Offers29
 - 6.6.5 Negotiations with Offerors30
- 6.7 Selection Architectural/Engineering Professional Design Services30
 - 6.7.1 Qualifications Based System31
- 6.8 Legal Services.....31
 - 6.8.1 Authority.....31
- 6.9 Small Purchases32
- 6.10 Sole Source Purchases32
 - 6.10.1 General Information33
 - 6.10.2 Sole Source Procurement33
- 6.11 Single Source Procurement – Competition not Practicable..... 33
- 6.12 Emergency Purchases of Materials and Services.....34
 - 6.12.1 Purpose34
 - 6.12.2 Authority34
 - 6.12.3 Procedures35

SECTION SEVEN: CONTRACT FORMATION AND ADMINISTRATION

7.1 Types of Contracts36
7.2 Multi-Year Contracts36
7.3 Contract Form and Execution36
7.4 Cost Principals37
7.5 Cost of Pricing Data37
7.6 Assignment of Rights and Duties37
7.7 Contract Administration37
 7.7.1 Principals37
7.8 Contracts38
7.9 Termination of a Contract38
 7.9.1 Terminating for Convenience39
 7.9.2 Terminating for Cause39
7.10 Contract Periods40

SECTION EIGHT: SPECIFICATIONS

8.1 Definition41
8.2 Maximum Practicable Competition41
8.3 Specifications Prepared by Other than County Personnel41
8.4 Brand Name or Equal Specification41

SECTION NINE: LEGAL AND CONTRACTUAL REMEDIES

9.1 Protests of Award42
9.2 Timeframe for Filing of Protests42
 9.2.1 Protests Concerning Improprieties in a Solicitation42
9.3 Stay of Procurement During a Protest43
9.4 Confidential Information43
9.5 Decision by the Purchasing Manager43
9.6 Remedies44
9.7 Appeals to the County Manager44
9.8 Filing of a Contract Claim45
 9.8.1 Content of a Claim45
 9.8.2 Purchasing Manager Decision45
 9.8.3 Final Decision45
 9.8.4 Issuance of a Timely Decision45
 9.8.5 Appeals to the County Manager46
 9.8.5.1 Content of Appeal46
9.9 County Claims Against a Contractor46
 9.9.1 Hearing46
 9.9.2 Mediation46
 9.9.3 Arbitration46
9.10 Responsibility of Bidders and Offerors47
 9.10.1 Determination of Non-Responsibility47
 9.10.2 Right of Non-disclosure47
9.11 Suspension and Debarment of Vendors47
 9.11.1 Purpose47

9.11.2	Authority to Debar or Suspend	48
9.11.3	Causes for Debarment or Suspension	48
9.12	Matters not Proper for Debarment or Suspension	49
9.13	Period of Debarment	49
9.14	Notices to Vendor	49
9.15	Imputed Knowledge	49
9.16	Reinstatement	50
9.17	Hearing Procedures	50
9.17.1	Recommendation by the Hearing Officer	51
9.17.2	Final Decision by the Finance Director	51
9.17.3	Judicial Review of Protests, Claims, or Controversies, Debarments, or Suspensions	51
9.17.4	Exclusive Remedy.....	52
 SECTION TEN: LEASING		
10.1	General Information	53
10.2	Procedural Information	53
10.3	Rental of Equipment	53
10.4	Leasing of Buildings	53
 SECTION ELEVEN: COOPERATIVE PURCHASING		
11.1	Cooperative Purchasing Agreement... ..	54
11.2	Purchasing Agreements Required	54
11.3	Cooperative Purchasing Authorized	54
 SECTION TWELVE: MATERIALS MANAGEMENT		
12.1	General Provision	56
12.2	Disposition	56
 GLOSSARY OF TERMS		57
 APPENDIX A: STATEMENT REGARDING RESPONSIBILITY AND COMPLIANCE WITH IMMIGRATION AND ANTI-TERRORISM LAWS.....		61
 APPENDIX B: AFFIDAVIT BY CONTRACTOR CERTIFYING THAT THERE WAS NO COLLUSION IN BIDDING FOR CONTRACT.....		63
 APPENDIX C: SINGLE SOURCE REQUEST FORM.....		64

COCONINO COUNTY PURCHASING POLICY

MISSION STATEMENT

With commitment and action, the Coconino County Purchasing Office will provide to all citizens, County departments and vendors:

- ❖ Fiscal responsibility and prudence
- ❖ Adherence to the NIGP code of Ethics
- ❖ Utilization of environmentally sustainable products and practices
- ❖ Consideration of local value in vendor selection
- ❖ Alignment of the County's strategic goals with its procurement procedures

SECTION ONE

PURPOSE

The purpose of this manual is to establish the purchasing policies for Coconino County and to inform County staff and the public of these policies. These policies presented have been reviewed and approved by the Board and should be used to determine the appropriate policies to be followed for a particular procurement. In cases where this policy does not address a particular situation, the Arizona State Procurement Code found in Title 41 of the Arizona Revised Statutes will be followed.

Specifically, this policy will:

- i. Simplify, clarify and modernize the rules governing the purchasing process by the County.
- ii. Allow for the continued development of County purchasing policies and procedures.
- iii. Provide for a uniform system of control to enhance accountability and increase public confidence in County purchasing practices.
- iv. Obtain in a cost-effective and timely manner the materials, services, and construction required by the County to better serve its citizens.
- v. Ensure that fair and equitable economic opportunities are afforded to all persons and businesses that desire to compete for County business.
- vi. Provide best value in County purchasing processes and maximize the purchasing value of public monies expended by the County.
- vii. Provide purchasing services in the most ethical manner.
- viii. Provide safeguards for the maintenance of a procurement system of quality and integrity.

SECTION TWO
GENERAL PROVISIONS

2.1 Applicability

This Purchasing Policy prescribes policies and procedures for the acquisition of supplies, equipment, and services both operating and capital. This code applies to expenditure of public funds irrespective of funding source, including State and Federal assistance monies, except that nothing in this policy shall prevent Coconino County from complying with terms and conditions of any grant, gift, bequest, cooperative agreement, or Federal or State guideline.

2.1.1 Exemptions

- i. The procurement of professional experts or witnesses to provide testimony or other professional services relating to pending or anticipated litigation or administrative proceedings.
- ii. Agreements negotiated by the County attorney in settlement of litigation or threatened litigation.
- iii. The procurement of services related to land titles, appraisals, real property acquisitions or property management authorized under Arizona Revised Statutes Titles 11, 28, or 48.
- iv. Intergovernmental agreements and contracts subject to Arizona Revised Statutes Title 11, Chapter 7, Article 3.

2.2 General Principles of Law and Good Faith Applicable

In addition to the particular provisions of this policy, the principles of law and equity, including the uniform commercial code of this State, the common law of contracts as applied in this State and law relative to agency, fraud, misrepresentation, duress, coercion and mistake supplement the provisions of this chapter.

This Policy requires all parties involved in the negotiation, performance, or administration of County contracts to act in good faith.

2.3 Authority

In accordance with ARS 11-201, the Board of Supervisors is the only entity that has authority to incur financial, legal and other obligations on behalf of the County, its agencies and elected officials. Although some County officials may have express or implied authority to enter into contracts, all of their expenditures are subject to budgetary

approval by the Board of Supervisors. To ensure fiscal control, the Board of Supervisors must approve all contracts or specifically authorize a designated elected or appointed official to enter into contracts. Any person who intentionally purchases goods or services not in compliance with this policy runs the risk of being held personally liable for the cost of the purchase. The Board has delegated this authority as follows:

i. Board of Supervisors

The Board of Supervisors shall approve all purchases and/or contracts for goods and/or services for the aggregate dollar amount of \$100,000 and above. These procurements must be put on the Board's agenda and be routed through the Budget, Purchasing, Risk Management and County Attorney Approvers.

ii. County Manager

The County Manager or their delegates may approve emergency or field expediency purchases to personnel in other County Departments, as specified in Section 6.12.1, provided such delegation is limited, specific, and subject to immediate revocation.

iii. Finance Director

The Finance Director shall adopt operational procedures, consistent with this policy, governing the procurement and management of all materials, services and construction to be procured by this County.

The Finance Director or their designee shall approve goods and materials and contracts for services with an aggregate dollar value between \$50,000 and \$100,000.

The Finance Director or their designee has the authority to ratify contracts with an aggregate dollar value of up to \$100,000.

The Finance Director or their designee has the authority for issuing invitations for formal Bids, Request for Qualifications and Requests for Proposals.

The Finance Director or their designee shall coordinate and manage the disposal of the County's surplus and obsolete materials and equipment.

iv. Purchasing Manager

The Purchasing Manager shall approve purchases for goods and materials and contracts for services for amounts between the aggregate dollar value of \$10,000 and \$50,000.

v. Elected and Appointed Department Heads

Department Heads may approve purchases and contracts with an aggregate dollar value of less than \$10,000.

Neither elected nor appointed Department Directors may exceed the limits of this Purchasing Policy unless the Board of Supervisors or the Arizona Revised Statutes delegate specific authority.

vi. County Attorney

All contracts shall be reviewed by the County Attorney's Office.

If new grants or contracts are received by the County, either by any of its agencies headed by elected or appointed officials, they must be approved first by the Board of Supervisors. This includes contract renewals for a new fiscal year or contract period. Other fiscal and Budget authorizations and approval information can be found in the Fiscal and Budget management Policies.

2.4 Conflict of Interest

State Statute, defines conflict of interest, in part, as follows:

ARS §38-503A Conflict of Interest; exemption; employment prohibition.

Any public officer or employee of a public agency who has, or whose relative has, a substantial interest in any contract, sale, purchase or service to such public agency shall make known that interest in the official records of such public agency and shall refrain from voting upon or otherwise participating in any manner as an officer or employee in such contract, sale or purchase.

ARS §38-503B Conflict of Interest; exemption; employment prohibition.

Any public officer or employee who has, or whose relative has, a substantial interest in any decision of a public agency shall make known such interest in the official records of such public agency and shall refrain from participating in any manner as an officer or employee in such decision.

The mere employment of an individual simultaneously by the County and an outside company that has a direct or indirect business relationship with the County, in itself, establishes no conflict of interest. A conflict of interest would arise if actions by the County employee conferred a direct or indirect pecuniary or proprietary benefit on the County employee or a relative by virtue of that person's connection with the outside business. The law provides that when the potential for a conflict of interest arises, the

County employee must make his interest (or that of a relative) known and refrain from taking any action or otherwise participating in any way in the matter.

Every County employee has a legal obligation under ARS§ 38-501 *et seq.* to diligently identify, disclose, avoid and/or manage conflicts of interest. Disclosures must be made according to Personnel Policy 4.1 (Code of Ethics).

Should a question arise pertaining to any potential conflict of interest in a purchasing situation, consult with the Finance Director and the County Attorney's office for advice. ARS §38-510 Penalties, outlines specific consequences should these regulations be violated. These include but are not limited to being guilty of a class 6 felony for knowingly or intentionally violating may include but are not limited to: forfeiture of public office or employment (if any), class 1 misdemeanor for reckless or negligent violations, and / or a class 6 felony for knowingly or intentionally violating any provisions of sections 38-503 through 38-505. These would be in addition to any disciplinary actions under the County policies.

2.5 Severability

The provisions of this policy are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, or division, or the invalidity of the application thereof to any person or circumstances shall not affect the validity of the remainder of this policy, or the validity of its application to other persons or circumstances.

2.6 Confidential Information

Purchasing information shall be a public record to the extent provided in ARS 39-121 and shall be available to the public as provided in the statute.

Claims of confidentiality may be honored in limited circumstances to the extent allowed under the law as an exception to the public records requirements. The County Attorney's Office shall be asked to assist in these determinations. Confidential information shall be designated as follows:

- i. If a person believes that a bid, proposal, offer, specification, or protest contains information that should be withheld, a statement advising the Purchasing Manager of this fact shall accompany the submission and the information shall be so identified wherever it appears.
- ii. The information identified by the person as confidential may not be disclosed until the Purchasing Manager makes a written determination.
- iii. The Purchasing Manager shall review the statement and information and may determine in writing that the information shall be withheld or disclosed.

