

KLAMATH COUNTY BOARD OF COUNTY COMMISSIONERS

APPROVAL FLOW CHART

(* CC=County Counsel Review * BOCC=full review for Board approval during a Business Meeting)

All Contract(s), for any amount, which require signature(s)	Approval through the BOCC approval process
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Condition: with a Fiscal Impact Less Than \$10,000	Type Approval(s) Required
Budgeted Purchase, no signatures required, overall cost less than \$10,000	No approval process needed
Not a Budgeted Purchase less than \$10,000	Approval to request bids/quotes and accept bids/quotes through the BOCC approval process
Grant Application \$3,000 or more in funding	Approval to apply through the CC approval process
Grant Acceptance \$3,000 or more in funding	Approval to accept the funds and approve the agreement through the BOCC approval process
All Contract(s), for any amount, which require signature(s)	Approval through the BOCC approval process

Condition: Non-Construction with a Fiscal Impact \$10,000 to \$150,000	Type of Approval(s) Required
Not a Budgeted Purchase Must solicit three (3) quotes	Approval to request bids/quotes, accept the bid/quote and approve the contract through the BOCC approval process
Budgeted Purchase Must solicit three (3) quotes	Approval to accept the quote and approve the contract through the BOCC approval process
Purchase ORPIN Contract Not necessary to obtain quotes	Approval to accept the bid/quote and approve the contract through the BOCC approval process
Issue Formal RFQ, ITB or RFP	Approval to issue through the CC approval process
Formal RFQ/RFP/ITB Results	Approval to accept the proposal/bid through the BOCC approval process
RFP/ITB Contract which requires signature(s)	Approval of the contract through the BOCC approval process

Condition: Construction of Fiscal Impact \$50,000 and up Formal Solicitation Required (RFP/ITB)	Type Approval(s) Required
Issue RFP/ITB	Approval to issue through the CC approval process
Formal RFP/ITB Results	Approval to accept the proposal/bid through the BOCC approval process
RFP/ITB Contract which requires signature(s)	Approval of the contract through the BOCC approval process

Condition: Non-Construction with a Fiscal Impact of \$150,000 and up	Type Approval(s) Required
Issue RFP/ITB	Approval to issue through the CC approval process
RFP/ITB Results	Approval to accept the proposal/bid through the BOCC approval process
RFP/ITB Contract which requires signatures	Approval of the contract through the BOCC approval process

PUBLIC CONTRACTING POLICIES & PROCEDURES

TABLE OF CONTENTS

CHAPTER 1 PUBLIC CONTRACTS

GENERALLY.....	1
1.10 Application of the Public Contracting Code; Exception.....	1
1.11 Organization of Public Contracting Rules	1
1.12 Application of the Model Rules.....	1
1.13 Previous Rules Repealed.....	1
1.14 Definitions and County Departments.....	2-7
COUNTY PROCEDURES	6
1.15 County Procedure Prior to Contract Award	6
1.16 County Procedure for Contract Award or Amendment.....	9
DELEGATION OF CONTRACT AUTHORITY	10
1.17 Delegation of Authority	10
1.18 Procedure for Delegated Contract Authority	11
1.19 Departmental Spending Authority	11
1.20 Departmental Contracting Authority.....	12
1.21 Emergency Authority	13
AMENDMENTS AND MISTAKES.....	13
1.22 Contract Amendments	13
1.23 Mistakes	13
COOPERATIVE PROCUREMENTS.....	14
1.24 Cooperative Procurements	14

CHAPTER 2 – PROCUREMENT CONTRACTS FOR GOODS AND SERVICES GENERALLY;

EXCEPTIONS.....	1
2.10 General Procurement Contracts; Exceptions	1
2.11 Small Procurement Contracts Not Exceeding \$10,000.....	1
2.12 Intermediate Procurement Contracts Not Exceeding \$150,000	1
2.14 Sole Source Procurements.....	2
2.15 Requirements Contracts	2

PUBLIC CONTRACTING POLICIES & PROCEDURES

TABLE OF CONTENTS

2.16 Special Procurements	2
2.17 Emergency Procurements.....	3
2.18 State Cooperative Purchasing Procurements.....	3
2.19 Federal Program Contracts	3
2.20 Qualified Nonprofit Agencies Contracts.....	3
2.21 State or Federal Exemptions	3
2.22 Price Regulated Items or Services.....	3
EXEMPTIONS AND EXCLUSIONS FOR THE PROCUREMENT OF GOODS AND SERVICES BY TOPIC.....	4
2.23 Advertising Contracts.....	4
2.24 Copyrighted Materials.....	4
2.25 Equipment Maintenance, Repair and Overhaul	4
2.26 Election Supplies and Services.....	4
2.27 Gasoline, Diesel Fuel, Heating Oil.....	4
2.28 Insurance Contracts	4
2.29 Laboratory and Medical Supplies	4
2.30 Library and Reading Materials.....	5
2.31 Office Supplies	5
2.32 Used Vehicles.....	5
PROCUREMENT SOURCE SELECTION.....	5
SOLICITATION DOCUMENTS	5
2.33 Public Notice of Solicitation Documents	5
2.34 Addenda to Solicitation Document	5
CONTRACTOR SELECTION FOR COMPETITIVE SEALED PROPOSALS.....	6
2.35 Procedures for Competitive Range, Multistep Sealed Proposals	6
2.36 Competitive Range, Discussions and Negotiations.....	6
2.37 Multistep Sealed Proposals	9
CONTRACTOR SELECTION FOR COMPETITIVE SEALED BIDDING.....	11

PUBLIC CONTRACTING POLICIES & PROCEDURES

TABLE OF CONTENTS

2.38 Multistep Sealed Bids.....	11
AWARD OF CONTRACT	13
2.39 Notice of Intent to Award.....	13
2.40 Offer Evaluation and Award	13
PROTESTS	14
2.41 Protests and Judicial Review of Solicitations	14
2.42 Protests and Judicial Review of Contract Award.....	14
2.43 Protests and Judicial Review of Special Procurements.....	15
CHAPTER 3 – PERSONAL SERVICES CONTRACTS	
GENERALLY.....	1
3.10 Statutory Authority	1
3.11 Scope of Personal Services Contracts.....	1
SELECTION.....	1
3.12 Competitive Process for Personal Services Contracts; Exceptions	1
3.13 Informal Selection Procedure for Personal Services Contracts	2
3.14 Multi-Year Personal Services Contracts.....	3
3.15 Selection for Architect or Engineering Services.....	3
CHAPTER 4 – PUBLIC IMPROVEMENTS	
GENERALLY	1
4.10 Public Improvement Contracts; Exceptions.....	1
4.11 Exemption for Alternative Contracting Methods.....	1
4.12 Intermediate Procurements; Quotes and Amendments	2
4.13 Emergency Contracts; Bidding and Bonding Exemptions.....	2
4.14 Specifications for Contracts; Exemptions	3
4.15 Addenda to Solicitation Documents.....	3
4.16 Bid or Proposal Security	3
AWARD OF CONTRACT	3
4.17 Negotiation When Bids Exceed Cost Estimate.....	3

PUBLIC CONTRACTING POLICIES & PROCEDURES

TABLE OF CONTENTS

4.18 Rejection of Offers	4
4.19 Notice of Intent to Award.....	5
PROTESTS	5
4.20 Protest of Contractor Selection, Contract Award.....	5
CHAPTER 5 – DISPOSAL OF SURPLUS PERSONAL PROPERTY	
5.10 Definitions.....	1
5.11 Generally.....	1
5.12 Notice.....	1
CHAPTER 6 – CONTRACT PROVISIONS	
6.10 Policy	1
6.11 Definitions.....	1
6.12 Agreement Forms.....	1
6.13 Insurance and Indemnity Provisions in Contracts, Grants, and Intergovernmental Agreements.....	1
6.14 Waiver of the Insurance and Indemnity Provisions	1
CONTRACTS FOR GOODS OR SERVICES	2
6.15 Indemnity	2
6.16 Insurance	2
ATTACHMENTS: Exhibit A - <i>Exemptions from the Public Contracting Rules</i>	
Exhibit B – <i>Klamath County Contract Insurance Guidelines</i>	

CHAPTER 1 - PUBLIC CONTRACTING POLICIES AND PROCEDURES

PUBLIC CONTRACTS GENERALLY

1.10 Application of the Public Contracting Code; Exceptions

- (1) Except as set forth in this section, the County shall exercise all rights, powers and authority in accordance with the Public Contracting Code.
- (2) Nothing stated in this Chapter shall be construed contrary to the Public Contracting Code.
- (3) The Public Contracting Code does not apply to the Contracts or the classes of Contracts described in ORS 279A.025(2), which are as follows:
 - (a) Contracts between the County or between public agencies and the federal government;
 - (b) Insurance and service Contracts as provided for under ORS 414.115, 414.125, 414.135 and 414.145 for purposes of source selection;
 - (c) Contracts for professional or expert witnesses or consultants to provide services or testimony relating to existing or potential litigation or legal matters in which the County is or may become interested;
 - (d) Acquisitions or disposals of real property or interest in real property;
 - (e) Sole-source expenditures when rates are set by law or ordinance for purposes of source selection;
 - (f) Contracts for the procurement or distribution of textbooks;
 - (g) Procurements by the County from an Oregon Corrections Enterprises program;
 - (h) Contracts for employee benefit plans as provided in ORS 243.860 to ORS 243.886; or
 - (i) Any other public contracting of a public body specifically exempted from the Code by another provision of law.
- (4) When federal funds are involved, applicable federal statutes and regulations take precedence over the rules in Chapters ORS 279A, 279B, and ORS 279C.005 through 279C.670, except as expressly provided in ORS 279C.800 through 279C.870.

1.11 Organization of Public Contracting Rules

- (1) Public Contracting involving the procurement of Goods and Services is subject to this Chapter and Chapter 2.
- (2) Public Contracting involving Personal/Professional Services Contracts is subject to this Chapter and Chapter 3.
- (3) Public Contracting involving Public Improvements is subject to this Chapter and Chapter 4.
- (4) Disposal of surplus personal property is subject to Chapter 5.

1.12 Application of the Model Rules

Unless otherwise stated, the Model Rules promulgated by the Attorney General in Oregon Administrative Rule Chapter 137, Divisions 46, 47, 48, and 49 are not adopted as rules for Klamath County.

1.13 Previous Rules Repealed

All previous orders, resolutions, and policies adopted by Klamath County relating to public contracting are repealed and shall have no effect.

CHAPTER 1 - PUBLIC CONTRACTING POLICIES AND PROCEDURES

PUBLIC CONTRACTS GENERALLY

1.14 Definitions

Unless the context of a specifically applicable definition in the Code requires otherwise, capitalized terms used in these Rules will have the meaning set forth and if not defined, the meaning set forth in the Code. The following terms, when capitalized in these Rules, shall have the meaning set forth below:

- (1) “**Addenda**” means an addition or deletion to, a material change in, or general interest explanation of a Solicitation Document.
- (2) “**Affected Person**” or “**Affected Offeror**” means a Person whose ability to participate in a Procurement is adversely affected by a County decision.
- (3) “**Alternative Contracting Methods**” means techniques for obtaining Public Improvement Contracts, utilizing processes other than the traditional method of Design- Bid-Build, with Award based solely on price. In industry practice, such methods commonly include variations of Design-Build contracting, CM/GC forms of contracting and ESPCs, general “performance contracting” and “cost plus time” contracting.
- (4) “**Amendment**” means a written modification to the terms and conditions of a Contract, other than by Changes to the Work, within the general scope of the original Procurement that requires mutual agreement between the County and the Contractor.
- (5) “**Award**” means, as the context requires, either the act or occurrence of the County’s identification of the Person with whom the County will enter into a Contract following the resolution of any protest of the County’s selection of that Person, and the completion of all Contract negotiations.
- (6) “**Bid**” means a response to an Invitation to Bid.
- (7) “**Board**” means the Klamath County Board of Commissioners which act as the local Contract Review Board.
- (8) “**Catalog of Federal Domestic Assistance Number**” or “**CFDA Number**” means the number that is assigned by federal government when federal funds are directly or indirectly distributed to the County for domestic assistance programs.
- (9) “**Change orders**” mean changes in the scope of work agreed to by the public body, contractor, and architect or engineer. A change order is work that is added to or deleted from the original scope of work of an existing contract.
- (10) “**Competitive Sealed Bidding (ITB)**” means the solicitation by the County of competitive Bids which follow the formal process for advertising, bid and bid opening set forth in ORS 279B.055 for Goods and Services and ORS 279C.360 to ORS 279C.395 for Public Improvements. When utilizing the Invitation to Bid process, award must be given to the lowest responsible bidder. Bids may not be evaluated for experience, specific expertise, availability, project understanding, Contractor capacity and similar factors.
- (11) “**Closing**” means the date and time announced in a Solicitation Document as the deadline for submitting Offers.
- (12) “**Code**” means the Public Contracting Code in ORS Chapters 279A, 279B, and 279C.
- (13) “**Competitive Sealed Proposals (RFP)**” means the solicitation by the County of competitive Proposals which follow the formal process of advertising and evaluation set forth in ORS 279B.060 for Goods and Services and in ORS 279C.400 through ORS 279C.410 for Public Improvements. When utilizing the Request for Proposals, the proposal may be evaluated with a combination of price, experience, specific expertise, availability, project understanding, Contractor capacity and similar factors. A review committee must be used when evaluating the RFP.
- (14) “**Competitive Process**” means the procurement by Competitive Sealed Bidding, Competitive Sealed Proposals, or Quotes when permitted by these Rules.

CHAPTER 1 - PUBLIC CONTRACTING POLICIES AND PROCEDURES

PUBLIC CONTRACTS GENERALLY

- (15) “**Competitive Range**” means the Proposers with whom the County will conduct discussions or negotiations if the County intends to conduct discussions or negotiations.
- (16) “**Consent Calendar**” Items to be approved by the Board that are submitted for ratification or items that are not expected to be substantially opposed, and are therefore scheduled for a vote without debate.
- (17) “**Contract**” means a "Public Contract," as defined in ORS 279A.010.
- (18) “**Contract Price**” means, as the context requires, (i) the maximum payments that the County will make under a Contract, including bonuses, incentives and contingency amounts, if the Contractor fully performs under the Contract, (ii) the maximum not-to-exceed amount of payments specified in the Contract, or (iii) the unit prices for Goods or Services or Personal Services set forth in the Contract.
- (19) “**Contractor**” means the Person with whom the County enters into a Contract
- (20) “**Department Head**” means the appointed head of a County department or office, or their Designee, or the person appointed to fill a vacancy in such a position, but does not include Commissioners.
- (21) “**Elected Official**” means the elected head of a County office or the person appointed to fill a vacancy in such a position, but does not include Commissioners.
- (22) “**Emergency**” means circumstances that:
- (A) Could not have been reasonably foreseen;
 - (B) Create a substantial risk of loss, damage or interruption of services or a substantial threat to property, public health, welfare or safety; and
 - (C) Require prompt execution of a contract to remedy the condition.
- (23) “**Goods and Services**” has the meaning set forth in ORS 279A.010(1)(i)&(kk).
- (24) (A) “**Grant**” means:
- (i) An agreement under which the County receives moneys, property or other assistance, including but not limited to federal assistance that is characterized as a grant by federal law or regulations, loans, loan guarantees, credit enhancements, gifts, bequests, commodities or other assets from a grantor for the purpose of supporting or stimulating a program or activity of the County and in which no substantial involvement by the grantor is anticipated in the program or activity other than involvement associated with monitoring compliance with the grant conditions; or
 - (ii) An agreement under which the County provides moneys, property or other assistance, including but not limited to federal assistance that is characterized as a grant by federal law or regulations, loans, loan guarantees, credit enhancements, gifts, bequests, commodities or other assets, to a recipient for the purpose of supporting or stimulating a program or activity of the recipient and in which no substantial involvement by the County is anticipated in the program or activity other than involvement associated with monitoring compliance with the grant conditions.
- (B) “**Grant**” does not include a public Contract for a Public Improvement, for Public Works, as defined in ORS 279C.800, or for emergency work, minor alterations or ordinary repair or maintenance necessary to preserve a public improvement, when under the public Contract the County pays, in consideration for contract performance intended to realize or to support the realization of the purposes for which grant funds were provided to the contracting agency, moneys that the County has received under a grant.
- (25) “**Invitation to Bid**” or “**ITB**” means all documents used for soliciting Bids in accordance with either ORS 279B.055, or ORS 279C.335.

