

Town of Danville



Post Office Box 183 Danville, Vermont 05828

Town of Danville Purchasing Policy ***May 19, 2011***

I. Policy Objectives

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

1. To promote and effect, in the best interest of Danville, open and intelligent purchasing of supplies, equipment and services, which will result in the maximum value received for each tax dollar spent;
2. To assure realization of the principles of competitive purchasing and best buy at best cost;
3. To assist management in reaching responsible, environmentally sound, and cost effective decisions in the procurement of quality supplies and services for municipal use;
4. To ensure that all conditions being equal, vendors will have an equal opportunity to do business with the Town of Danville and to promote good will and clear communication in municipality-vendor relations. In the case where all conditions are deemed equal, Town vendors shall receive preferential treatment.
5. No Town employee or agent of the town who participates in the selection of vendors or award of contracts shall have any personnel interest in the selection process. No gifts or favors or anything of value may be received from any potential vendors. Any questions or disputes will be brought to the Selectboard for resolution.

II. Definitions

1. **Capital Equipment Purchases:** That equipment purchasing requiring, but not limited to, money received out of the Highway Departments capital equipment fund.
2. **Major Purchases:** those purchases of goods and services that meet the following criteria;
 - a. A specific project and or specific materials other than general road maintenance;
 - b. Any project that a hired engineer or consultant is used;
 - c. A project that state or federal grant money is utilized, including FEMA disaster relief money.
3. **Regular Purchases:** those goods and services in the amount of \$2000.00 to \$5,000.00.
4. **Incidental Purchases:** those purchases calling for delivery of goods or services in the amount of less than \$2000.00

III. Procedures

1. **Capital Equipment Purchases:** require a formal bid process.

The department supervisor will prepare specifications for the equipment requested, as well as a bidders list that will be used. The invitation to bid shall include the following:

- a) Information on how to obtain bid specifications and bid forms, or the request for proposal;
- b) The location, time and place for receiving and opening sealed bids;
- c) Specification for the equipment for which bids are to be received;
- d) An outline, where appropriate, of the insurance requirements of the municipality in order to limit the municipality's risk.
- e) The right of the Town of Danville to reject any or all bids if such action is deemed in the best interest of the municipality;

Bids shall be opened publicly not less than 10 work days following the dates of the first advertisement, at the time and place specified in the published notice. Contracts for Capital Equipment Purchases and Major Purchases shall be awarded by the Selectboard only.

2. **Major Purchases:** require a formal bid process.

a. Refer to Section III, part 1 for explanation of process and explanation.

3. **Regular Purchases:** must be accomplished through competitive solicitation, but not requiring the formal bid process.

The department supervisor shall act as the purchasing agent for regular purchases. Regular purchases may be made through written or oral quotations at the discretion of the purchasing agent (department supervisor). Quotes should be sought from at least two (2) vendors unless a sole source is approved as per Section V.

4. **Incidental Purchases:** may be accomplished without the solicitation of bids or quotations. However, if practical, quotes should be solicited. The department supervisor shall act as the purchasing agent for incidental purchases.

IV. Vender Selection

Vendors will be selected on a competitive basis. Purchases will be awarded to the least costly, best qualified and most responsible vendor. Any or all bids, quotations or proposals may be rejected if such action is deemed to be in the best interests of the municipality. In determining the "least costly, best qualified and most responsible vendor," in addition to price, the following will 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 goods or services required, and to do so promptly or within the time specified;
3. The character, integrity, reputation, experience, financial resources and performance of the vendor under previous contracts with the municipality and elsewhere;
4. The quality, availability and adaptability of the service or goods being purchased, and the ability of the vendor to provide future maintenance if necessary.

V. Exceptions

1. 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 municipality. The Department Head may do likewise for regular purchases. 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 goods or services to be purchased.
2. The purchase of professional services may normally 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 some other consulting services) are difficult to compare and that consideration must be given to many aspects other than price. In any case, the purchase of professional services whose cost is expected to exceed \$3000.00 for a project be approved by the Selectboard.
3. The following items are exempt from both the bid and quotation process:
 - a. Equipment repairs, trucks repairs and parts
 - b. Special lubricants
 - c. Utilities
4. Items used as "everyday" maintenance items (gravel, culverts, etc.) that are not part of a more specific job will be formally quoted at the beginning of the spring/summer maintenance season upon request from the department supervisor. The department supervisor then acting as the purchasing agent will purchase those materials needed for the everyday maintenance of the municipality's highway system. The purchasing agent will use location, quality and availability along with the materials cost for his/her criteria in purchasing needed materials.
5. Purchases made subject to existing contracts issued by the State of Vermont shall be deemed in compliance with the provisions of this policy.

VI. EMERGENCY CLAUSE

The provisions of 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 municipality or its citizens, or the delivery of necessary services to the citizens of Danville.

During emergency situations, when normal procurement procedures would be impractical, the following procedures shall be followed:

1. The Town Administrator or Town Clerk or his or her appointed agent, shall approve all requests for emergency purchases. In the event that none of the above is available the appropriate department head may approve essential purchases.
2. The Selectboard shall be notified, within twenty-four (24) hours of the transaction, of all purchases of over \$3,000.00 made under this emergency clause. The Town Administrator and Town Clerk shall be notified immediately of all emergency purchases made without his/her prior approval. Emergency purchases can be costly. They are made hurriedly, usually without competitive bidding, and often not at the best price. Consequently, every effort should be made to avoid them.

VII. INCONSISTENT POLICIES REPEALED

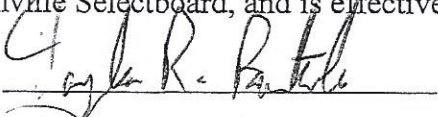

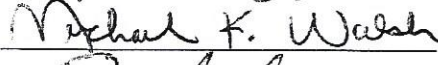
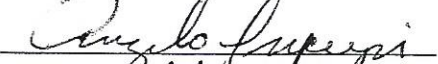

This Policy shall amend and replace any provisions of any Policy of the Town of Danville in effect at the time of enactment of this amended Policy governing any activity included in this amended Policy.

VIII. SEVERABILITY

If any section, subsection, subdivision, paragraph, sentence, clause, or phrase of this Policy, or any part thereof, is for any reason held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Policy or any part thereof. The Selectboard hereby declare that it would have passed each section, subsection, subdivision, paragraph, sentence, clause, or phrase thereof irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses, or phrases be declared unconstitutional or ineffective.

IX. EFFECTIVE DATE

This policy shall become effective immediately upon its adoption by the Danville Selectboard, and is effective until amended or repealed.

July 7, 2011
DATE

SIGNATURES DANVILLE SELECTBOARD