

May 27, 2008

The Regular meeting of the Otsego County Board of Commissioners was held in the Multi-Purpose Room of the J. Richard Yuill Alpine Center. The meeting was called to order at 9:37 a.m. by Chairman Glasser. Invocation by Chairman Glasser, followed by the Pledge of Allegiance led by Commissioner Bates.

Roll call:

Present: Backenstose, Bates, Beachnau, Liss, Olsen, Glasser, Johnson, Hyde, Bentz.

The Regular meeting minutes of May 13, 2008 with attachments were approved as presented.

The amended purchasing policy was removed from the consent agenda and placed under new business as item C).

Consent Agenda:

The Personnel and the Budget & Finance Committee move to place the Land Use Services Director on Step 1, Grade 12 of the Non-Union pay scale immediately and place the Director on Step 2, Grade 12 on his August 13, 2008 employment anniversary date. Motion approved via unanimous consent.

The Personnel and the Budget & Finance Committee move to approve change one existing Work Camp Corrections Officer position into a shared Drug Court Probation Officer/Work Camp Corrections Officer position, contingent upon receiving sufficient grant funds for the drug court program. Motion approved via unanimous consent.

The Personnel and the Budget & Finance Committee move to reclassify the Prosecutor's Office full-time Clerk I position to a Clerk II. Motion approved via unanimous consent.

Motion to approve the 2008 Contingency/Land Use Building Budget amendment as presented. Motion approved via unanimous consent. (see attached)

Motion to approve the 2008 Court/Work Camp Budget amendment as presented. Motion approved via unanimous consent. (see attached)

Motion to approve the 2008 Contingency/Community Projects Budget amendment as presented. Motion approved via unanimous consent. (see attached)

Elizabeth Haus reported on the Village of Vanderbilt Planning Commission meeting; Village audit.

Correspondence:

Chairman Glasser received a letter from the DEQ regarding air quality permits; Letter from the State regarding Convention and Facilities tax.

Diann Axford presented to the Board the Treasurer's quarterly report.

Rachel Frisch reported on the April 2008 financial reports.

New Business:

Motion by Commissioner Beachnau, to approve Warrant B2008-21 in the amount of \$90,150.28 as presented. Ayes: Unanimous. Motion carried.

Motion by Commissioner Bates, to approve Warrant B2008-22 in the amount of \$136,003.23 as presented. Ayes: Unanimous. Motion carried.

Motion by Commissioner Bentz, to approve Resolution OCR-08-17 District Court Reorganization Support.

Motion by Commissioner Olsen, to move the question. Ayes: Unanimous. Motion carried.

Roll Call Vote on OCR-08-17:

Ayes: Backenstose, Bates, Beachnau, Liss, Olsen, Glasser, Johnson, Hyde.

Nays: Bentz.

Motion carried/Resolution adopted. (see attached)

Motion to approve the amended purchasing policy. Ayes: Unanimous. Motion carried. (see attached)

Public Comment:

Jerry Borema introduced from the M-TEC center.

Commissioner Olsen reported on the University Center.

Board Remarks:

Motion by Commissioner Bates moves to devolve into Committee of the Whole following Board remarks but before adjournment. Ayes: Backenstose, Bates, Beachnau, Liss, Glasser, Hyde. Nays: Olsen, Bentz, Johnson. Motion carried.

Commissioner Olsen: Memorial Day Service. Thanked Mike Hyde for accepting the picture of Ralph Holewinski on behalf of the Board. Replacing flags on a regular basis.

Commissioner Backenstose: Memorial Day Service.

Board of Commissioner's Committee of the whole met. The Committee had nothing to report.

Commissioner Glasser reminded everyone of the Republican Party meeting tonight at 6:00 p.m. at Mama Leone's.

Meeting adjourned at 10:40 a.m at the call of the Chair.

Kenneth R. Glasser Chairman

Susan I. DeFeyter, County Clerk



**OTSEGO COUNTY
BUDGET AMENDMENT**

P. 1 of 2

FUND/DEPARTMENT: Land Use Svcs / Plan + Zon

As provided for in the Uniform Budget and Accounting Act of 1978, as amended, and consistent with Otsego County Policy, the Administrator and Finance Director are hereby authorized to record the following adjustments to the budget.

