

TOWN OF HARRISON



MUNICIPAL PURCHASING POLICY

This Municipal Purchasing policy passed by the Board of Selectmen on May 8, 2014 shall supersede any previous Municipal Purchasing policy in place prior to this date.

MUNICIPAL PURCHASING POLICY

1 PURPOSE

- 1.1 To establish guidelines for the purchase of supplies and services for the Town of Harrison.

2 DEFINITIONS

2.1 Field Purchase

- 2.1.1 An informal purchase of supplies needed in small quantities for day-to-day operation made directly by a department head or his designated representative from any vendor.

2.2 Formal Bid

- 2.2.1 A written quotation obtained in a sealed envelope from an approved vendor, having been publicized, and opened at a specified day, place, and time.

2.3 Invitation to Bid

- 2.3.1 The complete assembly of related (whether attached or incorporated by reference) material furnished prospective bidders for the purpose of submitting sealed bids.

2.4 Informal Bid

- 2.4.1 Written or oral quotation obtained from an approved vendor, but not required to be opened publicly at a specified day, place, and time. Annually, Public Works does a generic bid request for material and equipment rental rates which shall be considered an informal bid.

2.5 Bid most advantageous to the Town

- 2.5.1 A bid chosen on the basis of price, quality of merchandise, suitability of merchandise, and service/reputation of the vendor and, therefore, may not necessarily mean the lowest bid received.

2.6 Competitive Bidding

- 2.6.1 The process of obtaining the bid most advantageous to the Town for any purchase, whether through formal or informal procedures.

2.7 Emergency

- 2.7.1 Any situation or circumstance which will inhibit the department from providing delivery of services when said services are, or may be, needed.

2.8 Cooperative Purchase

- 2.8.1 Purchases made by the Town in conjunction with, or from, another governmental or quasi-governmental agency such as the State of Maine, school, county, another municipality, or Ecomaine.

- 2.9 Purchase
 - 2.9.1 Buying, renting, leasing or otherwise acquiring supplies or services for a price.
- 2.10 Supplies
 - 2.10.1 All supplies, materials and equipment.

3 PURCHASING AGENT

- 3.1 The Town Manager shall be the purchasing agent for the Town. Responsible for overseeing all purchases of supplies, materials, and equipment for use by the Town.
- 3.2 The purchasing agent may make cooperative purchases without competitive bidding, if the purchasing agent determines the purchase being made after competitive bidding by the cooperative entity is at a price more advantageous than the Town would be likely to obtain by competitive bidding on its own.
- 3.3 The purchasing agent may waive the requirements for competitive bidding in cases of emergency or when the purchase is inappropriate for competitive bidding due to the nature of the item, time constraints, or other limiting factors.

4 DUTIES OF DEPARTMENT HEADS

- 4.1 Determine acceptable quality of commodities and supplies to be purchased.
- 4.2 The department heads are empowered to reject any unacceptable supply of goods and or materials provided to the Town by a vendor on the grounds of low quality. The department head shall notify the purchasing agent of the rejection and supply a written report supporting the rejection.
- 4.3 Prepare purchases with an eye towards cooperative purchasing, and keep corresponding records to facilitate correct accounting charges. Department heads shall be responsible for signing off on invoices for goods and services purchased by their department.
- 4.4 When appropriate, report to the purchasing agent the following:
 - 4.4.1 Items beyond use
 - 4.4.2 Items being replaced or to be replaced
 - 4.4.3 Items no longer of use to the department operations
- 4.5 Maintain adequate supplies on hand to minimize the need for direct field purchases.
- 4.6 All other duties as outlined in this document.
- 4.7 Purchases made in emergency circumstances shall be considered to be exempt. Notification that the emergency exists is made to the town manager and a discussion between the Department Head and Town Manager takes place as to the nature of the emergency, the source of funding for the emergency purchase, and the most advantageous manner in which to make the purchase.
- 4.8 Any department head found to knowingly make purchases not in the best interest of the Town shall be subject to reprimand by the Town Manager.

