

Town of Barre
Websterville, VT 05678

PURCHASING POLICY

The Barre Town Charter at Section 31 sets broad parameters for purchasing. The Administrative Code at Section 2-81 slightly defines the Town's purchasing practices. These two documents, however, do not provide a thorough policy for making purchases. Therefore, the purpose of this policy is to: (1) complement the Charter and Administrative Code by completing the details of a purchasing policy; (2) establish control of purchases at the most appropriate level in the organization; (3) cause employees to think about their purchase practices and purchases; (4) when in the Town's best interest, allow flexibility in purchasing decisions. This policy shall apply to all funds, departments and divisions.

POLICY

Purchases will be categorized by budgeted items and unbudgeted items. The requirements set forth below shall apply to purchases for equipment, vehicles, materials, supplies, services, and construction. Certain items are exempted from this policy as described below under the heading Exemptions.

The following purchasing practices shall be followed:

Category

All purchases greater than \$10,000

Practice

Via the Town Charter, the town's voters have directed that the Selectboard must approve all purchases, after competitive bidding, over \$10,000. The Selectboard may waive competitive bidding in the manner described in Section 31.

Competitive bidding shall be accomplished if there are three (3) bona fide bidders on the list. If there are fewer than three (3) bona fide bidders, an invitation to bid shall be published twice in a local newspaper at least ten (10) days prior to the bid opening date. All specifications and instructions to bidders shall be approved by the Town Manager, or designee before bidding. All sealed competitive bids shall be opened and read aloud in public at the time and place stated in the bid specifications.

Unbudgeted purchases with estimated value of \$3,500 to \$10,000

Selectboard must approve purchases in this category. Two written quotes will be presented to the Selectboard.

Unbudgeted purchases with estimated value Of \$500 to \$3,499.99

The Town Manager, or designee, must approve purchases in the category by issuing a purchase order. The Town Manager, or designee, will decide in advance how many and what type of quotes will be required.

Budgeted purchases with estimated value of \$2,000 to \$10,000

The Town Manager, or designee, must approve purchases in this category by issuing a purchase order. The Town Manager, or designee, will decide in advance how many and what type of quotes will be required.

Unbudgeted purchases of less than \$500
and budgeted purchases less than \$2,000

Department and division heads may make these purchases,
but a department or Town purchase order must be used for
items valued greater than \$500.

Exemptions

This policy shall not cover financial investments, loans, negotiated labor contracts, employee selection, professional services, insurance policies, emergency repairs, purchases from surplus property programs, and items for which only one (1) bid or quote was received after following procedures described above. Except for emergency repairs, the Selectboard's or Town Manager's approval shall be needed before a purchase is made for any of the items listed in this paragraph.

The Town Manager may authorize purchases or exemptions exceeding the authority laid out in this policy when immediate action is necessary because of an emergency, declared or undeclared. If during an emergency (declared or undeclared) immediate action is not necessary, the Town Manager may authorize any purchase up to \$10,000; and before making purchases over \$10,000 shall confer with the Selectboard chairperson.

Non-Required Use of Competitive Bidding

Nothing in this Policy shall preclude use of sealed competitive bidding for purchases estimated at less than \$10,000.

Market Factors

The Town reserves the right to consider quality, life-cycle costing, serviceability, vendor reliability, place of manufacture, competency, and other relevant market factors in addition to cost considerations in making contract awards. If market factors will be considered in sealed competitive situations, the bidders must be informed in the bidding instructions. The relative weight of consideration given to each market factor shall be determined by the Selectboard or Town Manager, or designee, prior to bidding and so stated in the bid specifications.

Temporary Removal of Vendors From Bidders List

Vendors may be removed from the Town's bidder lists for one (1) or two (2) year periods, afterwards vendors will be returned to the bidders lists. For repeated problems, vendors may again be removed from the bidder lists. Vendors may be removed from the lists for: (1) failure to complete the contract; (2) failure to complete the contract in the usual and customary manner (e.g. poor work or product) while not violating the contract specifications; (3) failure to abide by the terms of the contract; (4) completing work, providing service or product only after the Town forces compliance; (5) causing the Town significant added indirect expense; (6) causing unwarranted public inconvenience.

The Town Manager and/or department or division head shall document incidents when they think a problem is developing with a vendor. As soon as possible after the contract is completed or voided, the Town Manager will make a vendor removal recommendation to the Selectboard. The recommendation shall include the documentation recorded at the time problems become evident. The vendor shall be notified of the recommendation and date, time and place of the meeting when the recommendation will be considered. The Selectboard may decide to remove the vendor for one (1) or two (2) years based upon the severity of the problems and the amount of potential contracts.

Joint Bidding

Joint bidding with other municipalities or public agencies is encouraged, if sound purchasing practices are followed. Provisions of this purchasing policy shall not necessarily apply in joint bidding situations, but the procedures may be utilized if all participating public agencies agree.

Conflict of Interest

If a Town employee or immediate family member of an employee is to be considered for any purchase over \$300, there must be at least two (2) written quotes or at least one (1) public advertisement of invitation to bid/quote.

All employees and elected officials involved in making purchasing decisions or procuring goods and services must be mindful of and abide by the Town's Conflict of Interest Policy.

Using Federal Funds

Before goods or services, to be paid for in whole or in part with federal funds, are purchased or procured employees and agents involved should carefully review program requirements and/or the grant agreement and all federal regulations (C.F.R. and circulars) referenced therein.

There are requirements for using federal funds that do not exist for using local or state money. For example, minority and women-owned businesses must be included in the solicitations list for the request for proposals or bids. Also, the Town does not have a local vendor allowance (preference) now, but when using federal money the Town may not exercise a preference for local businesses. Recording-keeping is important. Records such as, but not limited to: bidding specifications, bids, purchase orders, purchase contracts, change orders, invoices and payment requisitions must be retained for at least three (3) years from the date of the last payment requisition to the government (state or federal).

Most purchases made with federal funding require a minimum of two price or rate quotes from qualified sources. Large purchases must follow a sealed bid process. Town staff, agents or officers involved in purchasing with federal funding need to consult the grant agreement and/or relevant program guidelines for pre-purchase requirements. Large purchases and any construction contract requires a pricing analysis be completed by the Town Manager, or designee, prior to issuing the request for proposal to ensure that there is a reasonable estimate against which to compare bid proposal pricing.

The selectboard and employees will not select a bidder who is listed on the Excluded Parties List System website (<https://www.sam.gov>).

Selectboard's Waiver

This policy or any parts or provisions herein may be waived by a majority vote of the Selectboard as it may deem to be in the best interests of the Town.

This policy supersedes any previous Purchasing Policy.

Adopted by the Barre Town Selectboard this 28th day of October 1987.

Revised: March 12, 1991
December 20, 1994
December 19, 1995
February 4, 1997
August 17, 1999
May 19, 2009
December 1, 2009
October 1, 2019

Tom White, Chairman:


