

-----Original Message-----

From: Donovan, Dave
Sent: Tuesday, September 09, 2008 5:02 PM
To: Wierson, C. Ray
Cc: Hancock, Jim; Sunderbruch, Thomas; Minard, Larry; Gallin, Chris; Moritz, Roxanna; Speidel, Tammy; Holliday, Robert; Kendall, Mark
Subject: FW: Emergency PO- Scott County Salt Purchase
Importance: High

Ray,

Some weeks ago, we issued a purchase order for our initial order of ice melt through the Bi-State Joint Purchasing Council. The Council had awarded to a vendor that had a slightly higher per unit cost, but guaranteed availability and price through the end of the upcoming season. The guarantee was part of the request for bids. The purchase order was below the threshold that required Board approval and was for our typical minimum amount of product. The price and availability guarantee allowed us to purchase additional amounts of ice melt should the weather conditions warrant.

Yesterday, we were informed (as many larger salt purchasers have been discovering for the past several weeks and months) that our supply and price could not be guaranteed. The Council has revoked the award to the initial vendor and awarded to a second vendor at a lower per unit cost, but with no price or availability guarantees.

In response to this we will be forced to order a larger amount to assure that we have adequate supplies through the snow and ice seasons, since there likely will not be a supply available (or at a much higher cost) later. In order to accomplish this, Bi-State needs to act quickly and required purchase orders this week. Since Board approval was not possible, I issued an emergency purchase order (see attached) to assure our ice melt supply for the season. Per County policy, I am notifying you and the Board that this purchase order was executed. I will be at the next Board meeting to answer any questions and will ask the Board to pass a resolution acknowledging and approving the purchase after the fact.

I have attached the County Policy XI - Purchasing for your reference. The section regarding emergency purchases is letter "H" on page 6.

Let me know if you have any questions or concerns. Thanks!

Have a GREAT day!

Dave -
Dave Donovan, Director
Scott County Facility and Support Services 600 West Fourth Street Davenport,
IA 52801
563-326-8228
ddonovan@scottcountyiowa.com
www.scottcountyiowa.com



Scott County
 Purchasing Division
 600 W. 4th Street
 Davenport IA 52801-1030

Purchase Order
20632
 This number must appear on
 all invoices, packing slips,
 packages, & correspondence.

Phone: (563) 326-8793

FAX: (563) 326-8246

To: **GREAT WESTERN SUPPLY COMPANY**
116 EAST 53RD STREET
PO BOX 2786
DAVENPORT, IOWA 52809-2786

SHIP TO: **SCOTT COUNTY FSS**
4715 TREMONT AVE
DAVENPORT, IA 52807

BILL TO: **SCOTT COUNTY FSS**
600 W 4 ST
DAVENPORT, IA 52801

<i>Description (NO SUBSTITUTIONS)</i>	<i>Quantity</i>	<i>Unit Price \$</i>	<i>Total \$</i>
Sodium Chloride/Calcium Chloride with accelerator. Melts to -15F, 50 lb bag, 49 bags/pallet	637 bags	6.54	4,165.98
Sodium Chloride/Calcium Chloride with accelerator. Melts to -15F, 1100 lb totes.	60 totes	176.80	10,608.00
Total PO Amount:			14,773.98

Delivery Instructions: Deliveries will only be
 accepted on Fridays from 8:30 - 11:00 a.m.
 Please contact Facility and Support Services
 24 hours prior to delivery, (563) 326-8738.

Jimmy A. Spidel / 
 Purchasing Specialist

<i>Order Date</i>	<i>F.O.B.</i>	<i>Department</i>	<i>Requisition Number</i>
09/09/2008	Destination	FACILITY & SUPPORT SERVICES - MAINT 15B-01-9100/000-000-000	18007

No Federal or Iowa State taxes are included in this order. Tax Exempt Federal I.D. Number: **42-6004465**
 All terms, conditions and amounts as shown on the original quote remain unchanged except as noted.
"SHIP TO" and "BILL TO" Information MUST be strictly adhered to.

