

**APPENDIX F**

**PROCUREMENT PROCEDURES**

# **KENT COUNTY WATER AUTHORITY**

## **PROCUREMENT PROCEDURES**



Kent County Water Authority

**ADOPTED SEPTEMBER 1999  
REVISED MARCH 2024**

**PROCUREMENT PROCEDURES OF KENT COUNTY WATER  
AUTHORITY**

**SECTION 1 - DEFINITIONS**

- 1.1 **“Bid”** the offer of a firm price for providing services, materials, equipment and/or parts in response to an invitation for Bid solicitation. specifically set forth in all contracts.
- 1.2 **“Board”** shall mean Board of Directors of the Kent County Water Authority.
- 1.3 **“Change Order”** shall mean a written document entered into subsequent to the original purchase order/contract, modifying the original purchase order/contract, signed by the Board of Kent County Water Authority or its duly authorized representative and signed by supplier or supplier’s duly authorized office or agent.
- 1.4 **“Compensation”** shall be specified in contract or purchase order and shall include but not be limited to: (a) terms of payment, (b) units of cost, (c) conditions for payment, and (d) retainage, when appropriate.
- 1.5 **“Competitive Sealed Bidding”** the process by which the Kent County Water Authority solicits contractors to respond to written materials and/or services specification in response to a published Invitation to Bid and bid documents. The bids shall have been submitted in a sealed envelope to prevent the contents from being revealed or known before the deadline for the submission of all bids to enhance fair competition.
- 1.6 **“Considerations”** shall be
- 1.7 **“Construction Management Agreement”** Contract between Kent County Water Authority and any person or entity engaged by Kent County Water Authority as its representative to supervise and oversee the services being rendered by a supplier to Kent County Water Authority.
- 1.8 **“Contract”** In general, the terms and conditions of a valid Purchase Order or Agreement and its supplement, signed by the Board or its duly authorized representative, shall constitute the primary contractual instrument of Kent County Water Authority. Unless specifically established by law, regulation or procedures established by the Board, no other instrument shall constitute a Kent County Water Authority purchasing contract.
- 1.9 **“Debarment”** permanent exclusions from all subsequent procurements, and termination of all outstanding contracts.
- 1.10 **“Excess Property Sale”** Solicitation for bid in the sale of equipment, vehicles, or other assets no longer of need or reached their useful life in supporting the operations of the Authority.
- 1.11 **“Master Price Agreements (MPA)”** Price agreements covering broad

categories for items for a period of time on a statewide basis available for purchase.

- 1.12 **“Offer”** A response to a solicitation that, if accepted, would bind the offeror to perform the resultant contract.
- 1.13 **“Procurement”** shall mean the act of soliciting and/or acquiring and/or purchasing goods and/or services from suppliers.
- 1.14 **“Procurement/Purchasing Authority”** shall mean the authority to act on behalf of Kent County Water Authority to commit funds, enter into binding agreements or contracts, or in any other manner obligate Kent County Water Authority. The Board shall have the responsibility for issuing and maintaining all standard specifications for supplies, services and construction required by Kent County Water Authority.
- 1.14 **“Procurement Records”** shall mean documents evidencing procurement activity(ies) which may include requests for proposals, bids and purchase orders.
- 1.15 **“Proposal”** written description of services and materials offered with terms of compensation in response to a Request For Proposal (RFP) solicitation.
- 1.16 **“Promptly”** shall mean five (5) working days unless otherwise specified by the Board or its duly authorized representative.
- 1.17 **“Rejection”** non-consideration of an

offer submitted for a particular procurement, based on lack of demonstrated responsibility or competency or such other cause as Board shall deem relevant and appropriate.

- 1.19 **“Request for Proposal (RFP)”** an invitation for contractors to provide written proposals to meet the requirements contained in the Request For Proposal documents. The evaluation of proposals shall be determined by the Board, and no procedure for protest of an RFP award is provided.
- 1.20 **“Small Purchases”** any procurement in aggregate amounts of less than \$10,000.00 for construction or any other purchase in an amount of less than \$5,000.00.
- 1.21 **“Sole Source Procurement”** shall mean procurement of specialized replacement/repair parts or expansion parts necessary to maintain the integrity of Kent County Water Authority’s system or function and material purchases to support configuration management for the system wide standardization of repair parts, equipment, appurtenances and construction materials, as deemed necessary by Kent County Water Authority to maintain reasonable spare parts, inventories for emergency repairs and infrastructure compatibility. Sole source procurement when also include a contract awarded for a supply, equipment, service, or construction item without competition when, the Board or its duly authorized representative, determines that there is only one source for the required supply, equipment, service, or

construction item.