CHAPTER 1 - PUBLIC CONTRACTING POLICIES AND PROCEDURES

PUBLIC CONTRACTS GENERALLY

- (26) **“Lowest responsible bidder”** means the lowest bidder who:
- (A) Has substantially complied with all prescribed public contracting procedures and requirements;
 - (B) Has met the standards of responsibility as set forth in ORS 279B.110 or 279C.375;
 - (C) Has not been debarred or disqualified by the County under ORS 279B.130 or 279C.440; and
 - (D) If the advertised contract is a Public Improvement Contract, is not on the list created by the Construction Contractors Board under ORS 701.227.
- (27) **“Offeror”** means a Person who submits an Offer. An offer can be either a Bid or a Proposal.
- (28) **“Opening”** means the date, time and place announced in the Solicitation Document for the public opening of Written Sealed Offers.
- (29) **“Multistep Sealed Bids”** is a phased process that seeks necessary information or unpriced technical Bids in the initial phase and regular competitive sealed bidding, inviting Bidders who submitted technically eligible Bids in the initial phase to submit competitive sealed price bids on the technical bids in the final phase. The contract shall be awarded to the lowest responsible bidder.
- (30) **“Multistep Sealed Proposals”** means a phased Procurement process that seeks necessary information or un-priced technical Proposals in the initial phase and invites Proposers who submitted technically qualified Proposals in the initial phase to submit competitive sealed price Proposals on the technical Proposers in the final phase. The Contract shall be awarded to the Responsible Proposer submitting the most Advantageous Proposal in accordance with the terms of the Solicitation Document applicable to the final phase.
- (31) **“Personal/Professional Services Contract”** means a Contract, or member of a class of Contracts, whose primary purpose is to acquire specialized skills, knowledge and resources in the application of technical or scientific expertise, or the exercise of professional, artistic or management discretion or judgment, including, without limitation, a Contract for the services of an accountant, physician or dentist, educator, information technology or other consultant, broadcaster or artist (including a photographer, filmmaker, painter, weaver or sculptor), as more specifically defined in Chapter 3, Section 3.210.
- (32) **“Procurement”** means the act of purchasing, leasing, renting or otherwise acquiring goods or services. “Procurement” includes each function and procedure undertaken or required to be undertaken by a contracting agency to enter into a public contract, administer a public contract and obtain the performance of a public contract under the Public Contracting Code.
- (33) **“Proposer”** means a person that submits a Proposal in response to a Request for Proposals.
- (34) **“Proposal”** means a response to a Request for Proposals.
- (35) **“Public Improvement”** means a project for construction, reconstruction or major renovation on real property by or for the County. “Public improvement” does not include:
- (A) Projects for which no funds of a contracting agency are directly or indirectly used, except for participation that is incidental or related primarily to project design or inspection; or
 - (B) Emergency work, minor alteration, ordinary repair or maintenance necessary to preserve a public improvement.
- (36) **“Public Works”** includes, but is not limited to, roads, highways, buildings, structures and improvements of all types, the construction, reconstruction, major renovation or painting of which is carried on or contracted for by any public agency to serve the public interest but does not include the reconstruction or renovation of privately owned property that is leased by a public agency.

CHAPTER 1 - PUBLIC CONTRACTING POLICIES AND PROCEDURES

PUBLIC CONTRACTS GENERALLY

- (37) **“Quotes”** means the informal process of obtaining either Bids or Proposals. Selection criteria may be price or a combination of other factors. The County shall use written requests for at least three (3) Quotes whenever practicable and shall keep a written record of the Quotes.
- (38) **“Requirements Contract”** means a Contract in which the Contractor agrees to supply some or all of the County’s requirements that arise for item(s) or service within a specified time period.
- (39) **“Request for Proposals”** or **“RFP”** means all documents used for soliciting Proposals in accordance with ORS.279B.060 (for Goods and Services), 279C.400 through ORS 279C.410 (for Public Improvements) or Attorney General Model Rules OAR 137-049- 0650 for Alternative Contracting Method.
- (40) **“Rules”** means the local rules adopted by the Board governing all Contracts or purchases entered into by the County.
- (41) **“Scope”** means the range and attributes of the Goods or Services described in the applicable Procurement document.
- (42) **“Solicitation Document”** means an Invitation to Bid, Request for Proposals or other document issued to invite offers from prospective contractors pursuant to ORS Chapter 279B or 279C.
- (43) **“Specification”** means any description of the physical or functional characteristics, or of the nature of a supply, service or construction item, including any requirement for inspecting, testing or preparing a supply, service or construction item for delivery and the quantities or qualities of materials to be furnished under a Contract. Specifications generally will state the result to be obtained and may, on occasion, describe the method and manner of doing the Work to be performed.
- (44) **“Work”** means the furnishing of all materials, equipment, labor and incidentals necessary to successfully complete any individual item in a Contract and successful completion of all duties and obligations imposed by the Contract.
- (45) **“Written”** or **“Writing”** means conventional paper documents, whether handwritten, typewritten or printed, or their electronic counterparts, in contrast to spoken words.

The following sets forth by position the Department Head or Elected Official with respect to each County department and office:

- | | |
|--|----------------------|
| (1) Animal Control: | Sheriff |
| (2) Assessor’s Office: | Assessor |
| (3) Community Corrections: | Director |
| (4) Community Development Dept.: | Manager |
| (5) County Clerk’s Office: | County Clerk |
| (6) County Counsel’s Office(Contracts/Risk): | County Counsel |
| (7) Developmental Disability Dept.: | Director |
| (8) District Attorney’s Office: | District Attorney |
| (9) Emergency Management: | Sheriff |
| (10) Fairgrounds: | Manager |
| (11) Finance Department: | Director |
| (12) Human Resources: | Director |
| (13) Information Technology Department: | Director |
| (14) Justice Court: | Justice of the Peace |

CHAPTER 1 - PUBLIC CONTRACTING POLICIES AND PROCEDURES

PUBLIC CONTRACTS GENERALLY

(15) Juvenile Department:	Director
(16) KBREC:	Director
(17) Library:	Director
(18) Maintenance Department:	Director
(19) Museum:	Museum Manager
(20) On-Site Dept.:	Manager
(21) Parks Department:	Manager
(22) Planning Department:	Manager
(23) Public Health:	Director
(24) Public Works Dept.:	Director
(25) Sheriff's Office:	Sheriff
(26) Solid Waste Department:	Manager
(27) Surveyor's Office:	Surveyor
(28) Tax Department:	Tax Collector
(29) Treasurer's Office:	Treasurer
(30) Veteran's Service Office:	Officer/Director

COUNTY PROCEDURES

1.15 County Procedure Prior to Contract Award

- (1) The Board has the sole authority to award or amend all County Contracts unless expressly delegated by the Board pursuant to Section 1.19. The department's liaison commissioner has the authority to approve change orders not exceeding \$100,000 or 25% of the total project, previously approved by the Board during a public business meeting, whichever is less, and declare vehicles as "surplus" if the wholesale value is less than \$10,000 as determined by the Kelly Blue Book. The Board must approve change orders and declaration of surplus property in excess of these amounts during a public business meeting. Departments must submit all items not budgeted for in the current fiscal year, to a public business meeting for Board approval prior to the beginning of the process.
 - (a) Departments requesting to apply for a grant exceeding \$3,000.00, a request to issue a formal Request for Quotes (RFQ) if the estimated cost of the products or services will exceed \$10,000.00, a request to issue an Invitation to Bid and/or a request to issue a Request for Proposals (RFP) must submit all documentation to the "Counsel Review" group prior to beginning the process. The Board must approve accepting the lowest bid or highest rated proposal and finally approve all resulting contract(s) and any subsequent amendments during a public business meeting. Departments requesting to apply for a grant exceeding \$250,000 must submit all applicable documents to a public business meeting prior to beginning the process. The Board must approve accepting any grant funds awarded and finally approve all resulting contract(s) and any subsequent amendments during a public business meeting.
 - (b) Additionally, Departments must submit all MOU's, IGA's and Letters of Intent to either the "Counsel Review" group or a public business meeting for approval.

CHAPTER 1 - PUBLIC CONTRACTING POLICIES AND PROCEDURES PUBLIC CONTRACTS GENERALLY

- (2) Local Preference: The County shall endeavor to utilize local suppliers of materials and services whenever practical and feasible while seeking to obtain the lowest and best responsible bid, quotation or proposal.
- (3) The County will endeavor to follow the procedures set forth in these Rules.
- (4) For Competitive Sealed Bidding for Goods, Services, Personal/Professional Service Contracts, or Public Improvements:
 - (a) The Department Head or Elected Official or Designee shall provide the Contract Specialist/Risk Manager's Office with the following information to be included in the Bid Package:
 - (A) Name of the project;
 - (B) Contact person for Department;
 - (C) Scope of Work for Services; or Specifications of Goods;
 - (D) Special conditions to the Contract, if any;
 - (E) Location of the project for Services; or place of delivery for Goods;
 - (F) Start date for work;
 - (G) Completion date for Services; or Date of delivery for Goods;
 - (H) Target date for the Award of the Contract.
 - (b) The Contract Specialist/Risk Manager's Office, in coordination with the appropriate County Department, will prepare the Bid Package and coordinate the Bid Opening.
 - (c) Prior to the Contract/Risk Manager submitting the Bid information for advertising, the Department Head or Elected Official or Designee must approve the Bid Package.
 - (d) The Contract Specialist/Risk Manager's Office will provide the Bid Package information to the local newspaper for advertisement.
 - (e) The Department Head or Elected Official or Designee will notify the Contract Specialist/Risk Manager of all interested persons who have submitted a request, and maintain a record thereof.
 - (f) At Bid Opening, the Department Head or Elected Official shall submit to the Contract Specialist/Risk Manager's office a list of all persons who provided a Bid Package.
 - (g) At Bid Opening, the Bid Package will be reviewed by the Contract Specialist/Risk Manager and Department designee(s) to determine compliance with all prescribed procedures and requirements as set out in the Bid Package.
 - (h) Copies of Bid will be distributed to the Department Head or Elected Official or Designee.
 - (i) Upon request from the Department Head or Elected Official or Designee, Contract Specialist/Risk Manager's Office and/or County Counsel may review the Bid Package for:
 - (A) Substantial compliance with Oregon law;
 - (B) Application of any preferences;
 - (C) In the case of Public Improvement contracts, whether the Bidder has been Disqualified by the Construction Contractor's Board or has been Disqualified under ORS 279C.440;
 - (D) In the case of Public Works contracts, whether the Bidder has been declared ineligible by the Commissioner of Bureau of Labor and Industries; and

CHAPTER 1 - PUBLIC CONTRACTING POLICIES AND PROCEDURES

PUBLIC CONTRACTS GENERALLY

- (E) Whether to recommend to the Department Head or Elected Official and Board for an investigation to determine if the Bidder is a Responsible Bidder.
- (5) For Competitive Sealed Proposals for Goods, Services, Personal/Professional Service Contracts, or Public Improvements:
- (a) The Department Head or Elected Official or Designee shall provide the County Contract Specialist/Risk Manager's Office with the following information to be included in the Proposal Package:
 - (A) Name of the project;
 - (B) Contact person for Department;
 - (C) Scope of Work for Services, and/or Specifications of Goods;
 - (D) Special conditions to the Contract, if any;
 - (E) Location of the project for Services, and/or place of delivery for Goods;
 - (F) Start date for work;
 - (G) Completion date for Services and/or Date of delivery for Goods;
 - (H) Target date for the Award of the Contract.
 - (b) The Contract Specialist/Risk Manager will help prepare the Proposal Package and coordinate the Proposal Opening with the Department.
 - (c) Prior to the Contract/Risk Manager submitting the Proposal information for advertising, the Department Head or Elected Official or Designee must approve the Proposal Package.
 - (d) The Contract Specialist/Risk Manager's Office will work with the department to ensure Bid/Proposal Package information is submitted to the local newspaper/trade journals for advertisement, if required.
 - (e) The Department Head or Elected Official or Designee will notify the Contract Specialist/Risk Manager of all interested persons who have submitted a request, and maintain a record thereof.
 - (f) At Proposal Opening, the Department Head or Elected Official or Designee shall submit to the Contract Specialist/Risk Manager a list of all persons who provided a Request for Proposal.
 - (g) At Proposal Opening, the name of the persons/firms submitting Proposals will be read by Contract Specialist/Risk Manager. The Contract Specialist/Risk Manager will retain the original proposal forms and all required bonds.
 - (h) Copies of Proposals will be distributed to the Department Head or Elected Official or Designee.
 - (i) Upon request from the Department Head or Elected Official or Designee, Contract Specialist/Risk Manager's Office and/or Counsel may review the Proposals for:
 - (A) Substantial compliance with Oregon law;
 - (B) Application of any preferences;
 - (C) In the case of Public Improvement contracts, whether the Offeror is Disqualified under ORS 279C.440;
 - (D) In the case of Public Works contracts, whether the Offeror has been declared ineligible by the Commissioner of Bureau of Labor and Industries; and

CHAPTER 1 - PUBLIC CONTRACTING POLICIES AND PROCEDURES

PUBLIC CONTRACTS GENERALLY

- (E) Whether to recommend to the Department Head or Elected Official and Board for an investigation to determine if the Offeror is a Responsible Offeror.
- (6) Formal process to obtain Quotes for Goods, Services, Personal/Professional Services Contracts, or Public Improvements:
- (a) Prior to obtaining Quotes, the Department shall determine and maintain written documentation of the specifications and selection criteria for the Quote. The selection criteria may be limited to price or some combination of price, experience, specific expertise, availability, project understanding, Contractor capacity and similar factors.
 - (b) Prior to obtaining Quotes, the Department shall consult with the Contract Specialist/Risk Manager to determine the applicable insurance requirements for the Contract.
 - (c) The Department shall utilize written requests for Quotes whenever reasonably practicable. Written request for Quotes shall include the selection criteria to be utilized in selecting a Contractor and, if the criteria are not of equal value, their relative value or ranking. The County must describe substantially the same specifications to each of the prospective contractors. When requesting Quotes orally, prior to requesting the price quote the County shall document any additional selection criteria and, if the criteria are not of equal value, their relative value.
 - (d) The Department shall document the names of all vendors contacted and the price and/or specifications quoted by each vendor.
 - (e) Upon request from the Department, Contract Specialist/Risk Manager and/or Counsel may review the Quotes for:
 - (A) Substantial compliance with Oregon law;
 - (B) Application of any preferences;
 - (C) In the case of Public Improvement contracts, whether the Bidder has been Disqualified by the Construction Contractor's Board or has been Disqualified under ORS 279C.440;
 - (D) In the case of Public Works contracts, whether the Bidder has been declared ineligible by the Commissioner of Bureau of Labor and Industries; and
 - (E) Whether to recommend to the Department Head or Elected Official and Board for an investigation to determine if the Bidder is a Responsible Bidder.
- (7) Informal process to obtain Quotes for Goods and/or Personal/Professional Services Contracts:
- (a) The Department shall consult with the Contract Specialist/Risk Manager to determine the applicable requirements for the Solicitation Document.
 - (b) The Department Head or Elected Official shall determine and maintain written documentation of the specifications and selection criteria. The selection criteria may be some combination of price, experience, specific expertise, availability, project understanding, Contractor capacity and similar factors.
 - (c) The Department shall utilize written requests for Quotes whenever reasonably practicable. Written request for Quotes shall include the selection criteria to be utilized in selecting a Contractor and, if the criteria are not of equal value, their relative value or ranking. The Department must describe substantially the same specifications to each of the prospective contractors. When requesting Quotes orally, prior to requesting the Quotes, the Department shall document the selection criteria, and their relative value.
 - (d) The Department shall document the names of all entities contacted and the price and/or specifications quoted by each.

CHAPTER 1 - PUBLIC CONTRACTING POLICIES AND PROCEDURES PUBLIC CONTRACTS GENERALLY

- (e) All items requiring a contract, agreement, an authorized signature to accept terms and conditions etc. are required to be submitted to a public business meeting for Board approval.
- (8) Purchase of vehicles:
 - (a) Departments with authority to purchase a vehicle in the current fiscal year as approved by the BOCC during budget hearings:
 - (A) With the help of the Contract Specialist, the department must solicit a minimum of, three (3) written quotes, preferably from local dealers, without requesting prior BOCC approval.
 - (B) The Department shall recommend the Award of Purchase to the Board by preparing an agenda item cover sheet and include all appropriate and required solicitation documents then submit the packet as one document to the County's online program with a future public business meeting agenda date of 14 days minimum from submission.
 - (b) Departments without authority to purchase a vehicle in the current fiscal year as approved by the BOCC during budget hearings:
 - (A) The Department shall request approval by the Board, to solicit quotes for the purchase, by preparing an agenda item cover sheet and include all appropriate and required solicitation documents then submit the packet as one document to the County's online program with a future public business meeting agenda date of 14 days minimum from submission
 - (B) With the help of the Contract Specialist, the Department must solicit a minimum of, three (3) written quotes, preferably from local dealers.
 - (C) The Department shall recommend the Award of Purchase to the Board by preparing an agenda item cover sheet and include all appropriate and required solicitation documents then submit the packet as one document to the County's online program with a future public business meeting agenda date of 14 days minimum from submission.
- (9) Failed Procurement(s): If, after issuing a competitive solicitation with no responsible response is received, the County may enter into a "Contract-Specific Special Procurement" for the purpose of entering into a single contract on a one-time basis or for a single project. The procedures set forth in ORS 279B.085 must be followed prior to entering into a contract under this provision.

1.16 County Procedure for Contract Award or Amendment

The following procedure shall be followed whenever a Contract is submitted to a public business meeting, for the Board's approval of award, ratification or amendment, unless another procedure has been adopted by the Board concerning a specific class of contracts.

- (1) Prior to execution of the Contract or Amendment of Contract by any party, the Department shall determine whether federal funding is indirectly or directly involved. If federal funding is involved, the Department shall:
 - (a) Identify the applicable Catalog of Federal Domestic Assistance Number.
 - (b) Determine the percentage of federal funding of the overall funding and disclose that percentage on the contract summary form.
 - (c) Determine any special conditions to the federal funding which includes, but is not limited to, records retention, audits, or other reporting.