Fund Type: General Special Revenue Debt Service Capital Project Business-Type (Enterprise or Internal Svc)

REVENUE Step Increases for Land Use Svcs. Director

Account Number	Decrease	Increase
- -	\$	\$
- -	\$	\$
- -	\$	\$
- -	\$	\$
Total	\$	\$

EXPENDITURE

Account Number	Increase	Decrease
101E721 - 703010 - Dept Head Salary	\$ 668 -	\$
" - 704140 - Life + Disab.	\$ 50 -	\$
" - 704200 - FICA/SS taxes	\$ 51 -	\$
" - 704300 - Retirement	\$ 88 -	\$
" - 704600 - Wk Comp	\$ 50 -	\$
101E941 - 999000 - Contingency	\$	\$ 907
Total	\$ 907	\$ 907

Rachel Frisch
Department Head Signature

5-22-08
Date

Finance Department
Entered:
By:

Administrator's Signature

Date

Board Approval Date (if necessary)

Budget Adjustment #

Posting Number



**OTSEGO COUNTY
BUDGET AMENDMENT**

P. 2 of 2

FUND/DEPARTMENT: _____

As provided for in the Uniform Budget and Accounting Act of 1978, as amended, and consistent with Otsego County Policy, the Administrator and Finance Director are hereby authorized to record the following adjustments to the budget.

Fund Type: General Special Revenue Debt Service Capital Project Business-Type (Enterprise or Internal Svc)

REVENUE

Account Number	Decrease	Increase
2490050 -400001 - From Fund Bal.	\$	\$ 907
-	\$	\$
-	\$	\$
-	\$	\$
Total	\$	\$ 907

EXPENDITURE

Account Number	Increase	Decrease
249E371 -703010 - Dept Head Salary	\$ 668	\$
" -704140 - Life + Disab	\$ 50	\$
" -704200 - FICA/SS taxes	\$ 51	\$
" -704300 - Retirement	\$ 88	\$
" -704600 - wk comp	\$ 50	\$
-	\$	\$
Total	\$ 907	\$

Department Head Signature _____ Date _____

Administrator's Signature _____ Date _____

Finance Department
Entered:
By:

Board Approval Date (if necessary) _____ Budget Adjustment # _____ Posting Number _____



OTSEGO COUNTY
BUDGET AMENDMENT

P. 1 of 2

FUND/DEPARTMENT: Work Camp Fund

As provided for in the Uniform Budget and Accounting Act of 1978, as amended, and consistent with Otsego County Policy, the Administrator and Finance Director are hereby authorized to record the following adjustments to the budget.

Fund Type: General Special Revenue Debt Service Capital Project Business-Type (Enterprise or Internal Svc)

REVENUE New Drug Court/Work Camp Position

Account Number	Decrease	Increase
- -	\$	\$
- -	\$	\$
- -	\$	\$
- -	\$	\$
Total	\$	\$

EXPENDITURE

Account Number	Increase	Decrease
205E301 - 703060 - Part-time Wages	\$	\$ 2,501
" - 704110 - Hospitalization	\$ 1,362	\$
" - 704300 - Retirement	\$ 653	\$
" - 704140 - Disability	\$ 120	\$
" - 704600 - Wk comp	\$ 100	\$
" - 704800 - Sick leave	\$ 156	\$
Total	\$	\$

Rachel Frisch
Department Head Signature

5-22-08
Date

Finance Department
Entered:
By:

Administrator's Signature

Date

Board Approval Date (if necessary)

Budget Adjustment #

Posting Number



OTSEGO COUNTY BUDGET AMENDMENT

P. 2 of 2

FUND/DEPARTMENT: _____

As provided for in the Uniform Budget and Accounting Act of 1978, as amended, and consistent with Otsego County Policy, the Administrator and Finance Director are hereby authorized to record the following adjustments to the budget.

