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TITLE 220 – DEPARTMENT OF ADMINISTRATION

CHAPTER 30 – PURCHASES

SUBCHAPTER 00 – N/A

PART 5 – Competitive Bid and Competitive Sealed Bid Review and Source Selection

5.1 Definitions

A. "Bid" means an executed document submitted by a bidder in response to an Invitation for bids, and except as otherwise defined pursuant to R.I. Gen. Laws § 37-2-18(a) through (h) "Competitive Sealed Bidding" and these regulations, or a Request for Quotation.

1. "Firm bid" means a bid that binds the bidder until a stipulated time of expiration.

2. "Sealed bid" means a bid which has been submitted in a sealed envelope to prevent its contents being revealed or known before the deadline for the submission of all bids to enhance fair competition, and except as otherwise defined pursuant to R.I. Gen. Laws § 37-2-18(a) through (h) "Competitive Sealed Bidding" and these regulations.

B. "Bid abstract" means a summary of responsive bids to a solicitation.

C. "Bid bond" means an insurance agreement in which a third party agrees to be liable to pay a certain amount of money in the event that a specific bidder, if his bid is accepted, failed to accept the contract as bid.

D. "Bid deposit" or "Bid security" or "Bid surety" means a sum of money or check deposited with and as instructed by the prospective purchaser to guarantee the bidder (depositor) will, if selected, accept the contract in accordance with the bid.

E. "Bid opening" means the process through which bids are opened and the contents revealed for the first time to the state, other bidders and to the public.

F. "Bid sample" means a sample required of a bidder for examination, comparison, testing, and evaluation for the prospective purchaser.

G. "Collusive bidding or corrupt combination" means the response to bid invitations by two or more vendors who have secretly agreed to circumvent laws and rules regarding independent and competitive bidding.

H. "Commodity" means an article of trade, a movable article of value, something that is bought or sold; any movable or tangible thing that is produced or used as the subject of barter or sale.

I. "Competition" means the process by which two or more vendors vie to secure the business of a purchaser by offering the most favorable terms as to price, quality, delivery and/or service.

J. "Established catalogue price" means the price included in the most current catalogue, price schedule or other form that:

1. is regularly maintained by a manufacturer or vendor of an item; and

2. is either published or otherwise available for inspection by customers; and

3. states prices at which sales are currently or were last made to a significant number of any category of buyers, or to the general buying public for that item; and

4. states prices which are obtained from the most recent industry wide publications and informational journeys if any. (R.I. Gen Laws § 37-2-15(2))

K. "Evaluated bid price" means the dollar amount of a bid after bid price adjustments are made pursuant to objective measurable criteria, set forth in the invitation for bids, which affect the economy and effectiveness in the operation or use of the product, such as reliability, maintainability, useful life, and residual value (R.I. Gen. Laws § 37-2-15(3)).

L. "Evaluation of bid" means the process of examining a bid after opening to determine the bidder's responsibility, responsiveness to requirements, and to ascertain other characteristics of the bid that relate to determination of the successful bidder.

M. "Invitation for bids" means all documents, whether attached or incorporated by reference, utilized for soliciting proposals in accordance with the procedures set forth in R.I. Gen. Laws § 37-2-18, and except as otherwise defined pursuant to R.I. Gen. Laws §§ 37-2-18(a) through (h) "Competitive Sealed Bidding." (R.I. Gen. Laws § 37-2-15(4))

N. "Proposal evaluation criteria" means factors, usually weighted, relating to management capability, technical capability, manner of meeting performance requirements, price and other important considerations used to evaluate which proposer in a competitive negotiation has made the most advantageous offer.

O. "Recycled product" means a product containing pre-consumer content and post-consumer content. (R.I. Gen. Laws § 37-2-76.1)

1. "Pre-consumer content" means any material generated during any steps in the production of an end product, but does not include any waste material or byproduct that can be reused or has been normally reused within the same plant or another plant of the same parent company.

2. "Post-consumer content" means those materials generated by a business or consumer which have served their intended end uses and which have been separated or diverted from solid waste. Printer's waste, lathe wastes, and other wastes generated during production of an end product and undistributed finished products are not "post-consumer content."

3. "Office paper products" means any paper used by the state for the purpose of writing, printing, copying, and/or typing, including, but not limited to, computer, bond, xerographic, forms and/or duplicator paper, envelopes, business cards, index cards, and writing pads, either white or colored.

P. "Request for bids" means a solicitation which consists of a specific description of the goods and services, to which necessary blueprints, specifications, and special conditions are appended, and except as otherwise defined pursuant to R.I. Gen. Laws § 37-2-18(a) through (h) "Competitive Sealed Bidding."

Q. "Request for information" or "RFI" means a document used in informal, uncompetitive solicitation of information, data, comments, or reaction from possible suppliers preceding the issuance of a Request for Proposals or a multi-step bidding process.