CHAPTER 1 - PUBLIC CONTRACTING POLICIES AND PROCEDURES

PUBLIC CONTRACTS GENERALLY

- (d) If the Department subcontracts a portion of the Contract, the Department shall disclose the CFDA number to the subcontractor and how much of the funds disbursed are federal funds.
- (e) For Contract Amendments, determine whether the funding source has changed.
- (2) Prior to the submission of the Contract to the Board, the Department shall obtain all necessary signatures of the contracting parties except in the case of a federal or state Contract where the County must sign prior to the contracting party.
- (3) The Department shall recommend the Award of Contract to the Board by preparing an agenda item cover sheet and include all appropriate and required solicitation documents then submit the packet as one document to the County's online program with a future public business meeting agenda date of 14 days minimum from submission.
- (4) If the Board Awards the Contract, then:
 - (a) The Contract Specialist/Risk Manager shall draft the necessary contract documents and forward to the Department for comment, review and obtaining of required signatures.
 - (b) Upon obtaining signatures of the contracting party, the Department shall prepare an agenda-item cover sheet along with the contract and submit the item(s), for review and approval through the County's online program with a future public business meeting agenda date of 14 days minimum from submission.
- (5) After the contract is signed by the Board of County Commissioners:
 - (a) The Board's staff files the original with the County Clerk and returns other originals, if any, to the Department. Copies are provided to the Department, Contract Specialist/Risk Manager's Office and County Counsel.
 - (b) The Department shall make copies of the contract for their own files and, if necessary, provide any originals to the Contractor.
 - (c) The Contract Specialist/Risk Manager returns any bid or proposal bond, if any, upon the execution of the Contract.
- (6) The Contract Department shall maintain records of bids, quotes and proposals received as a result of procurement activity, which shall include the solicitation document, notification list, all Board approval documents, any addenda issued, affidavit of publication, records of bids, quotes and proposals received as a result of procurement activity, justification for rejection of higher scoring proposals or for rejecting lowest bid, the completed evaluation forms, correspondence and resulting contract (OAR 137-030-0125). Contract originals shall be filed in the County Clerk's office as part of the Board of County Commissioner's Journal. Copies of all active contracts shall be maintained in the Contract/Risk Manager's Office, the Board of County Commissioner's office and the affected department. The Contractor shall be provided a fully executed original by the department. Bid documents for Public Improvements must be maintained for 10 years, all others for 6 years.

DELEGATION OF CONTRACT AUTHORITY

1.17 Delegation of Authority

- (1) The Board has authority to delegate its contract and contract amendment authority. Delegated authority shall be in writing and adopted by Resolution.
- (2) Notwithstanding the following delegations of the Board's authority, all County delegates are governed by the Public Contracting Code and these Rules.
- (3) In the following delegations, where the Contract is signed by the Department, the Department shall send a copy of the Contract to the County Commissioners Office and Contract Specialist/Risk Manager within seven (7) days of execution.

CHAPTER 1 - PUBLIC CONTRACTING POLICIES AND PROCEDURES

PUBLIC CONTRACTS GENERALLY

1.18 Procedure for Delegated Contract Authority

- (1) Prior to execution of the Contract or Amendment of a Contract, the Department delegated authority to execute contracts shall determine whether federal funding is indirectly or directly involved. If federal funding is involved, the Department shall:
 - (a) Identify the applicable Catalog of Federal Domestic Assistance Number.
 - (b) Determine the percentage of federal funding of the overall funding and disclose that percentage on the agenda item sheet.
 - (c) Determine any special conditions to the federal funding which includes, but is not limited to, records retention, audits, or other reporting.
 - (d) If the Department subcontracts a portion of the Contract, the Department shall disclose the CFDA number to the subcontractor and how much of the funds disbursed are federal funds.
 - (e) For Contract Amendments, determine whether the funding source has changed to include federal funding.
- (2) If requested, the Contract Specialist/Risk Manager in conjunction with County Counsel will provide advice on source selection and contracts.
- (3) The Department shall obtain ratification from the Board as follows:
 - (a) The Department shall submit the agenda item cover sheet, together with the contract documents, and all appropriate and required solicitation documents for review and approval through the County's online program with a future public business meeting agenda date of 14 days minimum from submission.

1.19 Departmental Spending Authority

- (1) Notwithstanding any of the below provisions, a Department Head or Elected Official as defined in Section 1.14 is required to consult with the Contract Specialist/Risk Manager's Office regarding required procurement procedures and contracts for all purchases regardless of the amount.
- (2) Department Heads or Elected Officials, after conferring with the Contract Specialist/Risk Manager, have the authority to make current fiscal year budgeted purchases of goods and services in an amount up to \$10,000 per purchase.
- (3) All purchases and spending outside of a department's current fiscal years approved budget, and all transfers within a department's budget, require prior approval by the Board of Commissioners.
- (4) All purchases valued at \$10,000 or more must be submitted to the Board of Commissioners for approval, during a regular public business meeting, prior to execution. All solicitation documents for procurements with an estimated valued over \$150,000 must be submitted to the Contract Specialist/Risk Manager for review prior to commencing the solicitation process.
- (5) The following departments have additional special spending authority as specified:
 - (a) The Board of Commissioners is authorized to adopt forms, computer software, procedures and administrative policies and procedures for all County purchases consistent with these policies. All contracting by departments must be done in accordance with the procedures and policies adopted by the County Board of Commissioners.
 - (b) The Board of Commissioners may acquire or dispose of real property or interest in real property in any way they deem to be in the best interest of the citizens of Klamath County.

CHAPTER 1 - PUBLIC CONTRACTING POLICIES AND PROCEDURES

PUBLIC CONTRACTS GENERALLY

- (c) The Building Official may enter into all project-specific contracts with plan review/inspection firms not exceeding \$5,000 and shall be brought before the BOCC at weekly work sessions as needed and put on the public business meeting schedule as “prior approved”.
 - (d) Pursuant to Resolution No. 2019-005, County Counsel may enter into contracts for legal and investigator services not to exceed \$50,000 annually for any single provider.
 - (e) The Klamath County Surveyor is authorized to execute contracts with private surveyors, within available funds, on an as-needed basis to reestablish public land corners without obtaining BOCC approval. The Surveyor shall utilize forms of contract approved by County Counsel.
 - (f) Each department must operate within its current fiscal years approved budget, or seek supplemental budget authority from the County Board of Commissioners.
- (6) Delegation of authority to Department Heads or Elected Officials does not preclude the Board of Commissioners from holding Department Heads or Elected Officials accountable for unwise or irresponsible use of such authority.
 - (7) The Board of Commissioners may at any time require that a particular spending item, or categories thereof, be subject to additional or lesser oversight; provided, however, then any such change that is to be applicable other than in a specific instance should be reduced to writing and incorporated into the applicable rules and procedures.

1.20 Departmental Contracting Authority

- (1) Notwithstanding any of the below provisions, all contracts, including intergovernmental agreements (IGAs), etc., the Department shall recommend the Award of Contract to the Board by preparing an agenda item cover sheet and include all appropriate and required solicitation documents then submit the packet as one document to the County’s online program with a future public business meeting agenda date of 14 days minimum from submission.
- (2) Counsel’s Office shall determine whether the approval of the Board of Commissioners is required for a particular changes based on the nature of the change and the level of risk it presents as follows:
 - (a) Grant agreements with a dollar value change no greater than 5% (not to base contract) or \$50,000 annually (not to base contract), whichever is less, provided they are still within budget and will not have a significant impact on departmental programs or staffing, do not require Board of Commissioners approval. Department Heads or Elected Officials have the authority to execute such changes after review and approval by Counsel’s Office.
 - (b) Grant agreements with a dollar value change greater than 5% or \$50,000, whichever is less, or which have a significant impact on departmental programs or staffing require prior approval by the Board of Commissioners.
- (3) Department Heads or Elected Officials may not further delegate their contracting authority to employees within their department.
- (4) Delegation of authority to Department Heads or Elected Officials does not preclude the Board of Commissioners from holding Department Heads or Elected Officials accountable for unwise or irresponsible use of such authority.
- (5) The Board of Commissioners may at any time require that a particular contract, or categories thereof, be subject to additional or lesser oversight; provided, however, that any such change that is to be applicable other than in a specific instance should be reduced to writing and incorporated into the applicable rules and procedures.

CHAPTER 1 - PUBLIC CONTRACTING POLICIES AND PROCEDURES

PUBLIC CONTRACTS GENERALLY

1.21 Emergency Authority

- (1) In the event of an Emergency, as defined in ORS 279A.010(f), when an emergency board meeting is impracticable, the Chair of the Board is granted authority to approve purchases and sign contracts in an amount not to exceed \$25,000. If the Chair is not available, the following positions are delegated authority, in descending order, only if the preceding positions are unavailable:
 - (a) The Vice Chair of the Board of Commissioners;
 - (b) Remaining Commissioner;
 - (c) The Department Head or Elected Official for whom the Contract is let only upon consultation with Counsel's Office.
- (2) The Department shall prepare all necessary documentation as required in Chapter 2 Section 2.111 and Chapter 4 Section 4.320.
- (3) As soon as practicable, the full Board shall consider the purchase or contract and, upon finding that an Emergency existed as defined in ORS 279A.010(f), ratify the Emergency purchase or contract. In such cases, Department Heads or Elected Officials shall make a report regarding all such purchases or contracts and submit to the Board at the next scheduled public business meeting with the Board of Commissioners.

AMENDMENTS AND MISTAKES

1.22 Contract Amendments

- (1) Any Contract amendment for additional work may be entered without the Competitive Process subject to the following conditions:
 - (a) The original Contract was let by the Competitive Process and imposes a binding obligation on the parties covering the terms and conditions of the additional work; or
 - (b) If the amendment has the effect of creating a new Contract, the amount of the aggregate cost increase resulting from all amendments shall not exceed ten (10%) percent of the initial Contract, or twenty (20%) percent of the initial Contract when the initial Contract is for a face amount not exceeding \$100,000 and is for the remodeling, repair, or rehabilitation of a building or buildings. Amendments made pursuant to (a) of this Rule will not be included in computing the aggregate amount under this section.
 - (c) All amendments are required to be submitted to a public business meeting for Board approval.

1.23 Mistakes

- (1) County's Treatment of Mistakes. The County shall not allow a Bidder or Proposer to correct or withdraw an Offer for an error in judgment. If the County discovers certain mistakes in an Offer after Opening, but before Award of the Contract, the County may take the following action:
 - (a) The County may waive, or permit an Offeror to correct, a minor informality. A minor informality is a matter of form rather than substance that is evident on the face of the Offer, or an insignificant mistake that can be waived or corrected without prejudice to other Offerors.
 - (b) The County may correct a clerical error if the error is evident on the face of the Offer or other documents submitted with the Offer, and the Offeror confirms the County's correction in writing. A clerical error is an Offeror's error in transcribing its Offer.
 - (c) The County may permit an Offeror to withdraw an Offer based on one or more clerical errors in the Offer only if the Offeror shows with objective proof and by clear and convincing evidence:

CHAPTER 1 - PUBLIC CONTRACTING POLICIES AND PROCEDURES

PUBLIC CONTRACTS GENERALLY

- (A) The nature of the error;
 - (B) That the error is not a minor informality under this subsection or an error in judgment;
 - (C) That the error cannot be corrected or waived under subsection (b) of this section; That the Offeror acted in good faith in submitting an Offer that contained the claimed error and in claiming that the alleged error in the Offer exists;
 - (D) That the Offeror acted without gross negligence in submitting an Offer that contained a claimed error;
 - (E) That the Offeror will suffer substantial detriment if the County does not grant the Offeror permission to withdraw the Offer;
 - (F) That the County's or the public's status has not changed so significantly that relief from the forfeiture will work a substantial hardship on the County or the public it represents; and
 - (G) That the Offeror promptly gave notice of the claimed error to the County.
- (2) Rejection for Mistakes. The County shall reject any Offer in which a mistake is evident on the face of the Offer and the intended correct Offer is not evident or cannot be substantiated from documents submitted with the Offer.

COOPERATIVE PROCUREMENTS

1.24 Cooperative Procurements

- (1) The County may participate in, sponsor, conduct or administer Cooperative Procurements as follows:
- (a) The County may participate in, sponsor, conduct or administer Joint Cooperative Procurements to establish Contracts or Price Agreements for Goods or Services or Personal/Professional Services, that use source selection methods substantially equivalent to those set forth in ORS 279B.055, 279B.060, or 279B.085 or to establish Contracts for Public Improvements that use a competitive bidding process substantially equivalent to that set forth in ORS 279C.005 through 279C.870.
 - (b) The County may participate in, sponsor, conduct or administer Permissive Cooperative Procurements to establish contracts or Price Agreements for the acquisition of Goods or Services or Personal/Professional Services that use source selection methods substantially equivalent to those set forth in ORS 279B.055 or 279B.060.
 - (c) The County may participate in, sponsor, conduct or administer Interstate Cooperative Procurements to establish contracts or Price Agreements for the acquisition of Goods or Services or Personal/Professional Services that use source selection methods substantially equivalent to those set forth in ORS 279B.055 or 279B.060.
- (2) A solicitation and award process uses source selection methods substantially equivalent to those identified in ORS 279B.055, 279B.060 or 279B.085 when it has the characteristics set forth in ORS 279A.200(2).

CHAPTER 2 - PROCUREMENT CONTRACTS FOR GOODS AND SERVICES

GENERALLY; EXCEPTIONS

2.10 General Procurement Contracts; Exceptions

Except as permitted by ORS 279B.065 through 279B.085, ORS 279A.200 through 279A.225, and those Contracts exempt under the Rules in this Chapter, all Contracts for the purchase of Goods and Services, not including Personal/Professional services, shall be based on either Competitive Sealed Proposals or Competitive Sealed Bidding.

If a contract or agreement is required for the goods and services, regardless of the amount, the Department shall submit the contract and an agenda-item cover sheet for the County's official contract review process and BOCC approval.

2.11 Small Procurement Contracts Not Exceeding \$10,000

- (1) The County may award a Public Contract without Competitive Process for Goods or Services that do not exceed \$10,000. Departments shall try to obtain at least three quotes, written or verbal. If verbal quotes are obtained, keep a written record of the sources and amounts of the quotes received.
- (2) A Procurement may not be artificially divided or fragmented so as to constitute a Small Procurement under this section.

2.12 Intermediate Procurement Contracts Not Exceeding \$150,000

- (1) The County may award a Public Contract without Competitive Sealed Bidding or Competitive Sealed Proposals for the procurement of Goods and Services that do not exceed \$150,000.
- (2) A Procurement may not be artificially divided or fragmented so as to constitute an Intermediate Procurement under this section.
- (3) The County shall seek Quotes from prospective contractors as follows:
 - (a) **Selection Criteria.** The selection criteria may be limited to price or some combination of price, experience, specific expertise, availability, project understanding, Contractor capacity, responsibility and similar factors; and
 - (b) **Request for Quotes.** Prior to the solicitation of a Quote, the County shall determine the specifications of the Good or Service and shall maintain written documentation of the specifications. The County shall utilize written requests for Quotes whenever reasonably practicable. The County must describe substantially the same specifications to each of the prospective contractors. Written request for Quotes shall include the selection criteria to be utilized in selecting a Contractor and, if the criteria are not of equal value, their relative value or ranking, (i.e. scoring on a points basis when taking into consideration more than just lowest price). Ranking may be done by the individual Department without utilizing a review committee, and shall be submitted to the Board of County Commissioners for final approval at a weekly public meeting. When requesting quotations orally, prior to requesting the price quote the County shall state any additional selection criteria and, if the criteria are not of equal value, their relative value.
 - (c) **Number of Quotes; Record Required.** The County shall seek a minimum of three written Quotes, and keep a written record of the sources and amounts of the quotes received.
 - (d) If three Quotes are not reasonably available, the County shall make and maintain a written record of the effort made to obtain those Quotes.

CHAPTER 2 - PROCUREMENT CONTRACTS FOR GOODS AND SERVICES

GENERALLY; EXCEPTIONS

- (e) **Award.** If a Contract is awarded, the County shall award the Contract to the Offeror whose Quote, Bid or Proposal will best serve the interests of the County, taking into account price as well as considerations including, but not limited to, experience, expertise, product functionality, suitability for a particular purpose and Contractor responsibility under ORS 279B.110.
- (4) No Contractor may be awarded in the aggregate within the fiscal year Contracts in excess of \$150,000 unless procured by Competitive process. In computing the aggregate under this subsection, awards under \$10,000 shall not be included.
- (5) When conducting an Intermediate Procurement under this section, the County, at a minimum, shall seek at least three (3) written Quotes from prospective contractors as described in Section 2.12 (3).

2.13 Competitive Process for Contracts Exceeding \$150,000

- (1) The County may award a Public Contract by Competitive Sealed Bidding or Competitive Sealed Proposals as described in 1.15 (4) or (5), for the procurement of Goods and Services that are greater than \$150,000.
- (2) A Procurement may not be artificially divided or fragmented so as to constitute an Intermediate Procurement under this section.
- (3) No Contract may be awarded in the aggregate within the fiscal year Contracts in excess of \$150,000 without following Competitive Process procedures. In computing the aggregate under this subsection, awards under \$10,000 shall not be included.

2.14 Sole Source Procurements

The County may award a Public Contract without competition as a Sole-Source Procurement pursuant to the requirements of ORS 279B.075.

