

**TOWN OF SUNDERLAND, VERMONT  
PURCHASING POLICY**

**Adopted January 21, 2019**

**PURPOSE:** The purpose of this Purchasing Policy is to obtain the highest quality goods and services for the Town of Sunderland 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.

**1. POLICY OBJECTIVES** - The objectives of the Town of Sunderland's purchasing policy are as follows:

- a. To promote and effect, in the best interest of the Town of Sunderland, open and intelligent purchasing of supplies, equipment and services, which will result in the maximum value received for each tax dollar spent.
- b. To promote waste reduction and recycling through purchases which take into consideration the use of recycled material in the manufacture of purchase product or equipment as well as, the minimization of waste to be disposed of by the Town of Sunderland.
- c. To assure the realization of the principles of competitive purchasing and best buy at least cost.
- d. To assist management in reaching responsible, environmentally sound, and cost-effective decisions in the procurement of quality supplies and services for Town use.
- e. To ensure that all vendors will have an equal opportunity to do business with the Town of Sunderland and promote good will and clear communications in Town/vendor relations.
- f. To ensure purchase authorization prior to actual purchase as a budget management tool.
- g. To ensure that purchasing procedures and documentation meet generally accepted accounting standards.

**2. DEFINITION** – For the purposes of this policy, the following definitions shall apply:

- a. **Incidental Purchases:** Purchases calling for delivery of goods or services in the amount less than \$5,000.
- b. **Regular Purchases:** Purchases calling for delivery of goods or services in the amount between \$5,000 and \$150,000.
- c. **Major Purchases:** Purchases calling for delivery of goods or services in the amount of \$150,000 or greater.
- d. **Budgeted Expense:** Any planned expense that does not exceed the line item account after subtracting other anticipated expenses for the remainder of the fiscal year.
- e. **Unbudgeted Expense:** Any unplanned expense.
- f. **Competitive Solicitation:** Written quotes solicited from at least three competitive vendors.

---

### **3. Incidental Purchases (\$0 - \$5,000)**

- a. Incidental purchases may be accomplished without the solicitation of bids, proposals or quotations. However, if practical, informal bids, proposals, or quotations for this type of purchase should be solicited.
- b. The Town Clerk, Road Foreman or designated Selectboard member, under the direction of the Selectboard shall act as the Purchasing Agent for incidental purchases. These purchases will be reported to the Selectboard at least monthly.

### **4. Regular Purchases (\$5,000 - \$150,000)**

- a. All regular purchases must be approved by a majority vote of the Selectboard.
- b. All regular purchases must be accomplished through competitive solicitation, but not necessarily through formal bids.
- c. The Town Clerk, Road Foreman or designated Selectboard member, under the direction of the select board shall act as the Purchasing Agent for regular purchases.
- d. Regular purchases may be made through formal bid/proposals or through written quotation at the discretion of the Purchasing Agent in consultation with the Selectboard and the department supervisor for whose department the purchase is being made.
- e. The competitive Solicitation process shall include the following:
  - i. Whenever possible written solicitations shall be sought from at least three competitive vendors.
  - ii. Competitive solicitation may be accomplished without the formal advertising for solicitation of bids, proposals or quotations.
  - iii. The Purchasing Agent will present the specifications and three prices to the Selectboard.
  - iv. The Selectboard will determine the vendor to perform the task according to the vendor selection process outlined in Section 7 of this policy.

### **5. Major Purchases (\$150,000 or more)**

- a. Major purchases shall require a formal bid process and must be authorized by a majority vote of the Selectboard at a warned Selectboard meeting.
- b. The Town Clerk, under the direction of the selectboard shall act as the Purchasing Agent for major purchases.
- c. The Purchasing Agent shall prepare, or cause to be prepared, specifications or a request for proposal for such goods and/or services required. The Purchasing Agent shall advertise an "Invitation to Bid" at least once in the official designated newspaper of the town and shall mail the Invitation to Bid and the specifications to a list of competitive bidders prepared with input from the Selectboard or Department Head.
- d. The invitation to bid shall include the following:
  - i. The location, time and place for receiving and opening of sealed bids.
  - ii. Information on how to obtain bid specifications and bid forms, or the request for proposal.
  - iii. A description of the supplies, materials, equipment or services for which bids are to be received.
  - iv. Outline where appropriate the insurance requirement of the Town in order to limit the Town of Sunderland's liability.

