

**TOWN OF MONTGOMERY**  
**PROCUREMENT POLICY FOR ALL GRANT PROGRAMS**

- I. **PURPOSE.** The purpose of this Purchasing Policy is to obtain the highest quality goods and services for the Town of Montgomery 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. This policy shall apply only to procurement of goods and services with federal funds authorized by the Stafford Act (including FEMA declarations and Homeland Security grants).
- II. **AFFIRMATIVE ACTION AND LOCAL PREFERENCE.** Whenever possible, qualified small, minority and women-owned businesses shall be included in the solicitation lists for bids or non-bid purchases. The Town may not exercise a preference for local businesses for purchases funded in whole or in part with federal funding.
- III. **CODE OF CONDUCT.** Employees, officers and agents of the Town, including volunteers, 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. 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 selected for award.

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.

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 subagreements. 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.

- IV. **DOCUMENTATION.** Records documenting the procurement process for any Minor or Major purchases, as those terms are defined below, including the reason for the specific procurement method chosen, the basis for the award and contract pricing (showing evidence that the process was fair and equitable), as well as any other significant decisions that were part of the procurement process shall be maintained for a period of at least

three years from the date of the submission to the Federal government of the final expenditure report if the purchase or project was funded with federal grants, or until the completion of any litigation, claim, negotiation, audit, or other action involving the records, whichever is longer. Otherwise, records shall be maintained by the Town in accordance with the retention and disposition schedules as set by the Vermont State Archivist.

#### V. PURCHASING AUTHORITY.

- a. Board. For the purposes of this policy, the term "Board" shall refer to the Montgomery Selectboard
- b. Purchasing Agents. The purchasing agent will be determined by the Board at the time of the grant application and will depend on the nature of the grant. The purchasing agent may be the Department Head or Committee Chair of the Town entity that is receiving the grant.
- c. Purchasing Agents are responsible for ensuring that the best possible price and quality are obtained with each purchase and Purchasing Agents shall review all proposed procurements to avoid unnecessary or duplicative purchases of equipment, supplies and services. Purchasing Agents shall also ensure that competition is not restricted with limits on the geographic location of vendors, with unreasonable requirements or qualifications placed on vendors, or by allowing vendors to be selected who have engaged in noncompetitive pricing practices.
- d. Micro Purchases. Employees who have been designated to act as Purchasing Agents may make purchases of up to \$5,000 without prior approval, provided those purchases are limited to the amount of the grant budget previously authorized by the Board. To the extent practicable, micro-purchases must be distributed equitably among qualified suppliers.
- e. Minor Purchases. For purchases between \$5,000 and \$150,000, price or rate quotes must be obtained from two or more qualified sources following the affirmative action provision of this policy and all provisions regarding fair and unrestricted competition. Vendors will be selected based on cost, the quality of the goods and services offered, and the ability, capacity, and skill of the vendor demonstrated under prior contracts with the Town.
- f. Large purchases with a value of \$150,000 or more must follow a sealed bid process as outlined below.
- g. Construction projects of any value must follow a sealed bid process as outlined below, or an "At-The-Ready" process with pre-qualified Vendors as State/Federal law allows.

VI. SEALED BID PROCESS. The sealed bid process shall be initiated by the issuance of a Request for Bids prepared by the Selectboard or its designee. 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, and advertisements placed in a newspaper of general circulation in the region.

VII. BID SPECIFICATIONS. A list of bid specifications shall be prepared for each purchase over \$150,000 and shall be available for inspection at the Town office. 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. A copy of the proposed contract.
7. Any special requirements unique to the project or purchase.
8. Delivery or completion date.
9. For construction projects, language that sets a requirement for a bid guarantee in the amount of 5% of the bid price from all bidders, as well as performance and payment bonds in the amount of 100% of the contract price from the contractor awarded the bid. The bidders must also include costs for Davis Bacon compliance if that is a requirement of the federal agency providing the funding.
10. For construction projects over \$2,000, a statement that contractors will be provided with a copy of the most current wage determination (from the DOL website at <http://www.wdol.gov/dba.aspx>) and must comply with the Davis Bacon Act.
11. Language that reserves for the Selectboard 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 Selectboard reserves the right to investigate the financial responsibility of any bidder to determine his or her ability to assure service throughout the term of the contract.