- iv. If the Purchasing Manager determines to disclose the information, interested person(s) shall be notified in writing.
- v. Claims of confidentiality will be considered on a case-by-case basis.

2.7 Capital Purchases

Capital purchases are defined as machinery, equipment, and vehicles with a usual life exceeding one year and costing \$5,000 or more. Also included, are land, building and improvements other than buildings costing \$5,000 or more.

Generally, capital purchases must be proposed and approved as part of the annual budget process. However, occasionally it is necessary to make non-budgeted capital outlay purchases when unusual circumstances exist. Non-budgeted capital purchase requisitions are subject to Finance Director and County Manager review and approval to determine the availability of funds. The Finance Director shall review any non-budgeted capital purchases. If the Finance Director determines that funds are available, the request will be forwarded to the Purchasing Office for processing of a purchase order.

Capital items over the aggregate dollar amount of \$100,000 will be purchased through the competitive bid process, per ARS 11-254.01.

2.8 Records Retention

All Purchasing records shall be retained and disposed of by the County in accordance with record's retention guidelines and schedules issued by the State of Arizona Department of Library, Archives and Public Records. If a contract is funded in whole or in part by assistance from a Federal agency, then the record's retention requirements of that granting agency shall be followed. Defacing or changing records is expressly prohibited and will result in disciplinary action. Records or documents are not to be removed from their normal location in the Purchasing Office without approval of the Finance Director.

All determinations and other written records pertaining to a solicitation, award or performance of a contract shall be maintained by the County in a bid file by originating departments and the purchasing office.

Any person who places an unauthorized order on behalf of the County runs the risk of being held personally liable for the cost of the purchase.

2.9 Taxes

Coconino County is responsible for the payment of all applicable sales and use taxes as may be required by the State of Arizona or its political subdivisions, or municipalities, in accordance with State tax laws, or local tax laws.

Coconino County is exempt from the payment of Federal Excise taxes.

2.10 Purchasing with Grant Funds

If a department uses grant funding for purchases and the specific funding agencies policies and guidelines are not covered by the County's Purchasing Policy, compliance with those policies and guidelines is obligatory. The most stringent law(s), regulation(s) must be followed whenever Federal, State, or County policy(s) must be followed whenever Federal, State, or County policies are in conflict. Any additional policies or procedures required by outside funding sources shall be followed when they apply to a particular procurement.

It is the responsibility of each department head to implement practices to ensure that all employees adhere to the County's purchasing policies and procedures **and** any additional purchasing policies and procedures required by their other funding sources.

Compliance with the Federal Uniform Guidance procurement procedures as outlined in 2 CFR §§200 is required for purchasing with Federal funds. A contract template with these regulations and procedures is available through the Purchasing Department.

2.11 Year-End Cutoff

All expenditures for goods and services must be charged to the fiscal year in which they were received or performed, regardless of when the order was placed or when the invoice is received.

2.12 Procurement Card

County employees may apply for a Master Card through Bank of America, as approved by their Department Director. New card holder applications are submitted through the Bank of America Works program. After an approved application is submitted, all new card holders must attend a mandatory training session prior to receiving the card. This session is required for all elected and appointed officials as well as staff level employees. The training session will cover all policies and procedures for procurement card usage, reconciliation, and reporting. A complete procurement card policy, as adopted by the Board of Supervisors, is available on Sharepoint (intranet).

The procurement card is to be used for small purchases (defined as those less than \$3,000) and travel expenses. Purchases must NOT be split in order to avoid issuing a purchase order for goods and services that exceed \$3,000.

2.13 Approval of Accounting System

The Purchasing Manager may require that the proposed contractor's accounting system is adequate to allocate costs in accordance with generally accepted cost accounting principles prior to award of a contract.

2.14 Right to Inspect

The County may, at reasonable times, inspect the part of the plant or place of business of a contractor, consultant, or any subcontractor or sub-consultant that is related to the performance of any contract awarded or to be awarded by this County.

2.15 Right to Audit Records

The County may, at reasonable times and places, audit the books and records of any person who submits cost or pricing data as to the extent that the books and records relate to the cost or pricing data. Any person who receives a contract, change order or contract modification for which cost, or pricing data is required shall maintain the books and records that relate to the cost or pricing data for three years from the date of final payment under the contract, unless a shorter period is otherwise authorized in writing by the Purchasing Manager.

The County is entitled to audit the books and records of a contractor, consultant or any subcontractor or sub-consultant under any contract or subcontract to the extent that the books and records relate to the performance of the contract or subcontract. The books and records shall be maintained by the contractor for a period of three (3) years from the date of final payment under the prime contractor or consultant, and by the subcontractor or sub-consultant for a period of three (3) years from the date of final payment under the subcontract, unless a shorter period is otherwise authorized in writing by the Purchasing Manager.

2.16 Reporting of Anticompetitive Practices

If for any reason collusion or other anticompetitive practices are suspected among any bidders or offerors, a notice of the relevant facts shall be transmitted to the Finance Director and the County Attorney. This section does not require a law enforcement agency conducting an investigation into such practices to convey such notice to the Purchasing Manager.

SECTION THREE
PURCHASING ETHICS

3.1 Employee Ethics

It is the policy of the Purchasing Office to promote the County's reputation for courtesy, fairness, impartiality, integrity, service, economy, and government by law. The responsibility for implementing this policy rests with each individual who participates in the purchasing process, including the procuring department and suppliers, as well as purchasing personnel. The Purchasing Office adheres to the ethical standards modeled after the American Bar association (ABA) Model Procurement Code as set forth by the National Association of Purchasing Management and the National Institute of Governmental Purchasing.

No public employee having official responsibility for a purchasing transaction shall represent the County in that transaction when the employee knows that:

- i. The employee is contemporaneously employed by a bidder, offeror or contractor involved in the procurement transaction;
- ii. The employee, the employee's domestic partner, or any member of the employee's immediate family holds a position with a bidder, offeror or contractor such as officer, director, trustee or partner, has a personal and substantial participation in the transaction, or owns or controls more than five (5%) percent of the firm;
- iii. The employee, the employee's partner or any member of the employee's immediate family has a pecuniary interest arising from the transaction;
- iv. The employee, the employee's partner or any member of the employee's immediate family is negotiating, or has an arrangement concerning prospective employment with a bidder, offeror or contractor;
- v. No employee having official responsibility for a purchasing transaction shall solicit, demand accept or agree to accept any payment, loan subscription, advance deposit of money, services, entertainment or anything of more than nominal value from any bidder, offeror, contractor or subcontractor. Employees may attend functions that are not limited exclusively to Coconino County employees, i.e., an industry trade fair, or like function.

Any person involved in a transaction may request a written County Attorney's opinion about the applicability of these provisions.

3.2 Vendor Ethics

Coconino County requires vendors to also be held to certain ethical requirements as follows:

- i. No bidder, offeror, contractor or subcontractor shall confer upon any public employee having official responsibility for a purchasing transaction any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal value, present or promised.
- ii. All vendors are required to disclose potential conflicts of interest. Additionally, all bidders, offerors, contractors or subcontractors shall submit with their bid or contract a formal written disclosure of interest to inform any personal interest of any member of the Board of Supervisors, County Manager, Elected or Appointed Official, Department Head, County Attorney, Finance Director, Purchasing Manager, or the spouse of each official.
- iii. Failure to make the required disclosure may result in disqualification, debarment, and suspension from bidding and recession of contracts.
- iv. No contractor or subcontractor shall give, demand or receive from any supplier, subcontractor, or competitors any bribe, kickback, or anything of value in return for participation in a purchasing transaction or agreeing not to compete in a transaction; and
- v. Architects or engineers employed by the County may not furnish building materials, supplies or equipment for any structure or project on which they are providing professional services.
- vi. All employees must also follow gift acceptance rules as outlined in the conflict of interest policy (Personnel Policy 4.1 (Code of Ethics)).
- vii. Vendors shall not contact or hold discussions with County leadership or procurement decision makers outside of formal pre-bid conferences regarding any outstanding procurement solicitations.

3.3 Fraud

An act of fraud, is committed if an employee of the County negotiates a personal purchase by fraudulent use of a County requisition number or purchase order number. Fraud also occurs if an employee claims a purchase is on behalf of Coconino County when in fact the purchase was made solely for personal use. A personal purchase from the State Contracts is also an offense subject to prosecution. Fraud is subject to

prosecution and employee discipline. Please refer to the Coconino County Fraud policy in the Finance Department Policy Manual for more information.

3.4 Penalty

Willful violation of the County's purchasing Ethics Code may result in disciplinary action up to and including termination of employment.

County staff is encouraged to request assistance from the County Attorney's Office whenever questions arise regarding the applicability of these provisions.

SECTION FOUR

REQUISITIONS AND PURCHASE ORDERS

4.1 Purpose of Requisitions

A purchase order serves as a contract between the County and a supplier for the procurement of equipment, supplies, services, materials, land, buildings, and the lease/purchase or rental of equipment.

The three most important purposes and functions of a requisition is to convey to the vendor and the Purchasing Office exactly what the user requirements are, obtain the proper approvals, and to ensure that budgeted funds are available prior to committing County funds. Users should make certain the product or service description is clear, concise and contains sufficient information for the Buyer to process the requisition into a purchase order and so that the vendor provides the correct goods and services. Requisitions that are properly created by the user department increase the efficiency of the purchasing process and reduce the time needed to process the requisition.

Requisitions must be entered into the County’s financial management system (Enterprise ERP (Munis)) and approved prior to Purchasing issuing a purchase order, except in emergency situations.

4.2 Purchasing Requirements at Various Dollar Thresholds

The following table indicates the requirements for purchasing at various dollar levels. These are adopted and should be used based on aggregate expected purchase amounts except for construction contracts that are multi-year bids.

Dollar Amount	Requisition/Purchase Order	Three Written Quotes	Formal Solicitation (Bid/RFP/RFQ)
0 - \$9,999.99	No	Not required, but may be prudent	No
\$10,000 - \$99,999.99	Yes	Yes	No
≥\$100,000	Yes	No	Yes

Purchases that do not require a purchase order should be acquired with as much competition as practical. Departments are required to be responsible for obtaining best value at this threshold. The three written quotes obtained for purchases between \$10,000 and \$100,000 must be kept on file with the user department and made available when requested for the County audit. A vendor submitting a “no quote” is considered a valid quote. This should be documented in writing if possible either as a direct reply from the vendor, or documenting attempts to contact with no response.

Arizona Revised Statute Title 41, Chapter 23, Article 5 Section 2851 Procurement of certain professional services allows for the following: “A purchasing agency may procure under this section a single contract or multiple contracts for professional services by a person or firm other than an an architect and the contract amount is five hundred thousand dollars or less.” For such procurements, Coconino County shall encourage persons or firms engaged in the lawful practice of the profession to submit annually a statement of qualifications and experience. Selection of professional services requires an appropriately qualified selection committee under the direction of the County Purchasing Manager. Refer to policy section 6.7 for more information on professional service contracts.

4.3 Exempt Purchases

Purchases that are exempt from requisition submission are:

- i. Salaries and related costs; FICA, Federal and State withholding tax
- ii. Visiting judges, and County court reporters
- iii. Jury and witness fees (does not include expert witness)
- iv. Travel – (see Travel Policy found on SharePoint)
- v. Utilities: telephone, gas, electric, water, etc.
- vi. Medical costs for indigents
- vii. Purchases of \$10,000 or less (micro purchases)
- viii. Insurance settlements
- ix. Revenue refunds.
- x. Postage
- xi. Mandated payments, where payments are made to the State or an entity selected by the State of Arizona and for which the County has no option for obtaining competitive pricing. Examples include but are not limited to: Title 36 Involuntary Commitment Services, Restoration to Competency commitments, AHCCCS payments, Contributions to the Arizona Long-Term Health Care Cost Containment System, and Use Tax remittances.
- xii. Others, as approved by the Board of Supervisors.

