

ADOPTED - FEBRUARY 22, 2005
Agenda Item No. 15

Introduced by the County Services and Finance Committees of the:

INGHAM COUNTY BOARD OF COMMISSIONERS

**RESOLUTION TO AMEND THE PURCHASING POLICIES TO INCLUDE A
PROVISION FOR LOCAL PURCHASING PREFERENCE**

RESOLUTION #05-044

WHEREAS, the Board of Commissioners believes that its purchasing policies should encourage local vendors to provide goods and services to Ingham County government, resulting in increased economic activity through more local jobs, tax revenues, and expenditures, and to entice business relocations to the County.

THEREFORE BE IT RESOLVED, that the Board of Commissioners encourages all county offices, departments and courts supported by the County to utilize local vendors, wherever possible, practical, and cost effective.

BE IT FURTHER RESOLVED, that the Board of Commissioners hereby amends the Ingham County Purchasing Policies by providing a preference for registered local vendors who respond to formal bids or proposals for the purchase of goods or supplies, issued by the Ingham County Purchasing Department.

BE IT FURTHER RESOLVED, that for purposes of this policy, a "registered local vendor" (RLV) shall mean any vendor who operates a business within the legally defined boundaries of Ingham County. In order to be identified as a "RLV", the vendor shall provide the Ingham County Purchasing Department with a verifiable physical business address (not a P.O. Box) at which the business is conducted.

BE IT FURTHER RESOLVED, that the RLV's status ceases at the time that the business address is no longer valid.

BE IT FURTHER RESOLVED, that a vendor who wishes to be identified as a RLV shall also meet all other requirements of the County's Purchasing Policies.

BE IT FURTHER RESOLVED, that a RLV who submits a responsive bid which is within 5% of the lowest responsive bid shall be given the opportunity to reduce its bid to meet the lowest responsive bid, and upon doing so, shall be considered to be the lowest responsive bid, provided however, that the initial lowest responsive bid is not from another RLV.

BE IT FURTHER RESOLVED, that in the event that two (2) or more RLVs submit responsive bids which are within 5% of the lowest responsive bid, the RLV with the

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lowest responsive bid shall be given the opportunity to reduce their bid to meet or be less than the lowest responsive bid, and upon doing so, shall be considered to be the lowest responsive bid, provided however, that the initial lowest responsive bid is not from another RLV. In the event of a tie between 2 RLVs, where all other factors are equal in the sole discretion of the Purchasing Department, and where the Purchasing Department is unable to break the tie through additional negotiations, the award of bid shall be by coin toss. However, negotiations shall be based solely upon the bid price, and the Purchasing Department shall not negotiate any changes to, or otherwise vary, the specifications, contract requirements or scope of work.

BE IT FURTHER RESOLVED, that a RLV who submits a responsive proposal which includes a cost proposal which is within 5% of the cost of the lowest responsive proposal shall be given the opportunity to reduce its

proposed cost to meet the cost of lowest responsive proposal, and upon doing so, the proposal shall be evaluated as having a cost component which is the lowest; provided however, that the initial lowest responsive proposal is not from another RLV. Having the lowest cost proposal, however, does not necessarily result in the award of the proposal, because of other factors also being evaluated. In addition, a lowered cost proposal by an RLV which is premised upon, in whole or in part, changes to or variances to the published specifications, contract requirements or scope of work shall be considered non-responsive and will not be considered.

BE IT FURTHER RESOLVED, that in the event that two (2) or more RLVs submit responsive proposals which are within 5% of the lowest responsive proposal, and the lowest responsive proposal is not from another RLV, the RLV with the lowest responsive proposal shall be given the opportunity to reduce the cost proportion of their proposal to meet or be less than the cost component of the lowest responsive proposal. That proposal will be evaluated with the revised cost proposals. Having the lowest cost proposal, however, does not necessarily result in the award of the proposal, because of other factors also being evaluated.

