

## **PURCHASING POLICY**

Town of \_\_\_\_\_

**PURPOSE.** The purpose of this Purchasing Policy is to obtain the highest quality goods and services for the Town of \_\_\_\_\_ at the lowest possible price, to exercise financial control over the purchasing process, to clearly define authority for the purchasing function, to allow fair and equal opportunity among qualified suppliers, and to provide for increased public confidence in the procedures followed in public purchasing.

**PURCHASE AUTHORIZATION.** No purchases over \$\_\_\_\_\_ shall be made by any Town officer or employee without prior approval of the selectboard. When making any purchase not subject to the bid process described below, officers and employees must solicit quotes from at least two vendors unless the selectboard has approved a sole source vendor. Vendors will be selected based on cost, the quality of the goods and services offered, and the ability, capacity, and skill of the vendor demonstrated under prior contracts with the Town. In the case of purchases supported by Federal funds, the selectboard shall review all proposed procurements to avoid unnecessary or duplicative purchases of equipment, supplies, and services.

**CODE OF CONDUCT.** Employees, officers and agents of the Town who are involved in the procurement and selection of bids and purchases shall make reasonable efforts to avoid real, apparent, or potential conflicts of interest. No employee, officer or agent of the Town shall participate in selection, or in the award or administration of a contract if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when:

- the employee, officer or agent,
- any member of his or her immediate family,
- his or her partner, or
- an organization which employs, or is about to employ, any of the above,

has a financial or other interest in the firm selected for award.

Officers, employees and agents of the Town will not solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to subagreements. Officers, employees and agents who fail to follow the above Code of Conduct may be sanctioned or disciplined, to the extent permitted by law, for violations of the above standards.

**BID PROCESS.** All purchases of \$\_\_\_\_\_ or more, and any supported by Federal funds, shall be subject to a bid process. The bid process shall be initiated by the issuance of a request for bids prepared by the selectboard. Notice of the request for bids shall be made by letters to known providers soliciting bid responses, advertisements posted in three public locations within the Town, and advertisements placed in a newspaper of general circulation in the region. In the case of contracts that are supported by Federal funds, records documenting the procurement process and the basis for selection shall be maintained by the Town in accordance with the retention and disposition schedules as set for by the Vermont State Archivist. Notwithstanding the foregoing, these records shall be maintained for a period of at least three years from the date of the submission to the Federal government of the final expenditure report or until the completion of any litigation, claim, negotiation, audit, or other action involving the records, whichever is longer.

**BID SPECIFICATIONS.** Bid specifications shall include:

1. Bid name.
2. Bid submission deadline.
3. Date, location, and time of bid opening.
4. Specifications for the project or services including quantity, design, and performance features.
5. Bond and/or insurance requirements.
6. Any special requirements unique to the purchase.
7. Delivery or completion date.

Once a request for bids has been issued, the bid specifications will be available for inspection at the Town office.

**BID SUBMISSION.** All bids must be submitted in sealed envelopes, addressed to the Town in care of the selectboard, and plainly marked with the name of the bid and the time of the bid opening. Bid proposals will be date stamped on the outside of the envelope immediately upon receipt. Any bid may be withdrawn in writing prior to the scheduled time for the opening of bids. Any bids received after the time and date specified shall not be considered and shall be returned to the bidder unopened.

Bidders shall bid to specifications and any exceptions must be noted. A bidder submitting a bid thereby certifies that the bid is made in good faith without fraud, collusion, or connection of any kind with any other bidder for the same work, and that the bidder is competing solely on his/her behalf without connection with or obligation to any undisclosed person or firm.

**BID OPENING.** Every bid received prior to the bid submission deadline will be publicly opened and read aloud by the selectboard. The bid opening will include the name and address of bidder; for lump sum contracts, the lump sum base bid and the bid for each alternate; for unit price contracts, the unit price for each item and the total, if stated; and the nature and the amount of security furnished with the bid if required.

**CRITERIA FOR BID SELECTION.** In evaluating bids, the selectboard will consider the following criteria:

1. Price.
2. Bidder's ability to perform within the specified time limits.
3. Bidder's experience and reputation, including past performance for the Town.
4. Quality of the materials and services specified in the bid.
5. Bidder's ability to meet other terms and conditions, including insurance and bond requirements.
6. Bidder's financial responsibility.
7. Bidder's availability to provide future service, maintenance, and support.
8. Nature and size of bidder.

9. Any other factors that the selectboard determines are relevant and appropriate in connection with a given project or service.

In addition to the above, in the case of a contract supported by Federal funds, the additional criteria shall apply:

10. There shall be no preference exercised for local contractors or suppliers.

11. The selectboard will not select a bidder who is listed on the Excluded Parties List System website (<https://www.sam.gov>).

The selectboard reserves the right at its sole discretion to reject any and all bids, wholly or in part, to waive any informalities or any irregularities therein, to accept any bid even though it may not be the lowest bid, to call for rebids, to negotiate with any bidder, and to make an award which in its sole and absolute judgment will best serve the Town's interest. The selectboard reserves the right to investigate the financial responsibility of any bidder to determine his or her ability to assure service throughout the term of the contract.

**CHANGE ORDERS.** If specification changes are made prior to the close of the bid process, the Request For Bids will be amended and notice shall be sent to any bidder who already submitted a bid and a new bid process will be initiated. Once a bid has been accepted, if changes to the specifications become necessary, the selectboard will prepare a change order specifying the scope of the change. Once approved, the contractor and an authorized agent of the Town must sign the change order.

**EXCEPTIONS.** The following exceptions may apply except in the instance of a purchase supported by Federal funds:

**Sole Source Purchases.** If the selectboard determines that there is only one possible source for a proposed purchase, it may waive the bid process and authorize the purchase from the sole source.

**Recurring Purchases.** If the total value of a recurring purchase of a good or service is anticipated to exceed \$\_\_\_\_\_ during any fiscal year, the bid process shall be utilized and shall specify the recurring nature of the purchase. Once a bid has been accepted, all future purchases shall be made from that bidder without necessity of additional bids, until such time as the selectboard votes to initiate a new bid process.

**Emergency Purchases.** The selectboard may award contracts and make purchases for the purpose of meeting the public emergency without complying with the bid process. Emergency expenditures may include immediate repair or maintenance of town property, vehicles, or equipment if the delay in such repair or maintenance would endanger persons or property or result in substantial impairment of the delivery of important Town services.

**Professional Services.** The bid process shall not apply to the selection of providers for services that are characterized by a high degree of professional judgment and discretion including legal, financial, auditing, engineering, risk management, and insurance services.

The foregoing Policy is hereby adopted by the selectboard of the Town of \_\_\_\_\_, Vermont, this \_\_\_ day of \_\_\_\_\_ and is effective as of this date until amended or repealed.

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Chairperson

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