4.4 General Information

A purchase order may be cancelled by the County if the goods or services are not delivered within the agreed upon time frame and without acceptable notification from the vendor.

A purchase order must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM.gov), in accordance with 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as

parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. All purchase orders that exceed \$25,000.00 must be checked against the SAM to ensure the vendor is not debarred or suspended and documentation must be uploaded into Munis as part of the requisition entry. This must be done at the department level if using or expecting to use Federal funds.

4.5 Purchase Order Revisions (PO Change Order)

A purchase order may be revised for various reasons, including changes in estimates, or length or type of services needed. Changes of an immaterial nature, that would not significantly alter the approvals needed for the purchase may be authorized at the department or end user level.

Any changes, regardless of the dollar amount of the change that would move an item into the next level of approvals, require prior approval at the new level. For example, a purchase of services was approved by the Purchasing Manager initially for \$49,980. The revision would increase the amount by \$50 which would require Finance Director approval. Other purchasing procedures may be required, including obtaining quotes, requesting board approval, etc. Due to these types of concerns, it is recommended that if a purchase is estimated to be close to one of the purchasing thresholds, the stricter purchasing requirements of that level be followed.

SECTION FIVE

CONTRACT / CONSTRUCTION CHANGE ORDERS

5.1 General Information

The County, without invalidating the contract, may order changes in the work within the general scope of the contract consisting of additions, deletions, or other revisions; the contract sum and the contract term being adjusted accordingly. All such changes in the work shall be authorized by change order, and shall be performed under the applicable conditions of the contract documents. The contractor shall bear any additional fees and costs incurred by the owner, architect, engineer, or consultant for fees as a result of a change order which adjusts the contract time and which is not because of any act or omission of the owner, architect, engineer or consultant.

The cost or credit to the County resulting from a change in the work shall be determined in one or more of the following ways:

- i. By unit price stated in the contract documents.
- ii. By cost, as defined below, properly itemized and supported by sufficient substantiating data to permit evaluation. Such costs shall be itemized by crafts defined within the schedule of values and limited to the following items directly allocable to the change in work:
 - a) Cost of materials, including cost of delivery.
 - b) Cost of labor, including, but not limited to, social security, and unemployment insurance and fringe benefits required by agreement and worker's compensation insurance.
 - c) Rental value of equipment and machinery.
 - d) Sales tax, insurance and bond premiums.
 - e) Amounts for any additional supervision and field office personnel, which shall not exceed five (5%) percent of the total of the above paragraphs.
- iii. By mutual acceptance of a lump sum properly itemized and supported by sufficient substantiating data to permit evaluation; provided that such lump sum shall not exceed that amount calculated under ii above.

5.2 Construction Projects, Equipment, Goods, and Services

All change orders within amounts appropriated in the current fiscal year budget for the subject of the bid award will be authorized and executed in the following manner.

The change order will be initialed by the architect/engineer with their recommendation and then forwarded to the Departmental Project Manager for approval. The Change Order shall then be forwarded to their Department Director for approval or rejection.

The Board of Supervisors reserves the right to adjust these authorized approval amounts for any individual project. The initial award should also include any allowances or contingencies above the contract amount. Requests for Change Order approval should be made in the same manner in which the BOS approves the initial contract award.

Any change order which causes the total expenditures on a project to exceed the approved amount for that project by the Board of Supervisors, must be approved by the Board of Supervisors.

SECTION SIX

SOURCE SELECTION

6.1 Developing Suppliers

The overriding principle which guides the Purchasing Office source selection is to bring about the best competition and value practical to all procurements of goods and services. While it is impractical to secure bids or quotes from every qualified supplier, it is necessary that competition be as fair and open as circumstances permit. To ensure this competition, every effort is made to solicit bids and quotes from known manufacturers, distributors or dealers. A vendor's policy for doing business with the County is available on the County's web site <http://www.coconino.az.gov/purchasing>

6.2 Bidders List

The Purchasing Office maintains a current list of suppliers who are interested in selling goods and services to the County. Suppliers are added to the bidder's list when they complete the online registration form located on the County web site (Ion Wave). Vendors automatically receive a Notice of Bid/RFP/RFQ when a solicitation is issued for any of the commodities that they have selected for their company. It is the express responsibility of the vendor to ensure that they are registered to receive notices of solicitations for their desired commodities and to make any changes to their company contact information.

6.3 Competitive Sealed Bids

6.3.1 Authority

In accordance with the authority delegated by the Board of Supervisors, the Finance Director is responsible for preparation of invitations for bids, opening of bids, and recommendations regarding awards in connection with the purchase of supplies, materials and nonprofessional contractual services with an estimated aggregate total cost in excess of One Hundred Thousand Dollars (\$100,000). Coconino County follows ARS 11-254.01 as its authority for public bidding procedures.

Per ARS §11-254.01:

All purchases of supplies, materials, equipment and contractual services, except professional services made by the County having an estimated cost in excess of ten thousand dollars per transaction, or the aggregate dollar amount provided for in section 41-2535, if pursuant to section 41-2501, subsection C the board of supervisors adopts the aggregate dollar amount, shall be based on sealed competitive bids. The county purchasing agent shall make the awards based on board of supervisors (sic) approval. The invitation for bids and specifications must be issued in sufficient time before the purchase is made and in sufficient detail to

permit free competition. Notice of the invitation for bids shall be published in a newspaper in accordance with title 39, chapter 2 unless the board of supervisors, by at least a two-thirds vote of its membership determines that an emergency exists requiring immediate action to protect the public health or safety. Copies of the invitation and specification shall be supplied to and bids shall be solicited from qualified sources consistent with the item to be purchased as determined by the County purchasing agent, including all qualified suppliers who before the issuance of the invitation notify the purchasing department in writing that they desire to bid on materials, supplies, equipment or contractual services.

6.3.2 Bid Specifications

The first task which must be completed when a user department wishes to purchase an item with a total cost in excess of the aggregate dollar amount of \$100,000 is the preparation of a bid specification. The specifications and requirements are compiled by the Department with assistance from the Purchasing Office as needed. The specification provides potential suppliers with a complete and accurate description that promotes the most amount of competition practical.

Completed bid specification packets including purchase description, delivery and/or performance schedule, and evaluation criteria are available from the Purchasing Department which can be reached by visiting the Coconino County website at <http://www.coconino.az.gov/purchasing> (Ion Wave)

6.3.3 Invitation for Bids

After the bid specification is prepared, the Purchasing Manager issues an Invitation for Bids for the desired item, using a serial bid number for that fiscal year.

The invitation for bids and specifications must be issued in sufficient time before the purchase is made and in sufficient detail to permit free competition. Pursuant to ARS 11-254.01, Notice of the Invitation for Bids shall be published in a newspaper in accordance with the provisions of Title 39, Chapter 2 unless the Board of Supervisors, by at least two-thirds vote of its membership, determines that an emergency exists, requiring immediate action to protect the public health or safety. Copies of the invitation and specifications shall be supplied to, and bids shall be solicited from qualified sources consistent with the item to be purchased as determined by the County purchasing agent, including all qualified suppliers who, before the issuance of the invitation notify the purchasing department in writing that they desire to bid on materials, supplies, equipment or contractual services.

The Notice will provide submittal information, including the time deadline for bid submittal.

6.3.4 Pre-Bid Conference

A pre-bid conference and/or walk-through site inspection may be conducted to provide a complete explanation and clarification of all bid specifications to the suppliers. The notice for a pre-bid conference will be stated in the Invitation for Bid documents.

6.3.5 Addendum to a Bid

An addendum to a bid shall be issued if necessary to:

- i) Make changes in the Notice of Call for Bids.
- ii) Correct defects or ambiguities.
- 6) Answer questions submitted by vendors.
- 6) Correct quantities on the bidding schedule.
 - v) Correct, add to or clarify specifications.

Addenda shall be sent to all known interested vendors and posted on the Ion Wave website. The addendum shall require that the bidder acknowledge receipt of the addendum. If a bidder fails to acknowledge the receipt of the addendum, the County may waive the requirement as informality, if the vendor's proposal shows that the information provided in the addendum has been addressed.

6.3.6 Bid Opening

Bids shall be publicly opened as stated in the electronic submission process. The Finance Director or their designated representative will hold the opening of bids, at the time stated in the Invitation for Bids. Submittals will be opened and read aloud at the public bid opening. A representative of the Clerk of the Board's Office will be present at all bid openings.

Upon Board approval, the County purchasing agent shall provide written notice to the responsible bidder whose bid is responsive, i.e., conforms to the invitation, and whose bid is the most advantageous to the County concerning price, conformity to the specifications and other factors. The Board may reject all bids if rejection is in the public interest.

All information submitted, except proprietary information, will be made available for public inspection following award of the contract.

6.3.7 Pre-Opening Modification or Withdrawal of Bids

A bidder may modify or withdraw their bid at any time before bid opening if the modification or withdrawal is received before the time and date set for bid opening at the location designated in the call for bids via Ion Wave.

6.3.8 Errors/Corrections to Bids

After bid opening, corrections to bids shall be permitted only to the extent that the bidder can show by clear and convincing evidence that a mistake of a non-judgmental character was made, the nature of the mistake, and the bid price actually intended. After bid opening, no changes in bid prices or other provisions of bids prejudicial to the County or fair competition shall be permitted. In lieu of bid correction, a low bidder alleging a material mistake of fact may be permitted to withdraw its bid if:

- i. The mistake is clearly evident on the face of the bid document but the intended correct bid is not similarly evident; or
- ii. The bidder submits evidence that clearly and convincingly demonstrates that a mistake was made. All decisions to permit the correction or withdrawal of bids, or to cancel awards or contracts based on bid mistakes, shall be supported by a written determination made by the Purchasing Manager.

6.3.9 Unsigned Bids

Bids must be signed by an appropriate officer or authorized representative. However, unsigned bids will not necessarily be rejected if the omission was determined to be a clerical error. A signed document must be submitted declaring the clerical error and stating the offer is true in order for the bid to be evaluated for possible award.

6.3.10 Late Bids

A bid is considered late if it is received after the time and date set for the bid opening. The Ion Wave system will not accept bid submissions after the due date and time.

6.3.11 Bid and Performance/Payment Bonds

Bid and Performance and Payment bonds are normally not required for supplies, materials, equipment, and professional services. These bonds **shall** be required for contracts for the construction of buildings and of buildings and public improvements. Bids submitted without bonding requirements will be automatically rejected. Performance and payment bonds are binding on the parties upon execution of the contract.

Payment and performance bonds may be required for certain other bids and projects at the County's discretion. Performance/payment bonds must be executed by a surety company authorized to do business in the State of Arizona. In lieu of a bid bond, the bidder may submit a certified check, or cashier's check.

A bidder who has deposited a bond/surety may request his bid deposit be returned prior to the award. When a performance and payment bond is required, the bond of successful bidder will be held until the terms of the contract are completed and accepted by the County.

6.3.12 Identical Bids

In the event that two or more bidders offer identical bids, all bids may be rejected and new bids invited, unless it is deemed in the best interest of the County to award the bid to one of the tied bidders by using a coin toss, or to split the award if it is agreeable to both bidders and will not result in added cost to the County.

6.3.13 Rejection and Cancellation of Bids

The Board of Supervisors reserves the right to reject bids if they consider it to be in the best interest of Coconino County.

Prior to opening, a solicitation may be canceled in whole or in part when it is determined, in writing, that such action is in the County's best interest for reasons including, but not limited to:

- 6) the County no longer requires the proposed procurement;
- ii) the County can no longer reasonably expect to fund the procurement; or
- 6) proposed amendments to the solicitation would be of such magnitude that a new solicitation is desirable.

When a solicitation is canceled prior to opening, notice of cancellation shall be sent to all businesses solicited. The notice of cancellation shall identify the solicitation, the reason for cancellation, and where appropriate, explain that an opportunity will be given to compete on any re-solicitation or any future procurement.