R. "Request for proposal" or "RFP" means, all documents, whether attached or incorporated by reference, utilized for soliciting (competitive) proposals. (R.I. Gen. Laws § 37-2-15(5))

S. "Request for quotation" or "RFQ" means a document or oral solicitation used for seeking competition on small purchases or on any purchase lower than the amount that requires competitive bidding.

T. "Requisition" or a "purchase request" means, a document whereby a using agency requests that a contract be entered into to obtain goods and/or services for a specified need, and may include, but is not limited to, the technical description of the requested item, delivery requirements, transportation mode request, criteria for evaluation of proposals, and/or suggested sources of supply, and information supplied for the making of any written determination and finding required by R.I. Gen. Laws § 37-2-6. For the purposes of establishing rules and regulations pursuant the R.I. Gen. Laws Chapter 37-2, a "requisition" shall also mean an internal document by which a using agency requests the Division of Purchases to initiate a procurement. The request may include, but is not limited to, a performance or technical description of the requested item, delivery schedule, transportation mode, criteria for evaluation, suggested sources of

supply, and information related to the making of any written determination required by policy or procedure. (R.I. Gen. Laws § 37-2-7(17))

U. "Responsive bidder" means a person who has submitted a bid under R.I. Gen. Laws § 37-2-20 which conforms in all material respects to the invitation for bids, so that all bidders may stand on equal footing with respect to the method and timeliness of submission and as to the substance of any resulting contract. For the purposes of establishing rules and regulations pursuant the R.I. Gen. Laws Chapter 37-2, a "responsive bidder" shall also mean a bid which conforms in all material respect to the terms and conditions, specifications and any other requirements of the Bid Invitation. (R.I. Gen. Laws § 37-2-15(7))

V. "Solicitation" means the process of notifying prospective bidders or offerors that the state wishes to receive bids for furnishing goods and services. The process may consist of public advertising, mailing Invitations to Bid, posting notices, and/or telephone or telegraph messages to prospective bidders.

W. "Source selection" means the technique of appropriate selection by solicitation, i.e., competitive sealed bidding, multi-step competitive sealed bidding, competitive negotiation, small purchase procedure, sole source or emergency purchase.

X. "Specification" means a description of what the purchaser seeks to buy, and consequently, what a bidder must be responsive to in order to be considered for award of a contract. A specification may be a description of the physical or functional characteristics, or the nature of, a supply or service. It may include a description of any requirements for inspecting, testing, or preparing a supply or service item for delivery; a purchase description.

1. "Standardization (of specifications)" means the process of examining characteristics and needs for items of similar end usage and developing a single specification that will satisfy the need for most or all purchases for the purpose.

2. "Restrictive specification" means a specification or purchase description that unnecessarily limits competition by precluding items that would be capable of satisfying the intended need.

Y. "Spot purchase" means a one-time purchase occasioned by a small requirement, an unusual circumstance, or to take advantage of a favorable market condition.

Z. "Standard" means a characteristic or set of characteristics for an item that, for reasons of performance level, compatibility or interchangeability with other products, etc., is generally accepted by producers and by users of the item as a required characteristic of all items for the designed purpose.

AA. "Supplies" means all property, including but not limited to leases of real property, printing and insurance, except land or permanent interest in land. (R.I. Gen. Laws § 37-2-7(24))

BB. "Vendor" means any individual, firm, corporation, partnership or other entity submitting a proposal to the Division indicating a desire to enter into contracts with the State of Rhode Island, or with whom a Contract is executed by the State Purchasing Agent.

5.2 Competition

A. In accordance with the purposes set forth in R.I. Gen. Laws § 37-2-2(b)(6), the Chief Purchasing Officer shall assure that all state agency procurement activities foster effective competition, such that economies in expenditure can be obtained. A competitive environment shall be considered to exist when the following conditions are met:

1. Two or more items or offers can be compared to determine relative merit;

2. Objective standards of comparison are fairly and impartially applied;

3. Offers are evaluated within a market context:

   a. The lowest price offered may not be considered to be a competitive price when not supported by an evaluation of the market or market conditions within which the offer was rendered;

   b. Market evaluation must be conducted using objective standards to assure fairness and to encourage participation;

4. An equal opportunity for participation in any procurement applies to all prospective offerors, and affirmative action to achieve participation in the procurement process as a means of achieving social objectives is accomplished without violation of these general principles.

5.3 Centralization

A. Except as otherwise provided for herein, the Purchasing Agent shall be responsible for the administration of all procurement activities and determinations with respect to the solicitation and evaluation of competitive offers, and to source selection.