Fund Type: General Special Revenue Debt Service Capital Project Business-Type (Enterprise or Internal Svc)

REVENUE

Account Number	Decrease	Increase
- -	\$	\$
- -	\$	\$
- -	\$	\$
- -	\$	\$
Total	\$	\$

EXPENDITURE

Account Number	Increase	Decrease
<i>205E301 - 704500 - Unempl.</i>	\$ <i>110</i>	\$
- -	\$	\$
- -	\$	\$
- -	\$	\$
- -	\$	\$
- -	\$	\$
Total	\$ <i>2,501</i>	\$ <i>2,501</i>

Rachel Frisch

 Department Head Signature

_____ Date

_____ Administrator's Signature

_____ Date

Finance Department
Entered:
By:

_____ Board Approval Date (if necessary)

_____ Budget Adjustment #

_____ Posting Number



OTSEGO COUNTY BUDGET AMENDMENT

FUND/DEPARTMENT: General Fund

As provided for in the Uniform Budget and Accounting Act of 1978, as amended, and consistent with Otsego County Policy, the Administrator and Finance Director are hereby authorized to record the following adjustments to the budget.

Fund Type: General Special Revenue Debt Service Capital Project Business-Type (Enterprise or Internal Svc)

REVENUE To purchase trees to plant at the new I-75 crossing

Account Number	Decrease	Increase
-	\$	\$
-	\$	\$
-	\$	\$
-	\$	\$
Total	\$	\$

EXPENDITURE

Account Number	Increase	Decrease
101E912 - 999000 - Community Projects	\$ 5,500	\$
101E941 - " " - Contingency	\$	\$ 5,500
-	\$	\$
-	\$	\$
-	\$	\$
-	\$	\$
Total	\$ 5,500	\$ 5,500

Rachel Frisch
Department Head Signature

5-22-08
Date

Finance Department
Entered:
By:

Administrator's Signature

Date

Board Approval Date (if necessary)

Budget Adjustment #

Posting Number

RESOLUTION NO. OCR 08-17

DISTRICT COURT REORGANIZATION SUPPORT

OTSEGO COUNTY BOARD OF COMMISSIONERS

May 27, 2008

WHEREAS, the Probate Judges of Crawford and Kalkaska Counties have statutory District Court authority; and

WHEREAS, those judges handle all District Court cases in their respective counties and 87th District Court Judge Patricia A. Morse handles cases only in Otsego County; and

WHEREAS, the court staff of the district court is allocated and funded based on county lines and no longer a shared expense; and

WHEREAS, the Otsego County Board of Commissioners passed Resolution OCR 06-50 on November 9, 2006, requesting that the State Court Administrator seek legislation to reorganize the 87th District Court into three separate district courts; and

WHEREAS, Senate Bill No. 435 has been introduced in the Michigan State Legislature, which would create separate districts for Otsego County, Crawford County, and Kalkaska County; and

WHEREAS, Senate Bill No. 435 requires Otsego County, the district funding unit, to approve of the reformation via resolution; now, therefore, be it

RESOLVED, that the Otsego County Board of Commissioners approves the reformation of the eighty-seventh district to consist of the county of Otsego with 1 district judgeship and that this approval constitutes an exercise of the district funding unit Otsego County's option to provide a new activity or service, to increase the level of activity or service offered in the district funding unit Otsego County beyond that required by existing law, as the elements of this option are defined by 1979 PA 101, MCL21.231 to 21.244, and is a voluntary acceptance by the district funding unit Otsego County of all expenses and capital improvements that may result from reformation of the district. Otsego County understands that the exercise of this option does not affect the state's obligation to pay the same portion of each judge's salary which is paid by the state to other district judges as provided by law, or to appropriate and disburse funds to the district funding unit for the necessary costs of state requirements established by a state law which becomes effective on or after December 23, 1978.



