

Spending Authorization

The Town Manager is designated by the Charter as the Purchasing Agent for the Town. Accordingly, the Manager and Department Heads are authorized to spend within budget appropriations. Purchases within the dollar ranges specified below must meet the requirements listed.

\$0 - \$5,000. Formal competitive bidding is not required. However, the purchaser should endeavor to get the best value for the money spent. Department Head or his designee can approve the purchase.

\$5,000 - \$12,000. Verbal quotations shall be solicited from a minimum of three qualified bidders, if available. The quotes must be documented and attached to purchase order. A purchase order signed by the Town Manager is required.

\$12,000 - \$40,000. Written proposals or bids shall be solicited from a minimum of three qualified bidders, if available and attached to purchase order. A purchase order signed by the Town Manager is required.

Over \$40,000. Written bid specifications or equivalent shall be approved by the Town Manager. The bid shall be advertised by the most efficient means possible, in order to encourage the widest possible competition. Sealed bids shall be specified and opened at a public meeting. The Town Manager may award the bid to the lowest bidder and sign the purchase order or contract.

Total Cost Bidding

If the Town Manager feels that it is in the best interest of the Town not to award the bid to the low bidder, the manager may refer the award of the bid to the Town Council. The Town Council shall award the bid to the best bidder; not necessarily the lowest bidder; keeping in mind the total cost over the life of the project or equipment, the quality of material, availability of service, contributions by the bidder to the local tax or employment base and other significant factors.

Cooperative Purchasing

Competitive bidding requirements may be delegated by the Town Manager to Island-wide, area-wide or State-wide purchasing cooperatives.

Exemptions from Competitive Bidding:

1. Contracts for professional services
2. Hourly rate contracts, which cannot be effectively estimated.

3. Situations in which it is determined by the Town Manager that only one firm can effectively provide the required service or materials.
4. Emergency repair or replacement where it is determined by the Town Manager that the repair or replacement cannot be delayed sufficiently to conform to the policy.
5. The letting of contracts or purchases of additional quantities, where the Town has recently awarded bids as normally required, and the successful bidder is willing to honor the original price.
6. Purchases from vendors which have been vetted by a professional association. Such documentation must be attached to invoices for payment.

LEGISLATIVE HISTORY

4-22-1987 - Original policy adopted.

2-15-1994 - Amended

5-30-1996 - Draft

6-4-1996 - Amended

7-21-2020 – Amended

8-2-2022 - Amended