

PURCHASING POLICY
Town of Londonderry, Vermont
Amended November 4, 2019

I. PURPOSE:

The purpose of this Purchasing Policy is to obtain the highest quality goods and services for the Town of Londonderry at the lowest reasonable 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.

To the extent practical and cost effective, preference will be given to local vendors.

All purchases should, where possible, be made within the budget line item that would apply to that purchase.

II. PURCHASE AUTHORIZATION:

- A. **Purchases under \$1,000:** Any Town officer or employee may purchase items or materials provided that the purchase can be shown to be necessary and is in the best interest of the Town.
- B. **Purchases between \$1,000 and \$2,500:** Any Town officer or employee must contact the Selectboard and the Town Administrator prior to the purchase to inform of the need for the purchase.
- C. **Purchases between \$2,500 and \$7,500:** Any Town officer or employee must obtain prior approval of the Selectboard. Officers and employees must solicit quotes from at least three vendors unless the Selectboard has approved a sole source vendor. 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 (if applicable?) under prior contracts with the Town.
- D. **Purchases over \$7,500:** Any purchase of \$7,500 or more is subject to the Bid Process below.

III. ONGOING AND RECURRING PURCHASES:

Certain purchases occur on a continuous and ongoing basis. An example is gravel and other road materials. For these types of purchases, the Town official or employee responsible for the purchases should maintain a current comparison price list from available vendors/suppliers. The price list will be used to make purchase decisions based on price, quality, availability, and other pertinent factors. The price list should be updated regularly. Authority to purchase is subject to the amount of the purchase as listed under Purchase Authorization listed above.

IV. BID PROCESS:

All purchases of \$7,500 or more shall be subject to a bid process, except for the ongoing and recurring purchases discussed above, and emergency purchases specified under Exceptions, below.

The bid process shall be initiated by the issuance of a Request for Bids prepared by the Selectboard, Town administrator or department heads. Notice of the Request for Bids shall be made by letters or emails to known providers soliciting bid responses, advertisements posted in three public locations within the town, on the Town website, and advertisements placed in a newspaper of general circulation in the region.

Bid Specifications: The Request for Bids shall include the following specifications:

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 purchase.
7. Delivery or completion date.

Once a request for bids has been issued, the bid specifications will be available for inspection at the Town office.

Bid Submission:

All bids must be submitted in sealed envelopes, addressed to the Town in care of the Selectboard, 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. 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:

Every bid received prior to the bid submission deadline will be publicly opened and read aloud by the Selectboard. The bid opening will include the name of bidder; for lump sum contracts, the lump sum base bid and the bid for each alternate; for unit price contracts, the unit price for each item and the total, if stated; and the nature and the amount of security furnished with the bid if required.

Criteria for Bid Selection:

In evaluating bids, the Selectboard will consider the following:

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

The Selectboard reserves 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 responsibility of any bidder to determine his or her ability to assure service throughout the term of the contract. The board also reserves the right to consult with outside sources to determine the ability of a bidder to perform the requirements of the proposal.

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.

V. EXCEPTIONS TO THE BID PROCESS REQUIREMENTS:

1. **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.
2. **Emergency Purchases:** The Selectboard may award contracts and make purchases for the purpose of meeting an 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. In situations where the Town's Emergency Operations Center has been activated due to a significant public emergency, and there is an immediate need for a purchase in direct support of emergency response activities, such purchase can be authorized by any one Selectboard member (or the Town Administrator in the absence of a Selectboard member) upon request of the Emergency Management Director or Acting Emergency Management Director.
3. **Professional Services:** The bid process requirements do 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, engineering, risk management, and insurance services.

VI. DISPOSAL OF EQUIPMENT:

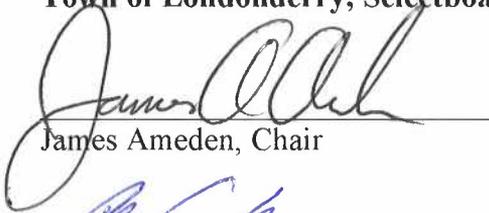
When disposing of replacement equipment that it is no longer needed by the Town, the item shall be placed for bid on the Town website for three weeks, notice sent on the Town email distribution list and posted in 3 conspicuous places in town. Bids can be dropped off, mailed or sent by email to the Town Clerk and should include name, contact information and the amount of the bid. Bid amounts will be disclosed and more than one bid can be submitted. The bids will be reviewed by the Selectboard, and awarded to the highest bidder. The Selectboard reserves the right to reject all bids.

In the event that an item receives no or insufficient bids, the Selectboard has the option to donate the item to a charitable organization or to otherwise dispose of the item(s) as appropriate.

When replacing capital equipment, value of the equipment shall be determined by the best method(s). Such equipment may be offered for sealed bid with stated minimum bid or traded-in whichever will net the greatest value to the Town. Notice will be given as above and also printed in the newspaper of record.

The foregoing Policy is hereby adopted by the Selectboard of the Town of Londonderry, Vermont, this 4th day of November 2019 and is effective as of this date until amended or repealed.

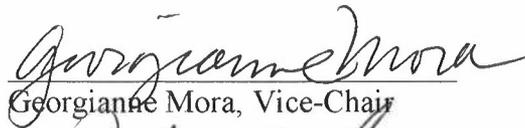
Town of Londonderry, Selectboard



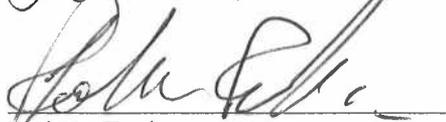
James Ameden, Chair



Thomas Cavanagh



Georgianne Mora, Vice-Chair



Robert Forbes

Taylor Prouty

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