B. Unless specifically authorized otherwise, the Division of Purchases shall be the sole point of contact with prospective and current offerors, relative to the business, financial and other commercial aspects of all solicitations and offers:

1. All other state employees shall be authorized to contact suppliers to obtain technical data only, prior to the award of a contract.

2. Representatives of the Division of Purchases shall be present at, or party to, all discussions with suppliers with respect to current solicitations, or with respect to price or delivery information, or with respect to modifications of any contract.

C. Delegated Authority.

1. The following goods and services may be procured by user agencies without the express approval of the Purchasing Agent in accordance with the provisions set forth herein:

   a. Items purchased through Master Pricing Agreements (MPA) - Schedule/Term Contracts Purchases. All agencies shall be authorized to order MPA items directly from vendors in accordance with procedures established by the Chief Purchasing Officer.

   b. Items exempted from competition by law, regulation or determination by the Chief Purchasing Officer or his designee.

   c. Grants in the form of general subsidies or assistance shall be administered by state agencies in accordance with legal mandates restricting or defining the use of such funds.

2. State officials designated by the Chief Operating Officer (Director) of an agency or department shall be authorized to obtain bids for procurements up to set limits stated by the Chief Purchasing officer.

   a. Violation of these procedures may result in withdrawal of such authority by the Purchasing Agent.

   b. All bids and contract awards made under these provisions shall be documented in a central location.

D. Violations of Purchase Authority

1. Upon request, the Division of Purchases and/or the Chief Purchasing Officer may review all documents for which state agencies undertake purchasing actions and shall report suspected violations of delegated purchasing authority to the Purchasing Agent.

2. Transactions which are determined by the Purchasing Agent to be out of compliance with state purchasing regulations and procedures shall be returned to agencies for explanation and justification.

3. User agency abuses of limited delegated purchasing authority shall be reported to the Chief Purchasing Officer who will hold agency chief executives accountable for violations.

4. Deliberate disregard of state officials for purchasing regulations, policies and procedures shall be subject to disciplinary action, including dismissal.

E. Additional delegated authority may be granted by the Purchasing Agent upon reviewing written requests submitted by the chief executive officer of a department or agency in accordance to the provisions set forth in § 5.2 of this Part.

5.4 Standards and Specifications

A. R.I. Gen. Laws § 37-2-38 Issuance of specifications.

1. The Chief Purchasing Officer shall have the responsibility for issuing and maintaining all standard specifications for supplies, services, and construction required by the state. Among its duties, it shall, to the greatest extent practicable:

   a. Prepare and issue standard specifications for supplies, services, and construction commonly required by the state.

   b. Revise all standard specifications to conform to all technical and scientific advances pertaining to the supplies, services, and construction described in those specifications, and to reflect changes in the state's requirements and user agencies; and

   c. Establish guidelines for drafting specifications.

2. All specifications shall be drafted so as to maximize, to the extent practicable, competition in fulfillment of the state's requirements.

B. Certification by building commissioner. -- The state controller shall order no payment to any person on account of any contract for any construction which is subject to the state building code, unless and until the state building commissioner has certified to the state controller in writing that: All permits required under R.I. Gen. Laws § 23-27.3-113.1 for the construction for which such payment has been requested have been issued and are valid; and the state building commissioner has, pursuant to R.I. Gen. Laws § 23-27.3-113.3.1, verified that all construction work for which payment has been requested and which state law requires to be performed by licensed persons has been performed by persons so licensed. (R.I. Gen. Laws § 37-2-38.1)

C. Solicitations shall be prepared in a manner and form which enables suppliers to submit fully responsive and knowledgeable offers, and which clearly define the criteria to be used in evaluating responses.

D. All material submitted by applicants to the Division of Purchases for action shall be in sufficient detail and shall contain adequate supportive information to:

1. Adequately describe the purpose, use, or desired performance level of the requirement; and

2. Identify measurable criteria for evaluation of offers including, but not limited to, acceptance testing.

E. Wherever possible, solicitations shall incorporate a standard specification, describing the level of performance required, and measurable criteria which define acceptance.

1. In certain cases, following detailed evaluation, brand name or other designations may be defined as standard items, where it is determined to be in the best interest of the State with regard to economies of scale, or cost or value analysis.

2. The Division of Purchases shall develop Standards Committees (product advisory committees) to review, develop, and update specifications and standard item designations for frequently and/or extensively used products.

F. Selection and evaluation criteria shall be clearly defined in all solicitations.

1. This section shall apply to all competitive sealed bid contracts in amounts as provided in R.I. Gen. Laws § 37-2-18, or as otherwise amended.

2. Unless alternate offers are clearly requested or allowed, only those offers which are responsive, in all material respects, to the terms of the solicitation shall be considered.

a. Alternate specifications may be considered only where it has been determined that the alternate satisfies all objective performance characteristics of the procurement, and represents a reduction in expenditure;

b. Alternate terms and conditions may be considered only where consideration is determined to be in the best interest of the State to do so, and where they constitute a reduction in expenditure.