5 FORMAL BIDDING

- 5.1 Any purchases \$25,000 or greater must be approved by the Board of Selectmen.
- 5.2 The procedure for formal bidding shall be as follows:
 - 5.2.1 Invitation for bids: The department head or purchasing agent shall prepare the invitation for bids, describing the Town's requirements clearly, accurately, and completely, but avoiding unnecessarily restrictive specifications for requirements that unduly limit the number of bidders.
 - 5.2.2 All bids/quotes shall include delivered prices, terms of payments, and cash discounts, if applicable.
 - 5.2.3 The purchasing agent shall determine that the requirements are clearly, accurately, and completely stated within the invitation to bid. Every invitation to bid shall note that all purchases are subject to the conditions set forth in Section 7, hereof.
 - 5.2.4 The department head or purchasing agent shall publicize the invitation for bids through distribution to prospective bidders, posting at the approved posting locations in town, or other means as the purchasing agent determines is appropriate, at least ten (10) calendar days prior to the times set for public opening of sealed bids.
 - 5.2.5 Bidders shall submit sealed bids to the Town prior to the date and time specified for the opening of bids.
- 5.3 Late bids shall not be accepted; however, bids postmarked no later than one day prior to the due date, but delivered on the same day of the bid opening, even if the bid opening has occurred, shall be considered timely. In no case shall a bid received the next day be considered.
- 5.4 Bids shall be publicly opened at the time and place specified in the invitation to bid. A contract may then be awarded to the responsible bidder whose bid meets all specifications required by the Town and whose bid is determined to be the most advantageous to the Town. Award may be delayed pending verification of the bidder's credentials, insurance (if required), and references or review of the bids received.
- 5.5 Nothing in this section shall preclude the Town from rejecting any and all bids, as provided in Section 7, as policy.

6 INFORMAL BIDDING

- 6.1 Any purchases \$25,000 or greater must be approved by the Board of Selectmen.
- 6.2 The department head or purchasing agent shall solicit competitive bids/quotes either by written notice sent to approved vendors, posting at the approved posting locations, or by email or telephone communication.
- 6.3 The notice shall contain specification as to the quantity and quality required; the availability of bid/quote packages or other details; and the date and time when bids/quotes must be received. Any solicitation or advertisement shall note that all purchases are subject to the condition set forth in this section.
- 6.4 All bids/quotes shall include delivered prices, terms of payments, and cash discounts, if applicable.
- 6.5 If oral quotations are accepted, the purchasing agent or department head shall make a record of the quotation, the person from whom the quote is received, and the date and time the quote is received by the Town.

7 ADMINISTRATIVE PROCEDURES AND CONDITIONS

- 7.1 Competitive bids shall be administered by the purchasing agent and shall be subject to the following conditions:
 - 7.1.1 Invitations for Bids, Requests for Bids, Request for Proposals, and Requests for Qualifications shall be mailed or advertised at least ten (10) calendar days prior to the time set for public opening of sealed bids.
 - 7.1.2 Bids shall be noted with the time and date received.
 - 7.1.3 A copy of email bids shall be retained.
 - 7.1.4 The department head or purchasing agent shall keep a record of all bids submitted, and such records shall be open for inspection.
 - 7.1.5 All bidders shall be notified in writing of bid results within ten days after the bids are opened.
 - 7.1.6 Tie bids shall be resolved by the Town Manager, except if the price exceeds \$25,000, then the Board of Selectmen shall resolve the tie.
 - 7.1.7 All bids shall be awarded on the basis of the bid most advantageous to the Town which may or may not be the lowest bidder.
- 7.2 The purchasing agent or department head shall attempt to solicit at least three approved vendors on every purchase subject to informal bidding procedures. If less than three bids are received or if in the opinion of the department head or purchasing agent, no bids are acceptable, re-bidding may be required.
- 7.3 The Town reserves the right to reject any and all bids, or to accept the bid that appears to be in the best interest of the Town, investigate the qualifications of any bidder, and to waive or not waive any and all informalities in the bids when making an award.
- 7.4 If an award is made to other than the low bidder, the purchasing agent shall inform the Board of Selectmen of the reasons for determining that the low bid was not the bid most advantageous to the Town, together with all papers relating to the bidding process.
- 7.5 The Town retains custody of all bids submitted, pursuant to this Policy.

GIVEN UNDER OUR HANDS THIS 8th DAY OF MAY A.D. 2014

HARRISON BOARD OF SELECTMEN:

William Winslow, Chairman

Kathy Laplante, Vice Chairman

Matthew Frank

Richard St. John

A True Copy

Attested _____

Date _____