



Purchasing & Contracts

Teton County does not have a central purchasing department. Each Elected Official, Department Head and appointed Board manages its own procurement of goods and services as approved through adoption of the annual budget. However, the Board has sole legal authority for the approval of any expenditure of county funds and the sale of any county property. All purchases must be made in compliance with Idaho Code and this policy. Public works construction procurement can only take place under direction of the County Engineer. Attachment A, Public Works Contractor License, and Attachment B, Other Procurement Information, contain information provided by the Idaho Public Works Contractor Licensing Bureau. (“*Real property*” refers to land and buildings; “*personal property*” refers to all other types of property.)

The objective of this policy is to comply with Idaho and Federal laws and provide the citizens of Teton County with the best value for products and services acquired by their government. The Board believes that patronizing local businesses is in the county’s best interest. Whenever permitted by law, goods and services may be purchased from local vendors, provided that the county pays no more than a 10% premium to support local businesses.

Contracts. All contracts, agreements, leases or other documents that legally bind Teton County must be approved as to form and content by the Prosecutor prior to the Commissioner meeting at which the documents are to be formally approved and signed. The Board must have an opportunity to review such documents prior to a regularly scheduled meeting. The Elected Official, Department Head or appointed Board or Committee which requested the contract or agreement is responsible for retaining the original, signed contract. A copy of the signed contract must be submitted to the Clerk, who will archive the document in the county’s digital filing system.

Legal Signature Authority. The Board is the County’s only legal signature authority able to sign contracts of agreements on behalf of the County. Such contracts can only be signed after a formal motion in a public meeting. No other Elected Official, Department Head, or appointed Board may obligate the County without specific prior approval from the Board. However, the Public Works Director is hereby granted approval to approve contracts less than \$5,000, provided the expense is included in a Public Works budget.

Capital Budgets & Purchases Greater than \$1,000. In order to provide consistent, accurate budget information: (1) Single items costing less than \$500 each *may not* be purchased through a capital budget account; and (2) Single items costing more than \$1,000 each and having a useful life of more than two years *must* be purchased through a capital budget account.

The purchase of any single item costing more than \$1,000 requires prior approval by the Board, unless the item is specifically itemized within the current budget and the total cost of the item does not exceed the budgeted amount. *This policy is not intended to apply to routine repair and maintenance of vehicles, equipment or building facilities.*

In general, vehicles must have traveled at least 150,000 miles before being replaced.

Please refer to the Capital Asset policy for additional information about items costing greater than \$5,000 and having a useful life of more than two years.

Purchase & Installation of Computer Equipment and Software. See Administrative Policy entitled “Computers & Information Technology (IT).”

Disposal of County Personal Property. Any personal property no longer necessary for county use must be disposed of by the Board according to Idaho Code 31-808 (public auction) or 31-829 (if Board determines asset has greatest value as a trade-in). Personal property valued at \$250 or less may be sold at

private sale without notice. Personal property with a value greater than \$250 must be sold at a public auction. A notice of such auction must be published at least 10 days prior to the date of auction.

Procuring Services or Personal Property. Idaho Code 67-2806 allows items with a value of \$25,000 or less to be purchased on the open market. Items with a value of \$25,000-\$50,000 may be purchased after a semi-formal procurement process involving the written solicitation of bids from three vendors. The County is not obligated to accept bids submitted by vendors other than those solicited. Items or services valued in excess of \$50,000 can only be purchased after a formal competitive sealed bid process.

However, in order to guarantee the best value for taxpayers, it is Teton County's policy to follow the semi-formal procurement process for the purchase of any item valued in excess of \$5,000, unless the process is modified by a vote of the Board for a specific purchase, prior to the purchase.

Idaho Code 67-2807(1) allows the County to enter into Joint Purchasing agreements (to "piggyback") with the State of Idaho or other political subdivisions.