3. Used Items may be purchased to achieve financial benefit if the manufacturer will provide warranties for maintenance requirements and for the replacement of parts. Such certification/warranties shall be the same as that provided for new equipment. Purchase of used items which exceed a value of two hundred and fifty dollars shall require approval by the Division of Purchases.

4. R.I. Gen. Laws § 37-2-75 Prohibition against the use of lead based paints. When purchasing paint products or contracting or subcontracting for painting, construction, improvement, completion, or repair of any public

building, any public road, any public bridge, or any public construction, all governmental bodies and public agencies, as defined by R.I. Gen. Laws §§ 37-2-7(11) and 37-2-7(16), shall be prohibited from the use of lead based paint.

5. R.I. Gen. Laws § 37-2-76 State purchase of recycled products.

   a. The state shall, through its purchasing policy and practice, affirmatively promote the use of recycled products. The Department of Administration in conjunction with the Department of Environmental Management shall, through regulations, establish a time table requiring increased utilization by the state of recycled products. In January of each year, the Department of Administration shall report to the General Assembly the State's progress in utilizing recycled products materials and supplies for the preceding twelve (12) months.

   b. With respect to office paper products, at least fifty percent (50%) of the expenditure for office paper products purchased by the state of Rhode Island, its agencies and departments, shall be recycled paper products by fiscal year 1995.

   c. The Department of Administration in conjunction with the Department of Environmental Management shall annually establish comprehensive technical specifications based on research by the Department of Environmental Management for the recycled products, materials and supplies to be purchased by the state under this section. These specifications shall include the minimum performance and quality attributes as well as minimum pre- and post-consumer content.

   d. The Director of the Department of Administration, acting as the Chief Purchasing Officer of the State, shall direct that all subsequent purchases of the subject recycled products, materials and supplies by the state, its agencies and departments shall meet the source specifications of pre-consumer and/or post-consumer content standards established under § 5.4(F)(5)(c) of this Part.

   e. Subsequent discovery by the State, its agencies or departments that products delivered by vendors to the state as "recycled products" do not satisfy the specifications of "recycled" content stated in the award, shall be grounds for the return of all discrepant goods, refunds of all moneys paid, termination of all outstanding contracts -and orders, and at the discretion of the Chief Purchasing Officer suspension of the vendor's involvement in state procurement for a period of up to twenty-four (24) months.

5.5 General Provisions

A. Except as otherwise authorized by law, or as specifically exempted herein, all state contracts shall be awarded as the result of:

1. R.I. Gen. Laws § 37-2-17(1) competitive sealed bidding; or

2. R.I. Gen. Laws § 37-2-17(2) competitive negotiation; or

3. R.I. Gen. Laws § 37-2-17(3) non-competitive negotiation; or

4. R.I. Gen. Laws § 37-2-17(4) small purchase procedures; or

5. R.I. Gen. Laws § 37-2-18(a) through (h) competitive sealed bidding;

6. R.I. Gen. Laws § 37-2-18.1 electronic reverse auction;

7. Requests for Proposal; or

8. Where permitted by law, grants.

B. R.I. Gen. Laws § 37-2-8 When foodstuffs of good quality grown or produced in Rhode Island by Rhode Island farmers are available, the Purchasing Agent is hereby directed to purchase such foodstuffs at the prevailing market prices when any such foodstuffs are required by the state institutions.

C. The Division of Purchases shall establish and make available to participating agencies Master Pricing Agreements for goods and services where the nature and amount of demand is not specifically known in advance (e.g., office furniture, food, athletic equipment and emergency repair trades).

5.6 Rules for Solicitation

A. In general, solicitations will be sent only to those suppliers who have formally expressed a desire to bid on the particular types of items which are the subject of the bid solicitation; however, the Purchasing Agent may determine that competition would be enhanced by soliciting bidders who are not on the established Bidders List.

B. Small and small disadvantaged businesses shall be solicited to maximum extent determined by the Chief Purchasing Officer to be practicable.

C. Notification and Advertising

1. Notices shall be published in sufficient time to afford suppliers a fair opportunity to respond prior to the bid opening date and time.

2. Advertisements may be utilized in conjunction with requests for quotations or proposals for products or services at any estimated level of expenditure if the Purchasing Agent so determines:

   a. that the commodity or service is of such special nature that opportunities for competition will be enhanced by extending invitations to other than known suppliers;

   b. that a purchase will be of interest to supportive industries, e.g. construction projects;

   c. that a purchase is unusually large or infrequent.

3. The Purchasing Agent may advertise in widely circulated newspapers and/or trade journals to promote effective competition.