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Policy Number

500.01

Policy No 500.01	Subject Purchasing	Date Issued 4/13/04
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<p>Application</p> <table style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> <p>General Fund Functions</p> <p><input checked="" type="checkbox"/> General Fund Departments</p> <p><input type="checkbox"/> 46th Trial Court</p> <p><input type="checkbox"/> Joint Building Authority</p> <p><input checked="" type="checkbox"/> Other Jointly Governed Organizations</p> <p>Special Revenue Functions</p> <p><input checked="" type="checkbox"/> Parks and Recreation</p> <p><input type="checkbox"/> Library</p> <p><input type="checkbox"/> Social Welfare (Family Independence Agency)</p> <p><input type="checkbox"/> Commission on Aging</p> <p><input type="checkbox"/> Other Special Revenue Funds</p> <p><input checked="" type="checkbox"/> Building Authority</p> </td> <td style="width: 50%; vertical-align: top;"> <p>Business-Type Functions</p> <p><input checked="" type="checkbox"/> Delinquent Tax Revolving</p> <p><input checked="" type="checkbox"/> Commissary</p> <p><input checked="" type="checkbox"/> Bus System</p> <p><input checked="" type="checkbox"/> Administrative Services</p> <p><input checked="" type="checkbox"/> Building and Grounds</p> <p>Component Units</p> <p><input type="checkbox"/> University Center</p> <p><input type="checkbox"/> Road Commission</p> <p><input type="checkbox"/> Ambulance</p> <p><input type="checkbox"/> Sportsplex</p> <p><input type="checkbox"/> Other:</p> </td> </tr> </table>	<p>General Fund Functions</p> <p><input checked="" type="checkbox"/> General Fund Departments</p> <p><input type="checkbox"/> 46th Trial Court</p> <p><input type="checkbox"/> Joint Building Authority</p> <p><input checked="" type="checkbox"/> Other Jointly Governed Organizations</p> <p>Special Revenue Functions</p> <p><input checked="" type="checkbox"/> Parks and Recreation</p> <p><input type="checkbox"/> Library</p> <p><input type="checkbox"/> Social Welfare (Family Independence Agency)</p> <p><input type="checkbox"/> Commission on Aging</p> <p><input type="checkbox"/> Other Special Revenue Funds</p> <p><input checked="" type="checkbox"/> Building Authority</p>	<p>Business-Type Functions</p> <p><input checked="" type="checkbox"/> Delinquent Tax Revolving</p> <p><input checked="" type="checkbox"/> Commissary</p> <p><input checked="" type="checkbox"/> Bus System</p> <p><input checked="" type="checkbox"/> Administrative Services</p> <p><input checked="" type="checkbox"/> Building and Grounds</p> <p>Component Units</p> <p><input type="checkbox"/> University Center</p> <p><input type="checkbox"/> Road Commission</p> <p><input type="checkbox"/> Ambulance</p> <p><input type="checkbox"/> Sportsplex</p> <p><input type="checkbox"/> Other:</p>	<p>Revised 03/11/08</p> <p>Applicable Forms</p>
<p>General Fund Functions</p> <p><input checked="" type="checkbox"/> General Fund Departments</p> <p><input type="checkbox"/> 46th Trial Court</p> <p><input type="checkbox"/> Joint Building Authority</p> <p><input checked="" type="checkbox"/> Other Jointly Governed Organizations</p> <p>Special Revenue Functions</p> <p><input checked="" type="checkbox"/> Parks and Recreation</p> <p><input type="checkbox"/> Library</p> <p><input type="checkbox"/> Social Welfare (Family Independence Agency)</p> <p><input type="checkbox"/> Commission on Aging</p> <p><input type="checkbox"/> Other Special Revenue Funds</p> <p><input checked="" type="checkbox"/> Building Authority</p>	<p>Business-Type Functions</p> <p><input checked="" type="checkbox"/> Delinquent Tax Revolving</p> <p><input checked="" type="checkbox"/> Commissary</p> <p><input checked="" type="checkbox"/> Bus System</p> <p><input checked="" type="checkbox"/> Administrative Services</p> <p><input checked="" type="checkbox"/> Building and Grounds</p> <p>Component Units</p> <p><input type="checkbox"/> University Center</p> <p><input type="checkbox"/> Road Commission</p> <p><input type="checkbox"/> Ambulance</p> <p><input type="checkbox"/> Sportsplex</p> <p><input type="checkbox"/> Other:</p>		

