

**PURCHASING POLICY and DISPOSAL OF ASSETS POLICY
TOWN OF ST ALBANS, VT**

A. PURPOSE:

The purpose of this Purchasing Policy is to obtain the highest quality goods and services for the Town of St. Albans 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.

B. PURCHASE AUTHORIZATION:

1. Purchase authorization includes prior approval for purchases made in accord with funds appropriated in an adopted annual Town budget and/or capital budget.
2. Purchases of up to \$10,000 require Town Manager approval.
3. No purchases over \$10,000 shall be made by any Town officer or employee without the recommendation of the Town Manager to, and prior approval of, the Selectboard.
4. If the Selectboard does not approve a proposed purchase made in accord with an adopted annual Town budget and/or capital plan, the Selectboard shall issue findings as to why the appropriated funds are not being expended at that time.

C. CONTRACT LIMITS: No contract of services or purchase agreement for goods shall exceed two years. A one year extension can be awarded at the same terms of an original contract by the Town Manager. All contracts will be rebid a minimum of every three (3) years.

C. SIMPLIFIED BID PROCESS:

When making any purchase not subject to the bid process described below, officers and employees must solicit quotes from at least two vendors unless the Town Manager has approved a sole source vendor. Vendors will be selected based on cost, the quality of the goods and services offered, and/or the ability, capacity, and skill of the vendor demonstrated under prior contracts with the Town. A record of the award process will be filed with appropriate justifications. The Simplified Bid process will only be used for purchases of goods or services of less than \$5000. Note that for the purposes of quantifying a bid amount for a Simplified Bid, the entire contract price will be used, e.g., a service contract for \$3000 per year and two years would equal \$6000 and need to follow Formal Bid Process requirements.

D. FORMAL BID PROCESS:

All purchases of \$5,000 or more shall be subject to a Formal Bid process. The bid process shall be initiated by the issuance of a request for bids prepared by the Town Manager. 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, or advertisements placed in a newspaper of general circulation in the region.

E. 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; and
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.

F. BID SUBMISSION:

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

G. BID OPENING:

Every bid received prior to the bid submission deadline will be publicly opened and read aloud by the Town Manager for purchases of less than \$10,000. For purchases of \$10,000 or more, the Selectboard will be the responsible authority for awarding the bids. The bid opening will include:

1. The name and address of the bidder;
2. For lump sum contracts, the lump sum base bid and the bid for each alternate;

3. For unit price contracts, the unit price for each item and the total, if stated; and
4. The nature and the amount of security furnished with the bid if required.

H. CRITERIA FOR BID SELECTION:

In evaluating bids, the following criterion will be considered:

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

The Town 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 Town reserves the right to investigate the financial responsibility of any and all bidders to determine the ability of the bidder to assure service throughout the term of the contract.

I. 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 Town 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.

J. EXCEPTIONS:

1. Sole Source Purchases: If the Town Manager determines that there is only one possible source for a proposed purchase, the bid process may be waived and the purchase from the sole source authorized. Sole source purchases of more than \$5000 must be approved by the Selectboard.
2. Emergency Purchases: The Selectboard and/or Town Manager may award contracts and make purchases for the purpose of meeting a 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.

DISPOSAL OF TOWN ASSETS:

The Town may transfer ownership or otherwise dispose of a capital asset after the Town Manager has decided on reasonable grounds that the asset is not needed, is an economic liability, or the disposal would otherwise serve the best interests of the Town.

The following guidelines apply to disposal of Town Assets:

1. Sale or transfer of fixed property (e.g. land and buildings) requires approval of the Selectboard;
2. The disposal of equipment and other non-fixed assets shall be managed by the Town Manager after informing the Selectboard of the intent to dispose of the asset;
3. The best possible return for the municipality should be achieved;
4. Adverse environmental impacts should be avoided;
5. A public announcement shall be made about the availability of assets for sale, trade or other means of disposal.
6. A simplified bidding process for assets valued under \$5,000 shall be acceptable. For assets valued at \$5,000 or over, formal bid requirements shall be met; and
7. The Town Manager may donate assets such as obsolete furniture, redundant equipment, and computer equipment to registered charitable organizations in the community.

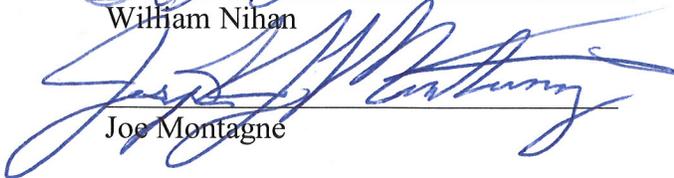
The Town Manager and Selectboard will make reasonable attempts to place proceeds from the disposal of assets in the account of the department using or managing the disposed asset.

The foregoing Policy is hereby adopted by the Selectboard of the Town of St Albans, Vermont, this 23rd day of January 2012 and is effective as of this date until amended or repealed. Adoption of this policy serves to void any previously adopted Purchasing Policy, Disposal of Town Assets Policy and/or portion of any other Policy that could affect the terms covered by this Policy.

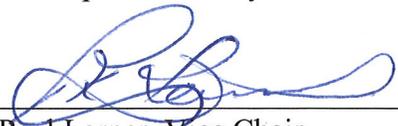
William Walker, Chair



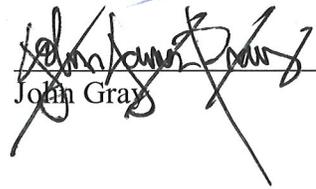
William Nihan



Joe Montagne



Paul Lerner, Vice Chair



John Gray