After opening, but prior to award, all bids or proposals may be rejected in whole or in part when it is determined in writing that such action is in the best interest of the County for reasons including, but not limited to:

- 6. The procurement is no longer required;
- ii. Ambiguous or otherwise inadequate specifications were part of the solicitation.
- 6. The solicitation did not provide for consideration of all factors of significance to the County;
- 6. Prices exceed available funds and it would not be appropriate to adjust quantities to come within available funds;
- 6. All otherwise acceptable bids or proposals received are at clearly unreasonable prices; or
- 6. There is reason to believe that the bids or proposals may not have been independently arrived at in an open competition, may have been collusive, or may have been submitted in bad faith.

A recommendation to reject any or all bids is documented by means of an explanatory letter from the Finance Director to the County Manager on a Board agenda form. The reason for cancellation or rejection shall be made part of the bid file and available for public inspection.

6.3.14 Rejection of Individual Bids, Proposals, Quotes or Statements of Qualifications

A bid may be rejected if:

6. the bidder is determined to be non-responsible pursuant to Section 9.10.1;
- ii. the bid is non-responsive in accordance with Section 6.3.6;
6. the bid is otherwise not advantageous to the County.

A proposal, statement of qualifications or quotation may be rejected if:

6. the person responding to the solicitation is determined to be non-responsible pursuant to Section 9.10.1;
- ii. it is unacceptable;
- 6.the proposed price exceeds available funds or is otherwise unreasonable;
- 6.it is otherwise not advantageous to the County.

6.3.15 Bid Acceptance and Evaluation

Bids shall be unconditionally accepted without alteration or correction, except as authorized in this Section. After the bid opening, the user department will prepare a detailed tabulation of all bids in Ion Wave, which will then be reviewed by the Purchasing Office. In case of a difference between the unit prices and extended totals in a bid, the unit price shall prevail. In case of a difference between written words and figures in a bid, the amount stated in written words shall govern. After reviewing the bids with the department originating the request and the bid evaluation committee (if such a committee is being used), the Department will submit a recommendation for award to the lowest responsive, responsible bidder whose bid conforms in all material aspects of the requirements and criteria set forth in the bid documents.

Bids shall be evaluated based on the requirements set forth in the invitations for bids, which may include criteria to determine acceptability such as inspection, testing, quality, workmanship, delivery, and suitability for a particular purpose. The invitation for bids shall set forth the evaluation criteria to be used. No criteria may be used in bid or proposal evaluation that is not set forth in the bid documents.

Upon receiving a recommendation for award (or rejection of bids), the Purchasing Office will, in writing, notify all offerors of the recommendation.

If the low bid is found to be unacceptable, justification will be submitted in writing to the Purchasing Office. The recommendation to the Board of Supervisors must contain detailed explanations as to how or why the low bid was unacceptable.

The County reserves the right to waive any minor informality in accepting and awarding of bids.

6.4 Contract Award

The contract shall be awarded by appropriate notice to the lowest responsible and responsive bidder whose bid conforms in all material respects to requirements and criteria set forth in the invitation for bids.

6.4.1 Consideration of Taxes in Competitive Sealed Bidding.

All relevant State and local and use taxes shall be included in the final bid amount shown as this is the amount that will be used for purposes of bid evaluation.

In evaluating the bids, except for procurement of construction, and for purposes of determining the low bidder, the Purchasing Manager shall include the amount of applicable business privilege tax.

6.5 Construction Contracts

In accordance with Title 34 of the Arizona Revised Statutes, bids will be solicited for the construction of public buildings and improvements.

Alternate Project Delivery Methods (APDM) is authorized under ARS §Title 34. These include Construction Manager at Risk (CMAR), Design Build and Job Order Contracting (JOC).

According to Arizona Revised Statutes, the maximum dollar amount of an individual job order shall be one million dollars or such higher or lower amount prescribed by the agent in an action noticed pursuant to Arizona Revised Statutes Title 38, Chapter 3, Article 3.1 or a rule adopted by the agent as the maximum amount of an individual job order. Coconino County is the agent for construction projects subject to ARS §Title 34. The Board of Supervisors authorizes the County to issue solicitations for JOC construction contracts with a maximum individual job order amount up to three million dollars (\$3,000,000). Solicitations for JOC construction contracts will be evaluated on an individual basis to determine the appropriate maximum individual job order amount. Requirements shall not be artificially divided or fragmented in order to constitute a job order that satisfies this requirement.

6.6 Competitive Sealed Request for Proposals (RFP's)

6.6.1 General Provisions

Competitive sealed proposals are to be used when the use of competitive sealed bidding is either not practical or not advantageous to the County as determined by

the Purchasing Office. This process is generally used for the procurement of professional and non-professional services.

6.6.2 Request for Proposals Procedures

Professional and/or other services with an estimated aggregate dollar value of \$100,000 or more shall be procured through a formal request for proposals. The procedure for formal request for proposals is established for the purpose of providing an alternative method to sealed competitive bid for the purchase of professional and other services. The procedural guidelines outlined in Section 6.3 Competitive Sealed Bids, also apply to RFPs. As with formal bids, the user department initiates the process and assists the Purchasing Manager in creating a "Scope of Work or Services". When the RFP is ready to issue, Notice of RFP is published in the newspaper for four consecutive days, and copies of the Notice of RFP are sent to all those who have registered with the County as potential providers for the required services.

Requests for Proposals, at a minimum, include the Scope of Work, Submittal Requirements, and Evaluation Criteria. Contractual terms and conditions should be included in the RFP.

Proposals will be opened publicly at the time stated in the Request for Proposals. The Request for Proposals will include a statement of how the proposals will be evaluated, the relative importance of price and other factors, the general terms of the written contract, and that professional liability insurance may be required. No evaluation factors other than those listed in the RFP may be used in the evaluation.

6.6.3 Evaluation of Proposals

The request for proposals shall state the criteria to be used in the evaluation of the proposals and shall include their relative importance. Specific numerical weighting is not required.

6.6.3.1 Evaluation Committee

A selection committee is appointed to evaluate the proposals and make a recommendation based on the criteria set forth in the request for proposals. The Conflict of Interest files will be reviewed to ensure no employee selected has a conflict of interest. If outside professionals or consultants are involved in the process, they may be required to sign a conflict of interest disclosure as well. No other factors or criteria may be used in the evaluation.

6.6.4 Proposal Addenda and Best and Final Offers

Questions from offerors regarding any clarifications of the RFP will be answered prior to the opening. If any question results in a change to the scope of work, an

addendum will be made and distributed to all offerors who have requested the RFP documents (packet) through the Ion Wave system.

Prior to award, the County may issue a written request for best and final offers. The request shall state the date and time for the submission of the best and final offers. Best and final offers shall be requested only once unless the Purchasing Manager makes a written determination that it is advantageous to the County to conduct further discussions or change the County requirements. The request shall inform offerors that, if they do not submit a notice of withdrawal or a best and final offer, their previous offer will be construed as their best and final offer. All people who submitted a proposal, or in other cases, the short-listed offerors, shall be given the opportunity to submit a best and final offer if one is requested

6.6.5 Negotiations with Offerors

The proposals will be reviewed by the user department and the Purchasing Office, or evaluation committee. Negotiations may be conducted with vendors. Offerors shall be accorded fair and equal treatment in conducting negotiations and there shall be no disclosure of any information derived from proposals submitted by competing offerors.

Negotiations may be conducted concurrently with offerors for the purpose of determining contract award. Exclusive negotiations may be conducted with the offeror whose proposal is determined to be the most advantageous to the County. Exclusive negotiations may be conducted subsequent to concurrent negotiations or may be conducted without requiring previous concurrent negotiations. Exclusive negotiations shall not constitute a contract award nor shall it confer any property rights to the successful offeror. If exclusive negotiations are conducted and an agreement is not reached, the County may enter into exclusive negotiations with the next highest ranked offeror without the need to repeat the formal solicitation process.

A recommendation will then be made to the Board of Supervisors based on an evaluation of all factors stated in the RFP.

Upon Board of Supervisors approval, award shall be made to the responsible offeror whose proposal is determined in writing to be the most advantageous to the County, taking into consideration price and the evaluation factors set forth in the request for proposals. No other factors or criteria shall be used in the evaluation. The bid file shall contain the basis on which the award is made.

6.7 Selection of Architectural-Engineering Professional Design Services

The County has adopted §ARS 41-2578 of the State Procurement Code section relating to the acquisition of professional design services (defined as Architects, assayers, construction Services, engineers, Geologists, Landscape architects and Land Surveyors). The following sections contain abbreviated information from this statute.

6.7.1 Qualifications Based System

Firms engaged in the lawful practice of the profession may submit an annual statement of qualifications (SOQ) and experience. A selection committee is formed to evaluate the current SOQs on file with the purchasing office. The committee should consist of at least three persons. The committee shall select, in order of preference and based on criteria established, a short list of at least three firms deemed to be the most qualified to provide the services required. The selection of the short list must be based on demonstrated competence and qualifications only. Fees, price man-hours or any other cost information may not be considered in the selection of the short list.

After a short list is selected, negotiations may commence for a contract with the highest rated firm for the required services. The negotiations shall include consideration of compensation and other contract terms and conditions the County determines to be fair and reasonable. In making this determination, the County shall take into account the estimated value, the scope, complexity and nature of the required services. If a satisfactory contract cannot be negotiated with the highest rated firm at a price or on other contract terms, negotiations shall be formally terminated. Negotiations would then be started with the next highest rated firm, in sequence, until an agreement is reached or a determination is made to reject all firms on the short list.

Rather than receiving annual submittals the County may, in order to evaluate specific expertise by project, issue a formal Request for Qualifications for that project. The selection process would be accomplished as described above.

6.8 Legal Services

6.8.1 Authority

For the purpose of procuring the services of legal counsel, as defined by the laws of the State, contracts for the services of legal counsel shall be awarded with the authorization of the County Attorney except as otherwise provided by law. Unless determined by the County Attorney that direct selection is in the best interest of the County, the services of legal counsel shall be procured in accordance with this Section.

The Superior Courts, County Attorney, Public Defender's Office and Legal Defender's Office may, in accordance with the County purchasing policy, acquire legal services in the discharge of their regular duties as required by statute. All legal services required by the Superior Courts, County Attorney, Public Defender's Office and Legal Defender's Offices outside the regular course of business require approval of the County Manager, County Attorney's Office and Board of Supervisors.

All elected and appointed department heads and Taxing Districts must have approval from the County Manager, County Attorney's Office and the Board of Supervisors in order to obtain legal services outside the County Attorney's Office, even if the services are on a pro-bono basis

6.9 Small Purchases

Small purchases (micro-purchases) are defined as those transactions whose total cost (tax and shipping included) are less than \$10,000. These small purchases may be completed at the departmental level. Purchase orders are not required for small purchases. Orders shall not be split between invoices or by multiple transactions in order to avoid obtaining a purchase order. Small purchases may be made with a County procurement card up to the procurement card purchasing limits.

Purchases over \$10,000 and under \$100,000 shall be procured with three written quotes. A written Request for Quotes must be created and sent to no less than three businesses to solicit quotes from. These written quotes submitted by the vendors shall be kept on file with the initiating department for audit and public record retention. A "No Bid" or "No Quote" response from a vendor is counted as one of the three quotes.

6.10 Sole Source Purchases

6.10.1 General Information

For the purposes of this section, the term "sole-source procurement" means a material or service procured without competition, when:

1. There is only a single source for the material or service,
or
2. No reasonable alternative source exists.

A purchase of this type generally is of a special nature because of the type of goods materials, or services required by the user. Competition is not available in a sole source situation; thus distinguishing it from a proprietary purchase (brand-name only) where the produce required is restricted to the manufacturer(s) stipulated, but is sold through distributors and competition between them can be obtained. Sole source justification based solely on a single vendor's capability to deliver in the least amount of time is not appropriate since availability alone is not a valid basis for determining sole source procurement. Proprietary purchases are not valid on their own justify a sole source as there may be alternative options that provide similar products. The user department will be required to justify, in writing, the reasons for selecting a product or service that is available from a sole source only, including obtaining the necessary Board approval as indicated in Section 2.3.

