

## 16.05 PROCUREMENT POLICY

### (1) Purpose

The purpose of this ordinance shall be to promote the underlying purposes and policies relating to local procurement.

- (a) To simplify, clarify and modernize the system of procurement of contractual services, material, and equipment for the Town;
- (b) To provide increased public confidence in the procedures used in public procurement;
- (c) To ensure the fair and equitable treatment of all persons who deal with the procurement system of the Town;
- (d) To provide increased economy in Town procurement activities and to maximize to the fullest extent practicable, the purchasing value of public funds of the Town;
- (e) To foster effective broad-based competition within the free enterprise system;
- (f) To provide safeguards for the maintenance of a procurement system of quality and integrity;
- (g) To support the purchase of recycled and environmental preferred products whenever they perform satisfactorily and are available at a reasonably competitive price in order to minimize environmental impacts relating to our work.

### (2) Scope of Authority

- (a) The terms of this ordinance are applicable to all budgeted contractual services (except those designated as professional services or labor contract between unionized employees and the Town). The funding source is not relevant.
- (b) Procurement of non-budgeted items shall be handled on a case-by-case basis by Town Board resolution in accordance with the provisions of this ordinance.
- (c) The Agent is hereby granted the authority to make all budgeted purchases in accordance with the provisions of this ordinance. The Agent is authorized to solicit all bids, quotes or otherwise assure competitive purchasing.
- (d) The Agent may join with other entities in cooperative purchasing for the purpose of obtaining more economical rates and/or prices.

### (3) Method of Purchases

All budgeted purchases shall be made in accordance with the following:

- (a) **Competitive Sealed Bids.** Required for public contracts and capital purchases (an exception for vehicle purchases can be made by the Administrator), the price of which either as an individual purchase or in the aggregate exceeds \$15,000.
- (b) **Competitive Quotes/Negotiated Purchases.** Required in written form if the amount of the public contract and/or capital purchase, either as an individual purchase or in the aggregate is between \$5,000 and \$15,000 or a vehicle purchase over \$15,000.
- (c) **Outright Purchase.** May be made without quotation when the amount is less than \$5,000 or if it is other than a public contract and/or capital purchase provided that the purchase is not artificially divided so as to constitute an outright purchase, and as long as, the purchase is within its specific budgeted amount.
- (d) Exception to this section may be made in case of emergencies and donated material and labor, in accordance with State Statute 60.47 (5).

### (4) Competitive Sealed Bids

- (a) Where the estimated cost of the public contract and/or capital purchase exceeds \$15,000, the Agent shall request competitive sealed bids in accordance with WI Stats. 60.47. An exception for vehicle purchases may be made by the Town Administrator, if it is in the best financial interest of the Town of Menasha.
- (b) Formal specification for the requested item shall be prepared by the requesting department and shall include all contractual terms and conditions applicable to the procurement.
  - (1) Requirements may include such criteria to determine acceptability such as inspection, testing, workmanship, delivery and suitability for a particular purpose.
  - (2) The criteria to be used in evaluation of the bid, shall be to the greatest extent possible, be objectively measurable, such as discounts, transportation costs, and total or life cycle costs.
  - (3) No criteria may be used in bid evaluations that are not set forth in the specifications or invitation to bid.
- (c) Bids shall be addressed to the Agent or Agent's designee, submitted sealed, and shall be clearly marked as a bid on the envelope.

(d) The Agent or Agent's designee shall date and time stamp the sealed bid when received, and write their name or initials on the sealed bid envelope.

(e) Bids shall be opened in public at the time and place stated in the public notice. The opening shall not occur unless it is witnessed by at least one person in the employ of the Town who is not opening the bids.

(f) A tabulation for all bids received shall be made and available for public inspection.

(g) No bid shall be accepted where the bidder is in default on the payment of taxes, licenses, or other monies due the Town.

(h) The award of the contract shall be made by the Agent if budgeted otherwise by the Town Board to the lowest cost responsible and responsive bidder whose bid meets the requirements and criteria set forth in the specifications and in the invitation for bids.

(i) The Town Board or its Agent, as appropriate, retains the right to reject any or all bids in the best interest of the Town, provided such notice was given in the bid notice. In addition, the Town shall have the right to reject any or all bids, as long as rejecting any or all bids is in compliance with State Statutes.

(j) Following award of the bid, the Town Chairperson or designee is authorized to sign the contractual document.

**(5) Competitive Quotes; Negotiated Purchases**

(a) Where the estimated cost of a purchase is between \$5,000 and \$15,000, the Agent shall request competitive quotes in accordance with the requirements of WI Stat. 60.47.

(b) The award of the contract shall be made by the Agent, if budgeted, otherwise by the Town Board to the most responsible offerer whose quote is determined to be the most advantageous to the Town taking into account the evaluation factors set forth in the request for quotes.

(c) The Agent is authorized to reject or award any or all quotes.

(d) All purchases made under this section shall be based, wherever possible, on at least three quotations. The quotations shall be attached to the claim and subject to public inspection.

(e) No quote shall be accepted where the quoter is in default on the payment of taxes, licenses, or other monies due the Town.

**(6) Outright Purchase**

(a) As long as the purchase is within its specific budgeted amount, purchases less than \$5,000 may be made by the requesting department subject to approval by the Agent.

(b) No purchase shall be made where the supplier is in default on the payment of taxes, licenses, or other monies due the Town.

**(7) General Provisions**

(a) The Agent is empowered to make such administrative requirements as may be necessary for the efficient enforcement of this ordinance.

(b) The Agent has the authority to dismiss the low bid or quote based on prior bad history with the bidding/quoting entity, and the Agent has authority to dismiss for any lawful reason pursuant to WI Stat. 60.47(b) and WI Case Law.