XI. PURCHASING POLICY

POLICY

Scott County Code provides that the Director of Facility & Support Services shall be responsible for developing, implementing and administering a centralized purchasing function for all County offices and departments. (Exceptions to the policy would include Scott County Conservation Board)

This policy encompasses the purchasing, contracting and leasing of goods, materials, supplies, equipment, and services and shall be accomplished through competitive bidding where it is required by the Code of Iowa; through competitive quotes; or Government Contracts.

SCOPE

Administrative authority to purchase, sign leases or contract agreements shall be limited to aggregate purchase prices not exceeding \$10,000. Purchases, leases and contract agreements in excess of \$10,000 must be approved by the Board of Supervisors. This policy shall not be circumvented by purchasing or leasing a group of similar or identical items each costing \$10,000 or less but exceeding \$10,000 in aggregate.

Any and all lease or contract agreements exceeding three (3) years in length must be approved by the Board of Supervisors even though the total aggregate lease or contract cost may not exceed \$10,000.

If the lease or contract agreement is open ended it should be re-bid at least every three years. If the lease or contract agreement does not include a total cost amount for services provided then an estimated total cost should be determined and based on that estimated total cost appropriate approval requirements shall be followed.

PURPOSE

The purpose of this policy is:

- A. To coordinate and maximize the effectiveness of the purchasing, contracting and leasing of goods, materials, supplies, equipment, and services by Scott County.
- B. To provide for increased public confidence in the procedures followed by the County in public procurements.
- C. To ensure the fair and equitable treatment of all persons who deal with the purchasing system of the County.
- D. To provide increased economy in County purchasing activities and to maximize, to the fullest practical extent, the purchasing value of public funds.
- E. To foster effective broad-based competition.
- F. To effectively support other county departments.

ADMINISTRATIVE PROCEDURES

A. Approval to Purchase, Lease or Contract Goods and Services

1. Unencumbered spending authority must exist at the appropriate budget level prior to the issuance of a purchase order.
2. No lease or lease-purchase contract for real or personal property shall be entered into until a public hearing has been held on the proposed contract. Notice of the public hearing shall be published in at least an official newspaper at least 4 days and no more than 20 days prior to the public hearing date.
3. Purchases, leases or contracts up to \$2,500 shall require department head approval or authorization from the individual with budgetary responsibility.
4. Purchases, leases or contracts between \$2,500 and \$5,000 shall require approval of the department head and the Purchasing Specialist.
5. Purchases, leases or contracts exceeding \$5,000 and up to \$10,000 shall be approved by the department head, Director of Facility & Support Services or the County Administrator.
6. Purchases, leases or contracts exceeding \$10,000 shall require approval of the department head, Director of Facility & Support Services, County Administrator and the Board of Supervisors.
7. Lease and contract agreements which do not include a total cost amount for services (i.e., the agreement may only make reference to an hourly rate plus cost of parts) require the department to estimate the total cost. The calculation at arriving at this estimate should be documented with the purchase request and depending on the amount will require appropriate approvals as stated above. If the agreement is open ended then the calculation of the total cost amount shall be based on a three year period.
8. Purchasing Division shall maintain a log of all purchase, lease or contract requests.
9. Purchasing division shall utilize appropriate insurance and indemnification language if required. Insurance and indemnification requirements shall be developed in conjunction with Risk Management Coordinator and the Risk Management Committee.

B. Requisitioning Department Responsibilities

1. Determine the quality and quantity of goods, materials, supplies, equipment, and services needed and delivery date required. Utilize past purchase information or resources when appropriate. Research specifications to ensure that appropriate information is provided to adequately describe the desired product or services along with minimum standards or requirements.
2. If a lease or lease-purchase contract is being proposed the requesting department shall submit the proposed lease or lease-purchase contract to the Director of Facility & Support Services with the following attachments:

- a. Copy of the public notice to be published in the following format per Iowa Code Section 331.305:

The Board of Supervisors of Scott County will conduct a public hearing on the proposed lease (purchase) contract with

_____ for
_____ in the amount of
\$ _____ per year for _____ years at the Scott County Courthouse on
_____, 20__ beginning at _____ p.m.

