

POLICY NO. 2019-10
PURCHASING POLICY FOR THE VILLAGE OF INNSBROOK, MISSOURI

PURPOSE. The purpose of this Purchasing Policy is to obtain the highest quality goods and service for the Village of Innsbrook at the lowest possible prices, to exercise financial control over the purchasing process, to clearly define authority for the purchasing function, to allow fair and equal opportunity among qualified suppliers, and to provide for increased public confidence in the procedures followed in public purchasing.

PURCHASE AUTHORIZATION. Approval Levels. (Res. No. 2019-2, 06-11-2019)

- A. All purchases under five hundred dollars (\$500.00) require only appropriate departmental approval. Department heads are required to make sure that these purchases comply with budget.
- B. All purchases over five hundred dollars (\$500.00) and up to two thousand five hundred dollars (\$2,500.00) require Chairman of the Board of Trustees, or their respective designee's, approval.
- C. All purchases over two thousand five hundred dollars (\$2,500.00) require Board approval.
- D. Unless otherwise provided, all purchases involving the expenditure of five hundred dollars (\$500.00) up to two thousand five hundred dollars (\$2,500.00) shall be made after securing at least two (2) verbal quotes. The verbal quotes that are received should be attached to the appropriate purchase requisition (or an explanation illustrating why no quotes were obtained) along with the explanation of why a particular vendor was chosen.
- E. All purchases involving the expenditure of two thousand five hundred dollars (\$2,500.00) to five thousand dollars (\$5,000.00) shall be subject to the bid process. Vendors will be selected based on cost, the quality of the goods and services offered, and the ability, capacity, and skill of the vendor demonstrated under prior contracts with the Village of Innsbrook.
- F. All purchases involving the expenditure of over five thousand dollars (\$5,000.00) shall require sealed bids.

BID PROCESS. All purchases of two thousand five hundred (\$2,500.00) or more shall be subject to the bid process. The bid process shall be initiated by the issuance of a request for bids prepared by the Board of Trustees. Notice of the request for bids shall be made by letters to known providers soliciting bid responses, advertisements posted in public locations with the Village of Innsbrook, and advertisements placed in a newspaper of general circulation in the region.

FEDERALLY FUNDED PROJECTS. The Village will take the following steps to ensure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible. These steps include:

- Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- Ensuring that small and minority businesses and women's business enterprises are solicited whenever they are potential sources;

- Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses and women's business enterprises;
- Establish delivery schedules, where the requirements permit, which encourage participation by small and minority businesses and women's business enterprises;
- Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
- Requiring the prime contractor, if subcontractors are to be let, to take similar steps as required in the previous steps.

BONDING REQUIREMENTS. The Village shall request the following:

- A bid guarantee for each bidder equivalent to five percent (5%) of the bid price. The bid guarantee must consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument.
- A performance bond equal to 100% of the contract price.
- A payment bond equal to 100% of the contract price.

SUSPENSION AND DEBARMENT. For Federally funded projects, the Village will ensure that it does not contract with entities that are suspended or debarred from participating in Federally funded projects over \$25,000. The Village, or its agent, will verify that any contractor through which it will purchase goods or services is not suspended or debarred from participation by;

- (1) checking the System for Award Management (SAM) Exclusions maintained by the General Services Administration (GSA) and available at <https://www.sam.gov/portal/public/SAM/>;
- (2) collecting a certification from the entity, or;
- (3) adding a clause or condition to the covered transaction with that entity.

BID SPECIFICATIONS. Bid specifications shall include:

- Bid name.
- Bid submission deadline.
- Date, location, and time of opening.
- Specifications for the project or services including quantity, design, and performance features.
- Bond and/or insurance requirements.
- Any special requirements unique to the purchase.
- Delivery or completion date.

Once a request for bids has been issued, the bid specifications will be available for inspection at the Village of Innsbrook office.