Procuring Construction Professionals. Architects, engineers, landscape architects, surveyors, and construction managers must be selected based upon qualifications (Idaho Code 67-2320). If fees will total less than \$25,000 the county can use a selection process based on criteria determined by the County. If fees will total over \$25,000, the county must use a formal publication process and selection criteria from Idaho Code 67-2320(2). A construction professional's fee schedule may be requested, but may not be used as a selection criteria. The county may retain the same construction professional for subsequent phases of a project without re-doing the quality based selection process. Construction professionals must possess the appropriate, current license.

Licensed Public Works Contractors. Idaho Code 67-2805 requires the County to hire a licensed public works contractor for any project with a total value greater than \$10,000. This means that if a specific project costs \$10,001 and involves multiple sub-contractors (such as a plumber, electrician and carpenter) every sub-contractor must be a licensed public works contractor.

If there are no licensed public works contractors willing to perform work with a value less than \$50,000, IC 67-2805 provides an alternative procedure.

Public Works Construction Projects. Idaho Code 67-2805 allows public works projects costing less than to \$10,000 to be purchased based on the county's best interest as determined by the Board. Projects greater than \$10,000 but less than \$25,000 may be purchased from a licensed public works contractor based on the county's best interest as determined by the Board. Projects with a value of \$25,000-\$100,000 can be contracted after conducting a semi-formal procurement process involving the written solicitation of bids from three licensed public works contractors. The County is not obligated to accept bids submitted by contractors other than those solicited. The lowest responsive bid must be accepted. Projects valued in excess of \$100,000 require a formal competitive sealed bid process. The lowest responsive bid must be accepted.

All construction or repair of public buildings requires written plans and specifications (Idaho Code 67-2309).

However, in order to guarantee the best value for taxpayers, it is Teton County's policy to follow the semi-formal procurement process for the purchase of any construction valued in excess of \$5,000.

The Teton County Engineer must supervise all public works construction procurement activities, even those undertaken by a Board or Committee appointed by the County Commissioners. For projects requiring a formal competitive sealed bid, the County Engineer will determine whether the County's best interests will be served by pre-qualifying bidders as allowed by state statute.

Public Works Contractor License

Public Works Contractor Licensure Requirements

Idaho Code

\$0 to \$10,000 (total project)	No Licensure Required.	IC 54-1903 (i)
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Public Works Construction Bidding

\$0 to \$25,000	No bidding requirements.	IC 67-2803 (2)
\$25,000 to \$100,000	Semi-formal bidding: Issue written requests for bids describing goods or services desired to at least 3 contractors. Allow 3 days for written response, unless an emergency exists; objections must be submitted no later than 1 business day PRIOR to bid. Keep records for 6 months. <i>Accept low bid or reject all bids.</i>	IC 67-2805 (2)
\$100,000 and above	Formal bidding: 2 Options - Category A & B Category A. Open to all licensed contractors. Publication requirements. Written objections allowed 3 business days PRIOR to bid. Category B. Open to pre-qualified contractors. After pre-qualification is determined, the bidding process is done in the same manner as Category A to include filing objections.	IC 67-2805 (3)

Public Works Contractor Licensure Exemptions *(Those most relevant to Local Governments)*

The sale of installation of any finished products, material or articles of merchandise	NOT actually fabricated into and do not become a permanent fixed part of the structure.	IC 54-1903 (d)
Duly licensed architects, licensed engineers and land surveyors	When acting solely in their professional capacity.	IC 54-1903 (h)
Less than \$10,000 for construction, alteration, improvement or repair	Single project with any number of trades.	IC 54-1903 (i)
Less than \$50,000 for construction, alteration, improvement or repair	Single project for which no responsive statement of interest was received from a licensed public works contractor per 67-2805.	IC 54-1903 (i)

Contractor Penalties

Administrative fine (not to exceed \$20,000) (IPWCLB)	Public works contractor violation of Public Works Contractor Idaho Statutes.	IC 54-1914 (1)
Criminal penalty up to \$5,000 and 1 year in jail (court)	Public works contractor violation of Public Works Contractor Idaho Statutes.	IC 54-1920 (1)
Court imposed injunctive relief	Public works contractor acting without a license.	IC 54-1920 (3)

