

## TOWN OF CLINTON Purchasing Policy

**PURPOSE:** The purpose of this policy is to develop, in writing, a standardized procedure for all purchases, which utilize Town funds, including the regulating of bids and contracts. It will apply to all Town Departments and, where applicable, to any Town Board or Committee which receives Town funding. No Maine State Sales Tax shall be incurred (the Town's Employer Identification Number [EIN] will be conspicuously printed on each purchase order).

**PURCHASE ORDERS:** It shall be the policy of the Town of Clinton that all purchases exceeding \$150 dollars and above made by any Town department or, where applicable, in behalf of any Town Board or Committee utilizing funds appropriated by the Town, will be accompanied by a purchase order. Purchase orders shall fall into the following categories:

1. **No purchase order necessary:** Purchases of \$150 dollars or less does not require a purchase order. No purchase order is required for ongoing services such as telephone, electricity, heating fuel, water and sewer, contracted services (e.g. EMS billing, custodial services, mowing, plowing, etc), EMS medical supplies, tax lien filings, or for other items for which the Town has entered into an agreement. This would also apply to regular purchases of gasoline for Town vehicles, where a credit card in the Town's name is used.

2. **Purchase orders for more than \$150:** These purchase orders will be obtained from the Town Manager's office **prior to** purchasing or ordering goods ,services or supplies by a department head. The original copy of the purchase order shall be given, mailed, or in the case of a telephoned or internet purchase, retained after the purchase order number and EIN, also sometimes referred to as the Town's tax exempt number) have been referenced. The department shall retain a copy until the invoice is presented for approval, at which time the copy (and original, if retained) shall be attached to the approved invoice and submitted for payment. Department heads are defined as Town Manager, Fire Chief, Police Chief, Director Solid Waste Transfer Station & Recycling Center, Highway Supervisor, Librarian, and Town Clerk / Office Manager. Designated Boards / Committees authorized to submit Purchase Order Request forms are Parks and Recreation Board Chair, Planning Board Chair, Economic Development Committee Chair, Community Development Committee Chair and Cemetery Committee Chair.

3. **Consolidated purchase order:** When multiple departments are having work performed by a single vendor simultaneously (e.g. boiler inspections; fire extinguisher annual inspections and maintenance), a single purchase order covering multiple departments shall be arranged.

4. **Emergency purchases:** It is recognized that emergency situations may arise when a purchase order cannot be obtained (evening hours, weekends, holidays, et cetera). Various situations can arise during these periods, such as need to replace a headlight, a “blown” hydraulic line, a need for towing, et cetera. In any such situation, the purchase may be made, and a retroactive purchase order for under \$2,000 shall be obtained within three (3) days of the incident. Emergency purchases of \$2,000 or more shall be approved by the Board of Selectmen at the next regularly scheduled meeting. In the event of a catastrophic situation which endangers public safety, such as a failure of a local bridge or culvert, a washout of a road, one or more large trees blocking a road, et cetera, it will not be necessary to obtain bids or a purchase order in order to alleviate the emergency. A retroactive purchase order, as described in this section, shall be obtained.

5. **Purchase Order Request Form:** The request for a purchase order will be made on a purchase order request form developed, and amended as may be required, by the Purchasing Agent (Town Manager). The Purchasing Agent, or Alternate Purchasing Agent (Town Clerk) in the absence of the Purchasing Agent, will issue the purchase order and number after receipt of purchase order request form, verification of fund availability in the designated department account and confirmation of the best prices for the requested goods, services or supplies.

6. **Unauthorized Purchases:** The unauthorized purchases of goods, services or supplies without an approved purchase order and number will cause the goods, services or supplies purchased to be returned and the vendor removed from the Town’s approved vendor list.

7. All Departments will have the following stamp:

Date: \_\_\_\_\_  
Department: \_\_\_\_\_  
Auth. Signature: \_\_\_\_\_  
Account #: \_\_\_\_\_

All invoices presented for payment must be stamped and required data filled out for accounting purposes. Also, Departments making purchases more than \$150.00 dollars a copy of the purchase order must be attached to the invoice.

**Regulation of Bids and Contracts:** The Board of Selectmen shall regulate the issuance of bids and the letting of contracts, subject to the following conditions:

(1.) The Town Manager, or others as may be appointed by the Board of Selectmen, shall have the authority to obligate the Town in a single purchase amount not to exceed \$2,000 of budgeted items without prior approval of the Board of Selectmen, subject to the limitations specified below. The Town Manager may delegate part, or all, of such authority to persons responsible to him or her in order to make the most efficient use of funds, staff, and time available to him or her.

(2.) The Town will require written specifications and competitive written bids for all purchases of goods, services, or supplies in excess of \$2,000, and for all professional services. Services for auditing, engineering, consulting, legal counsel, shall be exempted from this policy. Written bids may be requested for goods, services, or supplies with an estimated value less than \$2,000 if, in the opinion of the Town Manager, there would be a reasonable probability that in doing so, the Town would realize a monetary savings.

(3.) Proposals for goods and services requiring expenditures estimated to be equal to, or in excess of, \$2,000 shall require prior approval of the Board of Selectmen before a request may be issued. Gravel, Summer Liquid Calcium, Culverts for road work are exempt from this requirement.

(4.) Specifications shall not be prepared so as to exclude all but one type, kind, or specific make and/or model, but shall encompass competitive supplies or equipment, for which competitive bids shall be secured before purchase, lease, or lease purchase by contract, or other agreement is formalized. However, unique or noncompetitive articles, which are determined to be sufficiently superior for the use or service intended by the Town by a department head and the Town Manager, subject to the approval of the Board of Selectmen, may be purchased without regard to other bids.

(5.) Requests for bids, proposals, or quotations requiring expenditures in excess of \$2,000 shall be advertised by a notice to be published in a newspaper distributed within the Town or mailed to no less than three (3) companies, firms, or other legal entities with the capability of providing the goods or services needed. Those firms shall have an established reputation for providing quality goods and/or services. In addition to mailed proposals, those solicitations shall also be posted on the public bulletin board at the Town Office.

(6.) All bids, proposals, or quotations shall be submitted in sealed envelopes, and shall be received prior to, and opened in public at the hour and at the place stated in the specifications and notice. Facsimile or Internet bids, proposals, or quotations will not be considered. All original bids, proposals, or quotations, together with all documents pertaining to the award of any contract or purchase agreement, shall be retained and made a part of the permanent file or record, and shall be open to public inspection.

(7.) Purchases, services, contracts, and any other formal commitments in excess of \$2,000 shall be awarded only after authorization by the Board of Selectmen.

(8.) The Town of Clinton shall reserve the right to reject any or all bids, proposals, or quotations, to waive any formality or technicality in any bid, proposal, or quotation under any single set of specifications, request for proposals, or quotations.

(9.) Awards shall normally be issued to the lowest and best bidder. However, there may be situations where the lowest bidder is not the best bidder. The Board of Selectmen shall consider all factors in determining which bid, proposal, or quotation is, in its judgment, in the best interest of the Town, and may vote accordingly. When

appropriate, the reason(s) for not awarding the bid, proposal, or contract to the lowest bidder shall be reduced to writing, and filed with the bid documents.

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This Amended Purchasing Policy supersedes all previously approved Purchasing Policies.

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This amended Purchasing Policy is approved by the Board of Selectmen on July 28, 2009 with an effective date of August 3, 2009.

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