



Town of Proctor

Purchasing Policy

Adopted: May 23, 2005
Revised: May 24, 2010
Revised: February 7, 2011

Town of Proctor Purchasing Policy

1. Policy Objectives

The primary objectives of the Town of Proctor's purchasing policy are as follows:

- A. To promote and effect, in the best interest of the Town of Proctor, open and intelligent purchasing of supplies, equipment and services which will result in the maximum value received for each tax dollar spent.
- B. To ensure realization of the principles of competitive purchasing and best buy at least cost.
- C. To assist management in reaching responsible and cost-effective decisions in the procurement of quality supplies and services for Town use.
- D. To ensure that all vendors will have an equal opportunity to do business with the Town of Proctor and promote good will and clear communication in town/vendor relations.

2. Applicability

This policy shall apply to all municipal departments.

3. Definitions

As used in this chapter the following terms shall have the meanings indicated:

Approved Vendor: Those services for which the Town has contracted with a single vendor, chosen through competitive bidding.

Major Purchases: Those purchases calling for delivery of goods or services in the amount of \$2,000 or greater.

Regular Purchases: Those purchases calling for delivery of goods or services in the amount of \$500 to \$1,999.

Incidental Purchases: Those purchases calling for delivery of goods or services of less than \$500.

4. Purchasing and Bidding Procedures

- A. **Major purchases** shall require a formal bid process and purchasing approval from the Selectboard. The department head shall first present the purchase proposal to the Selectboard for approval. If approved, then the department head shall prepare or cause to be prepared specifications or a request for proposal for the article or services required and shall advertise an invitation to bid at least once in a newspaper of general circulation in Rutland.
 1. The invitation to bid shall include the following :
 - a. The location, time and place for receiving and opening of sealed bids.
 - b. Information on how to obtain bid specifications and bid forms or requests for proposal.
 - c. A description of the supplies, materials, equipment or services for which bids are to be received.
 - d. The right of the Town of Proctor to reject any and all bids if such action is deemed in the best interest of the town.
 - e. An outline where appropriate of the insurance requirements of the town in order to limit the town's risk.
 2. Such bids shall be publicly opened not less than 10 days following the date of the first advertisement, at the time and date specified in the published notice. Contracts for major purchases shall be awarded by the Selectboard, and the date advertised shall be the next meeting of the Selectboard after the ten-day period.

- B. Regular purchases shall be accomplished through competitive solicitation, but not necessarily through formal bids, and require purchasing approval from the Selectboard. If the purchase is approved by the Selectboard, regular purchases may be made through formal bid or written quotation at the discretion of the department head for whose department the purchase is being made in consultation with the Selectboard. Bids or quotations should be sought from at least three vendors unless a sole source is approved as per Section 6 below.
 - 1. Purchase orders shall be utilized for all regular purchases utilizing the following distribution of copies: white: Vendor and yellow: Town Administrator/Town Treasurer.
- C. Incidental purchases may be accomplished without the solicitation of bids or quotations. However, if practicable, quotations should be solicited.

5. Vendor Selection

- A. Vendors will be selected on a competitive basis. Purchases shall be awarded to the lowest, best-qualified and responsible vendor. Any or all bids, quotations or proposals may be rejected if such action is deemed to be in the best interest of the town.
- B. In determining the "lowest, best qualified and responsible vendor", in addition to price, the following may be considered:
 - 1. The substantial performance of the bidder in meeting the specifications and other terms and conditions of the solicitation.
 - 2. The ability, capacity and skill of the vendor to perform the contract or provide the materials or service required and to do so promptly or within the time specified.
 - 3. The character, integrity, reputation, experience, financial resources and performance under previous contracts of the vendor.
 - 4. The quality, availability and adaptability of the service or product being purchased and the ability of the vendor to provide further maintenance if necessary.

6. Exceptions

- A. Waiver of bids: the Selectboard may waive the bid process or approve a sole source solicitation for major purchases when they deem it to be in the best interest of the town. Sole-source solicitations should be reviewed to determine that the price offered is fair and reasonable or that there is only one manufacturer/supplier of the item to be purchased.
- B. Professional services: The purchase of professional services shall be exempt from the formal bid process. It is recognized that proposals for professional services (including but not limited to legal counsel, insurance, engineering/architectural services, and various consulting services) are difficult to compare and that weight must be given to many considerations other than price. The purchase of professional services, the cost of which is expected to exceed \$1,000 for a project must be approved by the Selectboard.
- C. Approved vendor: Bids are not required, but estimates of costs must be obtained in advance and any purchase that exceeds \$500 needs to be approved in advance by the Selectboard.

D. Exemptions: The following items are exempted from the bid process but require quotations:

1. Salt.
2. Repairs on equipment.
3. Fire hydrants.
4. Utilities.
5. Service contracts.
6. Drinking water/sanitary sewage treatment chemicals.

7. Material Purchases on Town Accounts

A. Employees and/or approved vendors purchasing materials on Town accounts must provide a “job name” at the time of purchase so that invoices clearly indicate what the materials were purchased for.

8. Emergency Clause

A. This policy may be waived in the event of an emergency. An emergency situation shall be defined as one which threatens the lives or health of the people, the property of the town or its citizens of the town.

B. During emergency situations, when normal procurement procedures would be impracticable, the following procedures shall be followed:

1. The Selectboard shall approve all requests for emergency purchases. It must be emphasized that the emergency purchases are costly. They are made hurriedly, usually on a noncompetitive basis, and often not at the best price. Every effort should be made to avoid them.

This policy shall become effective the 23rd day of May, 2005.

Revised this 7th day of February, 2011 by the Selectboard of the Town of Proctor, Vermont.

Eric Anderson, Chair

William Dritschilo

Susan Feenick

Lloyd Hughes

Richard Norris