4. The Purchasing Agent may place advertisements in publications directed to minority communities and/or women to enhance opportunities for disadvantaged businesses to participate in the bidding process.

5. The Purchasing Agent shall have the sole authority to place advertisements for contracts awarded under his aegis; however, he may delegate such authority as circumstances dictate.

D. The Purchasing Agent may solicit offers from prospective suppliers who are not registered bidders upon written recommendation by a user agency, or where such solicitation is judged to be necessary in order to expand the field of competition.

E. The State of Rhode Island shall be under no obligation to consider an offer which has been submitted without solicitation.

5.7 Bidder Security

A. Bidder's security shall be a bond provided by a surety company authorized to do business in the State of Rhode Island, or the equivalent in cash, in a form satisfactory to the state.

1. The bidder may submit a certified check, bank check (cashier's check or treasurer's check), or money order as surety instead of a bond.

2. All such sureties must be dated within 30 days of the bid opening date and shall be valid for no less than 60 days from the bid opening dates.

3. All such sureties shall be made payable to the State of Rhode Island General Treasurer.

4. All sureties shall contain an identification of the bid number for which the surety is intended. (R.I. Gen. Laws § 37-2-40(1))

B. Bidder security shall be required for all competitive sealed bidding for construction contracts when the estimated price exceeds twenty-five thousand dollars ($25,000). Nothing herein prevents the requirement of such bonds on construction contracts under twenty-five thousand dollars ($25,000) when circumstances warrant.

1. The Purchasing Agent may require bidder security for any procurement that he judges to be substantial, or where in his opinion the potential of capricious or artificial bidding exists, or where there is a risk of withdrawal of offers prior to an award being made, or where the interests of the State otherwise require protection.

2. Bidder security may be required for contracts involving blanket orders, services or high value items when the value of the contract exceeds two thousand five hundred dollars ($2,500). (R.I. Gen. Laws § 37-2-40(1))

C. Bidder's security shall be in an amount equal to at least five percent (5%) of the amount bid. (R.I. Gen. Laws § 37-2-40(2))

D. When the invitation for bids requires that bid security be provided, noncompliance requires that the bid be rejected, provided, however, that the Chief Purchasing Officer may set forth by regulations exceptions to this requirement in the event of substantial compliance. If bid security is identified as mandatory in the invitation to bid pursuant to R.I. Gen. Laws § 37-2-18(a) through (h) "Competitive Sealed Bidding" and these regulations, the purchasing agent shall have no discretion to waive the bid security requirement. (R.I. Gen. Laws § 37-2-40(3))

E. After the bids are opened, they shall be irrevocable for the period specified in the invitation for bids, provided that if a bidder is permitted to withdraw his bid before award because of a mistake in the bid as allowed by law or regulation, no action shall be taken against the bidder or the bidder's surety. (R.I. Gen. Laws § 37-2-40(4))

F. After the bid opening the Purchasing Agent shall return the sureties of all but the three (3) apparent lowest bidders. When the evaluation of the bid has been completed, the Purchasing Agent shall return all but the lowest bidder's surety.

G. After the low bidder has been notified of the state's intent to proceed with a contract, the low bidder's bid surety shall be returned. When performance, labor and/or material bonds are required, the bid surety shall be returned upon receipt of the appropriate bond(s).

5.8 Cancellation of Invitation for Bids and Requests for Proposals

A. An invitation for bids, a request for proposals, and other solicitation may be cancelled, or all bids or proposals may be rejected, if it is determined in writing that the action is taken in the best interest of the state and approved by the Chief Purchasing Officer.

1. If a solicitation results in none of the proposals being reasonably close to expectations, the Purchasing Agent may with the written approval of the Chief Purchasing Officer declare all bids unacceptable and re-solicit the procurement.

2. Nothing in R.I. Gen. Laws §§ 37-2-18(a) through (h) and these regulations shall be construed to interfere with or invalidate the results of the due diligence conducted by the division of purchases, the Chief Purchasing Officer, or the Chief Purchasing Agent to determine whether bids are responsive and responsible.

3. If a solicitation results in only one proposal, the price of which is not reasonably close to expectations, the Purchasing Agent may recommend that the Chief Purchasing Officer declare the bid unacceptable and either re-solicit the procurement or ask that the price be negotiated with the vendor.

4. The Purchasing Agent may eliminate bidders whose offers are clearly noncompetitive prior to re-solicitation.

5.9 Correction or Withdrawal of Bids

A. Correction or withdrawal of bids may be allowed only to the extent permitted by regulations issued by the Chief Purchasing Officer. (R.I. Gen. Laws § 37-2-18(i))

B. The Purchasing Agent or his designee shall be the sole determiner of whether correction or withdrawal of bids may be made without penalty.