Political Subdivisions/Public Officials Penalties

Administrative fine (not to exceed \$5,000) (IPWCLB)	Public agency contracting with an unlicensed or improperly licensed contractor.	IC 54-1914 (2)
Criminal penalty up to \$5,000 and 1 year in jail (court)	Public agency official contracting with an unlicensed or improperly licensed contractor.	IC 54-1920 (2)
Civil penalty up to \$5,000 for each offense - Against a political subdivision (court)	Willful and knowing avoidance of competitive bidding or procurement statutes, "Bidding Splitting."	IC 59-1026

REMEMBER to also consider at least three other sections of Idaho Code: 67-2309, 67-2320 & Title 54 Chapter 19

Other Procurement Information

Joint Purchasing Programs

Idaho Code

Joint Purchasing Agreements	Political Subdivisions may enter into Joint Purchasing agreements with the State of Idaho or other political subdivisions. Personal property procurement shall be in accordance with this chapter.	IC 67-2807 (1)
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Public Procurement of Goods and Services Bidding

\$0 to \$25,000	No bidding requirements	IC 67-2803 (2)
\$25,000 to \$50,000	Semi-formal bidding. Issue written requests for bids describing goods or services desired to at least 3 vendors. Allow 3 days for written response, unless an emergency exists; objections must be submitted no later than 1 business day PRIOR to bid. Keep records for 6 months. <i>Accept low bid or reject all bids.</i>	IC 67-2806 (1)
\$50,000 and above	Formal bidding: Publish bid at least 2 weeks in advance of bid opening. Make bid specifications available; written objections allowed. May request bid/surety bond. Can reject all bids IF able to purchase more economically in the open market.	IC 67-2806 (2)

Public Procurement of Goods and Services Bidding (For information on exemptions see IC 67-2803)

Personal Property	Already competitively bid (piggy-backing)	IC 67-2803 (1)
Less than \$25,000	Contracts or purchases of goods or services	IC 67-2803 (2)
Any Amount	Payment of Wages	IC 67-2803 (3)
Any Amount	Personal or professional services performed by an independent contractor (refer to info on qualifications in IC 67-2320)	IC 67-2803 (4)
Any Amount	Procurement of an interest in real property (lease or purchase)	IC 67-2803 (5)
Any Amount	Procurement of insurance	IC 67-2803 (6)
Any Amount	Costs of Joint Powers participation	IC 67-2803 (7)
Any Amount	Emergency Expenditures	IC-67-2808 (1)

Types of Public Works Licenses & requirements

Class	Fee	Past Work History	Current Net Worth	Current Working Capital	Bid Limit per Project
Unlimited (U)	\$550	\$3.5 million	\$1 million	\$600,000	Unlimited
AAA	\$450	\$2.1 million	\$600,000	\$200,000	\$5 million or less
AA	\$350	\$875,000	\$450,000	\$150,000	\$3 million or less
A	\$250	\$420,000	\$300,000	\$100,000	\$1,250,000 million or less
B	\$150	\$140,000	\$150,000	\$50,000	\$600,000 or less
C	\$100	\$35,000	\$25,000	\$7,500	\$200,000 or less
D	\$50	No minimum dollar amount	\$10,000	\$3,000	\$50,000 or less

Testing is required for all public works contractor licenses. If you have questions regarding testing please call one of the numbers listed below or check the Public Works Contractors Licensing website at <http://dbs.idaho.gov>

But I still have questions...Who Do I Call???

Public Works Contractors Licensing Bureau (208)334-4057
 Idaho School Boards Association (208)854-1476
 Idaho Society for Professional Engineers (208)426-0636
 Idaho School Administrators Association (208)345-1171

Local Highway Technical Assistance Council (208)344-0565
 Idaho Dept. of Admin. Division of Public Works (208)332-1900
 Idaho Transportation Department (208)334-8000
 Ada County Highway District (208)387-6100

Contact your attorney/legal counsel