

SINGLE-SOURCE PURCHASING

1. **Scope.** This rule governs single-source purchasing. It does not govern any other form of purchasing, including, without limitation, purchasing through the state's cooperative purchasing venture, other cooperative purchasing, or emergency purchasing.

2. **Definitions.** For purposes of this rule, the following terms have the following meanings.

a. "MUMCL" means the Minnesota Uniform Municipal Contracting Law, Minn. Stat. § 471.345, including any future amendments thereto.

b. "Single-source purchasing" means a procurement method under which St. Louis County makes a purchase from a source without soliciting sealed bids; making a request for information, proposals, or quotations; engaging in direct negotiation by obtaining two or more quotations; advertising for bids; or otherwise complying with competitive-bidding requirements. It does not include any other form of purchasing, including, without limitation, purchasing through the state's cooperative purchasing venture, other cooperative purchasing, or emergency purchasing.

3. **Purchases falling within MUMCL.** The MUMCL covers agreements "for the sale or purchase of supplies, materials, equipment or the rental thereof, or the construction, alteration, repair or maintenance of real or personal property." Minn. Stat. § 471.345, subd. 2. If a purchase falls within the MUMCL, single-source purchasing shall not be used unless:

a. the amount of the purchase is \$25,000 or less; or

b. the use of single-source purchasing is expressly authorized by federal or state law, including, without limitation, Minn. Stat. § 383C.807, which addresses solid-waste-management services; Minn. Stat. § 471.345, subd. 5b, which addresses water-tank services; Minn. Stat. § 471.345, subd. 10, which addresses shared hospital or ambulance services; Minn. Stat. § 471.345, subd. 12, which addresses procurement from rehabilitation facilities (in this regard, see Resolution No. 92-66); Minn. Stat. § 471.345, subd. 13, which addresses energy-efficiency projects; and Minn. Stat. § 471.3455, which addresses used public-safety equipment.

4. **Purchases not falling within MUMCL.** If a purchase does not fall within the MUMCL—that is, if it does not involve an agreement "for the sale or purchase of supplies, materials, equipment or the rental thereof, or the construction, alteration, repair or maintenance of real or personal property," Minn. Stat. § 471.345, subd. 2—single-source purchasing shall not be used unless:

a. the amount of the purchase is \$25,000 or less;

b. the use of single-source purchasing is expressly authorized by federal or state law;

c. there is clearly and legitimately only a single source for the goods or services to be purchased and the Purchasing Director determines that the price has been fairly and reasonably established;

d. St. Louis County has already purchased the same or substantially the same goods or services from the proposed vendor and purchasing the goods or services from another vendor would be cost prohibitive or cause significant inefficiencies;

e. purchasing the goods or services from another vendor would invalidate an existing warranty; or

f. there are other compelling reasons for the use of single-source purchasing as determined by the Purchasing Director.

5. **Not allowed when expressly prohibited by law.** Notwithstanding any other provision of this rule, single-source purchasing shall not be used in any instance where it is expressly prohibited by federal or state law.

6. **Application form and approval of Purchasing Director required for purchases exceeding \$25,000.** In cases involving purchases in the amount of \$25,000 or less, single-source purchasing may be used without an application form or approval of the Purchasing Director. In all other cases, a person wishing to use single-source purchasing must complete and submit to the Purchasing Department the application form attached hereto as [●]. Once the application is submitted, the Purchasing Director must decide whether to approve or reject the application within a reasonable period of time. The Purchasing Director may request additional information that is relevant to the application and withhold a decision on whether to approve or reject the application until such information is provided.

APPLICATION FOR SINGLE-SOURCE PURCHASING

1. Provide the applicant's name, title, and department:

2. Will this purchase involve an agreement for the sale or purchase of supplies, materials, equipment or the rental thereof, or the construction, alteration, repair or maintenance of real or personal property? Check one of the boxes.

Yes No

3. Describe the goods or services to be purchased:

4. If you checked Yes above, complete the following section.
 - The use of single-source purchasing is expressly authorized by the following federal or state law:

5. If you checked No above, complete the following section. You may check more than one box if appropriate.
 - The use of single-source purchasing is expressly authorized by the following federal or state law:

 - There is clearly and legitimately only a single source for the goods or services to be purchased and the price has been fairly and reasonably established. The price was established as follows:

 - St. Louis County has already purchased the same or substantially the same goods or services from the proposed vendor and purchasing the goods or services from another vendor would be cost prohibitive or cause significant inefficiencies. In particular:

 - Purchasing the goods or services from another vendor would invalidate the following existing warranty:

 - There are other compelling reasons for the use of single-source purchasing. The reasons are:

Applicant's signature and date of application:

Date: _____

Purchasing Director's signature, date of decision, and decision:

Date: _____

Approved

Denied