- 1.22 **“Solicitation”** shall mean a Request for a Proposal or Bid, published by Kent County Water Authority.
- 1.23 **“Solicited”** Board authorized formal request or advertisement to suppliers or contractors for materials and/or services.
- 1.24 **“Supplier”** shall mean an individual or entity who proposes a specific offer to provide or sell goods and/or services to Kent County Water Authority, in response to solicited bid or request for proposal, and shall further mean an individual or entity who supplies goods and/or services to Kent County Water Authority in conformance with bid or solicitation.
- 1.25 **“Supplier Disqualification”** shall mean the disqualification by the Board of any supplier prohibiting said supplier from participating in Kent County Water Authority procurements. Disqualification may result in debarment, suspension, removal or rejection of a supplier.
- 1.26 **“Supplier’s Security”** shall be a bond provided by surety company authorized to do business in the State of Rhode Island in a form and amount satisfactory to Kent County Water Authority.
- 1.27 **“Suspension”** temporary exclusion from subsequent procurements, and termination of outstanding contracts (at the discretion of the Board) for a specified period of time.
- 1.28 **“Termination clause”** shall mean a

clause (s) which may be included in a contract which address special conditions/procedures for termination of a contract, e.g., provisions for penalties or forfeitures for contract noncompliance may be included: a convenience termination clause which permits Kent County Water Authority to terminate; at its own discretion, the performance of work in whole or in part; and to make a settlement of the vendor’s claims in accordance with appropriate regulations and applicable contractual conditions.

## **SECTION 2 - GENERAL PROVISIONS**

### **2.1 PROCUREMENT POWERS OF THE BOARD OF KENT COUNTY WATER AUTHORITY:**

- 2.1.1 The Board or its duly authorized representative, shall be responsible for the administration of all procurement activities and all determinations with respect to said procurement activities including, but not limited to, solicitations, sale of excess property, evaluation of suppliers, emergency purchases, small purchases, and sole source procurement.
- 2.1.2 No alleged verbal agreement or verbal arrangement made by a supplier with Kent County Water Authority or employee of Kent County Water Authority shall be binding on Kent County Water Authority.

### **2.2 DOCUMENTATION AND REPORTS:**

- 2.2.1 Copies of procurement documents will be maintained in Kent County Water Authority's purchasing files to document procurement activities. The extent of documentation may vary with Kent County Water Authority's needs and requirements and the value and complexity of the procurement.
- 2.2.2 Any and all procurement documentation shall be signed by the duly authorized representative of Kent County Water Authority except for small purchases made in the ordinary course of business on established open accounts.
- 2.2.3 Procurement activity will be recorded and a record of said procurement activity will be made available for public inspection; however, all procurement records shall be subject to public disclosure pursuant to Rhode Island General Laws.

### **2.3 CONTRACTS: GENERAL CHARACTERISTICS OF KENT COUNTY WATER AUTHORITY CONTRACTS/PURCHASE ORDERS/AMENDMENTS THERETO:**

- 2.3.1 No contract which has been entered into between Kent County Water Authority and another party may be amended except by Change Order. Any other amendment procedure or attempted amendment procedure is a nullity.
- 2.3.2 All contract pricing shall be clearly stated, provided however, an Agreement may contain "cost not to exceed" conditions or restrictions as to hourly service procurements or as to procurements acquired on a unit price basis.

- 2.3.3** Kent County Water Authority contracts shall specify length of a contract period, compensation, and where appropriate, conditions/procedures for termination of a contract.