2.15 Requirements Contracts

- (1) The County may enter into Requirements Contracts whereby it is agreed to purchase requirements or an anticipated need at a predetermined price providing the following conditions are complied with:
 - (a) The Contract must be let by the Competitive Process, unless another exemption exists under these Rules or ORS Chapters 279A and 279B;
 - (b) The term of the Contract including renewals does not exceed five (5) years; and
 - (c) The Contract is subject to no less than thirty (30) days cancellation by the County.

2.16 Special Procurements

- (1) **Generally,** The County may award a Public Contract as a Special Procurement pursuant to the requirements of ORS 279B.085.
- (2) **Public Notice.** The County shall give public notice of (1) its request for approval of a Special Procurement and (2) the County's approval of a Special Procurement in a manner similar to public notice of Competitive Sealed Bids under ORS 279B.055(4) and CR2.230. The public notice shall describe the Goods or Services or class of Goods or Services to be acquired through the Special Procurement. The Department shall give such public notice of its request for approval of a Special

CHAPTER 2 - PROCUREMENT CONTRACTS FOR GOODS AND SERVICES

GENERALLY; EXCEPTIONS

Procurement at least five (5) business days prior to the approval of the Special Procurement by the Board. The County shall give such public notice of the approval of a Special Procurement at least fourteen (14) Days before award of the Contract.

2.17 Emergency Procurements

- (1) **Emergency Declaration.** Pursuant to this Rule, the County may declare that Emergency circumstances exist that require prompt execution of a Public Contract for procurement of Goods and Services. The declaration shall be by a written declaration that describes the circumstances creating the Emergency and the anticipated harm from failure to enter into an Emergency Contract.
- (2) **Competition for Contracts.** The County shall ensure competition for an Emergency Contract as reasonable and appropriate under the Emergency circumstances, and may include written requests for offers, oral requests for offers or direct appointment without competition in cases of extreme necessity, in whatever Solicitation time periods the County considers reasonable in responding to the Emergency.
- (3) **Contract Award.** Any Contract awarded under this Rule must be awarded within 60 Days after declaration of the Emergency.
- (4) **Contract Scope.** Although no dollar limitation applies to Emergency Contracts, the scope of the Contract must be limited to work that is necessary and appropriate to remedy the conditions creating the Emergency as described in the declaration.
- (5) **Contract Modification.** Emergency Contracts may be modified by change order or amendment to address the conditions described in the original declaration or an amended declaration that further describes additional work necessary and appropriate for related Emergency circumstances.

2.18 State Cooperative Purchasing Procurements

The County may purchase Goods or Services from the Oregon Cooperative Program administered by the State of Oregon Department of Administrative Services without the Competitive Process.

2.19 Federal Program Contracts

The County may enter into a Contract without the Competitive Process under a federal program described in ORS 279A.180.

2.20 Qualified Nonprofit Agencies Contracts

The County may enter into a Contract for Goods or Services with qualified non-profit agencies providing employment opportunities for disabled individuals pursuant to ORS 279.835 through 279.855 without following the source selection procedures set forth in either ORS 279A.200 through 279A.225 or 279B.050 through 279B.085.

2.21 State or Federal Exemptions

The County may enter into a Contract for the purchase of Goods or Services without the Competitive Process, where state or federal law or regulation allows an exemption from such competitive procurement.

2.22 Price Regulated Items or Services

The County may enter into a Contract for the purchase of Goods or Services without the Competitive Process, where the rate or price for the Goods or Services being purchased is established by Federal, State, or regulatory authority.

CHAPTER 2 - PROCUREMENT CONTRACTS FOR GOODS AND SERVICES

GENERALLY; EXCEPTIONS

EXEMPTIONS AND EXCLUSIONS FOR THE PROCUREMENT OF GOODS AND SERVICES BY TOPIC [Also see Exhibit A attached hereto for further exemptions]

2.23 Advertising Contracts

The County is exempt from the Competitive Process for the purchase of advertising. This includes, but is not limited to, space for advertising and legal notices in newspapers and other publications, and radio and television spots.

2.24 Copyrighted Materials

The County is exempt from the Competitive Process if there is only one known supplier for such Goods.

2.25 Equipment Maintenance, Repair and Overhaul

- (1) The County may let Contracts for equipment maintenance, repair or overhaul without the Competitive Process, subject to the following conditions:
 - (a) Service and/or parts required are unknown and the cost cannot be determined without extensive preliminary dismantling or testing; or
 - (b) Service and/or parts required are for sophisticated equipment for which specially trained personnel are required and such personnel are available from only one source.

2.26 Election Supplies and Services

The County is exempt from the Competitive Process for the printing of official ballots, including sample and test ballots, ballot envelopes, and including polling place and drop site signs.

2.27 Gasoline, Diesel Fuel, Heating Oil, Lubricants, Asphalts and Rock

The County is exempt from formal competitive bidding requirements for the purchase of gasoline, diesel fuel, heating oil, lubricants, asphalt, rock and other road maintenance materials if the County seeks competitive quotes, makes its purchase from the least expensive source, and retains written justification for the purchase made.

2.28 Insurance Contracts

- (1) Contracts for insurance where either the annual or aggregate premium exceeds \$150,000 must by the Competitive Process or by one of the following:
 - (a) Agent of Record: The County may appoint a licensed insurance agent as Agent of Record to perform insurance services in connection with more than one insurance contract. The selection of the agent of record shall be done by the process prescribed for Personal Services Contracts by these Rules; or
 - (b) Specific Proposals for Insurance Contracts: The County may solicit proposals from licensed insurance agents for the purpose of acquiring specific insurance contracts.

2.29 Laboratory and Medical Supplies

The County is not required to purchase laboratory and medical supplies on the basis of a single award to the lowest responsible bidder, but instead may purchase different brands of the same item by awarding Contracts,

CHAPTER 2 - PROCUREMENT CONTRACTS FOR GOODS AND SERVICES

GENERALLY; EXCEPTIONS

after competitive bidding, to the lowest responsible bidder for each brand.

2.30 Library and Reading Materials

The County may purchase library circulation materials without Competitive Process.

2.31 Office Supplies

The County is exempt from the Competitive Process for the purchase of office supplies.

2.32 Used Vehicles

- (1) The County is exempt from the Competitive Process for the purchase of used vehicles.
- (2) If the used vehicles are purchased through local vehicle dealers, vehicles from at least three (3) different vehicle dealers that meet the needs of the County will be considered before a specific vehicle is selected.
- (3) A mechanic from the County Road Department shall inspect each vehicle being considered to determine the condition of the vehicle.

PROCUREMENT SOURCE SELECTION SOLICITATION DOCUMENTS

2.33 Public Notice of Solicitation Documents

- (1) **Notice of Solicitation Documents.** The County shall provide public notice of every formal Solicitation Document by publishing the advertisement for offers in accordance with the requirements of ORS 279B.055(4) and 279B.060(4).
- (2) **Content of Advertisement.** All advertisements for offers shall set forth:
 - (a) Where, when, how, and for how long the Solicitation Document may be obtained;
 - (b) A general description of the Goods or Services to be acquired;
 - (c) The interval between the first date of notice of the Solicitation Document given in accordance with subsection 2(a) or (b) above and Closing, which shall not be less than fourteen (14) Days for an Invitation to Bid and twenty-one (21) Days for a Request for Proposals, unless the County determines that a shorter interval is in the public's interest;
 - (d) The date that Persons must file applications for prequalification if prequalification is a requirement and the class of Goods or Services is one for which Persons must be prequalified;
 - (e) The office where Contract terms, conditions and Specifications may be reviewed or obtained;
 - (f) The name, title and address of the individual authorized by the County to receive offers;
 - (g) The scheduled Opening; and
 - (h) Any other information the County deems appropriate.
- (3) **Notice of Addenda.** The County shall provide potential Offerors notice of any Addenda to a Solicitation Document in accordance with Section 2.235.

2.34 Addenda to Solicitation Document

- (1) **Issuance; Receipt.** The County may change a Solicitation Document by written Addenda. An Offeror shall provide written acknowledgment of receipt of all issued Addenda with its Offer, unless the County otherwise specifies in the Addenda.

CHAPTER 2 - PROCUREMENT CONTRACTS FOR GOODS AND SERVICES

GENERALLY; EXCEPTIONS

- (2) **Notice and Distribution.** The County shall notify known prospective Offerors of Addenda in a manner intended to foster competition and to make prospective Offerors aware of the Addenda.
- (3) **Timelines; Extensions.** The County shall issue Addenda within a reasonable time to allow prospective Offerors to consider the Addenda in preparing their offers.

MULTI-TIERED/MULTISTEP COMPETITIVE SEALED PROPOSALS

2.35 Procedures for Competitive Range, Multi-Tiered/Multistep Sealed Proposals

- (1) **Generally,** The County may procure Goods or Services Contracts by employing any combination of the methods of Contractor selection as set forth in ORS 279B.060(7), 279B.060(8) and OAR 137-047-0261. The County may employ the procedures set forth in Section 2.13 (5) for Competitive Sealed Proposals and Section 2.35 for Multi-Tiered/Multistep Sealed Proposals.
- (2) **Solicitation Protest.** Prior to the initial Closing, the County shall provide an opportunity to protest the solicitation under ORS 279B.405 and Section 2.41.
- (3) **Award Protest.** The County shall provide an opportunity to protest its intent to award a Contract pursuant to ORS 279B.410 and Section 2.42.

2.36 Competitive Range, Discussions and Negotiations

- (1) **Competitive Range.** When the County solicitation process conducted pursuant to ORS 279B.060 (8) calls for the County to establish a Competitive Range at any stage in the Procurement process, it shall do so as follows:
 - (a) **Determining Competitive Range.**
 - (A) The County shall establish a Competitive Range after evaluating all Responsive Proposals in accordance with the evaluation criteria set forth in the Request for Proposals. After evaluation of all Proposals in accordance with the criteria set forth in the Request for Proposals, the County shall determine and rank the Proposers in the Competitive Range.
 - (B) The County may increase the number of Proposers in the Competitive Range if the County's evaluation of Proposals establishes a natural break in the scores of Proposers indicating a number of Proposers greater than the initial Competitive Range are closely competitive, or have a reasonable chance of being determined the most Advantageous Proposer. The County may decrease the number of Proposers in the initial Competitive Range only if the excluded Proposers have no reasonable chance to be the most advantageous Proposer.
 - (b) **Intent to Award; Discuss or Negotiate.** After determination of the Competitive Range, the County may either:
 - (A) Provide written notice to all Proposers in the Competitive Range of its intent to award the Contract to the highest-ranked Proposer in the Competitive Range.
 - (B) Engage in discussions with Proposers in the Competitive Range and accept revised Proposals from them as set forth in Section 2.36(2) and following such discussions and receipt and evaluation of revised Proposals, conduct negotiations as set forth in Section 2.36(3) with the Proposers in the Competitive Range.
- (2) **Discussions; Revised Proposals.** If the County chooses to enter into discussions with and receive best and final offers (See Section 2.36(4)), the County shall proceed as follows:

CHAPTER 2 - PROCUREMENT CONTRACTS FOR GOODS AND SERVICES

GENERALLY; EXCEPTIONS

- (a) **Initiating Discussions.** The County shall initiate oral or written discussions with all Proposers submitting Responsive Proposals or all Proposers in the Competitive Range (collectively "eligible Proposers") regarding their Proposals with respect to the provisions of the RFP that the County identified in the RFP as the subject of discussions. The County may conduct discussions for the following purposes:
 - (A) Informing eligible Proposers of deficiencies in their initial Proposals;
 - (B) Notifying eligible Proposers of parts of their Proposals for which the County would like additional information; or
 - (C) Otherwise allowing eligible Proposers to develop revised Proposals that will allow the County to obtain the best Proposal based on the requirements and evaluation criteria set forth in the Request for Proposals.
- (b) **Conducting Discussions.** The County may conduct discussions with each eligible Proposer necessary to fulfill the purposes of this section (2), but need not conduct the same amount of discussions with each eligible Proposer. The County may terminate discussions with any eligible Proposer at any time. However, the County shall offer all eligible Proposers the same opportunity to discuss their submitted Proposals with the County before the County notifies eligible Proposers of the date and time pursuant to section (4) that best and final Proposals will be due.
 - (A) In conducting discussions, the County may adjust the evaluation of a Proposal as a result of a discussion under this Section. The conditions, terms, or price of the Proposal may be altered or otherwise changed during the course of the discussions provided the changes are within the scope of the Request for Proposals.
 - (B) At any time during the time allowed for discussions, the County may:
 - (i) Continue discussions with a particular eligible Proposer;
 - (ii) Terminate discussions with a particular eligible Proposer and continue discussions with other eligible Proposers; or
 - (iii) Conclude discussions with all remaining eligible Proposers and provide notice pursuant to section (4) of this Rule to the eligible Proposers requesting best and final offers.
- (3) **Negotiations.**
 - (a) **Initiating Negotiations.** The County may commence serial negotiations with the highest-ranked eligible Proposers or commence simultaneous negotiations with all eligible Proposers as follows:
 - (A) After initial determination of which Proposals are Responsive; or
 - (B) After initial determination of the Competitive Range in accordance with section (1) of this Rule; or
 - (C) After conclusion of discussions with all eligible Proposers and evaluation of revised Proposals (See Section (2) of this Rule).
 - (b) **Conducting Negotiations.**

CHAPTER 2 - PROCUREMENT CONTRACTS FOR GOODS AND SERVICES

GENERALLY; EXCEPTIONS

- (A) Scope. The County may negotiate:
 - (i) The Statement of Work;
 - (ii) The Contract Price as it is affected by negotiating the Statement of Work; and
 - (iii) Any other terms and conditions reasonably related to those expressly authorized for negotiation in the Request for Proposals or Addenda thereto.
- (B) Terminating Negotiations. At any time during discussions or negotiations that the County conducts in accordance with Sections (2) or (3) of this Rule, the County may terminate discussions or negotiations with the highest-ranked Proposer, or the Proposer with whom it is currently discussing or negotiating, if the County reasonably believes that:
 - (i) The Proposer is not discussing or negotiating in good faith; or
 - (ii) Further discussions or negotiations with the Proposer will not result in the parties agreeing to the terms and conditions of a final Contract in a timely manner.
- (c) Continuing Serial Negotiations. If the County is conducting serial negotiations and the County terminates negotiations with a Proposer in accordance with paragraph 3(b)(B) of this Rule, the County may then commence negotiations with the next highest scoring Proposer in the Competitive Range, and continue the process described in section (3) of this Rule until the County has either:
 - (A) Determined to award the Contract to the Proposer with whom it is currently discussing or negotiating; or
 - (B) Completed one round of discussions or negotiations with all Proposers in the Competitive Range, unless the County provided for more than one round of discussions or negotiations in the Request for Proposals, in which case the County has completed all rounds of discussions or negotiations.
- (d) Competitive Simultaneous Negotiations. If the County chooses to conduct competitive negotiations, the County may negotiate simultaneously with competing Proposers. The County may disclose other Proposer's Proposals or the substance of negotiations with other Proposers only if the County notifies all of the Proposers with whom the County will engage in negotiations of the County's intent to disclose before engaging in negotiations with any Proposer.
- (e) Any oral modification of a Proposal resulting from negotiations under this Section (3) shall be reduced to writing by the Proposer.
- (4) Best and Final Offers. If best and final offers are required, the County shall establish a common date and time by which Proposers must submit best and final offers. Best and final offers shall be submitted only once; provided, however, the County may make a written determination that it is in the County's best interest to conduct additional discussions, negotiations or change the County's requirements and require another submission of best and final offers. Proposers shall also be informed if they do not submit notice of withdrawal or another best and final offer, their immediately previous offer will be construed as their best and final offer. The County shall conduct evaluations. The County shall not modify evaluation factors or their relative importance after the date and time that best and final offers are due.