Contact Department Administration	Contact Phone Number 989-731-7520	Contact Fax Number 989-731-7529	Contact E-Mail jburt@otsegocountymi.gov
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Summary

The purpose of this policy is to establish procedures for the purchase of all supplies, equipment, vehicles, and all construction or altering of County facilities for any department of the County of Otsego in a manner that maximizes the purchasing value of public funds in procurement. This policy includes capital leases on any such item as listed above. This policy shall apply to every expenditure of public funds. When the procurement involves the expenditure of federal or state assistance or contract funds, the procurement shall be conducted in accordance with any mandatory applicable federal or state laws and regulations. Nothing in this policy shall prevent any public agency from complying with the terms and conditions of any grant, gift or bequest that is otherwise consistent with law.

Procedures

1. Definitions

1.1 **Capital Outlay Items:** Non-expendable items itemized in the County's capital improvement budget/plan.

1.2 **Competitive Bids:** Prices received from vendors on items or services \$10,001 or more. Competitive bids are received as sealed bids only and are opened at advertised public bid openings. The requirement for sealed competitive bids shall not apply to intergovernmental contracts, contracts for professional services or emergency repairs, or for the reauthorization of contracts, which have been previously approved by the Otsego County Board of Commissioners.

1.3 **Expendable/Recurrent Supplies:** Routine supplies needed to carry on the County's daily business (i.e. food, medical supplies, office supplies). Expendable supplies are generally acquired using preferred vendors.



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1.4 **Final Approver:** Person(s) designated to utilize the electronic purchasing system with the authority to convert requisitions to purchase orders.

1.5 **Formal Bidding:** Formal bidding procedure should be used for purchases from \$5,001 to \$10,000. It includes solicitation of written bids through the mail, e-mail, and facsimile.

1.6 **Informal Bidding:** Purchases of \$501 to \$5000 are subject to informal bidding. Informal bids (quotes) includes solicitation of written bids and may be solicited by telephone, personal contact, or in writing.

1.7 **Public Bid Opening:** A place, date and time established to open competitive bids received on items and/or services being procured. Adequate public notice of the invitation for bids shall be given not less than 10 calendar days prior to the date set forth therein for the opening of bids. Such notice may include publication in a newspaper of general circulation within the County for a reasonable time prior to the bid opening.

1.8 **Request for Proposal (RFP):** A document issued by the County Administrator, which contains specifications and County bidding procedures for procurement of items and/or services. An RFP is sent out to vendors as a mechanism to solicit for competitive bids.

1.9 **Request for Quotation (RFQ):** A document (less formal than an RFP) issued by the County Administrator/Management Team Member, which contains specifications for the procurement of items and/or services. An RFQ is sent out to vendors as a mechanism to solicit for competitive quotes.

2. POLICY: The County utilizes an electronic accounting system with a purchasing module that includes a requisition and purchase order system. Every purchase on behalf of the County (unless specifically exempted) shall require a requisition and purchase order. Except as otherwise specified herein, purchases / contracts will be awarded to a contractor or bidder based on price, record of performance, availability, dependability and experience. All purchases by contract, or otherwise, as herein authorized, will be in accordance with such appropriations as have been made by the Board of Commissioners for the support of the respective departments.

It shall be unethical for any County employee to participate directly or indirectly in a procurement contract when (the County employee knows that) the County employee or any member of the County employee's immediate family has a financial interest pertaining to the procurement contract.

2.1 **Basic Purchases:** Items valued at \$500 or less are considered basic purchases. There are not any bidding requirements for these purchases; however, the requisition and purchase order system must be utilized. Management Team Members or their designee(s) are authorized to draft requisitions and act as the final approver. The responsible party shall exercise reasonable scrutiny when expending funds under the \$500 threshold.