C. The Purchasing Agent shall respond to requests for correction or withdrawal within ten (10) working days, notifying the bidder of the status of his bid, bid surety and continued inclusion in the state's Bidders List.

D. Correction of a bid.

1. Correction of a bid at any time prior to bid opening may be permitted without penalty when a bidder requests that his bid be returned and bidder resubmits a corrected bid prior to the bid opening.

2. A vendor who fails to resubmit a corrected bid before the bid opening shall be considered non-responsive.

3. Requests by the apparent low bidder for correction of bids identifying all error(s) and specifying corrective action shall be submitted in writing to the Purchasing Agent and shall be re-evaluated with all other offers within five (5) working days after the bid opening.

E. Withdrawal of bids.

1. Requests for withdrawal of bids shall be submitted in writing to the Purchasing Agent, providing an explanation for the action and advising the Purchasing Agent as to why the bidder should not be suspended from the state's Bidders List.

2. Withdrawal of bids without the written consent of the Purchasing Agent shall result in forfeiture of bid sureties and shall result in suspension or debarment from the state's Bidders List, depending upon the severity of the violation.

5.10 Solicitation Criteria

A. At least every three (3) years the Chief Purchasing Officer shall review the prevailing costs of labor and materials and may make recommendations to the next regular session of the General Assembly for the revision of the then current threshold amounts contained in this R.I. Gen. Laws Chapter 37-2 as justified intervening changes in the cost of labor and materials.

1. The Chief Purchasing Officer may make recommendations to the General Assembly for changes to solicitation criteria based on factors other than the cost of labor and materials. (R.I. Gen. Laws § 37-2-58)

B. Small Purchases. Procurements not to exceed the amounts set forth in R.I. Gen. Laws § 37-2-22 may be made in accordance with applicable policies and procedures set forth by the Purchasing Agent. Procurement requirements shall not be artificially divided so as to constitute a small purchase under this section.

1. Competitive offers shall be solicited for all procurements with a value greater than $500 except under specifically prescribed circumstances set forth herein.

2. Small construction purchases shall include building, altering, repairing, improving or demolishing buildings or other improvements to real property. Small construction purchases shall not include routine maintenance or repair of existing structures, buildings, or real property performed by salaried employees of the State in the usual course of their job. (R.I. Gen. Laws § 37-2-22)

C. Competitive bids shall be obtained from a sufficient number of suppliers to be considered representative of the industry cited. Although three bids shall be considered the minimum, the Purchasing Agent may in some instances declare

the existence of two bids to be considered to provide adequate price competition. The determination shall be made in writing and placed in the bid file.

5.11 Solicitation Methodology for Competitive Sealed Bidding

A. Public Competitive Sealed Bids. Sealed written competitive bids shall be required for purchase orders exceeding the amount provided by R.I. Gen. Laws § 37-2-22 unless it is determined in writing that this method is not practicable or that the best value for the state may be obtained by using an electronic reverse auction as set forth in R.I. Gen. Laws § 37-2-18.1. Bids governing highway and bridge construction projects shall be governed by these regulations, except as otherwise provided for in § 5.13 of this Part entitled "Bids Governing Highway and Bridge Construction Projects" and Part 12 of this Subchapter entitled "Rhode Island Department of Transportation Projects."

1. The term "immediately" for contracts awarded pursuant to R.I. Gen. Laws §§ 37-2-18(a) through (h) "Competitive Sealed Bidding" and this regulation shall mean that a copy of the redacted bid proposal shall be available for public inspection by the close of business the day the subject bid(s) and/or contract(s) is opened by the division of purchases.

2. Bidders shall bear the sole and exclusive responsibility to provide a public copies of bids to the division of purchases, for public inspection. At the time that a proposal is submitted, a bidder must submit a redacted copy of the bid proposal on a readable CD-R Media Disk (hereinafter referred to as a "CD"). Failure of the bidder to submit a public copy on a readable CD, as required by R.I. Gen. Laws § 37-2-18 as amended, may result in the disqualification of said bid. Failure by a bidder to redact from the public copy trade secrets, commercial or financial information or other information the bidder deems not subject to public disclosure shall subject said information to public disclosure.

3. In order to comply with the public copy requirement, a bidder, at the time that a proposal is submitted, must submit a redacted copy of the bid proposal on a readable CD and in accordance with the solicitation. The CD should contain: the title of the solicitation as it appears on the RIVIP cover letter; the name of the company and vendor identification as it appears on the RIVIP cover letter; the bid response number as it appears on the RIVIP cover letter; and the date of the bid as it appears on the RIVIP cover letter. Failure to provide the division of purchases with a readable CD with the above-cited information, as required, may result in the disqualification of the bid.