CHAPTER 2 - PROCUREMENT CONTRACTS FOR GOODS AND SERVICES

GENERALLY; EXCEPTIONS

2.37 Multistep Competitive Sealed Proposals

- (1) Generally, The County may procure Goods or Services by using Multistep Sealed Proposals pursuant to ORS 279.060(6)(b)(G).
- (2) Phased Process. Multistep Sealed Proposals is a phased Procurement process that seeks necessary information or un-priced technical Proposals in the initial phase and invites Proposers who submitted technically qualified Proposals in the initial phase to submit competitive sealed price Proposals on the technical Proposers in the final phase. The Contract shall be awarded to the Responsible Proposer submitting the most Advantageous Proposal in accordance with the terms of the Solicitation Document applicable to the final phase. If time is a factor, the County may require Proposers to submit a separate sealed price Proposal during the initial phase to be opened after the technical evaluation.
- (3) Public Notice. Whenever Multistep Sealed Proposals are used, public notice for the first phase shall be given in accordance with Section 2.330. Public notice is not required for the subsequent phases. However, the County shall give notice of the subsequent phases to all Proposers.
- (4) Procedure for Phase One of Multistep Sealed Proposals.
 - (a) Form. Multistep Sealed Proposals shall be initiated by the issuance of a Request for Proposal in the form and manner required for competitive sealed Proposals except as provided in this Rule. In addition to the requirements set forth in Section 2.330(2), the multistep Request for Proposal shall state:
 - (A) That un-priced technical Proposals are requested;
 - (B) Whether price Proposals are to be submitted at the same time as un-priced technical Proposals; that if they are, such price Proposals shall be submitted in a separate sealed envelope;
 - (C) That the solicitation is a Multistep Sealed Proposal Procurement, and that priced Proposals will be considered only in the subsequent phases from those Proposers whose un-priced technical Proposals are found qualified in the first phase;
 - (D) The criteria to be used in the evaluation of un-priced technical Proposals;
 - (E) That the County, to the extent that it finds necessary, may conduct oral or written discussions of the un-priced technical Proposals;
 - (F) That the Goods or Services being procured shall be furnished generally in accordance with the Proposer's technical Proposal as found to be finally qualified and shall meet the requirements of the Request for Proposal; and
 - (G) Whether Proposers excluded from subsequent phases have a right to protest the exclusion. Such information can be given or changed through Addenda.
 - (b) Addenda to the Request for Proposal. After receipt of un-priced technical Proposals, Addenda to the Request for Proposal shall be distributed only to Proposers who submitted un-priced technical Proposals.
 - (c) Receipt and Handling of Un-Priced Technical Proposals. Un-priced technical Proposals need not be opened publicly.
 - (d) Evaluation of Un-Priced Technical Proposals. Un-priced technical Proposals shall be

CHAPTER 2 - PROCUREMENT CONTRACTS FOR GOODS AND SERVICES

GENERALLY; EXCEPTIONS

evaluated solely in accordance with the criteria set forth in the Request for Proposal. Un-priced technical Proposals shall be categorized as:

- (A) Qualified;
 - (B) Potentially qualified; that is, reasonably susceptible of being made qualified;
or
 - (C) Unqualified. The County shall record in writing the basis for determining a Proposal unqualified and make it part of the Procurement file. The County may initiate phase two of the procedure if, in the County's opinion, there are sufficient qualified or potentially qualified un-priced technical Proposals to assure effective price competition in the second phase without technical discussions. If the County finds that such is not the case, the County shall issue an Addenda to the Request for Proposal or engage in technical discussions as set forth in subsection 4(e).
- (e) Discussion of Un-Priced Technical Proposals. The County may seek clarification of a technical Proposal of any Proposer who submits a qualified, or potentially qualified technical Proposal. During the course of such discussions, the County shall not disclose any information derived from one un-priced technical Proposal to any other Proposer. Once discussions are begun, any Proposer who has not been notified that its Proposal has been finally found unqualified may submit supplemental information amending its technical Proposal at any time until the Closing date established by the County. Such submission may be made at the request of the County or upon the Proposer's own initiative.
- (f) Notice of Unqualified Un-Priced Technical Proposal. When the County determines a Proposer's un-priced technical Proposal to be unqualified, such Proposer shall not be afforded an additional opportunity to supplement its technical Proposals.
- (5) Procedure for Subsequent Phases.
- (a) Initiation. Upon the completion of phase one, the County shall either:
 - (A) Open price Proposals submitted in phase one (if price Proposals were required to be submitted) from Proposers whose un-priced technical Proposals were found to be qualified; or
 - (B) If price Proposals have not been submitted, technical discussions have been held, or Addenda to the Request for Proposals have been issued, invite each qualified Proposer to submit price Proposals.
 - (b) Conduct. Phase two shall be conducted as any other competitive sealed Proposal solicitation except:
 - (A) As specifically set forth in this Rule; and
 - (B) No public notice need be given of the request to submit price Proposals because such notice was previously given.

CHAPTER 2 - PROCUREMENT CONTRACTS FOR GOODS AND SERVICES

GENERALLY; EXCEPTIONS

CONTRACTOR SELECTION FOR COMPETITIVE MULTISTEP SEALED BIDDING

2.38 Multistep Sealed Bids

- (1) Generally, The County may procure Goods or Services, or Personal Services by using Multistep Sealed Bids pursuant to ORS 279B.055(12).
- (2) Phased Process. Multistep bidding is a phased process that seeks necessary information or unpriced technical Bids in the initial phase and regular competitive sealed bidding, inviting Bidders who submitted technically eligible Bids in the initial phase to submit competitive sealed price Bids on the technical Bids in the final phase. The Contract shall be awarded to the Lowest Responsible Bidder. If time is a factor, the County may require Bidders to submit a separate sealed price Bid during the initial phase to be opened after the technical evaluation.
- (3) Public Notice. Whenever Multistep Sealed Bids are used, public notice for the first phase shall be given in accordance with Section 2.330. Public notice is not required for the subsequent phases. However, the County shall give notice of subsequent phases to known all Bidders.
- (4) Procedures Generally. The County shall employ the procedures set forth in this Rule for multistep bidding:
 - (a) Solicitation Protest. Prior to the Closing of phase one, the County shall provide an opportunity to protest the solicitation and under ORS 279B.405 and Section 2.41.
 - (b) Award Protest. The County shall provide an opportunity to protest its intent to award a Contract pursuant to ORS 279B.410 and Section 2.42.
- (5) Procedure for Phase One of Multistep Sealed Bids.
 - (a) Form. Multistep Sealed Bidding shall be initiated by the issuance of an Invitation to Bid in the form and manner required for competitive sealed Bids except as hereinafter provided. In addition to the requirements set forth in Section 2.38(2), the multistep Invitation to Bid shall state:
 - (A) That un-priced technical Bids are requested;
 - (B) Whether price Bids are to be submitted at the same time as un-priced technical Bids; if they are, that such price Bids shall be submitted in a separate sealed envelope;
 - (C) That the solicitation is a Multistep Sealed Bid Procurement, and priced Bids will be considered only in the second phase and only from those Bidders whose un-priced technical Bids are found eligible in the first phase;
 - (D) The criteria to be used in the evaluation of un-priced technical Bids;
 - (E) That the County, to the extent that it finds necessary, may conduct oral or written discussions for the purposes of clarification of the un-priced technical Bids;
 - (F) That the Goods or Services being procured shall be furnished generally in accordance with the Bidder's technical Bid as found to be finally eligible and shall meet the requirements of the Invitation to Bid; and
 - (G) Whether Bidders excluded from subsequent phases have a right to protest the exclusion before the notice of intent to award. Such information can be given or

CHAPTER 2 - PROCUREMENT CONTRACTS FOR GOODS AND SERVICES

GENERALLY; EXCEPTIONS

changed by Addenda.

- (b) Addenda to the Invitation to Bid. After receipt of un-priced technical Bids, Addenda to the Invitation to Bid shall be distributed only to Bidders who submitted un-priced technical Bids.
 - (c) Receipt and Handling of Un-Priced Technical Bids. Un-priced technical Bids need not be opened publicly.
 - (d) Evaluation of Un-Priced Technical Bids. Un-priced technical Bids submitted by Bidders shall be evaluated solely in accordance with the criteria set forth in the Invitation to Bid. Un-priced technical Bids shall be categorized as:
 - (A) Eligible;
 - (B) Potentially eligible; that is, reasonably susceptible of being made eligible; or
 - (C) Ineligible. The County shall record in writing the basis for determining a Bid ineligible and make it part of the Procurement file. The County may initiate phase two of the procedure if, in the County's opinion, there are sufficient eligible un-priced technical Bids to assure effective price competition in the second phase without technical discussions. If the County finds that such is not the case, the County may issue an Addenda to the Invitation to Bid or engage in technical discussions as set forth in subsection (5)(e) of this Rule.
 - (e) Discussion of Un-Priced Technical Bids. The County may seek clarification of a technical Bid by any eligible, or potentially eligible Bidder. During the course of such discussions, the County shall not disclose any information derived from one un-priced technical Bid to any other Bidder. Once discussions are begun, any Bidder who has not been notified that its Bid has been finally found ineligible may submit supplemental information amending its technical Bid at any time until the Closing of the final step established by the County. Such submission may be made at the request of the County or upon the Bidder's own initiative.
 - (f) Notice of Ineligible Un-Priced Technical Bid. When the County determines a Bidder's un-priced technical Bid to be ineligible, such Bidder shall not be afforded an additional opportunity to supplement its technical Bids.
- (6) Procedure for Phase Two of Multistep Sealed Bids.
- (a) Initiation. Upon the completion of phase one, the County shall either:
 - (A) Open price Bids submitted in phase one (if price Bids were required to be submitted) from Bidders whose un-priced technical Bids were found to be eligible; or
 - (B) If price Bids have not been submitted, technical discussions have been held, or Addenda to the Invitation to Bid have been issued, invite each eligible Bidder to submit a price Bid.
 - (b) Conduct. Phase Two shall be conducted as any other competitive sealed Bid Procurement except:
 - (A) As specifically set forth in this Rule; and
 - (B) No public notice need be given of this invitation to submit price Bids because such notice was previously given.

CHAPTER 2 - PROCUREMENT CONTRACTS FOR GOODS AND SERVICES

GENERALLY; EXCEPTIONS

AWARD OF CONTRACT

2.39 Notice of Intent to Award

- (1) The County shall provide written notice of its intent to award to all Bidders and Proposers pursuant to ORS 279B.135 at least seven (7) business days before the award of a Contract, unless the County determines that circumstances require prompt execution of the Contract, in which case the County may provide a shorter notice period. The County shall document the specific reasons for the shorter notice period in the Procurement file.
- (2) Notice shall be effective upon mailing of the intent to award.

2.40 Offer Evaluation and Award

- (1) County Evaluation. The County shall evaluate offers as set forth in the Solicitation Document, pursuant to ORS 279B.055(6)(a) and 279B.060(6)(b), and in accordance with applicable law.
- (2) Offeror Disqualification. The Board may disqualify any Offeror upon making written findings in ORS 279B.110.
 - (a) Award When Offers Identical. When the County receives offers identical in price, fitness, availability and quality, and chooses to award a Contract, the County shall award the Contract based on the following order of precedence:
 - (A) The Agency shall award the Contract to the Offeror among those submitting identical offers that is offering Goods or Services or Personal Services that have been manufactured or produced in Oregon; or
 - (B) If two or more Offerors submit identical offers, and both offer Goods or Services or Personal Services manufactured or produced in Oregon or none of the identical offers of Goods or Services or Personal Services manufactured or produced in Oregon, the County shall award the Contract by drawing lots among the identical offers. The Offerors that submitted the identical offers subject to the drawing of lots shall be given notice and an opportunity to be present when the lots are drawn.
 - (b) Determining if Offers are Identical. The County shall consider offers identical in price, fitness, availability and quality as follows:
 - (A) Bids received in response to an Invitation to Bid are identical in price, fitness, availability and quality if the Bids are Responsive, and offer the Goods or Services or Personal Services described in the Invitation to Bid at the same price;
 - (B) Proposals received in response to a Request for Proposals are identical in price, fitness, availability and quality if they are Responsive and achieve equal scores when scored in accordance with the evaluation criteria set forth in the Request for Proposal; or
 - (C) Proposals received in response to a Special Procurement conducted pursuant to ORS 279B.085 are identical in price, fitness, availability and quality if, after completing the Contracting procedure approved by the Board, the County determines, in writing, that two or more Proposals are equally advantageous to the County.
- (3) Clarification of Bids. After Bid Opening, the County may conduct discussions with apparent

CHAPTER 2 - PROCUREMENT CONTRACTS FOR GOODS AND SERVICES

GENERALLY; EXCEPTIONS

Responsive Bidders for the purpose of clarification to assure full understanding of the Bid. All Bids, in the County's sole discretion, needing clarification shall be accorded such an opportunity. The County shall document clarification of any Bidder's Bid in the Procurement file.

- (4) Award. If awarded, the County shall award the Contract to the Responsible Bidder submitting the lowest, Responsive Bid or the Responsible Proposer submitting the most Advantageous, Responsive Proposal. The County may award by item, groups of items or the entire Offer provided such award is consistent with the Solicitation Document and in the public interest.

PROTESTS

2.41 Protests and Judicial Review of Solicitations

- (1) Purpose.
 - (a) A prospective Offeror may protest the Procurement process or the Solicitation Document for a Contract solicited under ORS 279B.055, 279B.060 and 279B.085 as set forth in ORS 279B.405(2)(a). Pursuant to ORS 279B.405(3), before seeking judicial review, a prospective Offeror must file a written protest with the County and exhaust all administrative remedies.
 - (b) Contract-Specific Special Procurements. Notwithstanding section 1(a) of this Rule, a Person may not protest, challenge, or review a Contract-Specific Special Procurement except upon the occurrence of the conditions set forth ORS 279B.405(2)(b).
- (2) Delivery. Unless otherwise specified in the Solicitation Document, a prospective Offeror must deliver a written protest to the County not less than seven (7) days prior to Closing.
- (3) Content of Protest. In addition to the information required by ORS 279B.405(4), a prospective Offeror's written protest shall include a statement of the desired changes to the Procurement process or the Solicitation Document that the prospective Offeror believes will remedy the conditions upon which the prospective Offeror based its protest.
- (4) County Response. The County shall not consider a Prospective Offeror's solicitation protest submitted after the timeline established for submitting such protest under this Rule. The County shall consider the protest if it is timely filed and meets the conditions set forth in ORS 279B.405(4). The County shall issue a written disposition of the protest in accordance with the timeline set forth in ORS 279B.405(6). If the County upholds the protest, in whole or in part, the County may in its sole discretion either issue an Addenda reflecting its disposition or cancel the Procurement or solicitation.
- (5) Extension of Closing. If the County receives a protest from a prospective Offeror in accordance with this Rule, the County may extend Closing if the County determines an extension is necessary to consider and respond to the protest.
- (6) Clarification. Prior to the deadline for submitting a protest, a prospective Offeror may request that the County clarify any provision of the Solicitation Document. The County's clarification to an Offeror, whether orally or in writing, does not change the Solicitation Document and is not binding on the County unless the County amends the Solicitation Document by Addenda.
- (7) Judicial Review. Judicial review of the County's decision relating to a solicitation protest shall be in accordance with ORS 279B.405.

2.42 Protests and Judicial Review of Contract Award

- (1) Purpose. An Offeror may protest the award of a Contract, or the intent to award of a Contract, whichever occurs first, if the conditions set forth in ORS 279B.410(1) are satisfied. An Offeror must file a written protest with the County and exhaust all administrative remedies before seeking

CHAPTER 2 - PROCUREMENT CONTRACTS FOR GOODS AND SERVICES

GENERALLY; EXCEPTIONS

judicial review of the County's Contract Award decision.

- (2) **Delivery.** Unless otherwise specified in the Solicitation Document, an Offeror must deliver a written protest to the County within seven (7) business days after issuance of the notice of intent to award the Contract for bids and proposals, or seven (7) business days after award of the Contract for Quotes.
- (3) **Content of Protest.** An Offeror's written protest shall specify the grounds for the protest to be considered by the County pursuant to ORS 279B.410(2).
- (4) **County Response.** The County shall not consider an Offeror's Contract Award protest submitted after the timeline established for submitting such protest under this Rule, or such different time period as may be provided in the Solicitation Document. The County shall issue a written disposition of the protest in a timely manner as set forth in ORS 279B.410(4). If the County upholds the protest, in whole or in part, the County may in its sole discretion either award the Contract to the successful protestor or cancel the Procurement or solicitation.
- (5) **Judicial Review.** Judicial review of the County's decision relating to a Contract Award protest shall be in accordance with ORS 279B.415.

2.43 Protests and Judicial Review of Special Procurements

- (1) **Purpose.** An affected person may protest the approval of or request for approval of a Special Procurement. Pursuant to ORS 279B.400(1), before seeking judicial review of the approval or request for approval of a Special Procurement, an affected person must file a written protest with the County and exhaust all administrative remedies.
- (2) **Delivery.**
 - (a) **Protest of Request for Approval of a Special Procurement.** An affected person must deliver a written protest to the County within fourteen (14) days after the first date of public notice of a proposed Special Procurement, unless a different protest period is provided in the public notice of the proposed Special Procurement.
 - (b) **Protest of Approval of a Special Procurement.** Notwithstanding the requirements for filing a writ of review under ORS Chapter 34 pursuant to ORS 279B.400(4)(a), an affected person must deliver a written protest to the County within ten (10) days after the first date of public notice of the approval of a Special Procurement by the County, unless a different protest period is provided in the public notice of the approval of a Special Procurement.
- (3) **Content of Protest.** The written protest must include:
 - (a) A detailed statement of the legal and factual grounds for the protest;
 - (b) A description of the resulting harm to the affected person; and
 - (c) The relief requested.
- (4) **The County's Response.**
 - (a) **Protest of Request for Approval of a Special Procurement:** The County shall not consider an affected person's protest of the County's request for approval of a Special Procurement submitted after the timeline established for submitting such protest under this Rule or such different time period as may be provided in the public notice of the request for approval of a proposed Special Procurement. The County shall issue a written disposition of the protest in a timely manner. If the County upholds the protest, in whole or in part, it may in its sole

CHAPTER 2 - PROCUREMENT CONTRACTS FOR GOODS AND SERVICES

GENERALLY; EXCEPTIONS

discretion implement the sustained protest in the approval of the Special Procurement, or deny the request for approval of the Special Procurement.

- (b) Protest of Approval of a Special Procurement: The County shall not consider an affected person's protest of the approval of a Special Procurement submitted after the timeline established for submitting such protest under this rule or such different time period as may be provided in the public notice of the approval of a Special Procurement. The County shall issue a written disposition of the protest in a timely manner. If the County upholds the protest, in whole or in part, it may in its sole discretion implement the sustained protest in the approval of the Special Procurement, or revoke the approval of the Special Procurement.

