

TOWN OF AMHERST PROCUREMENT POLICY
Approved March 10, 2010

I INTENT

The Town of Amherst desires to obtain high quality goods and services at a reasonable cost, that all procurement procedures be conducted in a fair and impartial manner with avoidance of any impropriety, that all qualified vendors have access to Town business and that no offerer be arbitrarily or capriciously excluded. It is the intent of the Amherst Town Council that competition be sought to the maximum practical degree, that the rules governing contract award be made clear in advance of the competition, that specifications reflect the needs of the Town rather than being drawn to favor a particular vendor, and that the Town and vendor freely exchange information concerning what is to be procured and what is offered.

The purpose of this policy is to reestablish the policies of the Town of Amherst pertaining to procurement of goods and services and to ensure conformance with the Virginia Public Procurement Act.

II GENERAL

A. The Town Manager is designated as the Purchasing Agent for the Amherst Town Council and the Police Chief is designated as the Purchasing Agent for the police budget items and as such it shall be the Purchasing Agent's responsibility to ensure that the provisions of this policy are followed. However, the Purchasing Agent shall have the authority to delegate responsibility for routine items to subordinate staff.

B. The provisions of Title 2.2 Chapter 43 of the Code of Virginia, as amended, otherwise known as the Virginia Public Procurement Act, are hereby incorporated by reference and shall apply to purchases made by the Town of Amherst as the context indicates.

C. The value of a purchase is defined as the total obligation of the Town of Amherst to a vendor as represented by a single invoice or series of related invoices in a given calendar month, except for utility services or contracts existing as of the date of passage of this policy, in return for goods or services.

D. Approval by Council shall be required for purchase of non-replacement items that may have an impact on the nature of Town operations or programs, for non-budgeted items and for the purchase of capital items.

III ADDITIONAL METHODS OF PROCUREMENT

A. GENERALLY

Due to the need for expediency in allowing for the efficient administration of the Town's operations, it is recognized that procedures and methods employed in the procurement of higher valued goods and services are not appropriate for the purchase of lower valued items. Therefore, separate rules for the procurement of items expected to cost less than the limits specified in the Code of Virginia are hereby established. Where different categories of purchases are established, the least restrictive may apply.

B. EXEMPTIONS

The following are exempt from the requirements of this section:

- a. vehicle and equipment repairs authorized by the Purchasing Agent not expected to exceed \$5,000;
- b. items or services for which there is a sole source of supply and for which the value of the purchase involved does not exceed \$5,000 unless approved by the Town Council;
- c. items or services from public agencies employing similar purchasing criteria of a value not exceeding \$5,000, such as through Amherst County, Region 2000 Local Government Council, state contract or GSA sources; and
- d. items and services procured under emergency circumstances. An emergency is defined as a sudden occurrence rendering a part of the water or sewer utility system inoperable or creating a safety hazard that did not previously exist or, in the case of public safety emergencies, where emergency services or purchases become immediately necessary to protect the life, limb or property of the public due to

natural or man made disasters or other public safety emergency. Purchases made under this paragraph shall be reported to the Mayor or a member of the Town Council prior to the authorization of the purchase or within 24 hours if such prior notice is not practical.

C. LIMITATIONS ON SPENDING AUTHORITY AND SUPPORTING PROVISIONS

- a. Up to \$5,000:** The Purchasing Agent is hereby authorized to purchase needed items and services with an anticipated value of up to \$5,000. A Purchase Order based on three verbal or written quotations or sealed bids should be obtained for items purchased under this category.
- b. Over \$5,000:** All non-emergency purchases with an anticipated value of over \$5,000 shall be approved by the Town Council.
- c. Blanket purchasing:** For items or services which are needed on a recurring or ongoing basis, competitive purchase procedures shall be followed in such a manner that procurement of the goods or services are contracted only once so that bulk purchase, price break and shipping efficiencies are achieved. To implement this paragraph, an estimated quantity of the needed item or service shall be generated, the term of the contract set, and the items or services procured under the applicable provisions of this Section C. Examples of items which should be procured under the blanket purchase order system are gasoline, chemicals for the water and wastewater treatment plants, and office supplies.
- d. Open purchasing:** When it is determined by the Purchasing Agent that the benefits of efficient operation and support of local businesses outweighs the possible additional cost of the needed good or service, the Town may issue an open purchase order to a business which has established a history of good service to the Town.
- e. Other purchases:** Nothing in this policy shall infringe on the power of the Town Council to authorize or order any purchase by resolution, provided that the principles of competition, sealed bidding, or competitive negotiation are employed in vendor or offeror selection.

IV PURCHASE ORDERS AND PROCESSING

The Purchasing Agent shall develop and maintain an efficient and orderly program for soliciting prices, receiving goods and services, matching receiving tickets to invoices, and payment processing that is consistent with good bookkeeping and practices acceptable to the Town's auditor.

V PREFERENCE FOR LOCALLY PRODUCED GOODS AND SERVICES

In the case of a tie, bid preference shall be given to goods, services, and construction produced by firms and/or citizens of the following jurisdictions in the following order:

1. Town of Amherst
2. County of Amherst

Note: This policy supplants the policy adopted on May 13, 1993.