All citizens are invited to this public hearing and may express their views either orally or in writing.

- b. Prior to submitting lease for approval to the Board of Supervisors, originating department shall request legal review of proposed contract by County Attorney or Risk Management. A letter from the County Attorney's office acknowledging that they have reviewed the contract and find it to be in compliance with applicable state laws. (Note: Departments should send a copy of their initial review request for the County Attorney's office to FSS so it may be identified as a future agenda item on the Board's information memo.)

The Director of Facility & Support Services will submit the lease proposal to the Board at the next Board meeting that coincides with the public hearing publication date requirements in accordance with Iowa Code Section 331.305.

When ever possible, competitive bids for lease agreements shall be secured with the assistance of the Purchasing division.

3. Anticipate requirements, giving accurate description of article(s) required and sufficient time to purchase item(s) on a competitive basis. Originating department will identify and collaborate with purchasing division to prepare additional specifications and insurance requirements if any, to secure required items.
4. Receive and inspect item(s) delivered direct by vendor and refuse shipments that fail to meet the purchase order contract. All commodity type items will be coordinated to be received by Facility & Support Services. For specialized items, the department shall coordinate with Facility & Support Services to inspect and accept all items, at time of delivery.
5. Handle all purchases within established procedures. Utilize applicable purchasing resources (competitive bidding, purchasing system, pre bid items, web bid items) whenever possible and where appropriate.
6. A list of authorized persons, to be used on requisitions and purchases, shall be supplied to the Purchasing Division. No requisition or purchases will be completed without authorization.

C. Computerized Purchase Order System

1. County departments shall use the computerized Scott County Purchase Order System following guidelines and procedures as promulgated by Facility & Support Services.

D. Competitive Quotations

1. Whenever feasible, all purchases, leases and contracts for goods, supplies, materials, equipment and services required for public use shall be on an equal and competitive basis. All acquisitions or purchases are to be awarded to the lowest responsible bidder. In determining the lowest responsible bidder, consideration shall be given to the vendor's price, conformance with specifications in all material respects, past performance. In addition, Purchasing department may take into consideration reputation, and business and financial capabilities. If the aforementioned determinants are equal consideration will be given to any vendor which is a locally owned business in Scott County.
2. For public improvements and construction contracts (excluding design and consulting contracts) that exceed the public bidding requirements as set forth in the Iowa Code Section 331.341 the determination and criteria for determining the lowest responsible bidder shall be accomplished through a formalized process. That process shall set out criteria and notification in the specifications document and gather qualification, reference and other pertinent information at the time of the bid. The purchasing division, requesting department and/or design consultants shall utilize said information to qualify the apparent low bidder prior to contract award. The use of a American Institute of Architects Form 305A with an addendum or a similar standardized form for gathering appropriate information from bidders shall be used whenever possible. Scott County reserves the right to reject a low bid based on the criteria set forth and the evaluation of the submitted information and research conducted
3. Specific bidding procedures as required by law must be followed for public improvements including the repair or construction of county buildings. These formal bidding requirements need not be followed when emergency repair of a public improvement is necessary. (See Section F of this policy for specific bidding procedures) All other purchases, leases and contracts in excess of \$5,000 require written, faxed, or e-mailed quotations. Purchases, leases and contracts less than \$5,000 may be quoted by fax, email, or telephone with the selected quote confirmed in hard copy format. Every attempt should be made to receive at least three quotations from responsible vendors. Bids can be received by fax, e-mail, mail, or hand delivery before bid deadline, if applicable.
4. All parties involved shall comply with all applicable laws and regulations pertaining to their employment practices, and shall not discriminate in providing services on the basis of race, color, creed, national origin, sex, handicapped condition or religious affiliation.
5. The Iowa preference law requires the County to use only products and materials grown or produced in Iowa if they are available in a marketable quantity and of a quality adequate for the purpose for which the County will use them, and if the cost is no higher than that of the same products produced in a different state.
6. Whenever possible, all requests for bids and all proposals for expenditure of public funds must be made in general terms so that no brand or trade names are specified. Also, all requests must contain this statement: "By virtue of statutory authority, a preference will be given to products and provisions grown and coal produced within the State of Iowa."

