

## TOWN OF WHITEFIELD

### PURCHASING POLICY

- I. Purpose. It is the objective of the Town of Whitefield to obtain the best value possible when making purchases of goods and services. Initial price, operating and maintenance costs, residual value, performance, equipment, experience, and reputation determine best value. Purchasing on a competitive basis is desirable to the extent possible when all other elements are equal.
- II. Scope. This policy covers all purchases made by the Town except for the following.
  - A. Sole sources. The Purchasing Agent or Select Board may authorize a sole source purchase without use of this policy when it is clearly evident that only one source has specific expertise or goods relating to the proposed purchase. The reasons for this determination shall be documented maintained on file until the end of the business relationship. Sole source designations shall be reviewed annually.
  - B. Emergencies. This policy is not applicable to purchases necessary to address a threat to public health, welfare or safety. However, such purchases shall be kept to the minimum necessary to remove the immediate threat and recorded on a requisition form within 48 hours.
  - C. Established recurring expenses. Recurring expenses include utility bills, memberships, taxes, service fees, etc.
- III. Purchasing authority. A Town employee, Fire Chief, Deputy Fire Chief, Board Chair, or other person authorized by the Select Board may purchase goods or services on behalf of the Town.
- IV. Purchasing Agent. The Treasurer shall be the purchasing agent for the Town.
- V. Requisitions. A written requisition shall be prepared for all purchases over \$1,500 and submitted to the Purchasing Agent, who shall verify sufficient funds are available and submit the requisition to the Select Board for its concurrence.
- VI. Procedures
  - A. Purchases under \$1,500. Authorized persons may proceed with these purchases without prior approval or a requisition. Periodically, the vendors used for normal and anticipated purchases will be reviewed to ensure the Town continues to receive the best value.
  - B. Purchases between \$1,500 and \$5,000. Requisitions will be prepared for these purchases. Unless not feasible, authorized persons will obtain three quotes to ensure the Town receives the best value.

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- C. Purchases over \$5,000, or \$10,000 for road work. These purchases, except for professional services, will be made by competitive bidding, according to the following procedures.
1. At the discretion of the Town, a bid security guaranteeing a bidder will enter into a contract if one is offered may be required in the amount of 5% of the bid price.
  2. A performance bond and a payment bond, each in the amount of 100% of the bid price may be required. A surety company authorized to do business in Maine and listed on the U.S. Treasury circular 570 list of acceptable sureties must execute such bonds.
  3. Invitations for bids shall include a description of the work and/or goods required. Invitations will be distributed to known potential bidders (see section XI) and, if deemed appropriate, published in a newspaper of general circulation in the Town.
  4. The Town may hold a bidders conference to answer questions and clarify the scope of work and expectations for a proposed project.
  5. Sealed bids must be submitted to the Purchasing Agent by the time specified in the invitation and will be opened in a public session of a Select Board meeting and the results will be recorded.
  6. Only bids that are fully responsive to the invitation for bids will be evaluated for possible award. Once a bid is opened it may not be changed except to correct factual mistakes demonstrated to be inadvertent and not prejudicial to the Town or fair competition. An apparent low bidder may withdraw or change a bid only if a mistake is clearly evident on the face of the bid document or the bidder submits clear and convincing evidence that a mistake was made. Any decision to allow correction or withdrawal of a bid or bid award must be documented in writing.
  7. Responsive bids will all be evaluated using uniform criteria (see section VII(C)). If all bids are higher than the funds available for the project, the Town may negotiate with the low bidder to change the specifications or scope to bring the bid amount within the available funds.
  8. The Town has the right to accept or reject any and all bids.
- D. Professional services. When purchasing services of engineers, accountants, architects, surveyors, or other similar professional services, the Select Board shall request proposals from a number of qualified persons as necessary to secure a variety of fees, experience and qualifications. In selecting professional services, the Select Board shall use uniform selection criteria and award work based on competitive evaluation. The Select Board may enter into discussions with persons having demonstrated likelihood of being selected to clarify understanding of proposals and the Town's requirements. In conducting

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discussions, there shall be no disclosure of any information proposals submitted by competing persons.

#### VII. Criteria.

- A. Conflict of interest. The Purchasing Agent is not eligible to make proposals for Town purchases. Select Board members, members of their immediate household, or any for profit organization in which they hold a profit sharing interest, may submit vendor proposals if the Select Board member disassociates himself/herself totally from the onset of the purchasing process in question. Specifically, the Select Board member cannot participate in any initial discussion to purchase, in developing specifications, in negotiations or in any award.
- B. Dividing of scope. No person shall separate the purchase of goods or services into smaller increments with the intent or result of circumventing any portion of this policy. All purchases shall, to the extent possible, be consolidated in order to obtain an economy of scale for the best prices, products and services possible.
- C. Selection of vendors. Normally, quotes, proposals or bids will be selected using weighted criteria consisting of price, equipment available, personnel, qualifications, prior work experience, references and work history with the Town. The price shall constitute not less than 80% of the criteria.
- D. Disqualification of vendors. The Town may disqualify vendors who default on their proposals or perform in an unsatisfactory or untimely manner from receiving further consideration for awards from the Town. Disqualified vendors shall be notified in writing and may appeal to the Select Board. The inability to make a profit shall not be considered an adequate basis for an appeal. Disqualified vendors may be reinstated upon demonstrating to the Select Board that the causes(s) for the disqualification have been fully rectified.

VIII. Road Commissioner. As an elected official, the Road Commissioner is authorized to perform work for the Town using his/her equipment and labor in order to maintain town roads by patching, ditching, grading, and other similar activities. All such work must be performed at competitive rate. The purchase of materials and supplies must conform to this policy. If the Road Commissioner chooses to hire others to perform certain work, procurement of those services must also conform to this policy.

IX. Cooperative purchasing. The Town may join other units of government in cooperative purchasing agreements when such action is in the best interest of the Town, provided such actions are consistent with applicable legal requirements.

X. Insurance and indemnification. Vendors and sub-vendors shall maintain adequate insurance coverage for the duration of the services to the Town. The Town shall determine the type and amount of coverage required for each transaction. The vendor shall have the Town named as an additional insured and furnish the Town with evidence

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of the current insurance. All construction contracts shall agree to indemnify and hold harmless the Town for any liabilities to third parties arising from any action or omissions resulting from the contractor's conduct.

- XI. Pre-qualified vendors. The Town will maintain a list of persons qualified to provide goods or services as may be needed. These may include services for general contracting, landscaping, electrical, carpentry, equipment maintenance, etc. Persons wishing to be included on this list may submit a request including the nature of their services, major equipment, experience, personnel, references, and proof of adequate insurance. When seeking services, the Town will use the list to identify qualified persons from whom to seek quotes or bids for specific proposed work. If the list does not contain sufficient qualified persons for specific job, the Town will seek additional persons for that work. In the event the number of pre-qualified persons is large, the Town will solicit quotes or bids from not less than three persons on the list on a rotating basis for work as it arises.

Approved by Whitefield Select Board

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Dennis Merrill

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Susan B. McKeen

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Franklin A. Ober

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Anthony Marple

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Lester Sheaffer