

**Town of North Hero  
P.O. Box 38  
North Hero, Vermont 05474**

**Purchasing Policy**

**1. Purpose.**

**The purpose of this policy is to create a process for purchasing goods and services that will increase efficiency, promote fairness, accountability and confidence, and provide necessary supplies and services in a timely and cost-effective manner.**

**2. Application.**

**This policy shall apply to all purchases of goods and services by the Town of North Hero except where conditions of state or federal funds, or conditions of a grant, gift, or bequest mandate otherwise.**

**3. Definitions.**

- a. Major purchases are those purchases of goods or services in an amount of \$15,000.00 or more.**
- b. Regular purchases are those purchases of goods and services in an amount of at least \$3,000 but less than \$15,000.00.**
- c. Incidental purchases are those purchases of goods and services in an amount less than \$3,000.**
- d. Sole source vendor is a vendor approved by the Selectboard to provide certain goods and services for the Town.**
- e. Emergency purchases are those urgent purchases of goods and services that are required to protect the public health, safety, and welfare.**

**4. Procedures.**

**a. Major purchases require a formal bid process which shall include:**

- 1. Advertisement of the invitation to bid or request for proposal (RFP) for at least one week in a newspaper of general circulation in the Town of North Hero.**
- 2. Advertisement of the invitation to bid or RFP in other newspapers at the discretion of the selectboard or its designee;**
- 3. Direct notice of the bid or RFP to specific providers at the discretion of the selectboard or its designee;**
- 4. Notice of the place and deadline for receipt of the sealed bids or RFPs;**
- 5. A description of the supplies, materials, equipment or services required and information on how and where to obtain more detailed specifications and bid or RFP forms.**
- 6. Information on insurance requirements for the bidder or proposer;**
- 7. All work must be completed by the end of the contract date. If work extends beyond the contract date a daily financial penalty, as expressed in the contract, may be levied by the Selectboard.**
- 8. Low bidders will be awarded the contract unless there are extenuating circumstances and the Selectboard will have final authority to award all contracts.**
- 9. If a member of the Selectboard is one of the bidders, he or she will recuses him/herself from the bid opening process.**
- 10. The Selectboard shall also have the authority to reject any/or all bids.**

- 11. A final inspection of all contract work will be authorized by the Selectboard and completed before final payment is made. Reasonable satisfaction with the quality of the work and the completion of the contract must be assured before final payment is authorized.**
- 12. The Selectboard will be responsible for assuring that any required permits are in place before work or construction begins.**
- 13. Whenever possible local vendors will be given preference.**
- 14. A major purchase may not be broken into parts for the sole purpose of circumventing the dollar limitations on the Purchasing Policy.**

**b. Regular purchases**

**Require competitive solicitation of bids or RFPs but may be done by formal bid process. Competitive solicitation includes:**

- 1. Soliciting bids or quotations from at least two (2) vendors unless a sole source vendor has been approved by the selectboard; and**
- 2. Selection of vendor is based on quality of the goods and services offered, cost, ability of the vendor to provide future maintenance, and the ability, capacity, and skill of the vendor demonstrated under prior contracts with the Town.**
- 3. The selectboard may establish an approved vendor list for a range of goods and services to the town based on yearly RFPs solicited in anticipation of of the need for regular purchases.**

**c. Incidental purchases**

**May be made without a formal bid or competitive solicitation. Incidental purchasing choices shall be made based on cost, quality of goods and services, and the best interest of the Town.**

**d. Sole source vendor**

**The selectboard may approve a sole source vendor for regular or incidental purchases. Approval shall be made annually at the first regular meeting of the Selectboard in the fiscal year and shall take into account the general availability of the goods and services, quality and cost of the goods and services, and the ability, capacity, and skill of the vendor demonstrated under prior contracts with the Town.**

**e. Leasing equipment**

**The selectboard shall approve all leasing of equipment.**

**f. Purchase of Professional Services**

**The purchase of professional services for the Town of North Hero shall be exempt from the formal bid process. Such services include, but are not limited to, legal counsel, insurance, engineering/architectural services, banking services, professional auditors and consulting services. The Selectboard shall purchase such services according to the best interest of the Town.**

**Every three (3) years a complete review of all vendors shall take place.**

**g. Cooperative purchases**

**The Town may enter into cooperative lease or purchase agreements with other municipalities at the discretion of the selectboard.**

**h. Emergency purchases**

**When an emergency threatens the health, lives, or property of the residents of the Town, or threatens the property of the Town or the delivery of necessary services to the residents of the Town, the selectboard, and emergency response personnel authorized by the Selectboard, shall have the authority to purchase**

**emergency supplies and services while acting in the  
best interest of the Town.**

**Adpoted by the North Hero Selectboard: May 18, 2009**

*Marie Kilbride*

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