

TALBOT COUNTY **PROCUREMENT POLICY**

I. PURPOSE

The purpose of this policy is to provide the Talbot County Government Departments and associated Local and State Agencies with an efficient method of public purchasing. The policy is designed to promote maximum competition without compromising quality; provide fairness in selection of vendors; assure quality goods and services are provided at the best price; and provide clear, accurate and uniform procurement information on goods, services and construction.

II. PROCUREMENT POLICY

- A.** All departments and agencies of the Talbot County Government shall comply with the following procedures:
- (1) Department Heads may authorize purchases without a purchase order where the cost does not exceed \$1,000.00.
 - (2) Purchases in excess of \$1,000.00 must be recorded on purchase orders and copies submitted to the Finance Office. Department Heads may authorize the purchase.
 - (3) Purchases less than \$5,000 shall be awarded as follows:
 - (a) Documentation of a minimum of three (3) quotes.
 - (b) Department Heads may authorize the purchase.
 - (4) Purchases greater than \$5,000 but less than \$20,000 shall be awarded using the following procedures:
 - (a) A minimum of three (3) formal written quotations will be required.
 - (b) No advertising or posting required.
 - (c) No Request for Proposals (RFP) required. There may be instances where RFPs will be necessary.
 - (d) Department Heads may authorize the purchase following approval by the County Manager.

- (5) Purchases from \$20,000 to \$40,000 will be awarded using the following procedures:
 - (a) A minimum of three (3) formal written quotations will be required.
 - (b) The County Manager may require that an RFP be issued.
 - (c) Department Heads may authorize the purchase following approval by the County Manager.
- (6) Purchase in excess of \$40,000 will be awarded using the following procedures.
 - (a) A RFP with specifications will be required.
 - (b) A written request from the Department Head to the County Manager recommending the awarding of the purchase.
 - (c) County Council approval of the expenditure.

B. Unauthorized Purchases

Section 619 of the County Charter, specifically prohibits any County official or employee from purchasing or contracting for goods, services, or construction for which funds have not been appropriated by the County Council in the County Budget or associated local or State agency budgets.

III. SPECIAL PURCHASE REGULATIONS

A. Professional Services Purchases

- (1) Services provided by Physicians, Auditors, Architects, Engineers, Consultants, or other individuals or organizations possessing a high degree of technical skill are considered to be professional services.
- (2) Selection of professional services will be made in accordance with criteria set forth in the RFP or with other criteria deemed appropriate by the County Council.

B. Sole Source – The County may award a contract or purchase by noncompetitive bid when there is only one known available qualified, and/or responsive source for the required purchase.

C. In-County Preference

- (1) Department Heads shall make an affirmative effort to give priority to Talbot County vendors when purchasing non-bid items. Lowest available price criteria may be waived in favor of business location.
- (2) The County Council reserves the right to show preference to local Bidders in the purchase, lease, or lease-purchase of goods, services, and construction. The amount of preference shall not exceed 2% of the amount of the bid. Any In-County Bidder in default on payment of any County or State tax shall not be eligible to receive preference until all taxes due are paid.

- D. Service and Repair Contracts** - The County Manager may request individual proposals for service and repair contracts rather than follow the formal sealed bid process. The Department Head may request to continue existing vendor relationships in the selection process.
- E. State, Federal or NACO Contracts** - The bid process (II. A) does not apply to purchases made by the County under current State of Maryland, Federal Government, or NACO purchasing contracts. All County departments and agencies shall utilize contracts for all purchases unless a lower price can be obtained elsewhere. Department Heads are encouraged to research other contracts for services which may allow for piggyback by the County.
- F. Services Set By Law** - Services for which the rate or price is fixed by an authorized public authority shall be purchased without competitive bidding.
- G. Lease Purchases** - Equipment may be acquired through lease-purchase agreements. A purchase option in a lease (excluding a lease for real property) may be exercised only if the lease containing the purchase option was awarded under competitive bidding procedures, or a State, local, or national contract, or the supplier of the leased equipment or facility is the only vendor that can meet the County's requirements.
- H. Leasing Real Property** - Leases for real property shall be made through direct negotiation by the County Manager (or his designee) and are not subject to the provisions of this policy. Leases for real property shall be approved by the County Council.

IV. EMERGENCY PURCHASES

- A.** The Department Head shall contact the County Manager to obtain approval for emergency purchases.

B. As soon as possible, the Department Head will submit a full written report to the County Manager which contains the following minimum information:

- (1) Details of Emergency
- (2) Why standard purchase procedures could not be followed.
- (3) Complete list of items and cost by vendor.
- (4) Department Head Signature

Standard purchase procedures will then be followed as closely as possible in order to establish a complete record of the purchase.