

**Five County Association of Governments
Amendment to Purchasing Policy**

This document amends and is made a integral part of the Five County Association of Governments Purchasing Policy adopted by the Five County Association of Governments Steering Committee on April 9, 2003.

The aforementioned document entitled Purchasing Policy is also hereby amended to be hereafter entitled: "Five County Association of Governments Purchasing and Procurement Policy".

PROCUREMENT OF PROFESSIONAL CONSULTING SERVICES

1. Qualifications Based Selection Procedures.

Consultants contracted by the Association must be first selected on the basis of their qualifications and experience, followed by the specific fees determined through negotiations following formal selection. The qualifications of an individual or firm as a professional consultant is to be evaluated and the best qualified consultant selected, subject to a mutual understanding of the scope of services required and formal negotiation of a fair and reasonable consulting fee.

2. General Scope of Services Required.

Each request by the Association for professional consulting services shall contain a general scope of the services required, detailed as much as is reasonably possible. This is so that the individual and/or firm responding to the solicitation can better provide a statement of qualifications responsive to the request as well as a submit an informed quote or bid. The general scope of services developed during this initiation phase of the procurement process will be likely too broad to serve as the basis for a the formal contractual agreement.

3. Non-competitive (Sole-Source) Procedure - Small Consulting Services Contract.

A determination as to whether procurement of professional consulting services may be from a sole-source shall be made by the Executive Director in consultation with the Finance Committee. Circumstances which could necessitate sole-source procurement may include a specific expertise in a particular subject, or provision of service, that the proposed individual or firm is uniquely qualified to provide. The Executive Director shall specify the application of the sole-source determination and its duration. The Five County Association of Governments may only enter into non-competitive negotiation for professional consulting services, as a sole-source, if the total estimated cost of the contract is less than \$20,000. A file, available to the public on request, shall be maintained that contains a brief statement of the proposed procurement, a description of the proposed sole-source supplier and a written justification. Nothing in this policy precludes the Association from utilizing the same procedure as is outlined below for mid-sized consulting services contracts, if desired.

4. Competitive Procedure - Mid-sized Consulting Services Contract.

If the estimated cost of a contract for professional consulting services is between \$20,000 and \$40,000, or a determination is not made regarding a sole-source as outlined above for contracts estimated less than \$20,000, three or more individuals or firms shall be solicited for an estimate to undertake the general scope of services. Every effort shall be undertaken to obtain a formal written quote from each of those three individuals or firms. If only one individual or firm formally responds to the request and provides a written quote, the Association may negotiate the compensation and award a contract to that individual or firm, if in the determination of the Association's Executive Director, in consultation with the Finance Committee, that negotiated compensation is fair and reasonable. Selection shall be based on the criteria outlined in Number 1 above. Nothing in this policy precludes the Association from utilizing the same procedure as is outlined below for large consulting services contracts, if desired.

AGENDA ITEM # IV-B. (Continued)

5. Formal Bidding Process - Large Consulting Services Contract.

Public notice, in a newspaper having general circulation in at least two of the five counties in this region shall be required for professional consulting services procurement exceeding \$40,000. The notice shall be published at least ten calendar days in advance of when a formal response to the notice must be provided. If only one individual or firm formally responds to the formal bidding public notice and provides a bid, the Association may negotiate the compensation and award a contract to that individual or firm, if in the determination of the Association's Executive Director, in consultation with the Finance Committee, the negotiated compensation is fair and reasonable.

6. Detailed Scope of Services Negotiated.

Once the selected firm is identified, the Association shall enter into a formal negotiation process to reach a complete and mutual understanding of a detailed scope of specific services to be provided by the consultant. A well-defined project description and scope of services should be developed between the Association and consultant prior to negotiating the exact consulting fee. This may be accomplished in a scoping meeting or separate investigation or study to clearly define the extent of the project. Such a meeting offers the opportunity for refinement, amendment, and complete definition of the services to be rendered. The scope of service(s) must be sufficiently detailed so that the consultant can make a reasonable fee estimate. The scope of service(s) will vary from project to project.

7. Effect on Other Existing Purchasing Policies.

This amendment shall only affect the procurement of professional consulting services. All other purchasing policies not referred to in this amendment shall remain in place, unchanged.

8. Appeal of Decision by an Aggrieved Party.

The procedure for an appeal shall be as is outlined in Section 1, Number 14 in the Purchasing and Procurement Policy document.