

Town of North Yarmouth Purchasing Policy

Section 1. Purpose

The purposes of this policy are: to set forth the duties and responsibilities of the Town Manager, Department Heads and the Board of Selectmen; to standardize the purchasing policies of the Town of North Yarmouth, 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 establish an overall purchasing policy from which the Town Manager will establish procedures to be utilized by all Town departments, as well as committees that receive budgetary appropriations from the Town; and to promote the fair and equitable treatment of all suppliers of goods and services.

Section 2. Definitions

- A. **Approved vendors and contractors**— means those vendors and contractors identified by each department head to the Town Manager. The Town Manager is responsible for maintaining the list of such approved parties for bidding purposes and for promoting and soliciting North Yarmouth vendors and residents for said list. The Town Manager shall keep detailed lists for each department on file at all times. Such listing shall be reviewed and updated every two fiscal years.
- B. **Bid most advantageous to the Town** – means a bid chosen on the basis of price, quality of merchandise, suitability of merchandise and the service reputation of the vendor, and therefore may not necessarily mean the lowest bid received.
- C. **Competitive bidding** – means the process of obtaining the bid most advantageous to the town for any purchase, whether through formal or informal bidding procedures.
- D. **Field purchase** – means an informal purchase of supplies needed in small quantities for day-to-day operation made directly by a department head or his/her designated representative from an approved vendor.
- E. **Formal bid** – means a written quotation obtained in a sealed envelope from an approved vendor or through advertisement and opened at a specific day, place, and time either by the Town Manager or the Board of Selectmen
- F. **Emergency** – A situation by its nature and severity, that would require an override of the timeframes set out in this policy.
- G. **Informal bid** – means a written or oral quotation obtained from an approved vendor or contractor, but not required to be opened publicly at a specified day, place, and time.
- H. **Purchase** – means buying, contracting, renting, leasing or otherwise acquiring supplies or services for a price.

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I. **Services** – means the lease or rental of all grounds, buildings, offices, space or equipment required by the Town, the repair or maintenance of all equipment or real property owned by or the responsibility of the Town, and all labor furnished to the Town by persons, firms, individuals or corporations not part of or connected with Town Government.

J. **Specifications** – means standards, including quality, set by department heads as a guide to the Town Manager and as a measure of that which successful vendors must achieve. Specifications shall be either technical specifications for bids, which shall state formulations as broadly as practicable, yet shall be specific enough to describe the requirements of the department or non-technical specification for bids, which shall state the quality required in general terms.

Section 3. Applicability

This policy shall apply to all purchases and services made by or used by departments and agencies of the Town, except as otherwise specified herein.

Section 4. Purchasing Parameters

A. Spending Authorization

The Town Manager is designated as the Purchasing Agent for the Town. Accordingly, the Manager and Department Heads are authorized to spend within budget appropriations. Purchases within the dollar ranges specified below must meet the requirements listed. Dollar ranges are per piece or in order total, which ever would meet the dollar range last and are meant to be guidelines and not rigidly defined.

B. Products, Goods & Equipment

1. **\$0 - \$499.** Defined as Field purchases

2. **\$500-\$4,999.** Purchase Order authorized in advance is required. Formal competitive bidding is not required. However, the purchaser should endeavor to get the best value for the money spent. Town Manager or designee will approve the purchase.

3. **\$5,000 - \$99,999.** Purchase Order authorized in advance is required. Informal bids will be solicited from a minimum of three bidders, if available. Preferably these bidders will be found on the department list of approved vendors and contractors. The quotes will be attached to the purchase order. If within appropriation amounts, the purchase only needs approval by the Town Manager; if outside the appropriation amounts, needs a recommendation by the Town Manager and approval from the BOS.

4. **\$100,000& Over** Written bid specifications or equivalent shall be created by the Department Head and approved by both the Town Manager and the BOS prior to being advertised. This is a formal bid process. The BOS has the final awarding responsibility. The BOS will award to the Bid Most Advantageous to the Town.

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5. **Record of Formal Bids.** The Town Manager shall keep a record of all bids submitted, and such record shall be open to proper inspection by any interested party.

6. **Disqualification of Bidders.** The Town Manager 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 BOS for a reversal or reinstatement.

7. **Rejection of Bids.** The Town Manager shall have the authority to reject any and all bids, (or RFPs) received in response to invitations for bids (or RFP) are deemed non-responsive, token, collusive or otherwise non-acceptable and when such action is in the best interests of the Town.

8. **Product & Warranty Information.** The Town Manager shall be responsible for these documents and for ensuring that appropriate insurance coverage is secured.

9. **Authorization of Documentation.** The Town Manager has the authorization to execute such documents that are required to perfect the purchase.