B. Formal Competitive Bids.

1. Except under emergency circumstances, competitive bids shall be obtained in the form of sealed written quotations for all procurements

exceeding one thousand dollars ($1,000), and except as otherwise provided for pursuant to R.I. Gen. Laws §§ 37-2-18(a) through (h) "Competitive Sealed Bidding."

2. A formal bid shall be distinguished by:

   a. A specific date and time by which sealed written bids must be submitted;

   b. An opening of all bids at a specified time at the Division of Purchases;

   c. The solicitation of a minimum of three selected bidders who are potential suppliers for the commodity or service to be procured.

3. All Formal Competitive bids shall be issued by the Division of Purchases.

C. Informal Competitive Bids.

1. Oral quotations (including telephone) may be solicited for purchase orders with a value less than one thousand dollars ($1,000). If the Division of Purchases is unable to verify prices using published lists/catalogs or by market analysis, the lowest quotation obtained by telephone solicitation for procurements exceeding two hundred and fifty dollars ($250) shall be confirmed in writing.

2. An informal bid shall be distinguished by:

   a. Lack of a specific time by which bids must be submitted;

   b. Lack of sealed written bids; quotes may be oral on the spot or by telephone and confirmed at a later date in writing;

   c. Lack of an opening and reading of bids;

   d. The solicitation of selected registered or unregistered bidders who are potential suppliers for the commodity or service to be procured and/or vendors suggested for consideration by the user agency.

3. Informal bids shall be solicited from a minimum of three suppliers.

4. All informal bid invitations shall be conducted in such fashion as to maximize the opportunity for participation of all responsible suppliers.

5. For those purchases not affected by regional considerations, requests for quotations (RFQ's) shall be distributed equitably among various responsible suppliers. Where practical, a quotation will be solicited from other than the previous supplier prior to placing a repeat order.

6. When informal competitive bids are received in accordance with the provisions contained herein and award is not made to the low bidder, the Purchase Order File shall be annotated with statements of how the supplier was selected and why the price is fair and reasonable.

7. Purchasing management shall audit the use of informal competitive bids. As a minimum, quarterly review of performance by buyers should be conducted to sample (on a random basis) the reasonableness and effectiveness of buyer use and documentation of the informal bid process.

D. Requests for Proposal

1. Requests for Proposal (RFP) shall be utilized to solicit competitive offers in all cases where:

   a. Lowest price is not the sole or primary consideration to be used in determining an award; or

   b. Performance is neither specific nor objective, and open to the offerer's interpretation; or

   c. It is otherwise anticipated that offers may be substantially different and that there is insufficient common ground for objective comparison; or

   d. It is anticipated that changes will be made after proposals are opened and that the nature of the proposals and/or prices offered will be negotiated prior to award.

2. Wherever possible, the Request for Proposal shall define the performance or benefit required and shall set forth specific criteria to be utilized in evaluation of offers.

3. Offers shall be evaluated by a committee comprised of a representative of the Division of Purchases, representative of the user agency, and other appropriate parties on the basis of:

   a. The qualifications of the offerers, established by professional accomplishment and previous experience;

   b. Aspects of offers which provide benefit, other than those based on cost; and

   c. Other provisions of offers which are determined to serve the best interests of the State.

4. Nothing herein shall be construed to preclude the possibility of determining an award solely on the basis of cost.

5. The evaluation of offers, including the weight assigned to various aspects of the offerers, and all award determinations, including the reasons for a selection recommendation, shall be fully documented.

5.12 Source Selection and Contract Award

A. A vendor's offer for a specific procurement may be rejected for:

1. Any of the causes described for suspension or debarment in Part 14 of this Subchapter;

2. When, in the judgment of the Purchasing Agent, the vendor does not possess the capacity, capability, or integrity requisite for the procurement; or

3. When, in the judgment of the Purchasing Agent, the vendor is found to be nonresponsive and/or a nonresponsible bidder.

B. Responsible Bidders: A reasonable inquiry to determine whether a vendor is responsible may be conducted pursuant to R.I. Gen. Laws § 37-2-24. To determine responsibility, the Purchasing Agent may utilize any of the criteria set forth in § 4.6(D) of this Subchapter.

1. "Prompt" as used in R.I. Gen. Laws § 37-2-24, shall mean five (5) working days unless otherwise specified by the Purchasing Agent.

2. Ability to meet performance bond requirements set forth for public works contractors in R.I. Gen. Laws Chapter 37-12 and R.I. Gen. Laws § 37-13-14 shall be required. The ability to meet performance bond requirements shall not be the sole criteria for determination of responsibility. Bidder security is required in accordance with R.I. Gen. Laws § 37-2-40(a).

3. Vendors who have been determined by the Purchasing Agent to be brokers or jobbers shall will not be issued a purchase order or other award.

   a. Vendors bidding on construction or building renovation must demonstrate an ability to perform a substantial portion of the subject work using their own forces. Vendors who do not maintain permanent workforces, or who propose to subcontract a disproportionate percentage of project work shall be considered unqualified, and the Purchasing Agent reserves the right to reject their offers.

