

# Town of Wallingford

## Purchasing/Bidding Policy

### **POLICY OBJECTIVES**

1. The Town's policy regarding purchasing is quite simple and straightforward – the Town “shall seek to obtain quality goods and services for the lowest possible cost”.

To achieve the objectives set forth in the above-noted policy, one must do some research in reference to the quality side of the equation and then seek out the most competitive price. On the latter issue, (competitive pricing), it is recommended that town employees utilize the following guidelines:

a. Small Items (\$0 to \$1,499.99) - should endeavor to find the most reasonable price possible.

b. Moderate Cost Items (\$1,500 to \$4,999.99) – solicit written quotes (minimum two, preferably three) from the supplier or contractor. These items require Selectboard approval.

c. Big Ticket Items (\$5,000 and up) – solicit formal sealed bids with a “public” bid opening. These items require Selectboard approval. The Selectboard may waive the bid process when they deem it to be in the best interest of the Town.

2. There are several volunteer committees within Town government (Recreation, Conservation and Energy) that have approved and funded municipal budgets. These committees/commissions and their members are responsible for spending and must not exceed budgeted amounts. By definition volunteers are not Town employees and should use the following guidelines when making purchases:

a. Purchases less than \$500 may be made without Selectboard approval after confirming with the Town Clerk and Treasurer the purchase falls within and does not exceed a budgeted line item. If it exceeds a budgeted line item, Selectboard approval is required and may not be granted.

b. In all instances, volunteers should endeavor to follow the Policy Objectives listed above. Any purchase above \$500 requires Selectboard approval.

c. Municipal committee/commission/group members shall first check with the Town Clerk and Treasurer to find out where the Town has charge accounts before making purchases in order to avoid paying sales tax whenever possible. Obtain a sales tax exemption form from the Town Clerk and Treasurer before making any purchases where the Town does not have an account.

d. Municipal committee/commission/group members shall provide the Town Clerk and Treasurer with all receipts within 10 days of purchase or there will be no reimbursement.

## **PURCHASING AND BIDDING PROCEDURES**

A major purchase (\$5,000 and up) shall require a formal bid process. A request for proposal for the article or services required shall be advertised as an invitation to bid at least once in a newspaper of general circulation in Rutland.

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 Wallingford 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.

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. The Selectboard shall award contracts for major purchases, and the date advertised shall be the next meeting of the Selectboard after the 10-day period.

The purchase of professional services shall be exempt from the formal bid process, however, will require Selectboard approval if the cost exceeds \$500 on an annual basis. It is recognized that proposals for professional services, including but not limited to, legal counsel, insurance, and cleaning services are difficult to compare and that weight must be given to many considerations other than price. The Selectboard may approve a sole source vendor for professional services or regular purchases, i.e. fuel, sand, service contracts. The Selectboard should review all contracts during budget review each year.

## **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 funded exclusively by the Town but only if such a preference does not result in unreasonable prices or rates due to a lack of competition. The Town may not exercise a preference for local businesses for purchases funded in whole or in part with federal funding.

## **DOCUMENTATION**

Records documenting the procurement process for any Minor or Major purchases, as those terms are defined below, including the reason for the specific procurement method chosen, the basis for the award and contract pricing (showing evidence that the process was fair and equitable), as well as any other significant decisions that were part of the procurement process 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 if the purchase or project was funded with federal grants, or until the completion of any litigation, claim, negotiation, audit, or other action involving the records, whichever is longer. Otherwise, records shall be maintained by the Town in accordance with the retention and disposition schedules as set by the Vermont State Archivist.

### **Federally Funded Purchases**

If federal funding is used for purchases between \$3,000 (\$2,000 in the case of construction projects subject to Davis Bacon requirements) and \$150,000, price or rate quotes must be obtained from two or more qualified sources following the affirmative action provision of this policy and all provisions regarding fair and unrestricted competition.

### **Exceptions**

The following exceptions may apply, however there must be written documentation created and maintained that outlines the process and rationale for such 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 \$2500 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, risk management, and insurance services with a value of up to \$5000.

## **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. Contract provisions that are acceptable to the Town.
10. For construction projects over \$2,000, contractor's indication of acceptance of wages in the current wage determination provided as part of the Request for Bids.
11. 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:

12. There shall be no preference exercised for local contractors or suppliers.
13. The Selectboard will not select a bidder who is listed on the Excluded Parties List System website (<https://www.sam.gov>).

## **EMERGENCY SITUATIONS**

In the event of an emergency, all work and purchases may be contracted without following this bid procedure. 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.

Approved by the Wallingford Selectboard on November 4, 2002. Revised by the Wallingford Selectboard on April 15, 2013. Revised by the Wallingford Selectboard on July 17, 2017. Revised by the Wallingford Selectboard on December 19, 2022.