Sole source purchases are contrary to public purchasing procedures, and therefore the selection of products or services of a sole source nature must be limited as much as possible. The only justification for sole source purchases are: 1) the purchase of a sole source item is to the County's best economic interest; or, 2) the items are generally classified as "captive" source items and cannot be procured from other sources because of manufacturer marketing arrangements, patents, etc.

6.10.2 Sole Source Procurement

When an item or service is required which is thought to be available only from a single supplier, the following procedures shall be followed:

i) For purchases with an anticipated cost of \$100,000 or less a purchase requisition shall be transmitted to the Purchasing Office indicating that only one source is known to exist. Efforts should be made by the requesting department to locate any other possible sources, and the names of those contacted who were unable to supply the required items or services shall be noted in the comment section of the requisition. Additionally, documentation should be maintained to support that the price submitted is fair and reasonable. The Purchasing Office will review the requisition and attempt to identify any potential suppliers who are not listed on the requisition. If no other source is found a purchase order will be issued to the sole supplier who is known to be capable of filling the order.

ii) Request for sole-source purchases with an anticipated cost of over \$100,000 shall be transmitted to the Purchasing Office in requisition form in the same manner as above, with the names of potential suppliers, except for proprietary purchases, who have been contacted by the requesting department listed on the requisition. The Purchasing Office will attempt to locate any other potential suppliers and will publish notice of the proposed purchase in the newspaper for four consecutive days, with a request that anyone who wishes to be considered as a potential supplier contact the Purchasing Office. If any supplier other than the one previously identified is found to exist, then the purchase must be done through the formal bid process. If no other suppliers are discovered, the Purchasing Office will notify the department who will then submit a request for approval of the purchase to the Board of Supervisors for consideration as an agenda item. If the Board approves the purchase, a purchase order will be issued.

6.11 Single Source Procurement – Competition not Practicable

Departments desiring to use this procurement methodology shall submit written justification (See Appendix C) that a competition impracticable procurement is required. Competition impracticable procurement shall not be used unless there is clear and convincing evidence that competition is impractical. Any request by a Department that procurement be restricted to one potential vendor shall be accompanied by an explanation as to why no other would be suitable or acceptable to meet the need. The Department requesting a competition impracticable

procurement shall provide written evidence to support a competition impracticable determination containing the following:

- i. An explanation of the need and the unusual or unique situation that makes compliance with this Policy, impracticable, unnecessary or contrary to the public interest;
- ii. A definition of the proposed procurement process to be utilized and an explanation of how this process will foster as much competition as is practicable;
- iii. An explanation of why the proposed procurement process is advantageous to the County; and
- iv. The scope, duration, and estimated total dollar value of the procurement.

Upon prior approval, the County shall negotiate with the single supplier, to the extent practical, a contract advantageous to the County.

The provisions of this Code apply to all competition impracticable Procurements unless emergency conditions exist as defined in Section 6.12.

6.12 Emergency Purchases of Materials and Services

6.12.1 Purpose

The purpose of this section is to enable Coconino County to respond quickly in procuring materials and/or services when an emergency condition exists.

6.12.1 Authority

The County Manager and their delegates may authorize others to make emergency procurements if there exists a threat to public health, welfare, or safety. Emergency procurements shall be made with as much competition as practical under the circumstances.

Emergency procedures may be used to purchase only that which is necessary to cover the requirements of the emergency. Emergency procurements shall be infrequent and limited in nature. Subsequent requirements shall be obtained using normal purchasing procedures. The potential loss of funds at the end of a fiscal year is not considered an emergency.

Purchases below the small purchase limit are exempt from the emergency purchases requirements as listed here. The use of previously approved “on call” or “as needed” contracts is highly encouraged to expedite action, ensure adequate support, and reduce the cost of meeting emergency requirements.

6.12.3 Procedures

All emergency purchases shall include a written explanation indicating the nature of the emergency, an explanation of the threat to public health, welfare, or safety, estimated time limit of emergency, and the reason for selecting a particular contractor/vendor. This should be attached in the Finance ERP document management system along with the purchasing requisition.

Emergency purchases in excess of the small purchase limit shall be presented to the Board of Supervisors to obtain post acquisition approval.

SECTION SEVEN

CONTRACT FORMATION AND ADMINISTRATION

7.1 Types of Contracts

Coconino County generally requires that all contractors use the County's standard independent contractor agreement which sets forth many of the requirements contained in this policy, as well as certain language that is statutorily required in all government contracts. Exceptions may be made for one-time purchase of products or goods without continuing service agreements.

County contracts utilizing Federal monies must contain the applicable provisions described in Appendix II to Part 200 Contract Provisions for non-Federal Entity Contracts Under Federal Awards. (Contract templates available on SharePoint)

7.2 Multi-year Contracts

Unless otherwise provided by law, a contract for materials or services may be entered into for any period of time deemed to be in the best interest of the County, if the term of the contract and conditions of renewal or extension, if any, are included in the solicitation and monies are available for the first fiscal period at the time of contracting. Payment and performance obligations for succeeding fiscal periods are subject to the availability and appropriation of monies.

- i) Prior to use of a multi-term contract, it shall be determined that: (a) estimated requirements cover the period of the contract and are reasonably firm and continuing; (b) the contract will serve the best interests of the County by encouraging effective competition or otherwise promoting economies in County procurement.

- ii) When funds are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal year, the contract may be cancelled by the County and the contractor shall be reimbursed for the reasonable value of any nonrecurring costs incurred but not amortized in the price of the supplies or services delivered under the contract.

7.3 Contract Form and Execution

All contracts entered into under this Policy shall be executed per Section 2.3 in the name of the County by the Board of Supervisors, the County Manager, Finance Director or Purchasing Manager.

7.4 Cost Principles

The Purchasing Manager shall establish cost principles which shall be used to determine the allowability of incurred costs for the purpose of reimbursing costs under contract provisions which provide for the reimbursement of costs.

7.5 Cost or Pricing Data

The submission of current cost or pricing data may be required in connection with an award in situations in which analysis of the proposed price is essential to determine that the price is reasonable and fair.

7.6 Assignment of Rights and Duties

The rights and duties of a County contract are not transferable or otherwise assignable without the written consent of the authorized signer on that contract.

7.7 Contract Administration

7.7.1 Principles

Contract administration primarily consists of actions, which must be taken by the Purchasing Office and the end user from the time a contract is awarded until the supplies, or services have been delivered and accepted, and payment has been made. Once the purchase has been made or the contract awarded, the contract administration function is the primary link between the supplier, the buyer, and the using department, to handle problems arising from the procurement action.

User departments are responsible for contract administration to assure that the supplier delivers the product or service to the County user in accordance with the terms and conditions of the contract issued by the County.

To ensure consistent contractor compliance, the contract administration includes, but is not limited to the following tasks:

- i. Holding pre-performance conferences to emphasize County requirements and contractor responsibilities under certain complex or critical contract programs.
- ii. Follow up with the contractor and user department on problems occurring during the period of performance. It is the responsibility of the user department to document and keep records of vendor performance on contracts. This information is crucial in determining contract extensions or terminations.
- iii. Upon notification from departments, supported by documentation, a letter of non-performance will be sent to a vendor who has unsatisfactorily performed on a County contract. This notice may state performance standards that must be

satisfied by a time indicated, quantity of goods to be provided, or quality of service provided.

- iv. Follow-up on past due purchase orders and expedite delivery as necessary.
- v. Take necessary actions to amend existing contracts through required approval channels.
- vi. Take necessary actions to terminate existing contracts, when required, through approved channels.
- vii. Resolve contract provision disputes within the authority limits granted by the Board of Supervisors, Arizona State Statutes, and internal procedures.

7.8 Contracts

A contract is a written agreement for the procurement or disposal of supplies, services, insurance, equipment or construction. To be effective and legal, a contract must include offer and acceptance by competent parties and the furnishing of some good or service for an agreed monetary consideration. Contracts shall include provisions necessary to define the rights of the parties to the contract. All services provided to the County by outside agencies, firms or individuals shall be on a contractual basis.

Generally Coconino County utilizes only "fixed price" contracts, but might in a special instance, because of market conditions, utilize a contract with price increase provisions.

A fixed price contract is used when the extent and type of work necessary can be reasonably specified and the cost reasonably estimated. Any time there is a price increase under these contracts, there must be supporting documentation from the vendor showing an increased price for raw materials from their supplier. Escalator clauses relating to the Consumer Price Index may be included in the contract language.

"Requirements contracts" are fixed price agreements set up to provide for recurring purchases of indefinite quantities from the same supplier for a specified period of time.

A cost-plus-a-percentage-of-cost provides reimbursement to the supplier for their actual cost plus an agreed-upon percentage of the costs of the supplier's overhead and profit. **The use of cost-plus-a-percentage-of-cost contract is prohibited.**

7.9 Termination of a Contract

Terminating a contract is normally the last alternative after all other administrative means have been sought to resolve a problem between the County and a contractor. There are two reasons for terminating or canceling a County contract: for convenience, and for cause (default).

7.9.1 Terminating for Convenience

There are two types of terminations for convenience used by the County:

- i. Mutual Convenience: An example of this type is where both parties agree that the contractor is no longer able to provide the service or product to the County under an existing contract.
- ii. Unilateral County Convenience: Depending upon the terms of the written contract, this type of termination may occur whenever the County determines that termination is in the best interests of the County or that funds are not available.
- iii. Unilateral cancellation when funding becomes insufficient to complete the contract.

7.9.2 Terminating for Cause

This type of termination is employed when the contractor is in default or breach of contract. Depending upon the situation and the terms of the written contract, it is the County's standard practice that a cure notice be sent via certified mail by the Purchasing Office to the contractor. This notice shall set forth the details regarding the deficiencies, with the dates and background information supporting non-performance or substandard performance. A firm cure date must be established for correction of the deficiencies. The period must be of a reasonable length of time to cure the deficiencies; normally the time period varies from ten to thirty days, depending upon the individual circumstances of each case. Assuming the contractor does not cure the deficiencies to the satisfaction of the County, the Finance Director will then send a show cause letter by certified mail to the contractor, wherein the contractor is requested to show cause as to why their contract should not be terminated. The Finance Director will then establish another deadline date for an answer to the show cause letter; usually five to ten days. Unless the contractor shows sufficient cause why the contract should not be terminated for cause, the Finance director will initiate the necessary steps to terminate the agreement and document the final action accordingly.

In all termination actions, the Finance Director must rely on the user department to provide the necessary documentation to justify contractual decisions that are made. The using department personnel are the "eyes and ears" of the County, expressing satisfaction or dissatisfaction with contractor performance. The Finance Director either resolves the problem or recommends termination of the appropriate contract to the Board of Supervisors.

The usual procedure for terminating a contract is by no means the exclusive method. The action taken will always depend upon the written terms of the contract, and the actual, factual situation presented. The County reserves the right to employ all other available mechanisms and remedies to deal with a breach of contract.

7.10 Contract Periods

Contracts should be for periods of time that coincide with the County's fiscal year whenever practical. Contracts whose renewal terms span more than one fiscal year must include language noting that the continuation of the contract is subject to non-appropriation and provide for annual cancellation. Contracts may have renewal clauses but should not exceed three to five years total.

SECTION EIGHT

SPECIFICATIONS

8.1 Definition

As used in this Section, "specification" is used interchangeably with "scope" or "scope of work" and means any description of the physical or functional characteristics, or of the nature of a material, service or construction item. Specification may include a description of any requirement for inspecting, testing, or preparing a material, service, or construction item for delivery.

8.2 Maximum Practicable Competition.

All specifications shall seek to promote overall economy for the purposes intended and encourage competition in satisfying the County's needs and shall not be unduly restrictive.