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- 2.2 **Informal Bidding:** Purchases of \$501 to \$5000 are subject to informal bidding. Individual employees, with approval of their Management Team Member, may solicit informal bids as outlined below. Bids must be written. The Management Team Member (their designee when absent) must act as final approver.
- A. **Bid Information:** To insure fairness in, each vendor solicited should be given the same information. This information should include:
- Description of items to be purchased
 - Special terms and/or specifications
 - Desired delivery date
- B. **Record of Bids:** All bids solicited shall be in writing and will be electronically recorded in the requisition "Post It" note window. Each record should contain:
- Bid Information
 - Record of all bids
 - Manager's explanation if lowest priced vendor not selected.
- 2.3 **Formal Bidding:** Purchases from \$5,001 to \$10,000 are subject to the formal bidding procedure. The respective department shall follow the formal bidding process. The Management Team Member must approve with the County Administrator or designee acting as the final approver. It includes solicitation of written quotations/bids through direct contact, public advertisement or any combination of the same.
- A. The solicitation/advertisement must include the following:
- Identification of item(s) to be bid upon
 - Location bids are to be submitted
 - Date and time of bid deadline for submission
 - Contact for further information
 - Statement of County's rights to reject bids
 - Contract compliance terms
 - Product specifications
- B. **Record of Bids:** All bids solicited shall be electronically recorded in the requisition "Post It" note window. Each record should contain:
- Bid Information
 - Record of all bids
 - Department Head explanation if lowest priced vendor not selected.
- 2.4 **Competitive Bidding:** Purchases with an anticipated obligation of \$10,001 or more are required to have sealed, competitive bidding and comply with Public Act 167 and 168 of 1993. Two (2) competitive bids are required for purchases of \$10,001 or more.

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Professional services and intergovernmental contracts and emergency repairs, or reauthorization of contracts that have been previously approved are exempted from this policy.

- A. If a bid document must be prepared (\$10,001 or more), it shall include:
- Bid advertisement
 - Bid preparation instructions
 - Proposal
 - Contract
 - General conditions
 - Special conditions
 - General specifications
 - Detailed specifications
 - State or Federal guidelines (if necessary)

The County reserves the right to accept, reject or negotiate any or all bids, to waive or not waive informalities or irregularities in bids or bidding procedures, to rebid the project/purchase, and to accept any bid determined by the County to be in the best interest of the County, regardless of price. The reason for rejection may include past performance issues, and compatibility with existing equipment or software. Vendors located in Otsego County are hereby granted a 5% cost variance for low bid determination.

A "local vendor" is defined as a vendor that operates a business within the legally defined boundaries of Otsego County. To be considered a local vendor, the vendor must provide a verifiable business address (not a PO Box) at which business is being conducted.

- B. All bids shall be opened at the time, date and place specified, and the opening and inspection of all bids shall be made by the County Administrator. A complete summary of the bids, including the bidding firm's name, cost, qualifying data, and any other relevant information, shall be kept on file. Final approval, acceptance and selection of bids that are low bid and meet specifications shall be recommended by the County Administrator to the Board of Commissioners.
- 2.5 **Expendable Supplies:** For each expendable category of purchases, the County Administrator, with the assistance of the respective department staff (i.e. maintenance/jail food staff), will compile and maintain a list of preferred suppliers. Such lists will be reviewed and updated periodically. Typically one – three vendors will be listed to provide comparison pricing and selection options.
- 2.6 **Open Purchase Orders:** Open Purchase Orders shall be utilized for vendors that provide routine repetitive services. Open Purchase Orders may be opened and closed within any calendar month. Examples of authorized open purchase orders include: oil changes, car

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wash and other similar services.

- 2.7 Emergency Purchase Orders:** In case of emergency needs, appropriate departments (maintenance, sheriff) are authorized to make emergency procurements of supplies, services or construction items when there exists a threat to public health, welfare or safety. Electronic access shall be provided to authorize the issuance of emergency purchase orders. Emergency procurements shall be made with such competition as is practicable under the circumstances and the cost shall not exceed \$5,000. An emergency purchase of up to \$10,000 may be made by the County Administrator without prior approval by the chair or vice-chair of the Board of Commissioners. The very nature of emergency expenditures may necessitate a significant financial decision without prior approval. All emergency expenditures in excess of \$10,000 shall be reported to the Board of Commissioners, in writing, within three business days.

