

Purchasing Policy

And

Procedures

Lewiston-Nez Perce County
Regional Airport Authority



November 2020

Table of Contents

Section	Page
Foreword	3
Definitions	4
Policies	5
Procedures	9

FOREWORD

This Purchasing Policy and Procedures (“Policy”) is intended for use as a guide to the Authority's purchasing process and is subject to federal, state, and local purchasing requirements. When used with good judgment and common sense, the Policy will enable the Authority to obtain needed supplies and services in a timely and efficient manner, procuring appropriate quality of goods and services at the best value. Authority employees involved in the purchasing process should be familiar with and adhere to the guidelines set forth in this Policy.

Employee cooperation is essential if the Authority is to obtain the maximum value for each dollar spent. While this Policy may not answer all questions related to purchasing, it does lay the foundation for a sound purchasing system.

The material in the Policy is subject to revision and governed by federal, state, and local law. We hope each employee will treat each Authority dollar as though it were his or her own. Lastly, within the limits established by law and this policy, we encourage employees to look for new ways to be effective *and* cost-effective.

This Policy is effective November 17, 2020.

Definitions

For this Policy, the following apply:

Asset: All property owned by or leased to the Authority.

Authority: The Lewiston-Nez Perce County Regional Airport Authority established by Joint Powers Agreement of the City of Lewiston and Nez Perce County, Idaho.

Emergency: For purposes of this Policy an emergency exists if: (i) there is a great public calamity, such as an extraordinary fire, flood, storm, epidemic, or other disaster; (ii) it is necessary to do emergency work to prepare for the national or local defense; or (iii) it is necessary to do emergency work to safeguard life, health, or property.

On-Premises Work: Any service performed on Airport property, or by contract with the Authority.

Personal and Professional Services: Architectural, engineering, accounting, legal, financial, insurance, labor negotiation, artistic, and medical services. See Idaho Code 67-2320 for provisions and guidelines regarding securing contracts for engineering, architectural, landscape architecture, construction management, and land surveying services on projects for which the professional service fee is anticipated to exceed the total sum of twenty-five thousand dollars (\$25,000).

Quotes: Documentation of the process of obtaining prices from more than one vendor.

Vendor: Any person or company that sells supplies or services.

Policies

1. Purchasing: The Authority's policy is to maintain a purchasing process with the Airport Director directing its operation. It shall be his/her responsibility to administer the Purchasing Policy, institute reports necessary to permit analysis of purchasing performance, negotiate and approve contract terms, consolidate purchase of like or common items, analyze prices paid for materials and equipment, and generally define how to obtain savings and to coordinate purchasing procedures.

2. Sources of Supply: As a general policy, purchases shall be awarded on the basis of availability, best price, delivery, and quality, taking into consideration the reputation and performance capability of the supplier. Under no circumstances will favoritism be shown to vendors.

3. Business Licenses:

a. Vendors within the City of Lewiston corporate limits doing business with the Authority shall have a City of Lewiston Business license.

b. City business license will not be required for out-of-town consultants who are providing personal or professional services, regardless of the dollar amount of the contract.

4. Standards of Conduct:

a. Gifts and Gratuities: Authority employees are expressly prohibited from soliciting or accepting any rebate, money, entertainment, gift, or gratuity from any person, company, firm, or corporation to which any contract is, or might be awarded. The Authority will not tolerate circumstances that produce or reasonably appear to produce conflicts between the personal interest of an employee and the interest of the Authority. The foregoing shall not be construed to include trivial benefits resulting from personal, business, or professional contact involving no risk or undermining official impartiality.

b. Conflict of Interest:

(1) No employee, officer, immediate family member, board member, or agent may participate in the selection, award, or administration of a contract if a conflict of interest, real or apparent would be involved. Such a conflict would arise when any of the following has a financial or any other interest in the firm selected for award:

- (a) The officer, employee, board member, or agent;
- (b) Any member of their immediate family;
- (c) His or her partner; or
- (d) An organization that employs or is about to employ any of the above.