### **SECTION 3 - PROCUREMENT PROCEDURES**

- 3.1 METHODS OF PROCUREMENT:** Except as otherwise authorized by law, or as specifically exempted herein, all Kent County Water Authority contracts shall be awarded as the result of:

**3.1.1** Competitive Sealed Bidding; or

**3.1.2** Small Purchase Procedure; or

**3.1.3** Request for Proposal; or

**3.1.4** Sole Source Procurement; or

**3.1.5** Emergency Procurement; or

**3.1.6** Purchases made under the State of Rhode Island Master Price Agreement (MPA)

**3.1.7** Nothing herein shall deprive the purchasing officer from negotiating with vendors who maintain a General Service Administration price agreement with the United States of America or any agency thereof or other governmental entities, provided, however, that no contract executed under this provision shall authorize a price higher than is contained in the contract between the general service administration and the vendor affected.

- 3.2 RESPONSIBILITIES OF SUPPLIERS:**

**3.2.1** A reasonable inquiry by the Board to determine the responsibility of a supplier may be conducted, and a written determination of responsibility and competency of a supplier to fulfill an agreement may be made by the Board. The failure of a supplier to supply requested information promptly in connection with an inquiry related to responsibility and competency to fulfill an agreement may be grounds for a determination of failure to meet KCWA supplier criteria.

**3.2.2** The Board may utilize factors including, but not limited to, financial capability, previous work history with KCWA, reputation and management to evaluate the responsibility and qualifications of potential suppliers.

**3.2.3** As a prerequisite for a contract award, the Board may require any supplier to submit current certifications of financial responsibility, and any such other pertinent certifications as a condition precedent to awarding a contract to a supplier. Any and all documentation referenced in this clause shall be signed by a duly authorized representative of the supplier. The signature shall be an original signature made in ink and dated by the signatory. The signer, on behalf of the supplier, shall affirm:

**3.2.3.1** That all information on the documentation is true and accurate.

**3.2.3.2** That the existence of relationship (blood, spousal, adoptive, financial, business, etc.) between a principal of the supplier firm and Kent County Water Authority and/or any Kent County Water Authority employee has been disclosed in writing.

**3.2.3.3** That falsification of information contained on any signed documentation shall be grounds for debarment.

**3.3 SOLICITATION PROCEDURE:** In general, solicitations by Kent County Water Authority shall state the method and basis of the award. Unless alternate offers are requested in the solicitation or allowed, only those offers which are responsive to the terms or the solicitation in all material respects shall be considered.

**3.3.1 RULES FOR SOLICITATION:** Public Competitive bids. Except as to procurement of supplemental services as set forth in clause 3.7, sealed, written competitive bids shall be required for procurements exceeding ten thousand dollars (\$10,000) for construction contracts and five thousand dollars (\$5,000) for all other purchases unless such method is not practicable as may be determined by the Board.

**3.3.1.1 NOTIFICATION AND ADVERTISING:** The Board shall advertise in the Providence Journal for any Solicitation, Bid, or Request for Proposal.

**3.3.2 SUPPLIERS SECURITY:** If Kent County Water Authority requires suppliers' security, the following rules shall apply:

**3.3.2.1** The supplier shall submit a Bid Bond or Performance Bond or Material Bond or Payment Bond as supplier's security as shall pertain to the Contract.

**3.3.2.2** All such Bid Bond sureties must be dated within 30 days of the bid opening date and shall be valid for no less than 90 days from the bid opening dates or as otherwise stated in the Bid documents.

**3.3.2.3** All such sureties shall be made payable to or for the



benefit/indemnification of Kent County Water Authority.

- 3.3.2.4** All sureties shall contain an identification of the bid number for which the surety is intended.
- 3.3.2.5** Supplier security shall be required for all competitive sealed solicitation for construction contracts when the estimated price exceeds fifty thousand dollars (\$50,000). Nothing herein prevents the requirement of such bonds on construction contracts less than fifty thousand dollars (\$50,000) when circumstances warrant.
- 3.3.2.6** Bidder security may be required for contracts involving blanket orders, services or high value items when the value of the contract exceeds five thousand dollars (\$5,000).
- 3.3.2.7** Bidders' security may be in an amount equal to at least five percent (5%) of the amount bid.
- 3.3.2.8** After solicitations are opened, they shall be irrevocable for the period specified in the Invitation for Bids.