To the extent practicable and unless otherwise permitted by this Policy, all specifications shall describe the County's requirements in a manner that does not unnecessarily exclude a material, service, or construction item.

Proprietary specifications shall not be used unless the Purchasing Manager determines in writing that such specifications are required by demonstrable technological justification and that it is not practicable or advantageous to use a less restrictive specification. Past success in the material's performance, traditional purchasing practices, or inconvenience of drawing specifications do not justify the use of proprietary specifications.

To the extent practicable, the County shall use accepted commercial specifications and shall procure standard commercial materials.

8.3 Specifications Prepared by Other than County Personnel.

All specifications, including those prepared by architects, engineers, consultants and others for public contracts, or subcontractors, shall seek to promote overall economy for the purposes intended and encourage competition in satisfying the County's needs and shall not be unduly restrictive. No person preparing specifications shall receive any direct or indirect benefit from the utilization of such specifications.

8.4 Brand Name or Equal Specification.

A brand name or equal specification may be used when the Purchasing Manager determines that use of brand name or equal specifications is advantageous to the County.

A brand name specification may be prepared and utilized only if a written determination is made that only the identified brand name item will satisfy the County's needs.

SECTION NINE LEGAL AND CONTRACTUAL REMEDIES

9.1 Protests of Awards

Any bidder objecting to the recommendation of award, rejection of a bid, solicitation procedures of a bid, or any portion thereof (the Protester), must submit a written protest to the Purchasing Manager. The protest must be filed with the Purchasing Manager within five business days from notification of the recommendation. This protest must be submitted prior to the Board of Supervisors meeting at which the recommendation is on the agenda for award or rejection.

The written protest shall contain the following information:

- i. The name, address and telephone number of the protestant.
- ii. The signature of the protester or its representative.
- iii. Identification of the solicitation number.
- iv. A detailed statement of the legal and factual grounds of the protest including copies of relevant documents; and,
- v. The form of relief requested.

9.2 Timeframe for Filing of Protests

9.2.1 Protests Concerning Improprieties in a Solicitation

Protests based upon alleged improprieties in a solicitation that are apparent before the solicitation due date shall be filed not less than five (5) working days before the solicitation due date.

In cases other, protests shall be filed within ten (10) days after issuance of notification of award or issuance of notice of intent to award, as applicable.

The Purchasing Manager, without waiving the County's right to dismiss the protest for lack of timeliness, may consider any protest that is not filed timely.

The Purchasing Manager shall give notice of the protest to the successful contractor if award has been made or, if no award has been made, to all interested parties. Interested parties have the right to intervene in the proceedings.

9.3 Stay of Procurements During a Protest

In the event of a timely protest the County may proceed further with the solicitation or with the award of the contract unless the Purchasing Manager makes a written determination that there is a reasonable probability that the protest will be sustained or that the stay of procurement is not contrary to the substantial interests of the County.

9.4 Confidential Information

Material submitted by a protestant shall not be withheld from any interested party except to the extent that the withholding of information is permitted or required by law as determined pursuant to Section 2.6 (Confidential Information).

If the protestant believes the protest contains material that should be withheld, a statement advising the Purchasing Manager of this fact shall accompany the protest submission in accordance with Section 2.6

9.5 Decision by the Purchasing Manager

The Purchasing Manager shall issue a written decision within fourteen (14) days after a protest has been filed. The decision shall contain an explanation of the basis of the decision.

The Purchasing Manager shall furnish a copy of the decision to the protestant, by certified mail, return receipt requested, or by any other method including facsimile or electronically, that provides evidence of receipt.

The time limit for decisions set forth may be extended by the Purchasing Manager for a reasonable time, not to exceed thirty days. The Purchasing Manager shall notify the protestant in writing that the time for the issuance of a decision has been extended and the date by which a decision will be issued.

The Purchasing Manager may dismiss a protest, upon written determination, before scheduling an appeal if:

- i. The grounds for the protest are not valid according to County policy
- ii. The protest is untimely (not within five (5) business days from notification).
- iii. The possible remedies would unfairly prejudice other interested parties, impact the integrity of the procurement system, or have a serious detrimental affect on the good faith of the parties, cost to the County, the urgency of the procurement, and the impact of the relief upon the using department.

9.6 Remedies

If the Purchasing Manager sustains the protest in whole or part and determines that a solicitation or proposed contract does not comply with the policy, the recommendation for award shall be stayed and an appropriate remedy shall be implemented.

In determining an appropriate remedy, the Purchasing Manager shall consider all the circumstances pertaining to the proposed procurement including but not limited to, the seriousness of the procurement deficiency, the degree of prejudice to other interested parties or to the integrity of the procurement system, the good faith of the parties, cost to the County, the urgency of the procurement, and the impact of the relief upon the using department.

An appropriate remedy may include one or more of the following:

- i. Withdraw staff recommendation, and reissue the solicitation;
- ii. Withdraw staff recommendation, and issue a new solicitation;
- ii. Withdraw staff recommendation, and recommend award of contract consistent with the County Purchasing Policy; or
- iv. Such relief as is determined necessary to ensure compliance with this section.

9.7 Appeals to the County Manager

If the determination of the Purchasing Manager is not satisfactory to the party submitting the protest, an appeal with a designated Deputy County Manager of the County Manager's Office may be requested. The appeal must contain the same information listed in Section 9.1 and a copy of the decision of the Purchasing Manager. The appeal must contain the precise factual or legal error in the decision of the Purchasing Manager from which an appeal is taken.

This appeal must be made within ten (10) business days from receipt of the Purchasing Manager's determination.

The same remedies are available as listed in Section 9.6. The County Manager's Office shall give notice of the appeal to the successful contractor if award has been made or, if no award has been made, to interested parties. Such interested parties shall have the right to request copies of the appeal and to intervene in the proceedings.

The written determination of the County Manager's Office shall be final.

9.8 Filing of a Contract Claim

9.8.1 Content of Claim

The claim shall be in writing and shall include the following information:

- i. The name, address, telephone number and email address of the claimant;
- ii. The signature of the claimant or its representative;
- iii. Identification of the solicitation or contract number;
- iv. A detailed statement of the legal and factual grounds of the claim including copies of relevant documents; and
- v. The form of relief requested.

9.8.2 Purchasing Manager Decision

If a contract claim cannot be resolved by mutual agreement, the Purchasing Manager shall, upon a written request by the contractor for a final decision, issue a written decision no more than sixty days after the request is filed. Before issuing a final decision, the Purchasing Manager shall review the facts pertinent to the contract claim or controversy and secure any necessary assistance from legal, financial, procurement, and other advisors.

9.8.3 Final Decision

The Purchasing Manager shall furnish a copy of the decision to the contractor, by certified mail, return receipt requested, or by any other method that provides evidence of receipt. The decision shall include:

- i. A description of the claim;
- ii. A reference to the pertinent contract provision;
- iii. A statement of the factual areas of agreement or disagreement;
- iv. A statement of the Purchasing Manager's decision, with supporting rationale;
- v. A statement regarding the appeals process that is available pursuant to this Article.

9.8.4 Issuance of a Timely Decision

The time limit for decisions set forth may be extended for good cause. The Purchasing Manager shall notify the contractor in writing that the time for the issuance of a decision has been extended and the date by which a decision is anticipated.

If the Purchasing Manager fails to issue a decision within sixty days after the request on a claim is filed or within the time prescribed under Section 9.8.2, the contractor may proceed as if the Purchasing Manager had issued an adverse decision.

9.8.5 Appeals to the County Manager

An appeal of a final decision of a Purchasing Manager on a claim shall be filed with the County Manager's Office within five business days from the date the decision is received. The appellant shall also file a copy of the appeal with the Purchasing Manager.

9.8.5.1 Content of Appeal

The appeal shall contain a copy of the decision of the Purchasing Manager and the basis for the precise factual or legal error in the decision of the Purchasing Manager from which an appeal is taken.

The County Manager may assign the claim to a hearing in accordance with Section 9.8.1 or to mediation services in accordance with Section 9.9.2 or to arbitration in accordance with Section 9.9.3.

9.9 County Claims Against a Contractor

All contract claims asserted by the County against a contractor that are not resolved by mutual agreement shall promptly be referred by the Purchasing Manager to the County Manager for a hearing, in accordance with Section 9.8.1, or mediation, in accordance with Section 9.9.2, or arbitration in accordance with Section 9.8.3.

9.9.1 Hearing

Hearings on appeals of claims decisions shall be conducted in accordance with Section 9.17.

9.9.2 Mediation

Contract claims may be resolved utilizing mediation services if the County Manager determines the use of such services is in the best interest of the County.

9.9.3 Arbitration

Contract claims may be resolved utilizing arbitration if the County Manager determines the use of arbitration is in the best interest of the County. The claim shall be settled by arbitration in accordance with the current construction industry arbitration rules of the American Arbitration Association or, at the option of the County, in accordance with the provisions of the Arizona Revised Statutes, Article I, Chapter 9, Title 12.

9.10 Responsibility of Bidders and Offerors

9.10.1 Determination of Non-Responsibility

If a bidder or offeror who otherwise would have been awarded a contract is found non-responsible, a written determination of non-responsibility, setting forth the basis of the finding, shall be prepared by the Purchasing Manager. The unreasonable failure of a bidder or offeror to promptly supply information in connection with an inquiry with respect to responsibility may be grounds for a determination of non-responsibility with respect to such bidder or offeror. Factors which may be considered in determining if a prospective contractor is responsible may include but not be limited to:

- i. The proposed contractor's financial, physical, personnel or other resources, including subcontracts;
- ii. The proposed contractor's record of performance;
- iii. Whether the proposed contractor is legally qualified to contract with Coconino County;
- iv. Whether the proposed contractor has supplied all necessary information concerning its responsibility.

The final determination is made by the Finance Director and shall become part of the contract file and is made a public record.

The Purchasing Manager may establish specific responsibility criteria for a particular procurement. Any specific responsibility criteria shall be stated in the solicitation.

All vendors shall be required to complete a Statement Regarding Responsibility and Compliance with Immigration and Anti-Terrorism Laws and an Affidavit of Non-collusion when submitting bids and proposals. See Appendix A and B for examples.

9.10.2 Right of Non-disclosure

The County shall not disclose information regarding responsibility furnished by a bidder or offeror pursuant to this section.

9.11 Suspension And Debarment of Vendors

9.11.1 Purpose

The purpose of this section is to provide for the suspension and debarment of any person or firm from consideration for awards for Coconino County contracts. This action shall be based upon certain types of criminal convictions, civil judgments or contract violations, or for any other cause deemed to affect responsibility as a Coconino County contractor.

9.11.2 Authority to Debar or Suspend

The Finance Director is delegated the authority to debar or suspend a party from participating in County procurement.

9.11.3 Causes for Debarment or Suspension

The causes for debarment or suspension include, but are not limited to, the following:

- i. Conviction of any person or subsidiary or affiliate of any person for commission of a criminal offense arising out of obtaining or attempting to obtain a public or private contract or subcontract, or in performance of such contract or subcontract;
- ii. Conviction of any person or any affiliate of any person under any statute of the Federal government, this State or any other state for embezzlement, theft, fraudulent schemes and artifices, fraudulent schemes and practices, bid rigging, perjury, forgery, bribery, falsification or destruction of records, or receiving stolen property; or any other offense indicating a lack of business integrity or business honesty which currently, seriously, and directly affects responsibility as a County contractor and which conviction arises out of or obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of such contract or subcontract.
- iii. Conviction or a civil judgment finding a violation by any person or any subsidiary or affiliate of any person under State or Federal antitrust statutes arising out of the response to a solicitation.
- iii. Violations of contract provisions of a character which are deemed to be so serious as to justify debarment action, including, but not limited to, the following:
 - (a) Abandonment of a contract without good cause; or
 - (b) Knowingly failing without good cause to perform in accordance with the specifications or within the time limits provided in;
 - (c) Failure to perform or unsatisfactory performance with the terms of one or more contracts, except that failure to perform or unsatisfactory performance caused by acts beyond the control of the contractor shall not be considered to be a basis for debarment.
- iv. A determination by the Arizona Registrar of Contractors that the contractor has violated the provisions of §A.R.S. 32-1121 et seq.

