

Town of Prospect

Municipal Procurement Policy

PURPOSE:

In an effort to treat all suppliers equitably, the Select Board desires to set standards for the purchase of goods, materials, and services for the Town of Prospect. The Select Board seeks to standardize the purchasing / bidding procedure, promote fair and equitable treatment of all suppliers and set forth the duties of those involved. This shall include, but not be limited to purchases for office supplies, goods and services, materials, equipment etc.

SECTION 1. DEFINITIONS:

1. Bid most advantageous to the Town.

"Bid most advantageous to the Town" means a bid chosen on the basis of price, quality of merchandise, suitability of merchandise, service reputation and most responsive and responsible bidder and therefore may not necessarily mean the lowest bid received.

2. Competitive Bidding.

"Competitive bidding" means the process of obtaining the bid most advantageous to the Town for any purchase, whether through formal or informal bidding procedures.

3. Contract.

"Contract" means all types of agreements with the Town of Prospect, regardless of what they may be called, for the procurement of supplies, services, or construction.

4. Cooperative Purchase.

"Cooperative Purchase" means a purchase made by the Town of Prospect in conjunction with or from another government or quasi-governmental agency, such as but not limited to, the State of Maine, the County of Waldo, or another Municipality.

5. Disqualification of Bidders.

"Disqualification of Bidders" means the Select Board of the Town of Prospect shall have the authority to disqualify bidders who default on their bids, quotations, contracts or purchase orders from receiving further awards from the Town. Such decisions will be subject to the right of the disqualified bidder to appeal to the Select Board for a reversal or reinstatement.

6. Emergency Procurement.

"Emergency Procurement" means any purchase that is needed and the regular procedure for procurement cannot be followed. This includes but is not limited to: repairs needed to ensure the safety or welfare of the public, tow truck services, or any other purchases deemed necessary by the department head at that time.

7. Field purchase.

"Field purchase" means an informal purchase of supplies needed in small quantities for day-to-day operations made directly from a vendor.

8. Formal bid.

"Formal bid" means a written quote obtained in a sealed envelope from a vendor or through advertisement and opened at a specific day, place and time.

9. Informal bid.

"Informal bid" means a written or oral quote obtained from a vendor but not required to be opened publicly at a specified day, place and time.

10. Procurement.

"Procurement" means the buying, purchasing, renting, leasing, or otherwise acquiring of any supplies, services, or construction. It also includes all functions that pertain to the obtaining of any supply, service or construction, including description or requirements, selection, and solicitation of sources, preparation and award of contract and all phases of contract administration.

11. Purchase.

"Purchase" means buying, renting, leasing, or otherwise acquiring supplies or services for a price.

12. Purchase Order.

"Purchase Order" means the Town's written document to a supplier formally indicating the types, quantities, and agreed prices for products or services the seller will provide. A purchase order commits the Town of Prospect financially by encumbering funds.

13. Request for Proposals/Invitation to Bid.

"Request for Proposals/Invitation to Bid" means all documents, whether attached or incorporated by reference, utilized for soliciting proposals.

14. Responsive Bidder.

"Responsive Bidder" means a person who has submitted a bid which conforms in all material aspects to the requirements set forth in the request for proposals.

15. Services.

"Services" means the lease or rental of all equipment required by the Town, the repair or maintenance of equipment or real property owned by or is the responsibility of the Town and all labor furnished to the Town by persons, firms.

16. Specifications.

“Specifications” means any description of the physical or functional characteristics or of the nature of a supply, service, or construction item. It may include a description of any requirement for inspecting, testing, or preparing a supply, service, or construction item for delivery.

17. Supplies.

“Supplies” means any property, including but not limited to equipment, materials, printing, insurance, and leases of real property, excluding land or a permanent interest in land.

SECTION 2: APPLICABILITY

This policy applies to all sales and purchases made by the town, unless otherwise specified herein.

SECTION 3: PURCHASE ORDERS

Purchases under \$4,500 may follow the Informal Bid Procedure.

All purchases over \$4,500 must follow the Formal Bid Procedure.

All bids solicitations will have details of exact requirements for supplies, services and/or materials to be provided by the contractor. All bid solicitations must state that inspection of completed project will take place by a designated inspector immediately after the Town is notified of completion of project by contractor. Payment will be issued upon successful inspection.

SECTION 4: INFORMAL BID PROCEDURE

The Town of Prospect will maintain a list of approved contractors for the purchase of supplies, services and/or materials in an amount less than \$4,500. Written quotes/estimates will be attached to the purchase order before the Select board will approve, unless in the event of an emergency as determined by the Select Board.

The information required is as follows: the person from whom the quote was received, the amount of the quote, the date and time the quote was received, and any other information deemed necessary.

SECTION 5: FORMAL BID PROCEDURE

All purchases over \$4,500 shall utilize public notice of bid request for solicitation of sealed bids. All bids shall conform to the specific format listed in each bid request, and mailed to or filed by the office clerks. Each bid shall be date and time stamped when received. No official or employee of the town shall open such bid until the appointed time. At the time and place stated in the public notice, all bids shall be opened publicly by the Review Team. The Review Team shall consist of the Select Board, or other Town Officials designated by the Select Board. Such bid openings shall be open to the public.

SECTION 6: EVALUTION OF COMPETITIVE BIDS

The review team shall determine if each bid has conformed to bid requirements and meets the bid

specifications. During the opening of the bids, the bid solicitation shall be read in full first, followed by each bid submission. Bids that do not conform to the bid requirements or meet bid specifications shall not be considered for pre-approval or be recommended for final approval to the Board of Selectmen. Late bids will not be accepted. In addition to price the Board will award the bid to the most responsive and responsible bidder based upon, but not limited to, the following criteria:

- a) The overall total cost;
- b) The ability, capacity and skill of the bidder to perform the bid or provide the service specified;
- c) Whether the bidder can perform the bid or provide the service promptly, or with the time specified, without delay or interference;
- d) The quality of performance of previous bids;
- e) The previous existing compliance by the bidder with the laws and ordinances relating to the bids;
- f) The sufficiency of the financial resources and ability of the bidder to perform the bid;
- g) The quality, availability and adaptability of the supplies, or contractual services to the particular use required;
- h) The number and scope of conditions attached to the bid;
- i) Such other factors as may be indicated in writing by the agent that demonstrate that the bid is not in the town's best interest and does not promote the purposes of this policy.
- j) All bids will be awarded at the sole discretion of the Select Board.

SECTION 6: BID CORRECTIONS

After bid opening, a bidder may NOT change the price or any other bid provision in a manner prejudicial to the interests of the town or fair competition. If a clerical or administrative mistake is made, and the intended bid is clearly evident on the face of the bid document, the review team, or Select Board, may correct the mistake to reflect the intended correct bid and notify the bidder in writing of the correction. For example, if a bid proposes a unit price, but the extension of such price contains an arithmetic error and the intent of the bid is clear, such informality may be waived.

SECTION 7: ACCEPTANCE-REJECTION

The Select Board reserves the right to accept or reject any and all bids or proposals and reserves the right to waive any informality in proposals as they deem in the best interest of the Town and awarded to the most responsive and responsible bidder.

SECTION 8: EMERGENCY PROCUREMENT

Notwithstanding any other provisions of this Policy, the Select Board may make, or authorize others to make, emergency procurements of supplies, services, or construction items when there exists a threat to public health, welfare, or safety; provided that such emergency procurements shall be made with such competition as is practical under the circumstances.