In the case of emergency repairs where delays may cause further damage to county property, the County Administrator is authorized to spend up to \$10,000 without prior approval by the chair or Vice-Chair. Emergency repairs in excess of \$10,000 may be made by the County Administrator with advanced authorization from the chair or vice-chair.

- 2.8 Cooperative Government Contracts:** Bidding requirements shall be waived if the County is able to secure favorable prices on purchases by joining with other local governments, or participating with the State of Michigan or the Federal Government in purchasing. The County Administrator is authorized to enter into the necessary agreements or contracts on behalf of the County.
- 2.9 Exempted Purchases:** Exempted purchases include maintenance agreement billings, utility billings, contracted service invoices, insurance payments, and other like services as noted in the Otsego County Payables Policy. The appropriate account number and signature of a Management Team member is required for exempted purchases, and shall appear across the invoice.
- 2.10 Payment Procedure:** The respective Management Team member will be responsible for inspection of all orders, upon receipt of the order and prior to the acceptance of the delivery. Upon acceptance of items, verification that the packing slip matches the purchase order must accompany the invoice in order to obtain payment. Whenever a department rejects any orders, the County Administrator shall be notified immediately and given the reason for the rejection.
- 2.11 Capital Leases:** The process for bidding capital leases shall be similar to other purchases. Should the price of the purchase not be reasonably known prior to engaging the bidding process, the Formal Bidding Process shall be used.
- 2.12 Bid Specification Changes:** All changes in bid specifications shall be reported to all

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known potential bidders. Such notification shall provide appropriate time for all such potential bidders to have adequate time to make adjustments to their bids.

- 2.13 **Demo Models:** Bidding requirements shall be waived if the County is able to secure favorable prices on purchases by purchasing a demonstration model.
- 2.14 **Rebidding:** Should it become necessary to rebid a project/purchase, the County Administrator may waive the newspaper posting requirement for Competitive Bids, with notification being given to the Budget & Finance Committee members.
- 2.15 **Amending contracts on projects requiring bids: The County Administrator may approve minor amendments to capital project contracts up to an amount of \$5,000, not to exceed more than 10% of the original contract amount. The County Administrator may approve minor amendments to capital project contracts up to an amount of \$10,000, not to exceed 10% of the original contract amount, with pre-notification to the Budget & Finance Committee. Any contract amendment beyond the limits specified above requires approval by the Board of Commissioners.**

The County of Otsego will accept delivery of and authorize payment of only those services, supplies, merchandise or articles authorized for purchase, and acceptable under terms of the purchase agreement, in accordance with the procedures stated herein.

Payment for any services, supplies, merchandise or articles not authorized for purchase by the County Administrator and/or the Otsego County Board of Commissioners in accordance with the policies and procedures stated herein becomes the responsibility of the person or persons requesting such service, supplies, merchandise or article and the County may deny payment of the claim.

Any service being performed for the County that has not been authorized in accordance with the policies and procedures stated herein, shall be immediately discontinued and the original conditions restored at the expense of the person or persons requesting such service.

Payment in full for any service, supplies, merchandise or articles not acceptable for delivery or the use required, as put forth in the bid specifications or purchase agreement for such service, supplies, merchandise or articles, will be held in abeyance until such time as a replacement or replacements meeting the specifications put forth in the purchase agreement and acceptable for the use required are received.

TABLE 1

Dollar Amount	Bidding Requirement	Final Approval



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Procedures		
\$0 - \$500	None	Management Team Member or Designee
\$501 - \$5,000	Informal Bid	County Administrator
\$5,001 - \$10,000	Formal or Competitive Quote	County Administrator
\$10,001 or more	Competitive Bids (2)	Board of Commissioners

Approvals (name and department)
Board of Commissioners April 13, 2004