(c) Under emergency conditions, as defined, purchases may be made by authorized departmental personnel provided a report on such purchase is made to the Agent during the next normal working day and reported to the Town Board at their next regularly scheduled meeting.

(d) **Quotations are Equal:** All quotations received are for the same total amount, or unit price, quality and service being equal.

If sealed bid or quote:

(1) The contract shall be awarded to a local bidder.

(2) If (d)(1) is not in effect, the contract shall be awarded by drawing lots in public.

(e) Quotes may be negotiated in the best interest of the Town.

(f) Except in cases of emergency, the Agent shall not issue any order for a purchase unless there are sufficient unencumbered funds, within the requesting departmental budget, to defray the amount of such order.

(g) The State of WI contract pricing shall be considered to have met the sealed bid and quote requirements, for the purposes of this ordinance.

(h) Any company authorized to work in the Town of Menasha shall be required to submit proof of insurance for workers compensation, general liability and auto and/or contractors equipment to the Finance Department.

## (8) Disposal of Town/Utility Owned Items

- (a) If the fair-market value of an item is greater than the cost to solicit a sale of the item but under \$5,000, the department head, in coordination with the Town Administrator, is required to sell the item competitively.
- (b) If the fair-market value of an item is greater than \$5,000, the Town Board of Supervisors shall determine the best method of sale.
- (c) For the purposes of this section, trade-in allowance from a vendor is considered to meet the necessary disposal requirements.
- (d) Town owned items shall never be given away, except by judgment of the Town Administrator, where the item would have otherwise been disposed of.
- (e) The method and evaluation of determining the fair market value must be supplied with the sale monies received or with the disposal notice given to the Finance Department.

## (9) Town Accounts/Credit Cards

In order to purchase from certain vendors, the Town of Menasha has several credit accounts. The Finance Department is solely responsible for maintaining these accounts, and shall be responsible for filing and maintaining the necessary paperwork for the accounts. If the charge account has a credit card, the credit card shall be maintained in the Finance Department for safekeeping.

For credit card purchases, a purchase order must be obtained in the same manner as any other purchase. Additionally, all receipts must be turned in to the Finance Department when the credit card is used, and no personal purchases may be made on the Town's charge card.

## (10) Best Practices

### A. Environmentally Friendly Procurement Best Practices

In cooperation with their customers, all Departments **should** evaluate, at least, the following environmentally preferable product categories and purchase them whenever practical:

- a) Printing and Writing Papers, including all imprinted letterhead paper, envelopes, copy paper and business cards. When practical, these shall contain a minimum of 30% post-consumer recycled content.
- b) Paper Products, including janitorial supplies, shop towels, hand towels, facial tissue, toilet paper, seat covers, corrugated boxes, file boxes, hanging file folders and other products comprised largely of paper. **Environmentally preferable traits would include items that have, on a relative comparison, higher recycled content, higher biodegradable composition, lower carbon dioxide equivalents, lower/no hazardous chemical content, or lower water usage.**
- c) Remanufactured laser printer toner cartridges and remanufactured or refillable ink-jet cartridges.
- d) Re-refined antifreeze, including on-site antifreeze recycling.
- e) Re-refined lubricating and hydraulic oils.
- f) Recycled plastic outdoor-wood substitutes, including plastic lumber, benches, fencing, signs and posts.
- g) Recycled content construction, building and maintenance products, including plastic lumber, carpet, tiles and insulation.
- h) Re-crushed cement concrete aggregate and asphalt.
- i) Cement and asphalt concrete containing tire rubber, glass cullet, recycled fiber, plastic, fly ash or other alternative products.
- j) Re-treaded tires and products made from recycled tire rubber including rubberized asphalt, fatigue mats or landscaping materials.**
- k) Compost, mulch, and other organics including recycled biosolid products.
- l) Re-manufactured paint.
- m) Other products that may be designated **by the Town of Menasha Sustainability Committee**

## (11) Responsibilities of All Departments

A. Each Department shall be responsible for the implementation of this policy and **should**:

- a) Practice waste prevention whenever possible.
- b) Continue to utilize recycling programs and expand them where possible.
- c) Procure recycled products whenever practical.
- d) Develop, evaluate and maintain information about environmentally preferable and/or recycled products containing the maximum practical amount of recycled materials. Cross feed information to other Departments when potential use of a product exists.
- e) Develop specifications used in public bidding aimed at eliminating barriers to recycled content products, such as outdated or overly-stringent product specifications and specifications not related to product performance.
- f) Ensure that procurement documents issued by the Departments require environmental preferred alternatives whenever practical.

## (12) Definitions

- "Recycling" means the process of collecting, sorting, cleansing, treating, and reconstituting materials that would otherwise become solid waste, and returning them to the economic mainstream in the form of raw material for new, reused, or reconstituted products which meet the quality standards necessary to be used in the marketplace.
- "Waste Prevention" means any action undertaken by an individual or organization to eliminate or reduce the amount or toxicity of materials before they enter the municipal solid waste stream. This action is intended to conserve resources, promote efficiency, and reduce pollution.

- “Environmentally Preferable Products and Services” means products and services that have a lesser impact on human health and the environment when compared with competing products. This comparison may consider raw materials acquisition, production, manufacturing, packaging, distribution, reuse, operation and/or disposal of the product.
- “Recycled Products” are products manufactured with waste material that has been recovered or diverted from the waste stream. Recycled material may be derived from post-consumer waste (material that has served its intended end-use and been discarded by a final consumer), industrial scrap, manufacturing waste and/or other waste that otherwise would not have been utilized.
- “Practical” means sufficient in performance and reasonably available at a reasonably competitive cost.