### **3.3.3 CANCELLATION OF INVITATIONS FOR SOLICITATIONS:**

- 3.3.3.1** Any solicitation may be canceled or rejected by the Board, if it is determined by the Board that such action is in the best interest of Kent County Water Authority.
- 3.3.3.2** If a solicitation results in none of the proposals being acceptable to the Board, the Board may declare all bids to be unacceptable and re-solicit the procurement.
- 3.3.3.3** If a solicitation results in only one proposal, the price of which is not acceptable to the Board, the Board may declare it unacceptable and either re-solicit the procurement or negotiate the price with the supplier which did bid.

### **3.3.4 CORRECTION OR WITHDRAWAL OF BIDS:**

- 3.3.4.1** Correction or withdrawal of bids may be allowed only to the extent permitted by the Board.
- 3.3.4.2** The Board shall be the sole determiner of whether correction or withdrawal of bids may be made without a penalty.

### **3.4 REQUEST FOR PROPOSALS:**

**3.4.1 PROCEDURE:** The Kent County Water Authority shall review Proposals based on the following criteria:

- 3.4.1.1** A minimum of three proposals (if sufficient proposals are submitted) may be selected from the criteria below for supplier interviews. Only those selected for an interview, if the Authority so chooses, shall be eligible for selection to perform the services requested.
- 3.4.1.2** Evaluation of competence and demonstrated knowledge and experience to perform the services as reflected by experience of the firm and individual consultant team to perform the service.
- 3.4.1.3** Evaluation of ability to perform the services as reflected by the workload and availability of adequate personnel, past experience and quality of work.
- 3.4.1.4** Evaluation of a fee proposal.
- 3.4.1.5** Evaluation of a schedule for tasks (time of completion is critical and will be considered carefully for selection).
- 3.4.1.6** Evaluation of organization and technical content of Proposal, clear and concise nature of presentation, ability and demonstrated understanding and approach to performing the required work. Creativity in the approach to completion of tasks will be desired.

### **3.4.2 INTERVIEW AND FINAL SELECTION:**

- 3.4.2.1** Upon completion of 3.4.1, those firms selected will be notified of the date and time for interview.
- 3.4.2.2** The Kent County Water Authority reserves the right to award any Proposal in whole or in part and/or reject any and all Proposals.

### **3.4.3. ENGAGEMENT OF SERVICES:**

- 3.4.3.1** Upon successful selection per Section 3.4.1 & 3.4.2, the Kent County Water Authority reserves the right to negotiate any and all parts to the Proposal with the selected Supplier prior to formalization of a contract or of a letter of engagement for services.
- 3.4.3.2** In the event the successful Supplier cannot fully and timely perform

his contractual obligation and/or successfully negotiate the Proposal with the Kent County Water Authority, the Kent County Water Authority reserves the right to award the Proposal to any of the other qualified Suppliers.

- 3.4.3.3** Kent County Water Authority reserves the right to reject any and all Proposals, or parts thereof, or to waive any and all informalities if it is in its best interest to do so, and it reserves the right to disregard all nonconforming, non-responsive, or conditional Proposals or portions thereof.
- 3.4.3.4** Engagement of the services of the successful Supplier will only occur upon execution of a letter of engagement in form acceptable to Kent County Water Authority.
- 3.4.3.5** Price alone will not be the sole determining factor. No work shall proceed without prior written authorization of the Board or its duly authorized representative.
- 3.4.3.6** All information and originals developed under any project is the sole property of the Kent County Water Authority. Prior approval by the Executive Director/Chief Engineer is required before the release of any element of the data or information developed for any project for any reason other than for use by Kent County Water Authority.

### **3.5 CONSTRUCTION MANAGEMENT CONTRACTS:**

**3.5.1 CONSTRUCTION MANAGEMENT:** An individual or legal entity who bids on a construction management contract shall provide with the bid the following information, which information shall constitute a condition precedent to qualification for a construction management contract:

- 3.5.1.1** Firm history: Name of the firm, location of principal and branch offices, length of time in business, firm ownership structure, and annual construction management volume for each of the past five (5) years including number of projects and total construction volume.
- 3.5.1.2** Personnel: Total number of the firm's personnel, (other than secretarial/clerical), by professional or skill group and outside firms which will be used to provide such services as estimating, value engineering analysis, scheduling or computer services.
- 3.5.1.3** Experience: Information regarding projects which the firm has constructed during the past five (5) years, including those where the

firm has served as construction manager, project name and address, year completed, type of project, construction cost, and a reference (s).