E. Availability of Public Purchasing Records

Purchase orders and other information of a public nature shall be available for inspection upon verbal or written request to the Purchasing Specialist. Copies of bids/quotations and a summary of those received can also be obtained from the Purchasing Division. Every courtesy will be extended to vendors for information or assistance relating to Scott County's needs.

F. Bids on Contracts for Repair or Construction of County Buildings.

1. See Iowa Code section 331.341 for specific contract letting procedures to follow.

G. Special Provisions for Secondary Roads Department:

1. **Construction and Maintenance Projects:** These types of services will be either bid through the I.D.O.T., Secondary Roads office or in coordination with I.D.O.T. meeting their specifications and requirements and bid through the County Secondary Road Department. Participation by Facility & Support Services will not be required in these areas.
2. **Purchases through the State of Iowa General Services Office and the Iowa Department of Transportation Purchasing Department:** The Secondary Road Department will take advantage of State Purchasing Facilities and their volume purchasing discounts when practical and possible.
 - a. The Secondary Road Department will fill out the required State Order Forms or submit a department "requisition order".
 - b. Upon receipt of order and billing, the Secondary Road Department will check shipment against the order and prepare the necessary County claim for payment.
 - c. No involvement by Facility & Support Services is required.
 - d. All orders exceeding \$10,000 will require prior Board approval.
3. **Equipment Repair Parts, Materials and Services:** The specifics on these items generally cannot be anticipated or determined in advance. These are generally items that cannot be inventoried and must be purchased expeditiously to prevent costly delays and operational problems. The purchase of these items require the technical expertise and knowledge of Secondary Road's garage personnel for effective, expeditious purchasing. These purchases may also be the type or nature where they are only available from one source.
 - a. The ordering of these materials and supplies and services may only be authorized by a Secondary Road Department "requisition order".
 - b. Any individual "requisition order" in excess of \$500 must receive prior approval by the County Engineer.
 - c. Upon receipt of the order, billings will be checked by the Secondary Road Department and claims prepared for the Engineer's authorization and approval by the Board.
 - d. No involvement of Facility & Support Services shall be required.

H. Emergency Purchases

1. County Administrator, or his / her designee may declare an emergency when:
 - a. The circumstances pose a threat to the public health, welfare or safety.
 - b. The situation must be taken care of immediately in order to prevent immediate and apparent loss to the County.
 - c. Conditions beyond reasonable control of the County occur; such as accidents or unforeseeable failure in equipment, which are essential to the operation of the County.
2. In the event that the circumstances surrounding the emergency do not allow sufficient time to convene the Board of Supervisors, the County Administrator, or his / her designee may authorize emergency purchases in excess of \$10,000.
3. If the emergency purchase requirements are met, the County Administrator, or his / her designee shall take informal bids if time allows.
4. In all cases of emergency purchases by the County Administrator or his / her designee, the following must be submitted to the Board of Supervisors within 72 hours of the purchase:
 - a. A detailed purchase request
 - b. An invoice if goods have been received
 - c. A written account explaining why an emergency was declared
 - d. The effects of the emergency on County operations or the public
 - e. Why the particular vendor was chosen.
5. All emergency purchases will be reviewed carefully by the Board of Supervisors at the next regularly scheduled meeting to assure that the use of the procedure is not being abused.