

**CARROLL COUNTY PUBLIC SCHOOLS
ADMINISTRATIVE REGULATIONS
BOARD POLICY: DJEA - AUTHORITY TO APPROVE UTILITY CONTRACTS**

I. Electricity Deregulation

On July 1, 2000, electricity became a deregulated utility. For all public agencies, this meant the purchase of electricity would have to be competitively bid as all deregulated utilities. This deregulation has created a bid process that is being used for the procurement of other utilities.

II. Bid Process

Bids will be done using a “Two Step” process. Step One: allows for Carroll County Public Schools (CCPS) to verify Bidders’ qualifications, and resolve any contract issues prior to award. Step Two: the submission of bid pricing. Using a “Two Step” bid process allows CCPS to approve qualified bidders prior to bid submission and the ability to execute a contract within 24 hours of award (preferably the same day).

To respond to changes in market conditions, and to take advantage of improving pricing options, two (2) pricing options are being used: “Market Watch Bid” and “Standard Bid”. The “Market Watch Bid” option allows CCPS to notify approved Bidders of a “Target Market Price.” Bidders, along with CCPS, will watch the market, and if market prices reach that desired target price, Bidders are to notify CCPS immediately of their ability to meet this target price. The “Standard Bid” pricing is a bidder’s lowest possible bid price, quoted at the time of the proposal due date.

Other acceptable bid processes that may be used for procuring are reverse auction and Invitation to Bid (IFB) – Standard Low Bid.

III. Contract Award

To obtain the most competitive pricing for any utility, the award of contract needs to be made within hours of the bid opening. This can only be done if the Superintendent/designee has the authority to enter into a contract prior to Board approval.

IV. Cooperative Bidding

There are often economies of scale that can be realized by entering into a cooperative bid with surrounding school systems and/or counties. When it is determined that combined demand loads are in the best interest of CCPS, CCPS reserves the right to enter into a cooperative bid effort. CCPS may take on the role of lead agency or just be a participant. For all cooperative bids, a separate contract will be entered into by each jurisdiction.

V. Utilizing Other Contracts

When in the best interest of CCPS, CCPS reserves the right to use existing utility contracts that have been competitively bid. The most common utility contract to be used would be the State of Maryland, but is not limited to this contract.

VI. Reporting

The Purchasing Department will report to the Board when they are starting the bid process for any utility. All utility contracts that have been entered into by Board of Education of Carroll County, will be reported to the Board at the next Administrative board meeting.