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TOWN OF HAMPDEN
IN THE TOWN COUNCIL

Eric Jarvi (A/L)
Ivan McPike (A/L)
Shelby Wright (A/L)

Order 2020-05

Adoption: Sept. 6th, 2017

Amended: Sept. 21st, 2020

ORDER ESTABLISHING BID PROCEDURES FOR PUBLIC PURCHASING

ORDERED, that the Town Council hereby approves the following procedures for public purchasing. This Order rescinds and replaces the Hampden Town Council Bid Procedure Guidelines most recently amended on June 15, 2009.

1. **Purposes.** The purposes of these Bid Procedures for Public Purchasing are to standardize the purchasing procedures of the Town of Hampden thereby securing for the Town the advantages of a centralized and uniform purchasing policy saving the taxpayers' money and increasing public confidence in the procedures for municipal purchasing; to promote the fair and equitable treatment of all vendors of goods and services; and to set forth the duties and responsibilities of the Department Heads and the Town Manager, thereby fostering interdepartmental cooperation and trust in the purchasing system.
2. **Vendor List.** The Town Manager shall establish a Vendor List organized based on different types of goods and services that the Town may wish to procure, from time to time. Vendors may be added to the Vendor List upon the initiative of the Town Manager or Department Heads, on the basis of vendor responsibility and quality, or upon vendor submittal of qualifications materials. The Vendor List shall be a public document available for inspection upon request and shall be updated by the Town Manager at least annually.
3. Purchasing procedures are established based on the estimated dollar value of the goods or services to be procured:
 - a. **Supplies or Services Estimated to Cost less than \$10,000.** The Town Manager, or designee, shall handle purchases under a quotation system. Under this system prices are solicited from at least three vendors and the item or service is purchased from the vendor that the Town Manager, or designee, recommends. There is no formal bid advertisement however, and no official sealed bid opening when a quotation is requested. All quotations shall specify delivered prices, terms of payment and cash discounts if applicable. If oral quotations are accepted, the Town Manager,

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or designee, shall make a record of the quotation including the person from whom the quote is received, and the date and time the quote is received.

- b. Supplies or Services Estimated to Cost More than \$10,000 but Less than \$50,000. Department Head shall prepare written specifications as to quantity and quality required, the availability of bid packages or other details, and the date and time when bids must be received. Department Head shall seek written bids from at least three vendors, or such greater number of vendors included in the Vendor List that customarily provide the applicable good or service. Specifications with bid sheet shall be posted to the "Public Bids and Notices" page on the Town of Hampden website, and posted on a bulletin board at the Town Office. The specifications will include the date and hour by which bids must be received in order to be considered. Bidders shall submit bids prior to the date and time specified for opening of bids; late bids shall not be accepted. After opening of all bids, the Department Head or Town Manager will prepare a recommendation regarding the most responsive bidder and report same to the Town Council at the next regularly scheduled Council meeting. A majority vote of the Councilors present is required to accept a bid. The Town Council reserves the right to accept or reject any or all bids. All bid results will be posted to the Town of Hampden website within three business days after the purchasing is awarded.

- c. Supplies or Services Estimated to Cost More than \$50,000. The Department Head or Town Manager shall prepare an Invitation for Bids describing the Town's requirements clearly, accurately and completely, but avoiding unnecessarily restrictive specifications or requirements that might unduly limit the number of bidders. The Invitation for Bids will be advertised in a newspaper of regional circulation, on the "Public Bids and Notices" page on the Town of Hampden website, and posted on a bulletin board at the Town Office, at least ten calendar days prior to the time set for public opening of sealed bids. The Invitation for Bids will specify the date and the hour of an official public bid opening by the Town Clerk at the Town Office. Bidders shall submit sealed bids prior to the date and time specified for opening of bids; late bids shall not be accepted. After opening of all bids, the Department Head or Town Manager will prepare a recommendation regarding the most responsive bidder and report same to the Town Council at the next regularly scheduled Council meeting. A majority vote of the Councilors present is required to accept a bid. The

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Town Council reserves the right to accept or reject any or all bids. All bid results will be posted to the Town of Hampden website within three business days after the purchasing is awarded.

4. Waiver.
 - a. Town Council Authorization. When unusual circumstances exist, purchases estimated to cost more than \$10,000 but less than \$50,000 may be negotiated by use of the quotation system as provided in the above Article #3(a), and purchases estimated to cost more than \$50,000 may be negotiated by use of the bid solicitation system as provided in the above Article #3(b), each subject to the approval of the Town Council. "Unusual circumstances" include but are not confined to limited availability of the product or service within the area including, but not limited to, blacktop, tar, asphalt, salt, calcium chloride; a limited number of vendors providing a particular good or service; and short term rental of equipment. In its consideration of whether to authorize this manner of purchasing, the Town Council shall consider whether doing so would be reasonably expected to impair the Town's ability to secure the most advantageous purchasing terms.
 - b. Town Manager Authorization. The Town Manager may waive the requirements for formal bid solicitation as provided in the above Article #3(c), and may instead follow the procedures in Article #3(b), in cases of emergency or time constraints that would affect the Town's ability to perform mandated functions, provided that the Town Manager shall file a full and complete statement of the reasons for waiving the formal bid solicitation process.
5. Cooperative Purchasing. The Town Manager may make cooperative purchases in conjunction with other governmental entities, without competitive bidding, if he/she determines the purchase is being made after competitive bidding by the cooperative entity or at terms more advantageous than the Town would be likely to obtain by competitive bidding.
6. Records Retention. The Department Head or the Town Manager shall keep a written record for all public purchases in the amount of \$10,000 or more, which shall include a record of all bids submitted, for six years following the purchase award. All written records shall be available for public inspection, except that proposals submitted in response to an Invitation for Bids remain confidential until

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the completion of the evaluations or until the time for acceptance specified in the Invitation for Bids, whichever is earlier.

7. Disposition of Town-owned equipment. In the event the Town or Department wishes to dispose of town-owned equipment with a value exceeding five thousand dollars (\$5,000) the Town Council will advertise for bids. Said advertisement shall state an official bid opening by the Town Clerk at the Town Office, specifying the date and hour of the public opening of same. After opening of all bids, the Department Head or Town Manager will prepare a recommendation regarding the most responsive bidder and report same to the Town Council at the next regularly scheduled Council meeting. A majority vote of the Councilors present is required to accept a bid. The Town Council reserves the right to accept or reject any or all bids.

For town-owned equipment with a value of less than five thousand dollars (\$5,000), the Town Manager shall handle such disposition under a notice of public sale. Under this system, there will be no formal bid advertisement. Values are provided by the Department Head or otherwise solicited by the Town Manager. A comprehensive listing of items, including photographs and a minimum price (if applicable) will be posted to the Town of Hampden website. Notice of public sale will also be posted in the customary locations for agenda and informational postings within the Town. Items for public sale will be sold on an "as is" basis with a two-week deadline to submit an offer. At the conclusion of the deadline, the item is sold to the buyer that the Town Manager recommends. Payment is due within 7 days and no item will be released to purchaser until payment is received.. After a public sale has been exhausted, the Town Manager shall have the option to send remaining items to public auction.

Equipment that is traded in as part of a separate but related equipment purchase shall not be required to undertake a separate bid process provided that the purchase that includes the trade-in is handled in accordance with these procedures. It shall be the discretion of the Town Manager as to when a trade-in is the most advantageous to the Town with regard to pricing, timing and any legal requirements.

