SOLE SOURCE PROCUREMENTS:

GUIDELINE

OFFICE OF THE STATE ENGINEER (OSE) POLICY FOR PLANNED IMPROVEMENT PROJECT (PIP) AND NON-PIP:

The following are examples of circumstances which could necessitate a Sole Source procurement:

- The compatibility of equipment, accessories, or replacement parts is the main consideration;
- A sole supplier’s item is needed for trial use or testing;
- A sole supplier’s item is to be procured for resale;
- Public utility services are to be procured;
- The item is a one of a kind.

Sole Source procurements are not permissible unless there is only a single supplier. In cases of reasonable doubt, competition must be solicited.

MUSC POLICY FOR PIP AND NON-PIP:

- Sole Source procurements under $25,000 can be handled as a small purchase.
- The Project Manager requests and receives a quote for the services.
- The Project Manager provides the Contract Administrator either the OSE/MMO#102 filled out or the required information along with the quote approved by the P.M. and the Director of Engineering.
- No bid security is required.
- No Performance Bond and Labor and Material Payment bond required if under $50,000 if the interests of the state have been protected.
- Certificate of Insurance from contractor is always required.
- Builder’s Risk Insurance if applicable. (Usually required if contract period over 30 days- check manual or call the Insurance Reserve Fund.)
- The OSE/MMO#102, quote and requisition is sent to Property Control for signature and then to procurement for approval.
- The Purchase Order number will be the authorization to proceed. Copy OSE/MMO#102 to OSE within 10 days of contract award.
- Sole Source procurements over $25,000 are to be handled with a construction contract.
• A spec is suggested to be used as a quote and scope of work.

• If a spec is not used, the quote should contain at least the S.C. Project Name and Number, scope of work, price, number of calendar days to complete contract, and liquidated damages.

• The AIA Document A201, 1987 Edition – General Conditions of the Contract for Construction, should be used in all cases.

• If a spec is used, the A201 should reference in Article 9 under 9.1.7, the Table of Contents and Construction Change Order (SE-480), and the latest edition of the Supplementary Conditions should be attached.

• If a spec is not used, the A201 should reference in Article 9 under 9.1.7, an attached Construction Change Order (SE-480) and the latest edition of the Supplementary Conditions should be attached.

• No Performance Bond and Labor and Material Payment bond required if under $100,000 if the interests of the state have been protected. (Normally received for projects over $25,000.)

• Certificate of Insurance from contractor is always required.

• Builder’s Risk Insurance if applicable. (Usually required if contract period over 30 days-check manual or the Insurance Reserve Fund.)

• Send the SE-380, SE-390, OSE/MMO#102 and requisition to Property Control for approval.

• Issue the SE-380 and SE-390.

• Copy OSE/MMO#102 to OSE within 10 days of contract award.

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Note: This Policy, like all other policies within Engineering and Facilities is not a contract and should not be relied upon as such. Questions concerning Interpretation of this document or suggestions for improvement should be directed to MUSC Facilities and Engineering.

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<th>Approved By:</th>
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