- vi. Any other cause that the Finance Director reasonably determines to be so serious and compelling as to affect responsibility as a County contractor, including suspension or debarment of such person or any affiliate of such person by another governmental entity for any cause listed in this Section.

9.12 Matters Not Proper for Debarment or Suspension

Any conviction or judgment dated more than three (3) years prior to the notice of suspension or notice of debarment shall not be a basis for any debarment or suspension of a person or an affiliate of a person.

9.13 Period of Debarment

The period of time for debarment shall not exceed three years from the date of the determination.

If debarment is based solely upon debarment by another governmental agency, the period of debarment may run concurrently with the period established by the other debarring agency.

9.14 Notices to Vendor

If the Finance Director implements a debarment, the Finance Director shall notify the person in writing within seven days of the debarment action by certified mail, return receipt requested or by any other method that provides evidence of receipt. The person may submit a request to the Finance Director for an administrative hearing within fourteen days of issuance of the Finance Director's debarment action. If a hearing is granted, it shall be conducted in accordance with this Section.

If the Finance Director proposes to debar a vendor, the vendor shall have a right to appear in any hearing on the proposed debarment to show mitigating circumstances.

The vendor shall in writing, advise the Finance Director within thirty (30) days of receipt of the notice of a hearing of its intention to appear under 9.17 of this Section. Failure to provide written notice of appearance within the thirty-day period shall be a waiver of the right to appear in the hearing.

9.15 Imputed Knowledge

Improper conduct by a person may be imputed to a vendor for purposes of debarment where the impropriety occurred in connection with the vendor's duties for or on behalf of, or with the knowledge or approval of, the contractor.

The improper conduct of a person or its affiliate having a contract with a contractor may be imputed to the contractor for purposes of debarment where the impropriety occurred in connection with the person's duties for or on behalf of, or with the knowledge, or approval, of, the contractor.

9.16 Reinstatement

The Finance Director may at any time after a final decision on debarment reinstate a debarred person or rescind the debarment upon a determination that the cause upon which the debarment is based no longer exists.

Any debarred person may request reinstatement by submitting a petition to the Finance Director supported by documentary evidence showing that the cause for debarment no longer exists or has been substantially mitigated.

The Finance Director may require a hearing on the request for reinstatement.

The decision on reinstatement shall be in writing and specify the factors on which it is based.

9.17 Hearing Procedures

If a hearing is required or permitted under this Section, the Finance Director shall appoint a Hearing Officer, based upon the case, qualifications and experience of the officer if independent of County employment..

If a hearing is required or permitted under this Section, the Hearing Officer shall arrange for a prompt hearing and notify the parties of the time and place of the hearing.

The hearing shall be conducted in an informal manner without formal rules of evidence or procedure.

The Hearing Officer may:

- i. Hold pre-hearing conferences to settle, simplify, or identify the issues in a proceeding, or to consider other matters that may aid in the expeditious disposition of the proceeding;
- ii. Require parties to state their positions concerning the various issues in the proceeding;
- iii. Require parties to produce for examination those relevant witnesses and documents under their control;
- iv. Rule on motions and other procedural items on matters pending before such officer;
- v. Regulate the course of the hearing and conduct of participants;
- vi. Establish time limits for submission of motions or memoranda;
- vii. Impose appropriate sanctions against any person failing to obey an order under these procedures, which may include:

- (a) Refusing to allow the person to assert or oppose designated claims or defenses, or prohibiting that person from introducing designated matters in evidence;
 - (b) Excluding all testimony of an unresponsive or evasive witness; and
 - (c) Expelling the person from further participation in the hearing;
- vii. Take official notice of any material fact not appearing in evidence in the record, if the fact is among the traditional matters of judicial notice;
- (a) Administer oaths or affirmations; and
 - (b) Assess or apportion damages or costs associated with the hearing matter or the proceedings to the parties involved.

A transcribed record of the hearing shall be made available at cost to the requesting party.

9.17.1 Recommendation by the Hearing Officer

The Hearing Officer shall make a recommendation to the Finance Director based on the evidence presented. The recommendation shall include findings of fact and conclusions of law.

The Director may affirm, modify, or reject the Hearing Officer's recommendation in whole or in part, may remand the matter to the Hearing Officer with instructions, or make any other appropriate disposition.

9.17.2 Final Decision by the Finance Director

A decision by the Finance Director shall be final. The decision shall be sent to all parties by certified mail, return receipt requested or by any other method that provides evidence of receipt. The decision shall state that any party adversely affected may within ten days request a rehearing with the Finance Director. If a stay was issued, the final decision by the Finance Director shall lift any such stay, unless the Finance Director determines that the continued stay is necessary to protect the substantial interest of the County.

9.17.3 Judicial Review of Protests, Claims or Controversies, Debarments or Suspensions

Any final decision of the Finance Director of a protest or debarment under this Policy is subject to judicial review in accordance with A.R.S. Title 12 by any party to the proceeding. Exhaustion of the procedures set forth in this Policy shall be a condition precedent to seeking judicial review and the complaint seeking review shall be filed within thirty (30) days of a final decision by the Finance Director.

9.17.4 Exclusive Remedy

Notwithstanding any law to the contrary, this Section shall provide the exclusive procedure for asserting a claim or cause of action against this County arising in relation to any procurement conducted under this Chapter.

SECTION TEN

LEASING

10.1 General Information

A lease is defined as a contract that conveys control of the right to use another entity's nonfinancial asset (the underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction. Examples of nonfinancial assets include buildings, land, vehicles and equipment.

The use of lease/purchase financing will be limited to those situations in which it is in the County's best interest to secure third party financing. Purchases made with lease purchase financing are made using the same purchasing guidelines as other purchases.

10.2 Procedural Information

Departments must submit requests to use lease purchase financing to the Finance Director.

Upon approval, the Finance Director will forward the approval to the user department and the Purchasing Office. The user department will then submit a requisition to the Purchasing Office for procurement of the equipment. The user department will also submit information regarding the full terms of the agreement to the purchasing office.

10.3 Rental of Equipment

Equipment should only be rented to fill short-term equipment needs. This may include one-time, short-term needs or short-term needs that may be re-occurring in which the rental of equipment is more cost effective than ownership of the equipment.

10.4 Leasing of Buildings

The Board of Supervisors has delegated authority to the Facilities Management Director to negotiate lease contracts for real property. The Board of Supervisors must award all real property lease contracts.

SECTION ELEVEN

COOPERATIVE PURCHASING

11.1 Cooperative Purchasing Agreement

A cooperative purchasing allows the County to make purchases using the results of bids and RFPs from other governmental agencies, if the contract allows for cooperative use by Coconino County. When it is in the County's best interest, using a bid or RFP from another agency with which Coconino County has cooperative agreement may be used. This allows the County to purchase like goods and services without going through the bid process, which has already been done by the agreeing agency. The vendor must agree to sell the goods at the same price. The contract resulting from the other governmental agencies solicitation must include the goods or services the County wishes to purchase and must still be in effect.

The County Attorney's Office and Purchasing will review cooperative purchases to determine whether the standard County ICA or the vendor's cooperative contract is most appropriate to use. Additional County cyber-specific provisions and insurance may be required with a Certificate of Insurance listing the County.

11.2 Purchasing Agreements Required

The County is not authorized to participate in cooperative purchasing unless, prior to the solicitation, a Purchasing Agreement is executed between the County and the governmental party issuing the solicitation. All purchasing agreements with governmental entities entered into pursuant to this article shall be approved by the Board of Supervisors.

11.3 Cooperative Purchasing Authorized

The County may participate in, sponsor, conduct or administer a cooperative purchasing agreement for the procurement of any materials, services, or construction with one or more eligible procurement units in accordance with an agreement entered into between the participants. Parties under a cooperative purchasing agreement may:

- i. Sponsor, conduct or administer a cooperative agreement for the procurement or disposal of any materials, services, or construction.
- ii. Cooperatively use materials or services.
- iii. Commonly use or share warehousing facilities, capital equipment and other facilities.

- iv. Provide personnel, except that the requesting eligible purchasing unit may pay the public purchasing unit providing the personnel the direct and indirect cost of providing the personnel, in accordance with the agreement.
- v. Upon request, make available to other public purchasing units informational, technical or other services that may assist in improving the efficiency or economy of procurement. The public purchasing unit furnishing the informational or technical services has the right to request reimbursement for the reasonable and necessary costs of providing such services.

The activities described in Paragraphs (i) through (v) do not limit the activities of parties under a cooperative purchasing agreement.

Coconino County has a cooperative purchasing agreement with four other Flagstaff area government agencies; City of Flagstaff, Northern Arizona University, Flagstaff Unified School District, Coconino Community College. Coconino County is also a member of the Mohave Educational Services Cooperative (MESOC), Strategic Alliance for Vendor Efficiency (SAVE), Omnia Partners, Sourcewell, 1GPA, and National Cooperative Purchasing Alliance. Purchases made through these cooperatives have been publicly bid and therefore are not subject to the bidding requirements. Although these are the current agreements as of date of adoption, this will not limit the County to only these cooperatives and others may be added following the appropriate process.

SECTION TWELVE

MATERIALS MANAGEMENT

12.1 General Provisions

The Finance Director shall develop and administer procedures governing:

- i. The management of materials during their entire life cycle.
- ii. The acquisition and distribution of Federal surplus materials.
- iii. The sale, lease, trade-in, or disposal of surplus, scrap and salvage materials as provided by statute A.R.S. 11-251.
- iv. The transfer or trade-in of excess materials, surplus materials and fixed assets.

12.2 Disposition

The Board of Supervisors acts in all matters pertaining to the disposition of surplus materials as provided by statute. The disposition of surplus materials shall be as follows:

- i. Surplus materials shall be disposed of as provided by law. Only certified funds or cash shall be accepted for sales of surplus property.
- ii. Auctions shall be advertised in accordance with statutory provisions. Any item for auction must be approved by the Board at a regular public meeting. Notice of auction must be published in the newspaper according to statute. When making sales by auction, the solicitation shall specify all terms and conditions of any sale.
- iii. Materials to be disposed of by trade-in to a vendor for credit on an acquisition shall be subject to the same approval levels set forth for contract approvals as in Section 2.5.

Without public auction, by unanimous approval of the Board of Supervisors, property may be sold or leased or donated to any other duly constituted governmental entity including the State, cities, towns or other counties; or County property may be sold, leased or donated to any charitable, social or benevolent nonprofit organization in or operating in this State.

The County may acquire Federal or State Surplus Property as may be usable and necessary for public purposes. These acquisitions can only be made by authorized department heads.

Notwithstanding any other provision surplus, unclaimed, or lost property not needed by using departments may be disposed of through a donation process provided that any such noncompetitive disposition is made pursuant to a request submitted to the Finance Director for review, approval of the County Attorney and approval by the Board of Supervisors. The Board of Supervisors shall consider the monetary loss to the County and determine whether such disposition is in the public interest.

GLOSSARY OF TERMS

Addendum – An addition or supplement to a document typically used for bids and RFPs.

Auction – A public sale of property to the highest offeror.

“Best interest of the County” – A term used in the absence of specific authority or instruction, to authorize an official to use discretion in taking action deemed to be most advantageous.

Bid – An offer submitted in response to a notice of call for bids; can become a contract upon acceptance by the County.

Bid Bond – A written agreement or check by which a third party guarantees that a bidder will accept a contract as bid, if it is awarded.

Bid Opening – The public opening of bids which are recorded and made available for public inspection.

Bidders List – A list of names and addresses of suppliers from whom bids, proposals and quotations might be expected.

Business - Any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture or any other private legal entity.

Capital Outlay Buying - Machinery, equipment, and vehicles with a usual life exceeding one year and costing more than \$5,000. Also included is land, buildings, and improvements other than buildings costing more than \$5000.