(2) *Organizational conflicts of interest*: An organizational conflict of interest means that because of other activities, relationships, or contracts, a contractor is unable or potentially unable to render impartial assistance or advice to the grantee; a contractor's

objectivity in performing the contract work is or might be otherwise impaired; or a contractor has an unfair competitive advantage.

(3) Any conflict of interest, real or apparent, must be reported to the Airport's legal counsel. After careful review of the situation, the representative may be disqualified from participating in selection, award, or administration of the contract involved.

(4) Those knowing about or suspecting a violation of these standards of conduct are encouraged to pursue their concerns with appropriate supervisory or management staff.

(5) **Disciplinary Action:** Employees found in violation of this policy are subject to disciplinary action up to and including termination from employment, consistent with administration personnel policy. Contractors found in violation of the Standards of Conduct may have their contracts terminated and may be banned from providing future goods or services to the Authority.

5. Bid Deposits, Performance Bonds, and Payment Bonds:

a. Bid deposits or surety, if required, shall be prescribed in the public notices inviting bids. Once the bid is awarded, unsuccessful bidders shall be entitled to the return of their deposit or surety. A successful bidder that fails to enter into a contract within the time specified after written notification of the bid award may forfeit any deposit or surety at the Authority's discretion subject to applicable law.

b. The Authority may require performance and payment bonds before entering a bid-based contract and in such an amount as shall be found necessary to protect the best interests of the airport.

6. Award of Bids:

a. The Airport Director will make a recommendation to the Airport Authority Board which will award bids. Award will be made to the lowest responsible bidder. When an award is recommended to be made to a vendor who does not propose the lowest price, a full and complete explanation shall be prepared and filed along with other papers relating to the transaction. If the Board chooses to award a competitively bid contract to a bidder other than the apparent low bidder, the Board shall declare its reason or reasons on the record and shall communicate such reason or reasons in writing to all who have submitted a competing bid. In accordance with Idaho Code 67-2806 and 67-2809, notification of the bid award will be sent to all bidders, who will then have seven (7) days to protest the bid award.

b. All documents submitted by vendors or bidding participants are subject to the Open Public Records Act.

7. Protest Procedures:

a. Bidders may protest that they were prejudiced by the Authority's procurement or award procedures. All protests must be submitted in writing to the Airport Director and marked as follows:

Bid Award Protest
Bid or RFP Identification

b. The burden of producing evidence to sustain a protest is on the protesting bidder. Written objection must be received within seven (7) business days after receipt of the notice of the decision being protested. Unless a hearing is required by statute, the Authority may base its decision on the bidder's or Authority's written materials or, in its discretion, may allow oral testimony. If oral testimony is allowed, the Authority shall provide the protesting Bidder with notice of such allowance, and the oral testimony shall be heard within ten (10) business days after the protesting bidder receives the notice allowing oral testimony.

c. Unless otherwise required by Federal rules or regulations or Idaho Statutes, the Authority shall not be obligated to postpone offer opening or award of a contract pending resolution of a protest where the Authority determines that proceeding with the selection process or award is in the best interest of the Authority. The Authority shall document the basis and include it in the procurement file.

d. All administrative remedies must be exhausted before progressing to the judicial system. Judicial review of the Authority's decision relating to a solicitation or contract award protest shall be in accordance with Idaho statute.

8. Reciprocal Preference: Idaho is a "reciprocal preference state." Some states allow a bid received from an out-of-area vendor to be increased by a certain percentage for evaluation purposes, resulting in a preference for in-state vendors. Idaho responds by adding the same percentage to bids received from vendors who are domiciled in those states. This law is applicable to any purchase that is bid, subject to any federal law prohibiting such preference.

9. Small, Minority, or Disadvantaged Business Preferences: The Authority does not have any preferences, quotas, or goals for purchasing from small, minority, or disadvantaged businesses, except where it is required by federal regulation.

10. Tax Exemption: The Authority is exempt from all state and federal sales and excise taxes. The Federal ID number is 27-3379043. Further information on the exemption number can be provided by the airport administration office.