4. The Purchasing Agent may require interested vendors to submit completed state Bidder Certification Cover Forms to the Division of Purchases for consideration by the Purchasing Agent.

a. The Bidder Certification Cover Form shall be signed by a representative of the vendor who has the capacity to enter into contracts. The signature shall be an original signature made in ink and dated by the signatory. The signature shall affirm that:

(1) any and all information on the Bidder Certification Cover Form is true and accurate;

(2) the existence of relationship (blood, spousal, adoptive, financial, etc.) between a principal of the firm and any state employee where a conflict of interest may exist has been disclosed;

(3) that falsification of information contained on a signed Bidder Certification Cover Form may be grounds for criminal charges of perjury and that conviction of such charges may be grounds for debarment;

(4) that the vendor has reviewed, understands and accepts the General Conditions of Purchase, Part 13 of this Subchapter.

b. As a prerequisite condition for contract award, the Purchasing Agent may require any bidder to complete a Bidder Certification Cover Form and/or submit current certifications of financial responsibility, affirmative action compliance, drug-free and barrier free environment, and status as small, Veteran-owned and/or a small disadvantaged business as defined in § 4.3(C) of this Subchapter.

C. Pursuant to R.I. Gen. Laws § 37-2-18(h), the contract shall be awarded with reasonable promptness by written notice to the responsive and responsible bidder whose bid is either the lowest bid price or lowest evaluated or responsive bid price.

1. Awards shall be made within sixty (60) days of the bid opening unless expressly provided for to the contrary in the solicitation. Bids may not be withdrawn during this period without penalty without the express permission of the Purchasing Agent.

2. In accordance with R.I. Gen. Laws Chapter 37-14.1 the Purchasing Agent may, after considering the overall cost to the state prior to making a final determination of award, apply special consideration to the offers of minority business enterprises when:

a. the solicitation provides for such consideration;

b. the offer is fully responsive to the terms and conditions of the solicitation; and

c. the price offer made by the MBE is determined to be within a competitive range (not to exceed five percent (5%) higher than the lowest responsive price offer) for the product or service; and

d. the firm making the offer conforms to the definition of a minority business enterprise as set forth in Part 4 of this Subchapter (Vendor Qualification).

D. In accordance with the provisions of R.I. Gen. Laws §§ 37-14.1-7 ten percent (10%) of the dollar value of the work performed against contracts for construction exceeding five thousand dollars ($5000) shall be performed by Minority Business Enterprises where it has been determined that subcontract opportunities exist, and where certified MBE contractors are available.

1. Award of such contracts shall be subject to approval by the Director of Administration, based on the bidder's subcontracting plan. Such plan shall be submitted to the Director of Administration prior to or upon tentative notification of award by the Purchasing Agent.

5.13 Bids Governing Highway and Bridge Construction Projects

A. All proposals submitted in response to Rhode Island Department of Transportation solicitations for FHWA funded highway or bridge construction project shall include duplicate original compact disks (CD).

B. All bid proposals shall be opened publicly.

C. The Division of Purchases shall acknowledge, in the purchasing bid room, the submission by each bidder of both a paper copy of its proposal together with duplicate (2) copies of the proposal on electronic compact disks (CD) which shall be compatible with software required by the Rhode Island Department of Transportation pursuant to Part 12 of this Subchapter.

D. If the software program utilized by the Rhode Island Department of Transportation in accordance with Part 12 of this Subchapter is inoperable during the bid opening, then the Division of Purchases may read the bid price from the submitted hard copy and make the electronic version available for public inspection when the software program is online and properly functioning. Alternatively, the Purchasing Agent or his or her designee may document all proposals received and continue a bid opening for a date and time when the software is online and functioning. An addendum shall be posted for public viewing on the Rhode Island Vendor Information Program indicating the date and time for continuation of the bid opening.

E. All bids received at the initial bid opening shall be securely held within the Division of Purchases and no additional proposals, documents, or amendments

thereto will be accepted by the Division of Purchases. The Division of Purchases shall not modify or amend a solicitation once bid opening has commenced.

F. An abstract copy of all responsive bid proposals which includes itemized pricing and total summary shall be posted for public viewing on the Rhode Island Vendor Information Program by the close of business on the day of bid opening.

220-RICR-30-00-5

TITLE 220 - DEPARTMENT OF ADMINISTRATION

CHAPTER 30 - PURCHASES

SUBCHAPTER 00 - N/A

PART 5 - COMPETITIVE BID AND COMPETITIVE SEALED BID REVIEW AND SOURCE SELECTION (220-RICR-30-00-5)

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