(5) Judicial Review. An affected person may not seek judicial review of the County's denial of a protest of a request for approval of a Special Procurement. An affected person may seek judicial review of the County's decision relating to a protest of the approval of a Special Procurement in accordance with ORS 279B.400.

Federal Procurement Requirements Illustration

One policy requirement for organizations receiving federal awards is compliance with the procurement requirements (see 2 CFR 200 for federal procurement dollar limits and requirements).

The uniform guidance sets specific requirements for each of five types of procurement: micro-purchases - \$3,000 or less, small purchases - \$3,001 up to \$150,000, sealed bids - over \$150,000/construction projects, competitive proposals – over \$150,000 that is not a construction project, and sole-source items.

CHAPTER 3 – PERSONAL & PROFESSIONAL SERVICE CONTRACTS GENERALLY

3.10 Statutory Authority

ORS 279A.055 requires all public agencies to adopt procedures for the screening and selection of persons to perform personal services.

3.11 Scope of Personal/Professional Service Contracts

- (1) The following are types of Personal and/or Professional Services Contracts:
 - (a) Contracts for Services performed as an independent contractor in a professional capacity, including but not limited to, the Services of an accountant, attorney, engineering, architectural or land use planning consultant, physician or dentist, registered professional engineer, appraiser or surveyor, or data processing consultant.
 - (b) Contracts for Services as an artist in the performing or fine arts, including but not limited to, persons identified as a photographer, filmmaker, painter, weaver, musician or sculptor.
 - (c) Contracts for Services of specialized, creative and research-oriented, noncommercial nature.
 - (d) Contracts for Services as a consultant.
 - (e) Contracts for education and human custodial care services.
- (2) The following are not Personal/Professional Service Contracts:
 - (a) Contracts, even though in a professional capacity, if predominately for a product. For example, a Contract with a landscape architect to design a garden is a Professional Service Contract, but a contract to design and supply all the shrubs and trees is a Goods and Services Contract.
 - (b) A service Contract to supply labor, which is of a type that can generally be done by any competent worker would be considered a Goods or Services Contract. For example, Contracts for janitorial, security guard, or laundry services are not Personal or Professional Service Contracts but are a goods or Services Contract.
 - (c) Contracts for a trade-related activity, even though a specific license is required to engage in the activity. For example, a Contract for the repair and maintenance of equipment or structures is not a Personal or Professional Service Contract.

SELECTION

3.12 Competitive Process for Personal/ Professional Services Contracts; Exceptions

- (1) Except as otherwise provided in subsection (4) or otherwise provided by law, the County shall select and award all personal/professional services by the Competitive Sealed Proposal process set forth in ORS 279B.060.
- (2) The Department shall submit all contracts, agreements and/or amendments along with an agenda-item cover sheet for the County's official contract review process and BOCC approval.
- (3) The Proposals submitted by the Competitive Sealed Proposal process may be evaluated by one of the following methods to be determined by the County on an individual project basis:
 - (a) Negotiation with the highest ranked Proposer;
 - (b) Discussions leading to best and final offers as set forth in Chapter 2, Section 2.36;
 - (c) Serial negotiations, beginning with the highest ranked Proposer, as set forth in Chapter 2, Section 2.36;
 - (d) Competitive simultaneous negotiations, as set forth in Chapter 2, Section 2.36; or
 - (e) A Multistep Sealed Proposals, as set forth in Chapter 2, Section 2.37.

**CHAPTER 3 – PERSONAL & PROFESSIONAL SERVICE
CONTRACTS GENERALLY**

- (4) The County shall select and award all Personal and Professional Services Contracts by the Competitive Sealed Proposal process set forth in ORS 279B.060, except as follows:
- (a) The County may purchase Personal Services without Competitive Process if the estimated fee is less than \$150,000.
 - (b) The County may purchase Personal Services using the Informal Selection Procedure in Section 3.13 if the estimated fee is less than \$150,000;
 - (c) Personal services contracts for legal services may be entered into directly by County Counsel subject to Chapter 1, Section 1.19(5)(d);
 - (d) The County may purchase litigation and legal services Contracts without Competitive Process, which includes attorney, court reporters, expert witnesses, arbitrators, mediators, trial consultants, or investigators upon approval by the Board;
 - (e) The County may purchase Personal Services without Competitive Process when the County declares that Emergency circumstances exist as defined by ORS 279A.010(1)(f). This declaration shall be by a written declaration that describes the circumstances creating the Emergency, and the anticipated harm from failure to enter into an Emergency Contract.
- (5) If the requirements of ORS 279C.110(2) are met for the selection of architectural, engineering or surveying services for ORS 279C.110(1), which provides that pricing policies and other pricing information may only be used after the County has selected a candidate pursuant to ORS 279C.110(3).

3.13 Informal Selection Procedure for Personal/Professional Service Contracts

- (1) The County, prior to contacting prospective Proposers will determine in writing the selection criteria for the Personal/Professional Service Contract. The selection criteria may be limited to price or some combination of price, experience, specific expertise, availability, project understanding, Contractor capacity, responsibility and similar factors.
- (2) The County will contact a minimum of three prospective Proposers with which it has had previous successful experience or which are known by the County to be qualified for a Quote to offer the sought-after services. The County shall utilize written requests for Quotes whenever reasonably practicable. The County must describe substantially the same specifications to each of the prospective contractors. Written request for Quotes shall include the selection criteria to be utilized in selecting a Contractor and, if the criteria are not of equal value, their relative value or ranking, and include the applicable insurance requirements. When requesting quotations orally, prior to requesting the price quote the County shall state any additional selection criteria and, if the criteria are not of equal value, their relative value.
- (3) If three Quotes are not reasonably available, fewer will suffice, but the County shall make a written record of the effort made to obtain the Quotes.
- (4) If a Contract is awarded, the County shall award the Contract to the Proposer that will best serve the interests of the County taking into account price as well as considerations including but not limited to, experience, expertise, product functionality, suitability for a particular purpose and Contractor responsibility.

3.14 Multi-Year Personal/Professional Service Contracts

The County may appoint a contractor as an Agent of Record for a multi-year Contract if the selection of the Agent of Record was done by Competitive Process. Subsequently, the County may enter into multi-year Contracts for Personal/Professional Service with an Agent of Record without Competitive Process for up to five years or such other length of time as the Board of Commissioners may determine is necessary for a particular project. The Board of Commissioners may extend the term of an Agent of Record as it determines is necessary to complete a project.

**CHAPTER 3 – PERSONAL & PROFESSIONAL SERVICE
CONTRACTS GENERALLY**

3.15 Selection for Architect or Engineering Services (ORS 179C.100-179C.125)

- (1) Use Direct Appointment (OAR 137-048-0200) if estimated fee is less than \$50,000.
- (2) Use Informal Selection Procedure (OAR 137-048-0210) if estimated fee is over \$50,000 but less than \$150,000.
- (3) Use Formal Selection Procedure (OAR 137-048-0220) if estimated fee exceeds \$150,000.

4.10 Public Improvement Contracts; Exceptions

- (1) All contracts for a Public Improvement shall be based on competitive bids except as provided in ORS 279C.335(1) which includes:
 - (a) Contracts made with qualified nonprofit agencies providing employment opportunities for disabled individuals under ORS 279.835 to 279.855.
 - (b) A Public Improvement Contract under ORS 279C.335(2) (b), which provides an exemption for alternative contracting methods.
 - (c) A Public Improvement Contract if the value of the contract is less than \$5,000.
 - (d) A contract not to exceed \$100,000, or not to exceed \$50,000 in the case of a contract for a highway, bridge or other transportation project, made under procedures for quotes in Section 4.12.
- (2) The Department shall submit all contracts, agreements and/or amendments along with an agenda-item cover sheet for the County's official contract review process and BOCC approval.

4.11 Exemption for Alternative Contracting Methods

- (1) "Alternative Contracting Methods" means innovative procurement techniques for obtaining Public Improvement Contracts, utilizing processes other than the traditional method of Design-Bid-Build (with award based solely on price, in which a final design is issued with formal bid documents, construction services are obtained by sealed bid awarded to the lowest responsive, responsible bidder, and the project is built in accordance with those documents). In industry practice, such methods commonly include variations of Design-Build contracting, CM/GC forms of contracting and ESPCs, which are specifically addressed in the Attorney General Model Rules in OAR 137-049-0600 to 137-049-0690, as well as other developing techniques such as general "performance contracting" and "cost plus time" contracting, for which procedural requirements are identified under the Attorney General Model Rules.
- (2) The Board may exempt a public improvement project or a class of public improvement contracts if the Board makes the following written findings:
 - (a) It is unlikely that the exemption will encourage favoritism in the awarding of public improvement contracts or substantially diminish competition for public improvement contracts; and
 - (b) The awarding of the public improvement contract under the exemption will result in substantial cost savings to the County or the public. The County may consider the type, cost and amount of the contract, the number of persons available to bid and other such factors deemed appropriate.
- (3) In granting an exemption under (2), the County shall direct the use of Alternative Contracting Methods that take account of market realities and modern practices and are consistent with the public policy of encouraging competition.
- (4) Before the final adoption of the findings under (2) the County shall hold a public hearing, as required in ORS 279C.335(4).
- (5) The County adopts the Attorney General's Model Rules for Alternative Contracting Methods for public improvement contracts in OAR 137-049-0600 to 137-049-0690. Those methods include, but are not limited to, Design-Build, Energy Savings Performance Contract (ESPC) and Construction Manager/General Contractor (CM/GC) forms of contracting. When the Attorney General's Model Rules in OAR 137-049-0600 to 137-049-0690 refer to an Administrative Rule that the County has not adopted, the County shall apply the statute and/or rule that most closely applies, if any.

CHAPTER 4 - PUBLIC IMPROVEMENTS GENERALLY

4.12 Intermediate Procurements; Quotes and Amendments

- (1) **General.** Public Improvement Contracts estimated by the County not to exceed \$100,000, or not to exceed \$50,000 in the case of contracts for highways, bridges and other transportation projects, may be awarded in accordance with intermediate level procurement procedures for competitive quotes established by this Chapter.
- (2) **Selection Criteria.** The selection criteria may be limited to price or some combination of price, experience, specific expertise, availability, project understanding, contractor capacity, responsibility and similar factors.
- (3) **Request for Quotes.** Prior to the solicitation of a quote, the County shall determine the specifications of the good or service and shall maintain written documentation of the specifications. The County shall utilize written requests for quotes whenever reasonably practicable. The County must describe substantially the same specifications to each of the prospective contractors. Written requests for quotes shall include the selection criteria to be utilized in selecting a Contractor and, if the criteria are not of equal value, their relative value or ranking. When requesting quotes orally, prior to requesting the price quote the County shall state any additional selection criteria and, if the criteria are not of equal value, their relative value.
- (4) **Number of Quotes; Record Required.** The County shall seek a minimum of three (3) quotes, and keep a written record of the sources and amounts of the quotes received. If three quotes are not reasonably available, the County shall make a written record of the effort made to obtain those quotes.
- (5) **Award.** If awarded, the County shall award the contract to the prospective contractor whose quote will best serve the interests of the County, taking into account the announced selection criteria. If award is not made to the Offeror offering the lowest price, the County shall make a written record of the basis for award.

4.13 Emergency Contracts; Bidding and Bonding Exemptions

- (1) **Emergency Declaration.** Pursuant to ORS 279C.335(5) and this Chapter, the County may declare that emergency circumstances exist that require prompt execution of a public contract for emergency construction or repair work. The declaration shall be by a written declaration that describes the circumstances creating the emergency and the anticipated harm from failure to enter into an emergency contract. The emergency declaration shall exempt the public contract from the competitive bidding requirements of ORS 279C.335(1).
- (2) **Competition for Contracts.** The County shall ensure competition for an emergency contract as reasonable and appropriate under the emergency circumstances, and may include written requests for offers, oral requests for offers or direct appointment without competition in cases of extreme necessity, in whatever solicitation time periods the County considers reasonable in responding to the emergency.
- (3) **Contract Award.** Any contract awarded under this Chapter must be awarded within 60 days after declaration of the emergency, unless an extension is granted under ORS 279C.335(5).
- (4) **Contract Scope.** Although no dollar limitation applies to emergency contracts, the scope of the contract must be limited to work that is necessary and appropriate to remedy the conditions creating the emergency as described in the declaration.
- (5) **Contract Modification.** Emergency contracts may be modified by change order or amendment to address the conditions described in the original declaration or an amended declaration that further describes additional work necessary and appropriate for related emergency circumstances.
- (6) **Excusing Bonds.** Pursuant to ORS 279C.380(4) and this Chapter, the emergency declaration may also state that the County waives the requirement of furnishing a performance bond and payment bond for the emergency contract. After making such an emergency declaration, the bonding requirements are excused for the procurement.

4.14 Specifications for Contracts; Exemptions

The County may require a product by brand, maker, manufacturer or seller only if the Board makes the finding that the sought product is exempt under ORS 279C.345(2).

CHAPTER 4 - PUBLIC IMPROVEMENTS GENERALLY

4.15 Addenda to Solicitation Documents

- (1) **Issuance; Receipt.** The County may change a solicitation document only by written addenda. An Offeror shall provide written acknowledgement of receipt of all issued addenda with its offer, unless the County otherwise specifies in the addenda or in the solicitation document.
- (2) **Notice and Distribution.** The County shall notify prospective Offerors of addenda in a manner intended to foster competition and to make prospective Offerors aware of the addenda.
- (3) **Timelines; Extensions.** The County shall issue addenda within a reasonable time to allow prospective Offerors to consider the addenda in preparing their offers. The County may extend the closing if the County determines prospective Offerors need additional time to review and respond to addenda. Except to the extent required by a countervailing public interest, the contracting agency shall not issue addenda less than 72 hours before the closing unless the addendum also extends the closing.

4.16 Bid or Proposal Security

- (1) **Security Amount.** If the County requires bid or proposal security, it shall be 10% of the Offeror's bid or proposal. The Offeror shall forfeit bid or proposal security after award if the Offeror fails to execute the contract and promptly return it within 14 days of award, unless the Board finds otherwise, with any required performance bond and payment bond and, in the case of proposal security, with any required proof of insurance.
- (2) **Requirement for Bid Security (Optional for Proposals).** Unless the County has otherwise exempted a solicitation or class of solicitations from bid security pursuant to ORS 279C.390, the County shall require bid security for its solicitation of bids for public improvements. The County may require bid security even if it has exempted a class of solicitations from bid security. The County may require proposal security in RFP's when award of a public improvement contract may be made without negotiation following receipt of a firm offer. See ORS 279C.400(5).
- (3) **Form of Bid or Proposal Security.** The County may accept only the following forms of bid or proposal security:
 - (a) A surety bond from a surety company authorized to do business in the State of Oregon;
 - (b) An irrevocable letter of credit issued by an insured institution as defined in ORS 706.008; or
 - (c) A cashier's check or Offeror's certified check.
- (4) **Return of Security.** The County shall return or release the bid or proposal security of all unsuccessful Offerors after a contract has been fully executed and all required bonds have been provided, or after all offers have been rejected. The County may return the bid or proposal security of unsuccessful Offerors prior to award if the return does not prejudice the contract award and the security of at least the bidders with the three lowest bids, or the proposers with the three highest scoring proposals, is retained pending execution of a contract.

AWARD OF CONTRACT

4.17 Negotiation When Bids Exceed Cost Estimate

- (1) **General.** In accordance with ORS 279C.340, if all responsive bids from responsible bidders on a competitively bid project exceed the County's cost estimate, prior to contract award, the County may negotiate value engineering and other options with the responsible bidder submitting the lowest, responsive bid in an attempt to bring the project within the County's cost estimate. The subcontractor disclosure and substitution requirements do not apply to negotiations under this Chapter.
- (2) **Definitions.** The following definitions apply to this Chapter:
 - (a) "**Cost Estimate**" means the County's most recent pre-bid, good faith assessment of anticipated contract costs, consisting either of an estimate of an architect, engineer, other qualified professionals including County employees serving as project manager, or Department Heads, or confidential cost calculation worksheets, where available, and otherwise consisting of formal planning or budgetary documents.

CHAPTER 4 - PUBLIC IMPROVEMENTS GENERALLY

- (b) **"Other Options"** means those items generally considered appropriate for negotiation in the RFP process, relating to the details of contract performance, but excluding any material requirements previously announced in the Solicitation process that would likely affect the field of competition.
- (c) **"Project"** means a Public Improvement.
- (d) **"Value Engineering"** means the identification of alternative methods, materials or systems which provide for comparable function at reduced initial or life-time cost. It includes proposed changes to the plans, specifications, or other contract requirements which may be made, consistent with industry practice, under the original contract by mutual agreement in order to take advantage of potential cost savings without impairing the essential functions or characteristics of the public improvement. Cost savings include those resulting from life cycle costing, which may either increase or decrease absolute costs over varying time periods.

4.18 Rejection of Offers

(1) Rejection of an Offer.