11. Worker's Compensation:

a. A worker's compensation certificate of Insurance is required when the Authority expressly or implicitly hires or contracts the service of another. This includes contractors, sub-contractors, and any business that provides a service for the Authority that is to be performed on airport property. The Certificate must be on file with the Airport Administration Office before a contract is initiated.

b. No waiver of coverage is permitted. No other type of insurance can be used as a substitute for Worker's Compensation.

c. Certain occupation exemptions from coverage are allowed and listed in Idaho Code,

Section 72-212. A statement indicating the exempt occupation category shall be submitted to the Airport Administration office to that effect.

Procedures

This section outlines the Authority's purchasing procedures and the forms used in the process.

Section I. General Procedures: Except as otherwise provided herein, the Authority Board of Commissioners shall approve all purchases.

1. Telephone Quotations: Purchases of services and supplies valued at or in excess of five thousand dollars (\$5,000) but not to exceed fifty thousand dollars (\$50,000) will require the telephone solicitation of at least three (3) quotes, unless less than three vendors are available to provide quotes. Solicitation shall be documented on the form approved by the Authority Board of Commissioners. Contracts or purchases wherein expenditures are less than fifty thousand dollars (\$50,000), provided such contracts or purchases shall be guided by the best interests of the political subdivision procuring the goods and services as determined by the governing board.

2. Solicitation of Bids: Except as otherwise provided herein, expenditures for supplies and services in excess of fifty thousand dollars (\$50,000) but not to exceed one hundred thousand dollars (\$100,000) (\$200,000 for public works) require written solicitation of no fewer than three (3) vendors. The written solicitation shall describe the services or personal property sought in sufficient detail to allow a vendor dealing in such goods or services to understand what the political subdivision seeks to procure. The solicitation shall also describe allowed bid proposal delivery methods and provide a reasonable time to respond to the solicitation, not less than three (3) days. See also Idaho Code 67-2805 and 67-2806.

3. Competitive Bidding: Except as otherwise provided herein, when the estimated cost of a procurement exceeds one hundred thousand dollars (\$100,000)(\$200,000 for public works) a request for bids, setting a date, time, and place for public opening of bids, shall be published at least twice in the official newspaper in general circulation within the community. The first publication shall be at least two (2) weeks before the opening of bids, with the second publication to be published in the succeeding week at least seven (7) days before for the date that bids are scheduled to be opened. The request for bids will include a succinct description of the items or services to be purchased, bid deposit and performance and payment bond requirements, shall state where bid forms and specifications may be secured, and the time and place for bid opening. Only the Airport Director or his or her designee may publish bid requests. Sealed bids will be opened by the Lewiston-Nez Perce County Airport Authority staff in public at the time and place stated in the request for bids.

4. Request for Proposals (RFP): An RFP process is available for procurement of goods and services when the Authority believes optimum value will be received by selecting an offer based on both price and non-price related factors. Like a request for bids, a Request for Proposals is published at least twice in an official publication in general circulation in the community. Evaluation factors must be identified along with their relative importance. Award is granted to the offeror that provides the best value to the Authority based upon an analysis of the tradeoffs of qualitative factors and price/cost.

5. Airport Director Purchase Authority: Through adoption of this Policy, the Authority Board of Commissioners (“Board”) authorizes the Airport Director to purchase Board approved M&O Budget items with a total cost up to \$5,000 without prior Board approval.

6. Emergency Purchases: In case of an actual emergency, the Airport Director and/or a Member of the Authority Board of Commissioners may purchase or authorize to be purchased directly, any supplies or services whose immediate procurement is essential to prevent delays in work which may vitally affect health, welfare, or public safety.

7. Receipt, Inspection, and Submission for Payment:

a. The individual initiating the purchase shall be responsible for inspecting, and accepting incoming supplies, services, and/or equipment. The initiator shall also be responsible for obtaining an invoice from the vendor.

b. The initiator shall recommend payment of the invoice by initialing and marking on the invoice and dollar amount to be paid. The invoice will be given to the Airport Director for signature, thereby authorizing payment by the Authority.

8. Petty Cash Purchases: Purchases of thirty dollars (\$30) or less may be made through Petty Cash. Use of Petty Cash will be on a reimbursement basis only. Invoices must be signed by the individual who purchased the service/item; the bookkeeper assigns an appropriate accounting code before presenting to the Airport Authority for reimbursement.