BID SUBMISSION. All bids must be submitted in sealed envelopes, addressed to the Village of Innsbrook in care of the Village Administrator/Clerk, and plainly marked with the name of the bid and the time of the bid opening. Bid proposals will be date and time stamped on the outside of the envelope immediately upon receipt. Any bid may be withdrawn in writing prior to the

scheduled time for the opening of bids. Any bids received after the time and date specified shall not be considered and shall be returned to the bidder unopened.

Bidders shall bid to specifications and any exceptions must be noted. A bidder submitting a bid thereby certified that the bid is made in good faith without fraud, collusion, or connection of any kind with any other bidder for the same work, and that the bidder is competing solely on his/her behalf without connection with or obligation to any undisclosed person or firm.

BID OPENING. Every bid received prior to the bid submission deadline will be publicly opened and read aloud by the Village Administrator/Clerk or his/her designee. The bid opening will include the name and address of the bidder; for lump sum contracts, the lump sum base bid and the bid for each alternate; for unit price contracts, the unit price for each item and the total, if stated; and the nature and the amount of security furnished with the bid, if required.

CRITERIA FOR BID SELECTION. In evaluating bids, the Village of Innsbrook will consider the following criteria:

- Price.
- Bidder's ability to perform within the specified time limits.
- Bidder's experience and reputation, including past performance for the Village of Innsbrook.
- Quality of the materials and services specified in the bid.
- Bidder's ability to meet other terms and conditions, including insurance and bond requirements.
- Bidder's financial responsibility.
- Bidder's availability to provide future service, maintenance, and support.
- Nature and size of bidder.
- Any other factors that the Board of Trustees determine are relevant and appropriate in connection with the given project or service.

The Village of Innsbrook reserves the right at its sole discretion to reject any and all bids, wholly or in part, to waive any informalities or any irregularities therein, to accept any bid even though it may not be the lowest bid, to call for rebids, to negotiate with any bidder, and to make an award which in its sole and absolute judgment will best serve the Village of Innsbrook's interest. The Village of Innsbrook reserves the right to investigate the financial responsibility of any bidder to determine his or her ability to assure service throughout the term of the contract.

DOCUMENTATION OF SELECTIONS. The Village must maintain records sufficient to detail the history of procurement. These records will include, but are not necessarily limited to, the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection (if other than low bid is selected), and the basis for the contract price.

CHANGE ORDERS. If specification changes are made prior to the close of the bid process, the Request for Bids will be amended and notice shall be sent to any bidder who already submitted a bid and a new bid process will be initiated. Once a bid has been accepted, if changes to the specifications become necessary, the Village of Innsbrook will prepare a change order

specifying the scope of the change. Once approved the contractor and an authorized agent of the Village of Innsbrook must sign the change order.

CONFLICT OF INTEREST. No employee, officer, or agent must participate in the selection, award, or administration of a contract supported by a Federal award if he/she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his/her immediate family, his/her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The employees, officers, and agents of a non-Federal entity must neither solicit nor accept gratuities, favors or anything of monetary value from contractors or parties to subcontracts. Violations of the conflict of interest policy may result in the termination of employment or removal from office with the majority vote of the Board of Trustees.

EXCEPTIONS.

Sole Source Purchases. If the Village of Innsbrook determines that there is only one possible source for a proposed purchase, it may waive the bid process and authorize the purchase from the sole source.

Recurring purchases. If the total value of a recurring purchase of a good or service is anticipated to exceed two thousand five hundred (\$2,500.00) during any fiscal year, the bid process shall be utilized and shall specify the recurring nature of the purchase. Once a bid has been accepted, all future purchases shall be made from that bidder without necessity of additional bids, until such time as the Village of Innsbrook votes to initiate a new bid process.

Professional Services. The bid process shall not apply to selection of providers for services that are characterized by a high degree of professional judgment and discretion including legal, financial, auditing, engineering, risk management, and insurance services.

The foregoing policy is hereby approved and adopted by the Board of Trustees of the Village of Innsbrook, Missouri this 11th day of June, 2019 and effective immediately.

Jeffry S. Thomsen, Chairman
Village of Innsbrook Board of Trustees

Attest:

Carla Ayala
Village Administrator/Clerk

(seal)