- (a) The County may reject any offer upon finding that to accept the offer may impair the integrity of the procurement process or that rejecting the offer is in the public interest.
- (b) The County shall reject an offer upon the County's finding that the offer:
 - (A) Is contingent upon the County's acceptance of terms and conditions (including specifications) that differ from the solicitation document;
 - (B) Takes exception to terms and conditions (including specifications);
 - (C) Attempts to prevent public disclosure of matters in contravention of the terms and conditions of solicitation document or in contravention of applicable law;
 - (D) Offers work or goods that fail to meet the specifications of the solicitation document;
 - (E) Is late (package will be unopened and returned to Offeror);
 - (F) Is not in substantial compliance with the solicitation documents; or
 - (G) Is not in substantial compliance with all prescribed public solicitation procedures.
- (c) The County shall reject an offer upon the County's finding that the Offeror:
 - (A) Has not been prequalified under ORS 279C.430 and the County required mandatory prequalification;
 - (B) Has been disqualified under ORS 279C.440;
 - (C) Has been declared ineligible under ORS 279C.860 by the Commissioner of Bureau of Labor and Industries and the contract is for a public work;
 - (D) Is listed as not qualified by the Construction Contractors Board, if the contract is for a public improvement;
 - (E) Has not met the requirements of ORS 279A.105 to emerging small businesses if required by the solicitation document;
 - (F) Is not responsible under 279C.375(1).

(2) **Form of Business.** For purposes of this Chapter, the County may investigate any person submitting an offer. The investigation may include that person's officers, directors, owners, affiliates, or any other person acquiring ownership of the person to determine application of this Chapter or to apply the disqualification provisions of ORS 279C.440 to 279C.450.

(3) **Rejection of all Offers.** The County may reject all offers for good cause upon the County's finding it is in the public interest to do so.

4.19 Notice of Intent to Award.

- (1) Unless otherwise provided in the solicitation document, the County shall provide written notice to all Offerors of the County's intent to award the contract at least seven (7) days before the award of a contract.
- (2) The County's award shall not be final until the later of the following:
 - (a) Seven days after the date of the notice, unless the solicitation document provided a different period for protest; or
 - (b) The County provides a written response to all timely filed protests that denies the protest and affirms the award.
- (3) Notice shall be effective upon mailing of the intent to award.

PROTESTS

4.20 Protest of Contractor Selection, Contract Award

- (1) **Purpose.** An adversely affected or aggrieved Offeror must exhaust all avenues of administrative review and relief before seeking judicial review of the County's contractor selection or contract award decision.
- (2) **Notice of Competitive Range.** Unless otherwise provided in the RFP, when the competitive proposal process is authorized under the alternative contracting method, the County shall provide written notice to all Proposers of the County's determination of the Proposers included in the competitive range. The County's notice of the Proposers included in the competitive range shall not be final until the later of the following:
 - (a) Seven (7) days after the date of the notice, unless otherwise provided therein; or
 - (b) Until the County provides a written response to all timely filed protests that denies the protest and affirms the notice of the Proposers included in the competitive range.
- (3) **Right to Protest Award.**
 - (a) An adversely affected or aggrieved Offeror may submit to the County a written protest of the County's intent to award within seven (7) days after issuance of the notice of intent to award the contract for bids or proposals and seven (7) days after award of the contract for quotes, unless a different protest period is provided under the solicitation document.
 - (b) The Offeror's protest must be in writing and must specify the grounds upon which the protest is based.
 - (c) An Offeror is adversely affected or aggrieved only if the Offeror is eligible for award of the contract as the responsible bidder submitting the lowest responsive bid or the responsible proposer submitting the best responsive proposal and is next in line for award, i.e., the protesting Offeror must claim that all lower bidders or higher-scored proposers are ineligible for award:
 - (A) Because their offers were nonresponsive; or
 - (B) The County committed a substantial violation of a provision in the solicitation document or of an applicable procurement statute or administrative rule, and the protesting Offeror was unfairly evaluated and would have, but for such substantial violation, been the responsible bidder offering the lowest bid or the responsible proposer offering the highest-ranked proposal.
 - (d) The County shall not consider a protest submitted after the time period established in this Chapter or such different period as may be provided in the solicitation document. A Proposer may not protest the County's decision not to increase the size of the competitive range above the size of the competitive range set forth in the RFP.

CHAPTER 4 - PUBLIC IMPROVEMENTS GENERALLY

(4) **Right to Protest Competitive Range.**

- (a) An adversely affected or aggrieved Proposer may submit to the County a written protest of the County's decision to exclude the Proposer from the competitive range within seven (7) days after issuance of the notice of the competitive range, unless a different protest period is provided under the solicitation document.
 - (b) The Proposer's protest shall be in writing and must specify the grounds upon which the protest is based.
 - (c) A Proposer is adversely affected only if the Proposer is responsible and submitted a responsive proposal and is eligible for inclusion in the competitive range, i.e., the protesting Proposer must claim it is eligible for inclusion in the competitive range if all ineligible higher-scoring Proposers are removed from consideration, and that those ineligible Proposers are ineligible for inclusion in the competitive range because:
 - (A) Their proposals were not responsive; or
 - (B) The County committed a substantial violation of a provision in the RFP or of an applicable procurement statute or administrative rule, and the protesting Proposer was unfairly evaluated and would have, but for such substantial violation, been included in the competitive range.
 - (d) The County shall not consider a protest submitted after the time period established in this Chapter or such different period as may be provided in the solicitation document. A Proposer may not protest the County's decision not to increase the size of the competitive range above the size of the competitive range set forth in the RFP.
- (5) **Authority to Resolve Protests.** The Board, or such Board's designee, may settle or resolve a written protest submitted in accordance with the requirements of this Chapter.
- (6) **Decision.** If a protest is not settled, the Board, or such Board's designee, shall promptly issue a written decision on the protest. Judicial review of this decision will be available if provided by statute.
- (7) **Award.** The successful Offeror shall promptly execute the contract after the award is final. The County shall execute the contract only after it has obtained all applicable required documents and approvals.

CHAPTER 5 – DISPOSAL OF SURPLUS PROPERTY

5.10 Definitions

For the purposes of this Division, the following definitions:

- (1) “**Exchange**” means a negotiated receipt of property in exchange for the County’s Surplus Property.
- (2) “**Negotiated Sale**” means negotiation and sale for the highest price.
- (3) “**Public Auction**” means an auction that is given public notice and is a sale to the highest bidder. Items auctioned may be with or without reserve.
- (4) “**Surplus Property**” means tangible personal property that is surplus to the needs of the County. Surplus property does not include personal property of historical value, or property that is unusable, inoperable, and not reasonably repairable, or is hazardous.

5.11 Generally

At least once a year, Departments shall determine at a time determined by the Board, whether any of the Department’s tangible personal property is surplus to the needs of the Department.

- (1) If the Department finds that any of the Property under his or her control is not needed in the Department, the Department shall report the property to the Board. The Department shall recommend to the Board the method of selling the property.
- (2) If the Department finds that the property under his or her control is unusable, inoperable and not reasonably repairable, or hazardous, the Department may dispose of the Surplus Property.
- (3) Personal property of historical value owned by the County shall be disposed of only upon authorization of the Board.
- (4) Firearms are exempt from the requirements of these Rules.

5.12 Notice

- (1) Upon receipt of the report from the Departments listing the Department’s Surplus property, the Board shall determine which Surplus Property to sell and the method(s) to sell the Surplus Property. The methods may include, but are not limited to:
 - (a) Competitive Sealed Bidding
 - (b) Competitive Sealed Proposals
 - (c) Public Auction
 - (d) Website Auction
 - (e) Exchange
 - (f) Negotiated Sale
- (2) The County shall post public notice of the sale of Surplus Property at least twice 30 days prior to the scheduled sale. Public notice shall include:
 - (a) A description of the item(s); and
 - (b) When and where the item can be viewed; and
 - (c) The method of sale, determined in (1); and
 - (d) The date, time, and location of the sale.
- (3) Notwithstanding the notice requirements set forth in paragraph (2) of this Chapter, the Board may establish an alternative notice period and manner of giving notice, upon finding that it is the public interest to do so.

CHAPTER 6 – CONTRACT PROVISIONS

6.10 Policy

The policies of this Chapter are the following:

- (1) To establish the minimum provisions for all Contracts, Grant Agreements, and Intergovernmental Agreements to which the County is a party; and
- (2) To establish a procedure for Departments to obtain waivers of these provisions from the Contract Specialist/Risk Manager and County Counsel.

6.11 Definitions

For the purposes of this division, the following terms used shall have the following definitions:

- (1) “Cooperative Agreement” means a written agreement between the County and a unit of local government of another state, a state agency of another state, the United States, a United States governmental agency, an American Indian tribe, or an agency of an American Indian tribe as described in ORS 190.100.
- (2) “Intergovernmental Agreement” means a written agreement between the County and any other unit or units of local government as described in ORS 190.010
- (3) The terms “Contract,” “Grant,” “Public improvement,” “Personal Services Contract,” and “Request for Proposals” shall have the meaning set forth in Chapter 1.

6.12 Agreement Forms

- (1) The Contract Specialist shall be responsible for developing and maintaining the standard agreement and contract forms used by the County.
- (2) All Departments shall use the approved forms in any contract entered into by the County, unless waived by the Board of Commissioners in the manner provided by these rules.

6.13 Insurance and Indemnity Provisions in Contracts, Grants, and Intergovernmental Agreements

All Contracts, Grants, Cooperative Agreements and Intergovernmental Agreements used by Klamath County, including Contracts not let by the Competitive Process, shall contain the indemnity and insurance provisions required by the County’s insurance agent in conjunction with County Counsel and the Contract Specialist/Risk Manager.

6.14 Waiver of the Insurance and Indemnity Provisions

- (1) Waiver for Competitive Sealed Bids, Proposals and Quotes. Waiver of the required provisions or modification of the limits of insurance coverage must be obtained prior to solicitation of the Competitive Sealed Bids, Proposals or Quotes when practicable and will only be effective upon written approval by County Counsel and the Contract Specialist/Risk Manager, which may be obtained as follows:
 - (a) To obtain a waiver, the Department responsible for administering the Contract must submit a written request for the waiver to the Contract Specialist/Risk Manager who will then consult with County Counsel. The request shall specify the alternative limits and/or language to be used in the Contract, Grant, or Intergovernmental Agreement. The Contract Specialist/Risk Manager shall review and comment on the request and submit it to County Counsel for consideration. The Contract Specialist/Risk Manager and County Counsel will consider all requests on the basis of the potential risk to the County, the willingness of the County to assume the risk, and any other matters of public interest deemed relevant.

CHAPTER 6 – CONTRACT PROVISIONS

- (2) Waiver for Competitive Sealed Proposals and Informal Selection of Personal Services Contracts. Waiver of the required provisions or modification of the limits of insurance coverage for Competitive Sealed Proposals or Informal Selection of Personal Services Contracts may be considered as an evaluation factor in the Solicitation Document without prior approval. At the time of the award of the contract and upon recommendation by the Department Head, the Contract Specialist/Risk Manager and County Counsel will consider and determine whether to waive or modify the insurance coverage on the basis of the potential risk to the County, the willingness of the County to assume the risk, and any other matters of public interest deemed relevant.
- (3) In the event the Contract Specialist/Risk Manager, County Counsel and the County's insurance provider have differing opinions regarding a specific request, County Counsel will submit the request to the Board of Commissioners for a decision.

CONTRACTS FOR GOODS OR SERVICES

6.15 Indemnity

Purpose. The purpose of this provision is to transfer the risk of liability to the contractor for the contractor's, or their subcontractor's, performance of the duties of the contract or agreement. Counsel shall direct the specific language required for indemnification of the County in a specific contract or agreement.

6.16 Insurance

- (1) Purpose. An insurance provision is intended to give the County assurance that a source of funds will be available to pay claims for which the contractor is responsible to pay. The standard insurance language covers all types of insurance that may be required for liability exposures. If insurance is required, the type of insurance will vary depending on the nature of the project. Insurance, while desirable for all projects, may not always be feasible and in those cases, other methods of risk transfer will be considered.
- (2) Counsel will determine the types of insurance necessary and draft the appropriate clauses, as the situation requires. See **Exhibit B "KLAMATH COUNTY CONTRACT INSURANCE GUIDELINES"**

EXHIBIT A

EXEMPTIONS FROM THE PUBLIC CONTRACTING RULES

Exemptions or Exceptions to the Public Contracting Code per ORS 297A.025 and/or the Local Contract Review Board (BOCC):

The Public Contracting Code **does not apply** to contracts between:

- Agencies (departments) or between agencies (departments) and the federal government;
- Insurance and service contracts;
- Contracts for professional or expert witnesses;
- Contracts for specialized supplemental legal services and/or investigations (County Counsel office only);
- Contracts for economic development services for FY 2015-16 only;
- Acquisitions or disposal of real property;
- Sole source expenditures when rates are set by law or ordinance (public utilities);
- Textbooks;
- Oregon Corrections Enterprises program;
- Procurement, transportation or distribution of distilled liquor;
- ORS chapter 180 (Attorney General and private counsel or special legal assistants);
- Sale of forest products or for forest protection or forest related activities;
- Employee benefit plans;

CONTRACTS EXEMPT FROM FORMAL COMPETITIVE BIDDING¹

The Local Contract Review Board (Board of County Commissioners) has determined that the following classes of contracts/purchases are exempt from formal competitive bidding.

- The County may let public contracts and/or purchases not to exceed \$150,000 for the **purchase of goods, materials, supplies and services** without formal competitive bidding, if the County has determined that the awarding of the contract without formal competitive bidding will result in cost savings and the following conditions are complied with:
 - The contract is for a single project and is not a component of any other project.
 - If the amount of the contract is less than \$10,000, the County will obtain three or more oral or written quotes, if practicable. The County shall keep a written record of the source and amount of the quotes received.
 - If the amount of the contract is \$10,000 but less than \$150,000 (\$100,000 for public works contracts), the County will obtain a minimum of three written quotes. If three quotes are not available, a lesser number will suffice provided that a written record is made of the effort to obtain the quotes. The County shall keep a written record of the source and amount of the quotes received.
- The County may let public contracts and/or purchases for **trade related projects, i.e. construction, maintenance, repair or similar labor and materials contracts**, if the County has determined that the awarding of the contract without formal competitive bidding will result in cost savings and the following conditions are complied with:
 - The contract is for a single project and is not a component of any other project.
 - If the amount of the contract is less than \$10,000, the County will obtain three or more oral or written quotes, if practicable. The County shall keep a written record of the source and amount of the quotes received.
 - If the amount of the contract is \$10,000 but less than \$150,000, the County will obtain a minimum of three written quotes. If three quotes are not available, a lesser number will suffice provided that a written record is made of the effort to obtain the quotes. The County shall keep a written record of the source and amount of the quotes received.
- Contracts made with other public agencies or the federal government (ORS 279A.025);
- Contracts for the purchase of goods or services where the rate or price for the goods or services being purchased is established by federal, state or local regulatory authority;
- Contracts for personal services not exceeding \$10,000;
- Contracts for the purchase of copyrighted materials where there is only one supplier available for such goods;

¹Department of Administrative Services Rules with amounts established by Board of County Commissioners.

EXHIBIT A

EXEMPTIONS FROM THE PUBLIC CONTRACTING RULES

- Contracts for the purchase of advertising, including that intended for the purpose of giving public notice;
- Contracts for the purpose of investment of public funds or the borrowing of funds;
- Emergency contracts;
- Contracts for the purchase of asphalt concrete and rock where the material is to be used for maintenance. Where practicable, competitive quotes shall be obtained;
- Contracts for the purchase of petroleum products if such purchase is required to be made from a particular supplier or a result of a federal allocation or if purchases from other than an established supplier could jeopardize an allocation or future supply of such petroleum products;
- Jail food Product & Equipment (291-164-0110 under \$50,000);
- Contract amendments (including change orders and extra work) if the original contract was let by competitive bidding or alternate procurement process;
- Contracts for the acquisition of ballots, ballot pages and ballot cards;
- Contracts for purchase or acquisition of data processing hardware or software if the contract amount does not exceed \$150,000 and reasonable efforts shall be made to solicit proposals from three or more vendors;
- Telecommunications Systems Contracts and Telecommunications Services Contracts, if the contract amount does not exceed \$150,000 and three quotes are obtained; and
- Contracts for insurance.

EXEMPTIONS FOR ADDITIONAL CONTRACTS:

Contracts for Price Regulated Items [OAR 125-247-0288(6)]:

The County may, without competitive bidding, contract for the direct purchase of goods or services where the rate or price for the goods or services being purchased is established by federal, state, or local regulatory authority.

Copyrighted Materials:

If the contract is for the purchase of copyrighted materials and there is only one known supplier available for such goods, the County may contract for the purchase of the goods without competitive bidding.

Advertising Contracts [OAR 125-247-0288(4)]:

The County may purchase display and legal advertising without competitive bidding, regardless of dollar value.

Investment Contracts [OAR 125-247-0288(7)]:

The County may, without competitive bidding, contract for the purpose of the investment of public funds or the borrowing of funds by the County when such investment or borrowing is contracted pursuant to duly enacted statute, ordinance, charter, or constitution.

Emergency Procurements (OAR 125-247-0280):

The County may, in its discretion, let public contracts without formal competitive bidding if an emergency exists under the following conditions:

- The emergency consists of circumstances that could not have been reasonably foreseen that create a substantial risk of loss, damage, interruption of services or threat to public safety, and requires prompt execution of the contract to remedy the condition.

EXHIBIT A

EXEMPTIONS FROM THE PUBLIC CONTRACTING RULES

- The requesting Department shall create a public record of the nature of the emergency and record the method of County used for the selection of a contractor.
- Encourage competition to the extent reasonable under the circumstances.
- Any contract awarded under this exemption shall be awarded within 60 days following declaration of the emergency.

