

## **CHAPTER 131: PURCHASING POLICY**

### **SECTION 131.010: PURPOSE**

The purpose of this Chapter is to establish rules and procedures governing the procurement of materials, supplies, equipment and services for the Village and to maintain a high ethical standard for all officers and employees of the Village in connection therewith.

### **SECTION 131.020: PURCHASING AGENT**

The Village Clerk shall act as the Purchasing Agent. The Purchasing Agent shall, in accordance with and subject to the rules, regulations and procedures in this Chapter and all applicable laws and ordinances:

1. Direct, supervise and be responsible for the procurement and acquisition of all materials, supplies and equipment, all contractual services and all insurance required by the Village;
2. Verify that all vendors and contractors of the Village have the appropriate insurance coverage;
3. Sell or dispose of all obsolete or unusable personal property of the Village under five thousand dollars (\$5,000.00) depreciated value;
4. Forward all purchases and contracts to Board of Trustees for final approval.

### **SECTION 131.030: PURCHASES LESS THAN THREE THOUSAND DOLLARS**

Purchases of less than three thousand dollars (\$3,000.00) may be authorized by the Chairman of the Board of Trustees.

### **SECTION 131.040: PURCHASES FROM THREE THOUSAND DOLLARS TO TEN THOUSAND DOLLARS**

- A. For purchases from three thousand dollars (\$3,000.00) to ten thousand dollars (\$10,000.00), the Village Clerk shall solicit at least three (3) non-sealed bids for the item or items, if practical.
- B. The Board of Trustees may then award the purchase or contract for services to the lowest responsible bidder who submits the bid which is most advantageous to the Village.

**SECTION 131.050: PURCHASES GREATER THAN TEN THOUSAND DOLLARS**

A. Whenever any contemplated purchase or contract for services is reasonably anticipated to cost more than ten thousand dollars (\$10,000.00), the Village Clerk shall cause to be published in one (1) issue of two (2) newspapers of general circulation in the count of Cole area a notice inviting sealed bids; said notice shall be published at least ten (10) days prior to the date set for receipt for bids. The notice herein required shall include a general description of the articles to be purchased or the scope of services to be performed and the time and place for opening of sealed bids. At the direction of the Clerk a pre-bid meeting will be held for the purposes of explaining and answering questions with respect to the scope of the project. In addition, the notice shall be sent via certified mail to at least five (5) responsible prospective suppliers of the item to be purchased or services to be performed, including all suppliers of such items with whom the Village has done business within the preceding two (2) years. Bid packets will be available at the Village office until the date set for the receipt of the bids. If three (3) responsible suppliers cannot be reasonably located, the Village Clerk shall certify that fact at bid opening presentation. Notice of the invitation to bid shall be posted in a public forum within the Village.

B. Sealed bids shall be received by the Village Clerk office and shall be identified as bids on the envelope. The bids shall be opened in public at the time and place stated in the invitation to bid and in any public notice before at least two (2) Village witnesses; and after the opening, the Village Clerk shall tabulate all bids received and shall file a written report of the bids with the Board of Trustees together with his/her written recommendations as to whom the Village should award the contract.

C. When deemed necessary by the Village Clerk, bid deposits shall be prescribed in inviting bids. A successful bidder shall forfeit any surety required by the Village upon failure on the bidder's part to enter into a contract within ten (10) days after the award, and the invitation to bid shall so state. An unsuccessful bidder shall be entitled to return of his/her surety.

D. Any bidder shall, upon request, have a representative present at any mandatory pre-bid meeting. Failure to attend such meeting may be grounds to reject any subsequently submitted bid or any such project.

E. All bid documents will include an insurance clause as follows:

1. All bids shall include and cover the cost of Workers' Compensation insurance for all employees of the bidder and for all employees of all subcontractors. It is agreed that the successful contractor shall furnish the Village with a certificate of insurance from an insurance company with a Best's rating of at least B+/VII, or greater if required by the Board of Trustees, indicating statutory Workers' Compensation coverage and the minimum coverage amounts stated in Subsection (D)(2) of this Section. The policy of

insurance shall have endorsed on it a requirement of at least thirty (30) days' written notice mailed to the Village indicating any cancellation or material change in coverage. The Board of Trustees may increase or decrease the minimum coverage amounts on a per project basis.