Change Order - A written modification to a contract which directs a contractor to make changes in the work within the general scope of the contract. The cost impact to the contract is also established.

Collusion – A secret agreement to commit a fraudulent, deceitful, unlawful, or wrongful act.

Competitive Sealed Bid (Bid) - A process used to award contracts for the procurement of supplies, materials with an aggregate dollar value over one hundred thousand dollars (\$100,000) to the lowest responsive and responsible bidder. This is the most preferred method of procurement.

Competitive Sealed Request for Proposals (RFP) - A process used to award contracts for the procurement of professional services with an aggregate dollar value over one hundred thousand dollars (\$100,000). The process includes advertising notice of RFP, evaluating proposals received, negotiating proposals with acceptable or potentially acceptable

offerors, and awarding the contract after consideration of evaluation factors in the RFP and price.

Conflict of Interest – The actual or potential conflict in which a person any gain from (or hold interest in) a company doing business with their employer. Reference § A.R.S 38-501 *et seq.*

Construction - The process of building, altering, repairing, improving, or demolishing any public structure or building, or other public improvement of any kind to any public real property. Construction does not include the routine operation, repair or maintenance of existing structures, buildings or real property.

Contract – An agreement between parties, usually written, with binding legal and moral force; usually exchanging goods or services for money or other consideration.

Contract Administration – The management of all actions, after the award of a contract that must be taken to assure compliance with the contract, including timely delivery, acceptance, payment, and closing the contract.

Contractor - Any person or business who agrees to furnish goods or services for a certain price; may be a prime or sub-contractor.

Cooperative Purchasing – The combining of requirements of two or more political entities in order to obtain the benefits of volume purchases and/or reduction in administrative expenses.

Debarment - An action taken by the County to prohibit a person or business from participating in County procurement due to previous illegal or irresponsible action.

Department - Any County office, division, or department.

Escalation Clause – A contract provision which permits the adjustment of contract prices by an amount or percent if certain specified contingencies occur, such as changes in the vendor's raw material costs.

Ethics – The study of human conduct which deals with right and wrong; the philosophy of dealing with moral conduct, duty and judgment; conforming to professional standards of conduct.

Fraud – A deliberate misrepresentation of the truth, or a fact, intended to make money, rights privilege or property away from another person(s).

Informal bid – a request for price quotations for goods or services that does not require a sealed bid, public opening or reading.

Lease Purchase – A rental contract in which payments are applied as installment payments for equity or ownership upon completion of the agreement.

Minor Informalities - A mistake excluding a judgmental error, that has no or negligible effect on price, quantity, quality, delivery, or other contractual terms. The waiver or correction must not prejudice other bidders or offerors.

Non-professional Services - Services not requiring special licensing or certification, such as, but not limited to, clerical services.

Offeror – A person or business that makes an offer.

Qualifications Based System (QBS) – The lawful process for selection of design professionals by public owners in Arizona. It is a negotiated procurement process for selection based on qualifications and competence in relation to the work performed. Price is not allowed to be used as an evaluation criterion in a QBS, but is negotiated after the highest rated firm is selected.

Performance Bond – A contract of guarantee, executed subsequent to award by a successful bidder to protect the buyer from loss due to the bidder's inability to complete the contract as agreed.

Procurement – The combined functions of purchasing, inventory control, traffic and transportation, receiving, receiving inspection, and salvage and disposal operations.

Professional Services - Services that exacts the use or application of special learning or skills. Examples of professional services include, but are not limited to, architects, engineers, medical services, legal services and consultants.

Protest – A complaint about governmental administrative action or decision brought by a bidder or vendor, with the intention of receiving a remedial result.

Purchasing – The act and function of responsibility for the acquisition of equipment, materials, supplies and services.

Purchasing Manual – A document, adopted by the Board of Supervisors, which stipulates rules for purchasing relations with suppliers, other departments and the public, and prescribes the policies to follow.

Purchase Requisition - An electronic document used by departments to request that a contract be entered into for a specific need, and any include, but not limited to, the description of the requested item, cost, quantity, vendor name, delivery schedule, shipping instructions, and departmental account number.

Relative - Husband, wife, parent, brother, sister, child, stepchild, grandparent, grandchild of employee, or parent of employee's spouse.

Responsible Bidder or Offeror – A bidder whose reputation, past performance, and business and financial capabilities are such that the bidder would be judged to be capable of satisfying the County’s need for a specific contract.

Responsive Bidder or Offeror - A person or business who submits a bid or proposal which conforms in all material respects to the invitation for bids or request for proposals.

Salvage – Property having some value in excess of its basic material content, but is in such condition that it has no reasonable prospect of use for any purpose as a unit, and its repair or rehabilitation for use is clearly impractical.

Scrap – Materials damaged defective or deteriorated to the extent that it has no value except for its basic material content.

Specification - Any description of the physical or functional requirements or characteristics of the nature of a material, service or construction item. Specification may include a description of any requirement for inspecting, testing, or preparing a material, service or construction item for delivery.

Subcontract – Any contract agreement or purchase order with other than a prime contractor, calling for the performance of any work, or for the furnishing of any material, required for the performance of a prime contract.

Suspension - An action taken by the County, temporarily disqualifying a person from participating in County procurement.

Terms and Conditions – a phrase generally applied to the rules under which all bids must be submitted and the stipulations, included in most purchase contracts, often published by the purchasing office for the information of all potential bidders.

Term of Contract – Time period covered by a contract.

Terms of Contract – Stipulations made in a contract.

Value Analysis – An organized effort directed at analyzing the function of systems, products, specifications, standards, practices and procedures for the purpose of satisfying the requires function at the lowest total cost of effective ownership consistent with requirements for performance, reliability, quality and maintainability.

Unauthorized Order - Any order placed which does not conform to this policy manual.

APPENDIX A

**STATEMENT REGARDING RESPONSIBILITY AND COMPLIANCE WITH
IMMIGRATION AND ANTI-TERRORISM LAWS**

1. List any convictions of any person, subsidiary, or affiliate of the company, arising out of obtaining, or attempting to obtain a public or private contract or subcontract, or in the performance of such contract or subcontract.
-

2. List any convictions of any person, subsidiary, or affiliate of this company for offenses such as embezzlement, theft, fraudulent schemes, etc. or any other offenses indicating a lack of business integrity or business honesty which affect the responsibility of the contractor. (See procurement policy section 7.2 for types of offenses.)
-

3. List any convictions or civil judgments under State or Federal antitrust statutes.
-

4. List any violations of contract provisions such as knowingly (without good cause) to perform, or unsatisfactory performance, in accordance with the specifications of a contract.
-

5. List any prior suspensions or debarments by any government agency.
-

6. List any contracts not completed on time.
-

7. List any penalties imposed for time delays and/or quality of material and workmanship.
-

8. List any documented violations of Federal or State labor laws, regulations, or standards, occupational safety and health rules.
-

9. In accordance with A.R.S. § 35-397, the offeror hereby certifies that the offeror does not have scrutinized business operation in Iran or the Sudan.
10. Per A.R.S § 35-391, Offeror certifies that they are in compliance with the Export Administration Act and not on the Excluded Parties List prior to this solicitation.
11. Per A.R.S § 41-4401, Offeror hereby certifies compliance with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations related to the immigration status of its employees and A.R.S. §23-214 which requires verification of each employee’s legal employability, after they are employed, using E-verify

I, _____, as _____
Name of Individual Title & Authority

Of _____, declare under oath
that _____
Company Name

The above statements, including any supplemental responses attached hereto, are true.

Signature

State of _____

County of _____

Subscribed and sworn to before me on this _____ day of _____

20 ____ by _____ representing
him/herself to be

_____ of the company named herein.

Notary Public

My Commission Expires

APPENDIX B

**AFFIDAVIT BY CONTRACTOR
CERTIFYING THAT THERE WAS NO
COLLUSION IN BIDDING FOR CONTRACT**

STATE OF ARIZONA)
)ss
COUNTY OF:)
)

(Name of Company, Representative)

being first duly sworn, deposes and says:

That she/he is _____ of _____
(Title) (Name of Company)
_____ and

That pursuant to Section 112 (C) of Title 23 USC, certifies as follows :
That neither he/she nor anyone associated with the said.

(Name of Company)

has, directly or indirectly entered into any agreement, participated in any collusion or otherwise taken any action in restraint of free competitive bidding for the bid for the:

By; _____
(Name of the Individual/Representative)

Subscribed and sworn to before me this _____ day of _____, 20____

Title:

My Commission expires:

(Notary Public)

APPENDIX C

**Coconino County
Single Source Request Form (Competition Impracticable)**

Contact Person _____

Requesting Department/Division: _____

Describe the product or service and its function: _____

Vendor name, contact person and email address: _____

Single Source means an acquisition where competition is impractical because of standardization, warranty or other factors.

The following are unlikely to be sufficient single source justification:

- Personal or Department preference for a product or vendor
- Department perception that the vendor is the best qualified
- Lack of Departmental planning resulting in limited time to conduct a competitive solicitation
- Special incentive or deal offered (this can be offered in a bid response)
- Departmental convenience

Initial the following statements to verify which or both statements apply:

This purchase is clearly and legitimately limited to a Single Source because the product or service:

_____ (a) is available from only one source and there are no alternates
and/or

_____ (b) has unique characteristics essential to the program or intended use which no other product would be acceptable to the County.

Attach vendor documentation certifying that the vendor is the only source for the products or services in question and/or holds the production, copyrights, trademark and/or patents to the item and check the following applicable statements:

- The vendor holds the exclusive distribution rights for the item in question;
- The item to be purchased is the only item compatible with existing equipment owned by the County

- The vendor is the single provider of the goods or services which have unique characteristics essential to the needs of the program/project to perform the intended function and no other product will be suitable for County use.

Describe why this is a Single Source purchase:

Describe the search conducted for additional vendors and the result of that search:

Cost/Price \$ _____

Provide evidence to support a Competition Impracticable determination containing an explanation of how the proposed cost was arrived at and why it is advantageous to the County.

Certification:

I certify:

- i) I recognize that the Coconino County Purchasing Policy requires the use of competitive solicitations unless exempted by law. I have reviewed the information and materials relevant to this procurement of goods or services, and am requesting approval of an exception to the competitive process for the reasons describe herein;
- ii) The price to be paid to the proposed single source vendor is fair, reasonable and provides the best value to the County; and
- iii) This request for an exception to the competitive solicitation process is not a result of inadequate advance planning or for the purposes of securing the services of a preferred vendor.

Department Director

Date

Printed Name and Title

This request has been:

- Approved
- Denied

Purchasing Manager

Date

APPENDIX D

**Coconino County
Emergency Purchase Information Form**

Contact Person _____

Requesting Department/Division: _____

Attach or describe below a detailed narrative that describes the circumstances that require the emergency procurement, and any other supporting documents for this request, which may include elements of timing, information on the item(s)/service(s) being procured, and information that describes the emergency and its impact or potential impact on health, welfare, or safety to the public (including employees, volunteers or other):

Include the Vendor name, contact person and email address and reason for selecting this particular vendor:

Estimated time frame for emergency. Start Date ___/___/___ End Date ___/___/___.

Cost/Price \$ _____

Provide evidence to support a Competition Impracticable determination containing an explanation of how the proposed cost was arrived at and why it is advantageous to the County.

Certification:

I certify:

- i) I recognize that the Coconino County Purchasing Policy requires the use of competitive solicitations unless exempted by law. I have reviewed the information and materials relevant to this procurement of goods or services, and am requesting approval of an exception to the competitive process for the reasons describe herein;
- ii) The price to be paid to the proposed emergency source vendor is fair, reasonable and provides the best value to the County; and
- iii) This request for an exception to the competitive solicitation process is not a result of inadequate advance planning or for the purposes of securing the services of a preferred vendor.

Department Director

Date

Printed Name and Title

This request has been:

- Approved
 - Denied
-
-

Purchasing Manager

Date