Section II. Types of Purchases:

1. Purchases of Personal Property or Services:

a. Less than \$5,000: May be conducted with any vendor believed to provide the best value.

b. \$5,000 to \$50,000: Requires a minimum of three phone quotes from qualified vendors. These quotes must be attached to the requisition using the form in approved by the Authority Board of Commissioners.

c. \$50,000-\$100,000: Requires written solicitation of three (3) written quotes. The solicitation must be in writing with a reasonable description and allow the potential vendors at least three (3) days for response and an opportunity to object to the specified description. Response must be in written form, by mail, fax, email, or delivered. The description and quotes must be attached to the requisition. Compliance with Idaho Code 67-2806(1) or 67-2806A (Request for Proposal) required. The Board shall approve the responsive bid proposing the lowest procurement price or reject all bids and publish notice for bids, as before.

d. Over \$100,000: Must be formally bid. Notice will be published at least twice in the local newspaper with the first publication at least two (2) weeks before the bid opening date and the second publication not less than seven (7) days before the opening date. Detailed

specifications must be available and bidders have up to 3 days prior to bid opening to object to the specifications. If the Authority determines it is in its best interest, it may require the bidder to provide a bid security in an amount equal to at least five percent (5%) of the amount bid.

Compliance with Idaho Code 67-2806(2) or 67-2806A (Request for Proposal) required. The purchase or lease shall be made pursuant to an open competitive sealed bid process with the procurement to be made from the qualified bidder submitting the lowest bid price complying with bidding procedures and meeting the specifications for the goods and/or services sought to be procured. An independent cost estimate must be performed before receiving bids or proposals.

2. Public Works Construction: Public Works construction is basically all construction on Authority buildings, roads, and facilities accomplished with non-Authority personnel. Procurement for Public Works Construction generally follows the guidelines for purchases of personal property and services except (see Idaho Code 67-2805):

- a. The range for written solicitations is fifty thousand dollars (\$50,000) to two hundred thousand dollars (\$200,000). The Board shall approve the responsive bid proposing the lowest procurement price or reject all bids and publish notice for bids, as before.
- b. Public works construction over two hundred thousand dollars (\$200,000) must be formally bid. The Authority may only consider the amount bid, bidder compliance with administrative requirements of the bidding process, and whether the bidder holds the requisite license, and shall award the bid to the qualified bidder submitting the lowest responsive bid.
- c. An Idaho Public Works Contractor's license is required for all construction, alteration, improvement or repair involving any single project involving any number of trades or crafts with an estimated cost in excess of fifty thousand dollars (\$50,000).
- d. FAA grant funded projects which must follow FAA polices and procedures.

3. Professional Services Subject to Idaho Code 67-2320:

NOTE: This section is intended to comply with Idaho Code 67-2320 governing acquisition of professional engineering, architectural, landscape architecture, construction management, and professional land surveying services. For all other professional services, acquisition shall be governed by Idaho law and direction of the Authority Board.

a. All professional services obtained by the Authority shall be based on demonstrated competence and qualifications of the firm(s) or person(s). The Authority shall comply with the requirements of Idaho Code 67-2320 when the anticipated professional fees exceed twenty-five thousand dollars (\$25,000). When the anticipated fees are less than twenty-five thousand dollars (\$25,000), selection based on the evaluation of a single firm's or person's qualifications is permitted to allow timely response to small projects.

b. When the anticipated fees exceed twenty-five thousand dollars (\$25,000), selection is based on the evaluation of a minimum of three firm's qualifications. These qualifications shall be obtained through publication of a Request for Qualifications or direct request.

c. Guidelines:

Anticipated Fees	RFQ Methods/ Options	Minimum # of Firms to be Considered	Interview Required?
\$0 - \$25,000	Direct Request or	1	No
\$25,000-\$100,00	Published Public Notice	3	No
\$100,000 or more	Published Public Notice	3	Yes

d. Selection Criteria: Selection of professional services shall be based on criteria developed for the project and included in the Request for Qualifications.