BE IT FURTHER RESOLVED, that if RLVs who are given the opportunity to reduce cost bids or proposals are unable or unwilling to reduce their bid or proposal costs to match the lowest responsive bid or proposal of a non-RLV, then the bid/proposal shall be awarded without regard to RLV status.

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BE IT FURTHER RESOLVED, that RLVs who utilize non-RLVs as subcontractors for more than 50% of the work in a specific bid or proposal shall not be entitled to preference as a RLV for that specific bid or proposal.

BE IT FURTHER RESOLVED, that when a RLV submits a responsive bid or proposal which is equal to a bid or proposal submitted by a non-RLV, then the responsive bid or proposal shall be awarded to the RLV.

BE IT FURTHER RESOLVED, that the following purchases are exempt from the provisions of this policy:

1. Purchases resulting from exigent emergency conditions where any delay in completion or performance would jeopardize public health, safety or welfare of the citizens of the County, or where in the judgment of the County Controller the operational effectiveness or a significant County function would be seriously threatened if a purchase was not made expeditiously.
2. Purchases with any sole source supplier for supplies, materials, or other equipment.
3. Purchases made through the State of Michigan's Extended Purchasing Program, or other cooperative purchasing contractual arrangements utilized by the Purchasing Department.

BE IT FURTHER RESOLVED, that any person, firm, corporation or entity intentionally submitting false information to the County in an attempt to qualify for the local purchasing preference shall be barred from bidding on county contracts for a period of not less than three (3) years.

BE IT FURTHER RESOLVED, that nothing in this resolution shall be deemed to waive or constrain, in any manner, the sole discretion of the County, or the offices, agencies, and departments of the County in any way, including, but not limited to:

- a. The right, in the exercise of sole discretion, to reject any and all bids/proposals, waive any and all informalities and/or to negotiate contract terms with the successful bidder/vendor;
- b. The right, in the exercise of sole discretion, to disregard all nonconforming, nonresponsive, unbalanced or conditional bids/proposals;

- c. The right, in the exercise of sole discretion, to evaluate the qualifications of the bidders/vendors, whether or not the bids comply with the prescribed requirements, and alternatives and unit prices if requested in the bid/proposal forms;
- d. The right, in the exercise of sole discretion, to consider the qualifications and experience of subcontractors and other organizations (including those who are to furnish items of material or equipment), or to evaluate operation costs, maintenance considerations, performance data and guarantees of materials and/or equipment.
- e. To conduct such investigation as is deemed, in the exercise of sole discretion, necessary to assist in the evaluation of any bid/proposal and/or to establish the responsibility, qualifications and financial ability of the bidders/vendors, proposed subcontractors and other persons or organizations to do the work in accord with the contract documents to the owners satisfaction and/or within the prescribed time.
- f. The right, in the exercise of sole discretion, to reject the bid/proposal of any bidder/vendor who does not pass any such evaluation to the owners satisfaction;
- g. The right, in the exercise of sole discretion, to reject all bids and suspend, discontinue or abandon the project/purchase, rebid the project/purchase, or change or amend the requirements of the project/purchase.

BE IT FURTHER RESOLVED, that the Purchasing Department shall include in formal Request for Bids and Proposals language pertaining to the provisions of this policy.

BE IT FURTHER RESOLVED, that the policy contained in this resolution shall be reviewed by the County Controller no later than December 2006, and that the Controller make a recommendation on any policy changes needed.

BE IT FURTHER RESOLVED, that the County Clerk shall send a copy of this resolution to all offices, agencies, and departments of Ingham County.

**COUNTY SERVICES: Yeas: Celentino, Copedge, De Leon, Schor, Vickers, Severino
Nays: None Absent: None Approved**

2/15/05

**FINANCE: Yeas: Dedden, Swope, Hertel, Schor, Thomas, Dougan
Nays: None Absent: None Approved 2/16/05**