C. Services' Contract

1. **\$0 - \$4,999.** Under 1 year in duration Purchase Order authorized in advance; formal competitive bidding is not required; contractor shall be on the approved vendors and contractors list. Town Manager or designee will approve the contract.

2. **\$5,000 - \$49,999.** Under 2 years in duration. Purchase Order authorized in advance is required. Informal bids shall be solicited from a minimum of three bidders, if available. Preferably these bidders will be found on the department list of approved vendors and contractors. The quotes will be attached to the purchase order. If within appropriation amounts, the contract only needs approval by the Town Manager; if outside the appropriation amounts it needs a recommendation by the Town Manager and approval from the BOS.

3. **\$50,000. & Over- Under 3 years in Duration.** Written RFP specifications or equivalent shall be created by the Town Manager and approved by the BOS prior to being advertised. The RFP shall be advertised by the most efficient means possible, in order to encourage the widest possible competition. Sealed proposals shall be specified and opened at a public meeting by the Town Manager. The BOS has the final awarding responsibility. The BOS may award the service contract to someone other than the lowest bidder if they feel that it is in the best interests of the Town.

4. **\$50,000. & Over 3 years in Duration.** Contract requires ratification of an annual Town meeting vote.

5. **Record of RFPs.** The Town Manager shall keep a record of all RFP submitted, and such record shall be open to proper inspection by any interested party.

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6. Contract Information. The Town Manager shall be responsible for these documents and for ensuring that appropriate insurance coverage is secured. All contracts shall contain language that it falls under the jurisdiction of the State of Maine legal provisions, and should their duration extend over 1 year, that the contract is subject to a non-appropriation clause.

7. Authorization of Documentation. The Town Manager has the authorization to execute such documents that are required to perfect the contract.

D. Planning Board Peer Review Process

According to Article IV, Section 4-4 D. Fees (or the appropriate corresponding ordinance section of the North Yarmouth Land Use Ordinance). "In addition, the Planning Board may refer the developer to a firm, or individual chosen by the Planning Board, for peer review submissions. The peer review process is part of this policy, though the Chairman of the Planning Board has the authority to make a direct recommendation to the BOS for the approval of the contract.

Section 5. Conflicts of Interest.

A. Any official, officer or employee of the town who has a financial interest, direct or indirect, or by reason of ownership of stock in any corporation or ownership interest in a business entity, in any contract with the town, or in the sale of any land, material, supplies or services to the town or to a contractor supplying the town shall make known that interest and shall refrain from voting upon or otherwise participating in his/her capacity as an official, officer or employee in making such sale or otherwise in the making or performing of such contract.

Any official, officer or employee who willfully conceals such financial interest or willfully violates the requirement of this section shall be guilty of malfeasance in office or position and shall forfeit his/her office or position. Violation of this section with the express or implied knowledge of the person or business entity contracted with or making a sale to the town shall, at the option of the town, render the contract or sale voidable.

In all proceedings before the town, every municipal official shall attempt to avoid the appearance of a conflict of interest by disclosure or abstention.

Section 6. Miscellaneous

A. **Emergencies.** In such defined times, the Town Manager may authorize immediate negotiated purchases of supplies or services, not to exceed \$5,000 that are needed to protect the best interests of the Town

B. **Revision Power in the Town Manager.** The Town Manager shall examine each purchase order and shall have the authority to revise it as to quantity, quality, or estimated cost; but revision as to quality shall be only with the concurrence of the using agency or department.

C. **Tax Exemptions.** The Town Manager shall act to procure for the town all Federal and State tax exemptions to which the town is entitled.

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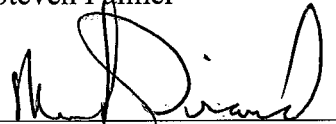
D. **Town Credit Cards.** The ability to purchase with the town credit card is allowed only by prior approval. If the purchase is made by a Department Head, then the Town Manager grants the approval. If the purchase is by the Town Manager, then the purchase must be approved by the Board of Selectmen.

Adopted this 20th day of August, 2013

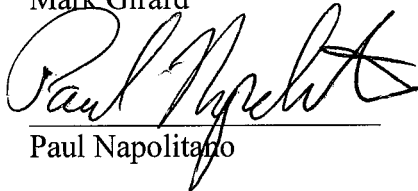
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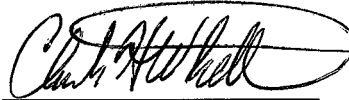
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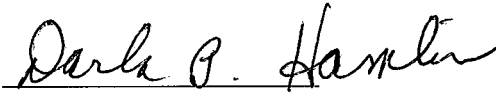
Mark Girard



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Darla Hamlin