Equipment Repair and Overhaul [OAR 125-247-0288(5)]:

The County may, without competitive bidding, contract for equipment repair or overhaul subject to the following conditions:

- (a) Service or parts required are unknown and the cost cannot be determined without extensive preliminary dismantling or testing; **or**
- (b) Service or parts are for sophisticated equipment for which specially trained personnel are required and such personnel are available from only one source.

Gasoline, Diesel Fuel, Heating Oil, Lubricants, Asphalts and Rock:

The County is exempt from formal competitive bidding requirements for the purchase of gasoline, diesel fuel, heating oil, lubricants, asphalt, rock and other road maintenance materials if the County seeks competitive quotes, makes its purchase from the least expensive source, and retains written justification for the purchase made.

Food Contracts [OAR 125-247-0288(8)]:

Contracts for jail food items are exempt from competitive bidding. The County should, where feasible, obtain competitive quotes.

Contract Amendments Including Change Orders and Extra Work (OAR137-049-0910):

Any public contract amendment other than an amendment to a personal services contract for additional work including change order, extra work, field orders, or other change in the original specifications which increases the original contract price, may be made with the contractor without competitive bidding subject to the following conditions:

- (a) The original contract was let by competitive bidding, unit prices or bid alternates were provided that established the cost for additional work, and a binding obligation exists on the parties covering the terms and conditions of the additional work;

Ballots, Ballot Pages, and Ballot Cards:

Oregon Counties are exempt, regardless of dollar amount, from competitive bidding requirements for the printing of ballots, including ballot pages and labeling of ballot cards.

Data Processing Hardware or Software:

Must be approved by the Contract Specialist/Risk Manager & County Counsel prior to being submitted to the Commissioners for their approval.

- (a) If the contract amount does not exceed \$150,000, the County shall, as a minimum, follow informal competitive procurement methods. Prior to selection of a vendor, reasonable efforts will be made to solicit proposals from three or more vendors. Justification of award shall be documented and become a public record of the County.
- (b) If the contract amount exceeds \$150,000 the County may use the request for proposal process and shall solicit written proposals. Solicitations shall be requested from appropriate vendors appearing on lists compiled by the County or by statute. The County shall document the evaluation and award process, which will be part of the public record justifying the award.

Telecommunications Systems Contracts and Telecommunications Service Contracts:

- (1) Contracts for acquisition of telecommunications system hardware and software, or telecommunications service, may be let using alternate competitive procurement methods subject to the following conditions:

EXHIBIT A

EXEMPTIONS FROM THE PUBLIC CONTRACTING RULES

- (a) If the contract amount does not exceed \$150,000 the County shall as a minimum obtain competitive quotes. Prior to selection of a vendor reasonable efforts will be made to solicit proposals from three or more vendors. Justification of award shall be documented and become a public record of the County.
 - (b) If the contract amount exceeds \$150,000, the County may use the request for proposal process and shall solicit written proposals. Solicitations shall be requested from appropriate vendors appearing on lists compiled by the County or by advertising in a local newspaper of general circulation as required by statute. A Resolution is required to provide an exemption to award the contract by the RFP process, instead of a competitive bidding process.
- (2) The telecommunications solicitation:
- (a) State the contractual requirements in the solicitation document.
 - (b) State the evaluation criteria to be applied in awarding the contract and the roles of any evaluation committee. Criteria that would be used to identify the proposal that best meets the County's needs may include, but are not limited to cost, quality, service, compatibility, product reliability, operating efficiency, and expansion potential.
 - (c) State the provisions made for vendors to comment on any specifications which they feel limit competition.
- (3) The intent of this rule is for the County to secure the most competitive, cost-effective telecommunications services, while meeting service performance requirements and reducing unnecessary administrative processing.
- (4) Telecommunications Services means the lease or rental of the use of voice and data transmission facilities or services, or of central office services, but does not include acquisition of switch or station equipment or acquisition or installation of wire and cable.
- (5) In determining the appropriate procurement method for telecommunications services, the County will determine whether competition exists.
- (6) In determining competition, the County may consider the following factors:
- (a) The extent to which alternative providers exist in the relevant geographic and service market. The relevant market will vary from service category to service category and cannot be predetermined in advance. For example, an alternative long distance provider might offer services in Portland, but not in Klamath Falls, or the rest of the state.
 - (b) The extent to which alternative services offered are comparable or substitutable in technology service provided, and performance. For example, if the County's requirement is for digital services, analog services are not comparable or substitutable.
 - (c) The extent to which alternative providers can respond to the County's interests in consistency and continuity of services throughout its service area, volume discounts, and centralized management. For example, to be considered for the State of Oregon's provider, any long distance provider must be able to support the State's centralized automated billing requirements. The County must document for the record its finding on these factors or any other factors used in determining whether competition exists. In developing its findings, the County may solicit the information either through informal telephone or written contracts, or through a formal request for information.
- (7) Upon determination that competition does not exist for the relevant service and geographical area, the County may proceed to secure the service on a sole source basis and following all applicable rules and procedures. A Resolution is required to provide an exemption to award the contract on a sole source basis.

Sole Source Procurements (OAR 137-047-0275):

Upon determination that competition does not exist for a service, the County may proceed to secure the service on a sole source basis and following all applicable rules and procedures. **Public Notice** shall be provided pursuant to the above referenced rule.

EXHIBIT A

EXEMPTIONS FROM THE PUBLIC CONTRACTING RULES

EXEMPTIONS FOR ADDITIONAL CONTRACTS:

The Local Contract Review Board may grant an exemption to contracts from competitive bidding if it finds:

- (1) The exemption is not likely to encourage favoritism in public contracts or substantially diminish competition in awarding the contract.
- (2) The exemption will result in substantial cost savings. In making such findings, the Board may consider the type, cost, amount of the contract, number of persons available to bid, and such other factors as the Board may deem appropriate.

Contracts for Insurance (ORS 279A.025):

The County may purchase **employee benefit insurance** without competitive bidding, regardless of dollar amount.

Contracts for insurance where either the annual or aggregate premium exceeds \$10,000 must be let by formal competitive bidding or by one of the following procedures:

- (1) Agent of Record: The County may appoint a licensed insurance agent (Agent of Record) to perform insurance services in connection with more than one insurance contract. Among the services to be provided is the securing of competitive proposals from insurance carriers for all coverages for which the agent of record is given responsibility:
 - (a) Prior to the selection of an agent of record, the County shall make reasonable efforts to inform known insurance agents in the competitive market area that it is considering such selection. These efforts shall include a public advertisement in at least one newspaper of general circulation in the area where the contract is to be performed. The advertisement shall generally describe the nature of the insurance that the County will require. If the amount of the annual premium for insurance, other than employee benefits insurance is likely to exceed \$10,000 per year, such notice shall also include a public advertisement in at least one trade publication of general circulation in the state.
 - (b) Any appointment period shall not exceed three years. Agents may serve more than one appointment period. Agents must qualify for appointment prior to each period as if each appointment period were the first.
 - (c) In selecting an agent of record, the County shall select the agent(s) most likely to perform the most cost-effective services.
- (2) Specific Proposals for Insurance Contracts: The County may solicit proposals from licensed insurance agents for the purpose of acquiring specific insurance contracts subject to the following conditions:
 - (a) County shall make reasonable efforts to inform known insurance agents in the competitive market area of the subject matter of the contract, and to solicit proposals for providing the services required in connection with the contract. Such efforts shall include public advertisement in at least one newspaper of general circulation in the area where the contract is to be performed. If the amount of annual premium for insurance, other than employee benefits insurance, is likely to exceed \$10,000 per year, such notice shall also include a public advertisement in at least one trade publication of general circulation in the state.

KLAMATH COUNTY CONTRACT INSURANCE GUIDELINES

ALL PROOFS OF INSURANCE NAMING COUNTY AS ADDITIONAL INSURED MUST BE RECEIVED PRIOR TO COMMENCEMENT OF WORK

ALL CONTRACTS MUST INCLUDE THE FOLLOWING 1-9 LANGUAGE

1. Contractor shall procure and maintain in force, for the entire duration of this Contract, insurance providing coverage for bodily injury and property damage which may arise out of the operations of the Contractor or his subcontractors, employees, agents, assigns or for anyone whose acts any of them may be liable. Such insurance shall have coverage limits equal to or greater than the minimum limits set forth herein.
2. Contractor shall furnish to Klamath County an Accord 25-S certificate of insurance evidencing the existence of all insurance coverage(s) required by this contract prior to the commencement of any work.
3. Contractor shall endorse the Contractor General Liability (CGL) to include Klamath County as an “additional insured”, including coverage for products and completed operations, and a copy of this endorsement shall accompany each certificate. The additional insurance endorsement shall be CG2010\1985 edition or its equivalent.
4. **NOTICE OF CANCELLATION OR CHANGE.** There shall be no cancellation, material change, reduction of limits or intent not to renew the insurance coverage(s) without 30 days’ written notice from the Contractor or its insurer(s) to the County.
5. Contractor’s insurance shall be primary and not excess to, or contributory with any insurance coverage provided by Klamath County. Contractor’s insurance shall be endorsed to provide project specific aggregate limits with respect to project covered by this contract.
6. CGL coverage, including products and completed operations coverage, shall be maintained from the date work commences until two years after the work has been completed.
7. If the work required by this contract or the location of the work specified in this contract constitutes an exposure to the employees of the contractor or his subcontractors under the U.S. Longshoremen and harbor Workers Act, The Jones Act, or under any laws, regulations or statutes that apply to maritime workers, the contractor shall ensure that proper coverage is purchased and maintained.
8. Contractor and all Subcontractors shall endorse the Worker’s Compensation coverage to provide a “waiver of subrogation” in favor of Klamath County when available.
9. Klamath County will waive the required Worker’s Compensation (WC) coverage if the Contractor submits a letter, on official letter head, stating they agree that they will obtain WC coverage immediately upon utilizing volunteers or hiring any employees during the period of the contract.
10. Klamath County will waive the required Auto Liability coverage if the Contractor submits a letter, on official letter head, stating absolutely no driving will be done related to the contract and that they will obtain Auto Liability coverage in advance if they travel in any way in support of the contract, i.e. training our staff, meetings to implement, etc.
11. Contractor shall ensure that the County is provided with a renewal certificate at least thirty (30) days prior to the expiration date of the coverage in the event that the original certificate expires prior to the scheduled termination of the Contract.

*******All exemptions must be evaluated for the County’s risk exposure by the Contract and Risk Manager and County Counsel prior to approval by the BOCC**

❖ **Personal Services Contracts:** Used to contract for personal services such as consultants or trainers.

- a. Contracts should have the following:
 - General Liability
 - Each Occurrence \$2,000,000
 - Aggregate \$4,000,000
 - Operations \$2,000,000
 - Products and Completed
 - Personal/Advertising Injury \$2,000,000
 - Auto Liability, If Applicable
 - Combined Single \$1,000,000
 - Workers’ Compensation, If Applicable
 - Statutory Limits
 - Employers Liability
 - \$500,000
 - Indemnity Clause

KLAMATH COUNTY CONTRACT INSURANCE GUIDELINES

- ❖ **Professional Services Contracts:** Used to contract for professional services such as attorney, architect, broker, engineer.
 - a. Contracts should have the following:
 - General Liability
 - Each Occurrence \$2,000,000
 - Aggregate \$4,000,000
 - Operations \$2,000,000
 - Products and Completed
 - Personal/Advertising Injury \$2,000,000
 - Auto Liability
 - Combined Single \$1,000,000
 - Workers' Compensation
 - Statutory Limits
 - Employers Liability
 - \$500,000
 - Professional Liability, If Applicable
 - Errors/Omission \$2,000,000
 - Indemnity Clause

- ❖ **Public Contracts:** This type of contract is used for the purchase of goods and services such as landscaping, light construction (building a fence), a new copier etc.
 - a. Contracts should have the following:
 - General Liability
 - Each Occurrence \$2,000,000
 - Aggregate \$4,000,000
 - Operations \$2,000,000
 - Products and Completed
 - Personal/Advertising Injury \$2,000,000
 - Auto Liability
 - Combined Single \$1,000,000
 - Pollution, If Applicable
 - Each Occurrence \$2,000,000
 - Aggregate \$4,000,000
 - Workers' Compensation
 - Statutory Limits
 - Employers Liability
 - \$500,000
 - Professional Liability, If Applicable
 - Errors/Omission \$2,000,000
 - Indemnity Clause

- ❖ **Lease Agreements:** Lease out county owned building to a third party.
 - a. Agreements should have the following:
 - General Liability
 - Each Occurrence \$2,000,000
 - Aggregate \$4,000,000
 - Operations \$2,000,000
 - Products and Completed
 - Personal/Advertising \$2,000,000
 - Workers' Compensation
 - Statutory Limits
 - Employers Liability
 - \$500,000
 - Indemnity Clause
 - Waiver of Subrogation Clause

KLAMATH COUNTY CONTRACT INSURANCE GUIDELINES

- ❖ **Construction Contracts:** For construction and remodeling. To include heavy construction, right-of-way work, water or sewer repair, significant engineering or architectural work, bridge repair and road construction.
 - a. Contracts should have the following:
 - General Liability
 - Each Occurrence \$5,000,000
 - Aggregate \$6,000,000
 - Operations \$5,000,000
 - Products and Completed
 - Personal/Advertising Injury \$5,000,000
 - Auto Liability
 - Combined Single \$1,000,000
 - Pollution, If Applicable
 - Each Occurrence \$5,000,000
 - Aggregate \$6,000,000
 - Workers' Compensation
 - Statutory Limits
 - Employers Liability
 - \$500,000
 - Professional Liability, If Applicable
 - Errors/Omission \$5,000,000
 - Builders' Risk Insurance
 - Full amount of project to include earthquake and flood. Deductible no more than \$5,000
 - Indemnity Clause
- ❖ **Public Work's Contracted Snow Plowing:**
 - a. Contractors should have the following
 - General Liability
 - Each Occurrence \$1,000,000
 - Aggregate \$2,000,000
 - Operations \$1,000,000
 - Products and Completed
 - Personal/Advertising Injury \$1,000,000
 - Auto Liability
 - Combined Single \$1,000,000
 - Pollution, If Applicable
 - Each Occurrence \$1,000,000
 - Aggregate \$2,000,000
 - Workers Compensation
 - Statutory Limits
 - Employers Liability
 - \$500,000
 - Professional Liability, If Applicable
 - Errors & Omissions \$1,000,000
 - Indemnity Clause
- ❖ **Tourism/Economic Development Grants:** All awarded Tourism and Economic Development Grants are subject to County Counsel and Contract & Risk Manager review. The below amounts will be required for all Tourism and Economic Development Grants not using the County Logo, unless greater liability is determined by County review, this determination will require greater limits of: Each Occurrence \$2,000,000/Aggregate \$4,000,000.
 - a. Contracts should have the following:
 - General Liability
 - Each Occurrence \$1,000,000
 - Aggregate \$2,000,000
 - Operations \$1,000,000
 - Products and Completed
 - Personal/Advertising Injury \$1,000,000
 - Auto Liability, If Applicable
 - Combined Single \$1,000,000
 - Workers' Compensation, If Applicable
 - Statutory Limits
 - Employers Liability
 - \$500,000
 - Indemnity Clause

KLAMATH COUNTY CONTRACT INSURANCE GUIDELINES

❖ **Other types of insurance may be applicable to your contract as follows:**

- Garage Keepers** - This is needed when a contractor takes possession of your entity's vehicle.
- Aircraft Liability** - This is needed when a contractor is using an owned or non-owned aircraft to carry out your entity's contract.
- Aerial Application Liability** - This is required when your entity contracts for aerial spraying operations.
- Marine Protection & Indemnity** - This is required when the contractor is using watercraft of any type.
- Pollution & Asbestos Liability** - This is required when the contractor is involved in any activity which may involve the transport, application, disposal, use or handling of any hazardous material including asbestos and lead abatement.
- Special Event Insurance** - This is required for large groups or special events in a city/county facility or park.

❖ **Commercial General Liability Insurance (CGL).** Commercial General Liability Insurance (CGL) shall be provided on an Occurrence Form with coverage limits as shown in this section below. Claims-made coverage and *Modified* occurrence forms are unacceptable.

Each Occurrence Limit:	\$2,000,000
General Aggregate Limit	\$4,000,000
Products/Completed Operations Limit:	\$2,000,000
Personal and Advertising Injury Limit	\$2,000,000

❖ **Commercial Pollution Liability Coverage (CPL).** Contractor and any Subcontractors whose work involves hazardous substance or pollutant remediation work shall provide CPL coverage. CPL coverage is required for abatement work involving but not limited to lead, asbestos, PCB; s and other hazardous materials. CPL will be endorsed to name Klamath County as an "Additional Insured".

CPL per occurrence limit	\$2,000,000
CPL per occurrence Aggregate Limit	\$4,000,000

❖ **Professional Liability Coverage.** Professional Liability Coverage covering any damages caused by an error, omission or any negligent or wrongful acts related to the services to be provided under this contract. Per occurrence (for all claimants for claims arising out of a single accident or occurrence) in the amount of \$2,000,000.

❖ **Right of Way Permit.** Contractor and any Subcontractors must provide proof of contractor's license and insurance in the amount equal to the state minimum required, found in OAR Chapter 812-003-0221, naming Klamath County Additional Insured.