

## REVISED BIDDING ORDINANCE

Be it resolved that this ordinance replaces both the Compulsory Bidding Ordinance approved at Town Meeting August 26th 1977 and the Revised Bid Ordinance approved at Town Meeting May 1<sup>st</sup> 1997.

### MUNICIPAL PURCHASING

#### ARTICLE I

1. Subject to further provisions of this ordinance, it shall be the objective of the Town of Sherman to have all purchases and contracts valued at over \$10,000.00 made by competitive bid or proposal, except purchases herein excused or exempted. It shall be the duty of the Board of Selectmen (the Board) to endeavor to obtain three (3) or more bids, quotes or proposals on all non school related purchases where practicable, except for purchase of less than \$1,500.00. Purchases or contracts with a value of less than \$10,000.00 may be made by the Board based upon price/cost quotations. Purchases of less than \$1,500.00 may be made by the First Selectman without the requirement of bids, quotes or proposals. Purchases concerning school supplies, furnishings and equipment, however, shall be made by, through and /or under the auspices of the Board of Education within the constraints of its budget appropriation and not by the Board of Selectmen.

#### ARTICLE II

2. The Board shall make the purchase from or award the contract to the lowest responsible bidder, quote or proposer. The Board shall consider the following criteria in their determination of the lowest responsible acceptable bid, quote or proposal:
  - (a) The lowest bid/quote/proposal which is directly responsive to the invitations;
  - (b) The quality of the goods or services to be supplied;
  - (c) The conformity of the submission to the specifications;
  - (d) The suitability of the goods or services to the requirements of the municipal department for which the purchase is to be made;
  - (e) The financial resources, insurance coverage and character and ability of the person or firm bidding, quoting or proposing;
  - (f) The ability of the bidder to perform promptly;
  - (g) The prior and current compliance of the bidder, quote or proposer with all laws relating to the contract or service;

- (h) The bidder, quoter or proposer's ability to provide future maintenance and warranty service, if applicable;
- (i) The ability to post a performance bond in that the Board, in its discretion, may require the successful bidder to post a performance bond for bids over \$30,000.00;
- (j) Such other relevant factors which the Board may consider.

2 (A) The Board, in its discretion, may directly encourage and solicit bids, quotes or proposals from among the taxpayers and citizens of the Town of Sherman for all purchases irrespective of whether or not competitive bidding is required pursuant to Article I above.

2 (B) The Board shall receive the advice of the municipal department as to said Department's needs for which the purchase is proposed as to bids, quotes and proposals relating to the Department. The advice of the affected Department shall be sought on "piggyback" awards as well.

2 (C) The Board, prior to entering into or awarding any contract or making any purchase may reject any or all bids, quotes or proposals or any part of any bid, quote, or proposal.

2 (D) If the item(s) to be purchased have been bid upon by any department or agency of the State of Connecticut and such bid price is also applicable to the Town, the purchasing authority (Board of Selectmen) may accept such bid if it determines that the state bid price likely would be the lowest qualified bid if competitive bids were invited. If competitive bids invited on an item for which there is a state bid price applicable to the Town, the state bid price shall be considered a valid bid and shall properly be noted at the public opening.

### ARTICLE III

3. In the event of an emergency and due to the existence of extraordinary circumstances, where the goods or services are needed immediately, the First Selectmen, in his discretion, may authorize the purchase of goods or services without competitive bids, quotes or proposals subject to the rule of reason. In the event such an emergency purchase is made, the First Selectman shall furnish a written report to the Board of Selectmen at the next regular meeting of the Board, informing the Board of such purchase.

#### ARTICLE IV

4. The purchase of consumable, non equipment supplies by the Highway Department, required for the day to day operation of the department may be made without competitive bid by said Department, provided the supplies are road salt, sand, gravel, blacktop material, piping and basins and provided said expenditures are with the Department's budget and such purchases are made at or below the State of Connecticut bid quotes for the particular commodity.

#### ARTICLE V

5. If the proposed purchase or contract involves a purchase of over \$10,000.00 the Town shall invite sealed bids or, at the Board's discretion, sealed proposals.

If the goods or services for which the bid or proposal is invited will include continuing orders or contracts for repeated work or the same goods over a period of twelve (12) months, the aggregate projected expenditure for the entire twelve (12) month period shall be calculated in order to determine the total value of the purchase. It shall not be permissible to frustrate the bidding requirement of the this ordinance by inviting or submitting multiple bids or proposals for less than the whole of the commodity in issue so as to reduce the value of each proposal to a sum less than \$10,000.00.

5(A) No transaction which is essentially a unit shall be divided for the purpose of evading the interest of this ordinance.

#### ARTICLE VI

6. When the Board determines that it must seek bids or proposals as per the provisions of this ordinance, it shall invite same by giving at least five (5) days public notice thereof in newspapers having circulation in the Town of Sherman and by written invitation mailed to all vendors actually know to the Board and by posting same on a public bulletin board located within the Town Hall. All invitations shall include detailed specifications or indicate where same may be obtained, shall specify whether bids or proposals are invited, shall specify the time and place of bid/proposal filing, and the time and place the bids or proposals will be opened. The invitations shall also state the time after opening within which an award will be made or all bids/proposals rejected. In proposals, each such proposal shall specify a length of time the proposed price shall be valid. The Board shall determine, in its discretion, whether the commodity being sought is more properly suited to purchase by proposal or bid and shall characterize the solicitation accordingly. The Board, in its discretion, may waive the requirements for public notice and sealed bids or proposals concerning any purchase after it determines that it is in the best interest of the

Town of Sherman to do so. Should the Board require bidders to furnish references, such requirement shall be set forth in the bid specifications.

6 (A) All bids or proposals shall be publicly opened by the Board at the time and place specified. Each bid/proposal and bidder/proposer shall be recorded and the bid/proposal record shall be available for public inspection.

Any bidder or proposer who fails, neglects or refuses to furnish the Board with financial statements and/or information which the Board may require to determine his responsibility as a bidder/proposer shall be disqualified from having said bid/proposal considered. Insignificant bid/proposal irregularities may be waived by the Board.

6 (B) The Board, in its discretion, may require a certified check or bid bond be furnish with the bid or proposal, although such check or bond need not be required for the purchase of commercially and generally available goods. In the event any successful bidder or proposer shall refuse to accept, within the time specified by the Board, a contract awarded to him, he shall forfeit the bond to the Town of Sherman and such contract may be awarded to the next lowest responsible bidder/proposer, subject to the same terms and conditions set forth herein.

#### ARTICLE VII

7. If the amount of the expenditure is estimated to be less than \$10,000.00, except as herein provided, the purchase may be made by the Board in the open market without the need for formal advertising or competitive bidding/proposing. The Board may, but is not required to, obtain as least three (3) competitive quotations from different vendors. The Board, may require written price quotes but, in its discretion, may permit verbal quotations.

#### ARTICLE VIII

If the Board of Selectmen determines that any or all of the bids submitted are unacceptable for any good and substantial reason, the Board of Selectmen, in its discretion, may reject such bid and bids within a reasonable time after the opening of such bids and the reason for such rejection shall be recorded in the minutes of the Board of Selectmen.