- 
- v. All bid documents or request for proposals shall include the following paragraph,  
“The Town of Sunderland reserves the right to reject any or all bids/proposals received, to negotiate with any qualified source, or to cancel in part or in its entirety the bid/proposals as in the best interest of the Town of Sunderland. This solicitation in no way obligates the Town of Sunderland to award a contract.”
  - e. All bids will be submitted with a full set of specifications for the particular project.
  - f. Bids shall be publicly opened at the next regularly scheduled Selectboard meeting after the published bid deadline.
  - g. Bids shall be awarded according to the Vendor Selection criteria outlined in Section 7 of this policy.
  - h. If no bids are received, the Purchasing Agent will review and consider revising the bid specifications to ensure competitive bidding is possible. The Purchasing Agent will then be instructed to place the advertisement in two newspapers of general circulation and consider relevant state/regional trade publications. If no bid is received after this action has been completed, the Selectboard may solicit and negotiate a proposal from a firm of their choosing.

## **6. Receipt of Goods**

- a. The receiving department will be responsible for the receipt, inspection, and acceptance of the incoming supplies and equipment.
- b. Documentation of receipt of supplies must be provided for the payment to be authorized.
- c. All received items shall be checked against the packing slip and checked to ensure good condition.
- d. When items received are not acceptable, the receiving department shall work with the vendor in reaching a satisfactory solution. The Selectboard shall be informed of all unresolved issues.
- e. To take advantage of any “prompt-payment of accounts’ and to maintain good vendor relations, it is important that all invoices, packing slips and receiving reports be forwarded to the Town Clerk without delay.

## **7. Vendor Selection**

- a. Whenever possible and appropriate, vendors will be selected on a competitive basis.
- b. Bids, quotations, and proposals will be solicited by newspaper advertising, direct mail request to prospective suppliers, or by telephone.
- c. Purchase orders or contracts for purchase shall be awarded to the lowest, best-qualified and most responsible vendor following a majority vote of the Selectboard.
- d. Any and all bids, quotes or proposals may be rejected if such reaction is deemed to be in the best interest of the Town of Sunderland.
- e. In determining “lowest, best-qualified and most responsible vendor”, in addition to price, the following will be considered:
  - i. The ability, capacity and skill of the vendor to perform the contract or provide the material or service required.
  - ii. The ability of the vendor to perform the contract or provide material or service promptly or within the time specified, without delay or interference.

- 
- iii. The character, integrity, reputation, judgment, experience, and efficiency of the vendor.
  - iv. The quality of performance of previous contracts, orders or service provided by the vendor.
  - v. The previous and existing compliance by the vendor with laws and ordinances related to the contract, order or service.
  - vi. The sufficiency of the financial resources and ability of the vendor to perform the contract, fill the order, or provide the service.
  - vii. The quality, availability and adaptability of the supplier, or contractual services to the particular use required.
  - viii. The ability of the vendor to provide future maintenance and service for the contract.
  - ix. The number and scope of conditions attached to the bid, quotation or proposal.
- f. Vendors from the local area or vendors with a favorable history with the Town of Sunderland:
- i. The Selectboard reserves the right to choose to accept a vendor from the local area (Bennington County), or a vendor with a favorable history with the Town of Sunderland, that is higher than the lowest bid.

*In addition to the above, in the case of a contract supported by federal funds, the additional criteria shall apply:*

- g. There shall be no preference exercised for local contractors or suppliers.
- h. Minority and women-owned businesses must be included in the solicitation list for the request for proposal.
- i. The Selectboard will not select a bidder who is listed on the Excluded Parties List System website (<https://www.sam.gov>).