Once a Request for Bids has been issued, the bid specifications will be available for inspection at the Town office.

VIII. BID SUBMISSION. All bids must be submitted in sealed envelopes, addressed to the Town in care of the Selectboard, 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 by the bidder. 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.

IX. BID OPENING. Every bid received prior to the bid submission deadline will be publicly opened and read aloud by the Selectboard. The bid opening will include the name and address of bidder; for lump sum contracts, the lump sum base bid and the bid for each alternate; for unit price contracts, the unit price for each item and the total, if stated; and the nature and the amount of security furnished with the bid if required.

X. CRITERIA FOR BID SELECTION. In evaluating bids, the Selectboard will consider the following criteria:

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.
9. Contract provisions that are acceptable to the Town.
10. For construction projects over \$2,000, contractor's indication of acceptance of wages in the current wage determination provided as part of the Request for Bids.
11. Any other factors that the Selectboard determines are relevant and appropriate in connection with a given project or service.
12. There shall be no preference exercised for local contractors or suppliers.
13. The Selectboard will not select a bidder who is listed on the Excluded Parties List System website (<https://www.sam.gov>).

XI. 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 Selectboard 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.

XII. EXCEPTIONS. The following exceptions may apply, however there must be written documentation created and maintained that outlines the process and rationale for such exceptions:

- a. Competitive Proposals. If time does not permit the use of sealed bids, or the award will be made on the basis of non-price related factors, a competitive proposal process shall be initiated by the issuance of a Request for Bids (RFB) or Request for Qualifications (RFQ) prepared by the Selectboard or its designee that includes the factors that will be used to evaluate and compare the proposals. Bids or qualifications shall be obtained from an adequate number of qualified sources (at least two vendors) to ensure that the Town has received a fair and reasonable price and all notification and record keeping requirements of the sealed bid process shall be followed. If architectural or engineering services are being solicited, this process should be used with the most qualified firm or individual awarded the bid and price or fees negotiated after the award. If competitive proposals are used, all of the above steps in the sealed bid process should be followed except that: 1) the bid submission need not be sealed; and 2) price will not be the primary factor in the proposal selection.
- b. Sole Source Purchases. If the Selectboard determines that there is only one possible source for a proposed purchase, it may waive the bid process and authorize the purchase from the sole source. The Selectboard must document efforts made to find other sources.
- c. Emergency Purchases. The Selectboard may award contracts and make purchases for the purpose of meeting the 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.

The foregoing Policy is hereby adopted by the Selectboard of the Town of Montgomery, Vermont, this 17<sup>th</sup> day of February, 2020 and is effective as of this date until amended or repealed.

Selectboard:



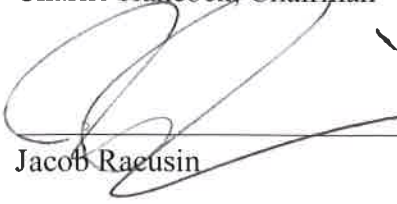
Charlie Hancock, Chairman



Darren Drevik, Vice Chairman



Mark Brouillette

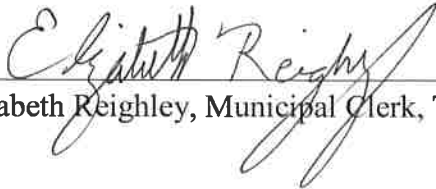


Jacob Raesin



Leanne Barnard

Attest:



Elizabeth Reighley, Municipal Clerk, Town of Montgomery

Date:

2/20/2020