

Received for record July 20, 2017at 10:00 o'clock A M, and recorded inPeacham Land Records, Vol. Police Page \_\_\_\_\_Attest: [Signature]

Town Clerk

**PURCHASING POLICY**

Town of Peacham

**PURPOSE.** The purpose of this Purchasing Policy is to obtain the highest quality goods and services for the Town of Peacham at the lowest possible 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.

**PURCHASE AUTHORIZATION**

1. All purchases of goods and services of \$15,000 or more shall follow the "BID PROCESS" herein or meet the requirements of its exceptions.
2. All purchases of goods and services not included in the pending or approved town budget for the current calendar year shall obtain the prior written approval of the Selectboard.
3. Purchases by a town officer, department head, employee or appointee of planned and necessary goods or services included in the pending or approved town budget, or by a Selectboard pre-approved itemized expense plan for a town commission or other division of town government for the current calendar year:
  - a) in amounts of \$1,000 or less, may, at the Town Treasurer's discretion, be paid from town funds or reimbursed by the Town Treasurer before submitting a warrant to the Selectboard provided a written receipt from the vendor is provided to the Town Treasurer. If in an amount less than \$100, a copy of a canceled check or credit card receipt payable to the vendor may be substituted for the written receipt. Private payments for Town reimbursements are discouraged, however this policy allows for them when necessary, for example, when the town office is closed and time is limited, or when payment must be made by cash or credit card.
  - b) in amounts above \$1,000 and less than \$15,000, shall be undertaken only after the solicitation and receipt of written quotes from two or more vendors, unless the Selectboard has approved a sole source vendor, and after prior written approval by the Selectboard.

Vendors shall be selected based on cost, the quality of the goods and services offered, and the ability, capacity, and skill of the vendor as demonstrated in prior experience or contracts with the Town of Peacham, other towns, or other reliable references. Documentation of these criteria or that the best pricing has been investigated shall be provided upon request to the Town Treasurer or Selectboard.

**BID PROCESS.** All purchases of \$15,000 or more shall be subject to a bid process. The bid process shall be initiated by the issuance of a request for bids prepared by the Selectboard. Notice of the request for bids shall be made by letters to known providers soliciting bid responses, advertisements posted in three public locations within the Town, and advertisements placed in a newspaper of general circulation in the region.

**BID SPECIFICATIONS.** Bid specifications shall include:

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 shall 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 shall 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 deadline specified shall not be considered.

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 deadline shall be publicly opened and be available to the public after the deadline.

**CRITERIA FOR BID SELECTION.** In evaluating bids, the Selectboard shall 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. 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 or other qualifications of any bidder to determine his or her ability to assure service throughout the term of the contract.

**CHANGE ORDERS.** If significant 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 shall 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.

#### **EXCEPTIONS**

**Sole Source Purchases.** If the Selectboard determines that there is only one possible local 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 \$12,000 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.

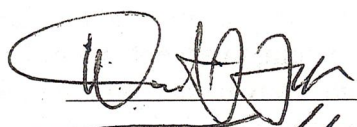
**Emergency Purchases.** The Selectboard may award contracts and make purchases for the purpose of meeting the public emergency without complying with the bid process. Emergency expenditures may include immediate repair or maintenance of town property, vehicles, or equipment if the delay in such repair 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, engineering, risk management, and insurance services.

This policy is not intended to limit the Town's ability to accept gifts or donations of goods or volunteer services at or exceeding the values in this policy. In those cases, the Town may accept those donated gifts or services without the bid or purchase authorization process if they are donated with no contribution expected of the Town.

The foregoing Policy replaces any earlier Purchasing Policy, and is hereby adopted by the Selectboard of the Town of Peacham and this 18 day of January, 2017 and is effective as of this date until amended or repealed.

Peacham Selectboard:

 \_\_\_\_\_, Chair  
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