## **8. Cooperative Contracts**

- a. The Town of Sunderland reserves the right to use National Governmental Cooperative purchasing contracts, in lieu of the above outlined purchasing procedures, to procure products, services or equipment when it is in the Town's best interest.
- b. The Town of Sunderland reserves the right to use Vermont State contracts, in lieu of the above outlined purchasing procedures, to procure products, services or equipment when it is in the Town's best interest.

## **9. Emergency Purchases**

- a. In case of an actual emergency when the purchase of supplies or equipment is essential to prevent delays in work, which may significantly affect the life, health, safety or convenience of the Town and the public, the department head in consultation with the Selectboard when possible, may make the required purchase. The department head will also submit a brief written summary of the emergency and reasons for the purchase.

## **10. AFFIRMATIVE ACTION AND LOCAL PREFERENCE**

- a. Whenever possible, qualified small, minority and women-owned businesses shall be included in the solicitation lists for bids or non-bid purchases.

- 
- b. If the purchase is federally funded in whole or in part, minority and women owned businesses must be included in the solicitation lists and all other affirmative action requirements outlined in the grant provisions must be followed.
  - c. The Town may exercise a preference for local businesses for purchases funded exclusively by the Town but only if such a preference does not result in unreasonable prices or rates due to a lack of competition.
  - d. For purchases funded in whole or in part with federal funding the Town may not exercise a preference for local businesses.

#### **11. Miscellaneous**

- a. All contractors performing work for the Town of Sunderland whether on or off Town property, must provide a Certificate of Insurance or performance bond before the project is started. The Selectboard will determine what type of instrument and limit is required and shall ensure that liability and Workman's Compensation issues are covered as appropriate to the job.
- b. All contractors performing work for the Town of Sunderland will provide all warranties (implied or otherwise) in writing and deliver them to the Purchasing Agent.
- c. The Selectboard may waive the bid process when only a sole supplier is available or during times of emergencies.
- d. This purchasing policy may be changed or revised from time to time by a majority vote of the Selectboard.
- e. This policy will be adhered to for all purchases by anyone authorized to make purchases on behalf of the Town of Sunderland.
- f. All Town employees and volunteers are encouraged to submit suggestions that will help reduce costs, promote efficiency or improve supplier service. Cost reduction ideas should strive to reduce costs without a corresponding reduction in quality or service.

#### **12. Conflict of Interest and Ethical Practices**

- a. Employees, officers and agents of the Town who are involved in the procurement and selection of bids and purchases shall make reasonable efforts to avoid real, apparent, or potential conflicts of interest.
- b. No employee, officer or agent of the Town shall participate in selection, award, or administration of a contract if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when the employee, officer or agent; any member of his or her immediate family; his or her partner; or an organization which employs, or is about to employ, any of the above, has a financial or personal interest in the firm/vendor selected for award
- c. An employee, officer or agent of the Town who is involved in the procurement and selection of a bid or purchase and who has a real or apparent conflict of interest must disclose that conflict of interest within the context of a duly-warned Selectboard meeting that occurs before the bid selection or purchase takes place. Such disclosure must be documented in the minutes for that meeting which shall be retained as part of the official record surrounding the bid or purchase.
- d. Officers, employees and agents of the Town will not solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to sub-agreements.

- 
- e. Officers, employees and agents who fail to follow the above Code of Conduct may be sanctioned or disciplined, to the extent permitted by law, for violations of the above standards.

**13. Severability**

- a. If any provisions of this Policy are found for any reason to be invalid, such decision shall not invalidate any other portion.

The foregoing Policy is hereby adopted by the Selectboard of the Town of Sunderland, Vermont, this 21 day of January 2019 and is effective as of this date until amended or repealed.

9 Mars 17 Hyde  
Chairperson  
Steven Zewitz  
M. Vignalis

[Signature]  
[Signature]