Town of Fair Haven THE SLATE CENTER OF THE NATION • CHARTERED OCTOBER 27, 1779

FAX: 265-3176 • MUNICIPAL BUILDING • NORTH PARK PLACE • FAIR HAVEN, VERMONT 05743 • TEL. (802) 265-3010

Purchasing Policy

The Fair Haven Selectboard hereby adopts the following policy governing the purchase of vehicles, equipment, supplies, materials, and services.

This policy pertains to the expenditure of locally generated funds only and is not intended to supplant or otherwise interfere with the purchasing requirements of State or Federal Grant programs.

Definitions:

Competitive bid – Transparent procurement method in which bids from competing contractors, suppliers, or vendors are invited by openly advertising the scope, specifications, and terms and conditions of the proposed vehicle(s), equipment, supply(ies), material(s), or service(s) as well as the criteria by which the bids will be evaluated. Through competitive bidding the Selectboard aims at obtaining goods and services at the lowest prices by stimulating competition, and by preventing favoritism. Competitive bidding may be conducted either by "open" bidding (i.e., the sealed bids are opened in full view of all who may wish to witness the bid opening) or by "closed" bidding (i.e., the sealed bids are opened in the presence of only authorized persons).

Request for proposals (RFP) – A written invitation for proposals to supply an item(s) or service(s) to be submitted by a certain date, sealed, to be opened at the same time and place (stated in the request) for review and discussion and acceptance or rejection by the official(s) requesting the item(s) or service(s). The invitation shall contain sufficient information to inform the prospective proposers what is being requested and a time and place where the information necessary to form a proposal may be obtained. The invitation for proposals shall be published in the Rutland Herald and in the Lakes Region newspaper. The invitation shall also be posted in at least four (4) public places including the Town Offices and the Post Office. Other public places could include grocery stores, banks, community bulletin boards, schools, or other places readily and easily accessible to the general public. The invitation shall also be posted electronically on the Town's webpage and FaceBook page and by other electronic means the Selectboard or the Town Manager deem appropriate.

Town as referred to in #6 of this policy only – The Town as referred to in this policy shall be a quorum of the full membership of the Selectboard (at a duly warned meeting or by phone in an emergency situation) or any person or official authorized or appointed by said quorum of the Selectboard.

Written bid – An offer or proposal in writing containing all necessary matters such as: price, description of item or service, time period to be delivered. In addition, the offer or proposal contains any bond for performance, insurance and any other detail required by the proposal to purchase.

Price quote – A within offer to sell or supply a specified article or service at a fixed price certain. (If time or good circumstances dictate, an oral price quote may be accepted by telephone. In that circumstance purchaser shall make a record in writing memorializing the price, object vendor, date and terms of the quote).

Emergency – A serious situation or occurrence that happens unexpectedly and demands immediate action.

Necessities – An item(s) or service(s) unavoidably determined by prior conditions or circumstances in urgent or pressing need.

Bidding Procedure:

1. Any purchase of a vehicle(s), equipment, supply(ies), material(s), or service(s) in excess of $2,000.00 but less than $5,000.00 shall not be authorized unless the department or official making the purchase has demonstrated to the Board that a minimum of two (2) price quotes were obtained prior to making the purchase in a timely manner.

2. Any purchase of $5,000.00 but less than $7,500.00 shall not be authorized unless the department or official proposing the purchase has demonstrated to the Board that a minimum of three (3) written bids or price quotes were obtained in a timely manner.

3. Any purchase of $7,500.00 or more shall be put out via a request for proposals (RFP). The best bid or proposal shall be accepted except as specified in this policy. This determination shall be based upon a combination of the best prices, quality, and ability to meet all parts of the specification and vendor support. In all cases the Town of Fair Haven reserves the right to reject any or all bids or proposals when they do not meet the Town's stated requirements, specifications, or standards, are late or otherwise defective or when it is deemed to be in the interests of the Town of Fair Haven.
    a. RFP bid documents shall specify that bids will be sent to the Fair Haven Selectboard to the attention of the Town Manager at 3 North Park Place, Fair Haven, VT, 05743 with the outside of the sealed bid clearly marked with the title of the respective project.
    b. Once the deadline for bid proposals has passed, the Town Manager is authorized to open the bids prior to the Selectboard's review and approval in order to expedite the board's review.
    c. The Town Manager and respective Town department supervisor involved will determine if the requirements of the RFP are fulfilled for each bidder.
    d. The Town Manager will present the bids to the Selectboard, including an indication of which bids fulfilled the requirements of the RFP.
    e. Depending on when the bids are opened, the Town Manager should present a recommendation to the Selectboard for their consideration.

4. Notwithstanding the provisions of paragraphs 1, 2, or 3 of this policy, professional services currently under contract/retainer by the Town of Fair Haven, such as attorneys, engineers or auditors are not required to be put out to bid or RFP, but may be if so desired by the Selectboard or the Town Manager or the appropriate certificate of insurance, performance bond, bonding or other assurance of satisfactory performance or indemnity shall be obtained, maintained, or may be required to be on file, or other requisite language for the particular professional, may be required by the Board or Town Manager if so desired, but are not required by this policy.

5. Notwithstanding the provisions of paragraphs 1, 2, and 3 of this policy, where one brand is preferred for logical reasons over another, the specifications may read Brand XXX or equal. The burden of proof shall be on the vendor of the non-named brand to prove it is an equal product.

6. The Town also reserves the right to suspend the requirements of this policy when the purchase of a vehicle(s), equipment, supply(ies), material(s), or service(s) can be made through a single source only; through a State bid price contract; when the cost of soliciting or obtaining additional bids, quotes or proposals exceeds any savings to the Town that might result from such action or in case of an emergency or natural disaster, that precludes timely obtaining of bids, quotes or proposals for necessities.

7. Any purchase made, contract awarded, proposal or bid accepted for $10,000.00 or more shall not be authorized unless the seller, vendor, contractor or bidder provides the Town with suitable assurances, including but not limited to a performance bond of value equal to the bid or proposal, a surety deposit of no less than the value of the bid or proposal to be held in an escrow account under the sole control of the Town of Fair Haven, or other warranties or other devices acceptable to the Selectboard assuring that the vehicle(s), equipment, supply(ies), material(s), or service(s) being provided meet the stated requirements of the Town of Fair Haven.

8. No staff member, including the Town Manager, will use reserve funds for discretionary expenditures without the express approval of the Selectboard.

9. The Selectboard may make such amendments and/or changes to this policy that appear to its judgment to be necessary for the efficient operation and/or in the best interest of the Town of Fair Haven.

10. All rules, regulations, ordinances, policies, procedures or other regulatory provisions in conflict herewith are hereby repealed.

11. The invalidity of any part of this policy shall not affect the validity of any other part of this policy which can be given effect without such invalid part(s).

Adopted by the Fair Haven Selectboard this 14th day of October 2014.

Christopher Cole, Chair

Jeffrey Sheldon, Clerk

Roderic Holzworth, II

Robert Richards

David Ward