

TOWN OF EAST MONTPELIER

Purchasing Policy

PURPOSE

The purpose of this Purchasing Policy is to obtain the highest quality goods and services for the Town of East Montpelier 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.

This policy pertains to the expenditure of locally generated funds and similar situations where no external purchasing protocols are mandated. The policy is not intended to supplant or otherwise interfere with the purchasing requirements of state or federal grant programs.

AFFIRMATIVE ACTION AND LOCAL PREFERENCE

Whenever possible, qualified small, minority and women-owned businesses shall be included in the solicitation lists for bids or non-bid purchases. The town may exercise a preference for local businesses for purchases subject to this policy, but only if such a preference does not result in unreasonable prices or rates due to a lack of competition.

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, award, or administration of a contract if a conflict of interest, real or apparent, would be involved.

Employees, officers and agents of the town shall conduct themselves in accordance with the Town of East Montpelier's Conflict of Interest Ordinance and Personnel Policy.

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 sub -agreements.

PURCHASE AUTHORIZATION

Purchases on behalf of the town may only be made by authorized town officers or employees and are limited, without prior approval by the Selectboard, to the amount of the budget authorized by the town. No purchases over \$10,000.00 shall be made by any town officer or employee without prior approval of the Selectboard. No purchases utilizing town reserve funds may 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 for

purchases over \$5,000, unless the Selectboard has approved a sole source vendor, the purchase is made by an authorized town officer during an emergency, or the purchase is for professional services. 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.

BID PROCESS

The bid process shall be initiated by the issuance of a Request for Bids prepared by the Selectboard or its designee. 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. The notice shall also be posted on the town's website and on other electronic media as deemed appropriate by the Selectboard or its designee. All bid documents shall be available for inspection at the East Montpelier Municipal Office Building.

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 project or purchase.
7. Delivery or completion date.
8. Language that reserves for the Selectboard 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 condition of any bidder to determine his or her ability to assure service throughout the term of the contract.

BID SUBMISSION

All bids must be submitted in sealed envelopes, addressed to the town in care of the Selectboard or its designee, 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 by the bidder. 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

Once the deadline for bid proposals has passed, the Town Administrator is authorized to open bids prior to the Selectboard's review and approval in order to expedite the board's review. Every bid received prior to the bid submission deadline will be publicly available and will be discussed in open meeting by the Selectboard.

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

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

Competitive Proposals. If time does not permit the use of sealed bids, or the award will be made on the basis of non-price related factors, a competitive proposal process shall be initiated by the issuance of a Request for Bids (RFB) or Request for Qualifications (RFQ) prepared by the Selectboard or its designee that includes the factors that will be used to evaluate and compare the proposals. Bids or qualifications shall be obtained from an adequate number of qualified sources (at least two vendors) to ensure that the town has received a fair and reasonable price and all notification and record keeping requirements of the sealed bid process shall be followed. If architectural or engineering services are being solicited, this process should be used with the most qualified firm or individual awarded the bid and price or fees negotiated after the award. If competitive proposals are used, all of the above steps in the sealed bid process should be followed except that: 1) the bid submission need not be sealed; and 2) price will not be the primary factor in the proposal selection.

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 \$50,000 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. Unless the Selectboard determines otherwise, 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, risk management, and insurance services.

The foregoing Policy is hereby adopted by the Selectboard of the Town of East Montpelier, Vermont, this 10th day of **September, 2018**, and is effective as of this date until amended or repealed.

Seth Gardner, Selectboard Chair

Gene Troia, Selectboard Vice-Chair

Carl Etnier

Amy Willis

Kim Swasey