### **3.5.2 PROJECT STAFFING:**

**3.5.2.1** The firm's proposed management staff for the project, including an organizational chart identifying the firm's key staff members and showing how each staff member interacts with other staff members assigned to the project.

**3.5.2.2** A detailed resume for each key staff member which summarizes education, professional registration, professional society membership, construction experience, and construction management project experience.

### **3.5.3 SERVICES:**

**3.5.3.1** Scope of construction phase services and how such services are to be provided.

**3.5.3.2** The firm's method of working with the project architects, engineers, consultants and other planning team members.

**3.5.3.3** The firm's method of coordinating the efforts of various trade contractors.

## **3.6 EXCEPTIONS TO COMPETITIVE BIDDING REQUIREMENTS:**

**3.6.1 SOLE SOURCE:** A contract may be awarded for a supply, service, or construction item without competition when the Board determines in writing that there is only one source for the required supply, service, or construction item. Sole source may also include specialized replacement/repair parts or expansion parts necessary to maintain the integrity of system or function.

**3.6.2 EMERGENCIES:** The Board or its duly authorized representative may make emergency procurements without competition when there exists a threat to public health, welfare or safety and competitive bidding is, in the opinion of the Board, impractical. A written determination of the basis for the emergency, and for the selection of the particular contractor, shall be included in the contract file.

**3.6.3 SMALL PURCHASES:** In the case of small purchases, the Board, or its duly authorized representative, shall make the effort and attempt of multiple solicitation of no less than three suppliers by telephone contact for purpose of competitive pricing and delivery on a timely basis of best value product and service. Such telephone

solicitation is to be confirmed by telephone facsimile transmission from Supplier, or failing that, by Board authorized representative to Supplier. This procedure does not apply to 3.6.1 nor 3.6.2 above.

### **3.7 SUPPLEMENTAL SERVICES:**

#### **3.7.1 ARCHITECTURAL, ENGINEERING AND CONSULTANT SERVICES SELECTION PROCESS FOR SERVICES EXCEEDING \$20,000:**

##### **3.7.1.1 SOLICITATION:**

**3.7.1.1.1** Public Announcement. The Board shall give published notice of its requirements for professional, architectural, engineering or consultant services.

**3.7.1.1.2** Such notice shall be published sufficiently (not less than 7 days nor more than 28 days) in advance of the date when responses must be received.

**3.7.1.1.3** The published notice shall: (1) contain a brief statement of the services required, (2) describe the project, (3) specify how specific information on the project may be obtained, and (4) the date of public opening.

#### **3.7.2 ARCHITECTURAL, ENGINEERING AND CONSULTANT SERVICES SELECTION PROCESS FOR SERVICES NOT EXCEEDING \$20,000:**

**3.7.2.1** The Board having determined its requirement for professional, architectural, engineering or consultant services at a cost reasonably expected to be less than \$20,000 shall, or by its duly authorized representative, select a qualified firm for the project. Usual evaluation criteria are to be followed.

### **3.8 MISCELLANEOUS:**

**3.8.1** Based on the Board's review of a supplier's level of financial responsibility and/or qualification, the Board may restrict the items or size of orders for which a supplier will be solicited. Restrictions shall relate to:

**3.8.1.1** Limiting the kinds of goods and services for which the supplier may be solicited.

- 3.8.1.2 Limiting the scope/amount of goods and services for which the supplier may be solicited.