2. Minimum coverage amounts:

a. General liability:

(1) General aggregate	\$1,000,000.00
(2) Product, completed operations aggregate	\$1,000,000.00
(3) Personal injury	\$1,000,000.00
(4) Each occurrence	\$1,000,000.00
(5) Fire legal liability damage	\$100,000.00
(6) Medical expense	\$10,000.00

b. Automobile combined single limit \$1,000,000.00

c. Excess liability:

(1) Each occurrence	\$1,000,000.00
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d. Employer's liability:

(1) Each accident	\$100,000.00
(2) Disease, policy limit	\$500,000.00
(3) Disease, each employee	\$100,000.00

3. The contractor shall indemnify and hold harmless the municipality and its elected and appointed officials and employees from and against all claims, damages, losses and expenses, including attorney's fees arising out of or resulting from the performance of the work, provided that any such claim, damage, loss or expenses is:

a. Attributable to bodily injury, sickness, disease or death or to injury to or destruction of tangible property, other than the work itself, including the loss of use resulting therefrom, and

b. Was caused in whole or in part by any negligent act or commission of the contractor, any subcontractor, anyone directly or indirectly employed by any of them or

anyone for whose acts any of them may be liable regardless of whether or not it is caused in part by a party indemnified under this Chapter.

In any and all claims against the Village or any of its agents or employees by any employee of the contractor, any subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the indemnification obligation under this Subsection shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits by or for the contractor or any subcontractor under Workers' Compensation acts, disability benefit acts or other employee benefit acts.

F. The following shall be the minimal guidelines in determining the lowest responsible bidder:

1. The ability, capacity and skill of the bidder to perform the contract or provide the services required.

2. Whether the bidder can perform the contract or provide the services promptly or within the time specified without delay or interference.

3. The character, integrity, responsibility, judgment, experience and efficiency of the bidder.

4. Whether the bidder is in default on the payment of taxes, licenses or other monies due to the Village, County or State and this factor alone shall justify disqualification.

5. The quality and performance of previous contracts or services.

6. The previous and existing compliance by the bidder with laws, the provisions of this Code and other Village ordinances relating to the contract services.

7. The sufficiency of the financial resources and ability of the bidder to perform the contract or provide the service.

8. The quality, availability and adaptability of the supplies or contractual services to the particular use required.

9. The ability of the bidder to provide, where applicable, future service and maintenance of equipment which is the subject of the contract.

10. The number and scope of conditions attached to the bid.

11. Performance and payment bonds are part of bid and provided for unless specifically excluded by the Board.

G. Upon Board approval, the Village Clerk shall award the contract to the lowest or best responsible bidder, but the Board of Trustees reserves the right to reject any and all bids.

#### **SECTION 131.060: EXCEPTIONS TO THE PURCHASE POLICY**

A. *Single-Source Purchases.* In the event there is only one (1) acceptable vendor capable of furnishing a particular service or commodity, the Village Clerk may be authorized to procure such service or commodity without bidding. The Village Clerk shall document the particular facts which make the item a single-source purchase.

B. *Emergency Purchases.* Where an emergency situation requires immediate purchase of supplies or services and time is of the essence, the Village Clerk is authorized to procure the supplies or services needed without following the bidding procedures. The Clerk shall promptly notify all Board members, in writing, of any such emergency purchase.

C. *Situations Calling For Competitive Negotiations.* Where it can be demonstrated that the Village receives the best value on a purchase through informal discussion and bargaining rather than through the conventional bidding process, the Village Clerk need not follow the conventional bidding process exclusively. Such purchases shall be documented by the Village Clerk and given prior approval by the Board of Trustees. Examples would include, but not be limited to, circumstances where time is a crucial factor, when the procurement involves high technology items or when there is obvious inherent economy in purchasing from a particular vendor.

D. *Cooperative Purchasing.* The purchasing procedures established shall not apply to purchases made by, through or with the Division of Procurement of Cole County or any other governmental agency or unit with whom the Village is permitted to engage in cooperative purchasing. The Village Clerk has the authority to join with any other governmental unit in cooperative purchasing when the best interests of the Village shall be served by such cooperative purchasing.

E. *Professional Services And Real Estate.* Specifically excluded from the provisions of the Village's purchasing policy is the procurement of real estate and professional services with the Board's approval.

#### **SECTION 131.070: STATE AND FEDERAL LAWS**

Except in cases where they are not as restrictive as the Village's purchasing regulations, applicable State and Federal laws shall supersede any regulations of the Village of Wardsville concerning purchasing.

**SECTION 131.080: SUBDIVISION OF CONTRACTS**

No contract or purchase shall be subdivided to avoid the requirements of the Village's purchasing policy.

**SECTION 131.090: PURCHASE OF GOODS, SUPPLIES AND SERVICES**

Whenever possible in the purchasing of goods, supplies and services for use by the Village of Wardsville, Missouri, the Village Clerk is encouraged and urged, to the greatest extent possible, to purchase such goods, supplies and services from businesses located within the boundaries of the Village of Wardsville, Missouri, as long as the costs of said items are within ten percent (10%) of the prices for these same items offered elsewhere.