#### **SECTION 4 - BREACH OF CONTRACT DISPUTES**

- 4.1 The Board shall have the authority to resolve any breach of contract controversies. Prior to the institution of arbitration or litigation concerning any contract, claim or controversy, the Board is authorized to settle, compromise, pay, or otherwise adjust the claim by or against or controversy with, a contractor relating to a contract entered into by Kent County Water Authority, including a claim or controversy based on contract, mistake, misrepresentation, or other cause for contract modification or rescission. The Board shall also have the authority to determine protests and other controversies of actual or prospective suppliers in connection with the solicitation or selection for award of a contract.
- 4.2 The Board may assess dollar damages against any supplier determined to be non-performing or otherwise in default of their contractual obligations equal to the cost of remedy incurred or to be incurred by Kent County Water Authority and make payment of such damages a condition for consideration of any subsequent contract award. Failure by the supplier to pay such damages shall constitute just cause for disqualification and rejection, suspension, or debarment.

#### **SECTION 5 - VIOLATIONS OF PURCHASING LAWS AND REGULATIONS**

- 5.1 In general, deliberate disregard for regulations, policies and procedures shall be subject to disciplinary action, including debarment of suppliers conducting business with Kent County Water Authority. Kent County Water Authority, via its Board or duly authorized representative, shall have the authority to suspend or debar suppliers. A supplier's offer for a specific procurement may be rejected for any of the causes described for suspension below or where in the judgment of the Board, the supplier does not possess the capacity, material or equipment or personnel capability, or integrity requisite for the procurement.
- 5.2 **DEBARMENT AND SUSPENSION OF A SUPPLIER:**
  - 5.2.1 **Applicability:**

- 5.2.1.1 A debarment or suspension order by the Board against a part of a corporate entity constitutes debarment or suspension of all of its divisions and all other organizational elements, except where the action has been specifically limited in scope and application, and may include all known corporate affiliates of a supplier, when such

offense or act has occurred in connection with the affiliates' performance of duties for or on behalf of the supplier, or with the knowledge, approval, or acquiescence of the supplier or one or more of its principals or directors, or where the supplier otherwise participated in, knew of, or had reason to know of the acts.

**5.2.1.2** Fraudulent and/or criminal and/or other serious improper conduct of any officer, director, shareholder, partner, employee, or other individual associated with a supplier, may be imputed to the supplier when the conduct occurred in connection with the individual's performance of duties for or on behalf of the supplier, or with the supplier's knowledge, approval, or acquiescence. The supplier's acceptance of benefits derived from the conduct shall be evidence of such knowledge, approval, or acquiescence.

**5.2.2** Just cause for debarment may include, but shall not be limited to:

**5.2.2.1** Conviction or final adjudication by a court or administrative agency of competent jurisdiction of any of the following offenses:

**5.2.2.1.1** Criminal offense incident to obtaining or attempting to obtain a public contract or subcontract, or the performance of such contract or subcontract, in any jurisdiction: or

**5.2.2.1.2** Criminal offense involving embezzlement, theft, fraud, perjury, forgery, bribery, falsification or destruction of records, receiving stolen property (or any other offense indicating a lack of business integrity or honesty which seriously and directly affects the contractor's present responsibility as a public contractor); or

**5.2.2.1.3** Violation of state or federal antitrust laws relative to the submission of bids or proposals (including those proscribing price fixing between competitors, allocation of customers between competitors, and bid rigging); or

**5.2.2.1.4** Violation of state or federal laws regulating campaign contributions; or

**5.2.2.1.5** Violation of state or federal laws regulating equal employment opportunity of handicapped access.

- 5.2.3** Just cause for suspension may include, but shall not be limited to:
- 5.2.3.1** Any cause for debarment set forth in 5.2 above.
  - 5.2.3.2** Any indictment issued or any information issued against a supplier or any complaint filed by a public agency charging a criminal offense as described in 5.2 above or for any event described in 5.2.1.2 above;
  - 5.2.3.3** Substantial evidence of willfully supplying materially false information incident to obtaining or attempting to obtain or performing any public contract or subcontract, or willful failure to comply with requirements imposed upon contractors or subcontractors by law or regulation.
  - 5.2.3.4** Suspension by the federal government.
- 5.2.4** A supplier who knowingly engages as a subcontractor for a contract awarded by Kent County Water Authority then under a ruling of suspension or debarment by Kent County Water Authority shall be subject to disallowance of cost, annulment or termination of an award, issuance of a stop work order, debarment or suspension, as may be judged to be appropriate by the Board.

**END OF PROCUREMENT PROCEDURES**