

TOWN OF RUTLAND PURCHASING POLICY

1. **Purpose.** The purpose of this policy is to create a process for purchasing goods and services that will increase efficiency, promote fairness, accountability, and confidence, and provide necessary supplies and services in a timely and cost-effective manner.
2. **Application.** This policy shall apply to all purchases of goods and services by the Town of Rutland except where conditions of state or federal funds, or conditions of a grant, gift, or bequest mandate otherwise.
3. **Definitions.**
 - a. **Major purchases.** Those purchases of goods or services in an amount of \$5,000 or more.
 - b. **Regular purchases.** Those purchases of goods or services in an amount of at least \$1000 but less than \$5,000.
 - c. **Incidental purchases.** Those purchases of goods or services in an amount of less than \$1000.
 - d. **Preferred vendor.** A vendor approved by the Selectboard to provide certain goods and services for the Town of Rutland.
 - e. **Emergency purchases.** Those urgent purchases of goods or services that are required to protect the public health, safety, and welfare.
 - f. **Capital Improvement.** Capital improvement funds shall be used to fund the construction, maintenance, repair, and/or improvement of Town buildings and infrastructure
 - g. **Depreciation Funds.** Funds in a depreciation account may be used as detailed in the voter approved language for the corresponding department.
4. **Procedures**
 - a. **Major purchases.** Require a formal bid process which shall include:
 - i. Advertisement of the invitation to bid or request for proposal (RFP) for at least one week in a newspaper of general circulation in the Town of Rutland.
 - ii. Advertisement of the invitation to bid or RFP in other newspapers at the discretion of the Selectboard of the Town of Rutland
 - iii. Direct notice of the bid or RFP to specific providers at the discretion of the Selectboard of the Town of Rutland
 - iv. Notice of the place and deadline for receipt of the sealed bids or RFPs
 - v. A description of the supplies, materials, equipment, or services required and information on how and where to obtain more detailed specifications and bid or RFP forms
 - vi. Information of insurance requirements for the bidder or proposer
 - vii. Statement of the right of the Town of Rutland to reject any and all bids or RFPs if doing so is deemed by the Selectboard to be in the best interests of the Town of Rutland
 - viii. Public opening of the bids or RFPs by the Selectboard at a time not more than 10 business days after the deadline for receipt
 - b. **Regular purchases.** Require competitive solicitation of quotes but may be done by the formal bid process. Competitive solicitation includes
 - i. Soliciting bids or quotations from at least two (preferably 3) vendors unless a preferred vendor has been approved by the Selectboard

- ii. Selection of vendor based on quality of the goods and services offered, cost, ability of the vendor to provide future maintenance, and the ability, capacity and skill of the vendor demonstrated under prior contracts with the Town of Rutland
- c. **Incidental purchases.** May be made without a formal bid or competitive solicitation. Such purchases may be made by department heads, Town Administrator, or Selectboard. Incidental purchasing choices shall be made based on cost, quality of goods and services, and the best interest of the Town of Rutland.
- d. **Preferred Vendor.** The Selectboard may approve a preferred vendor for regular or incidental purchases. Approval shall consider general availability of the good or services, quality and cost of the goods and services, and the ability, capacity and skill of the vendor demonstrated under prior contracts with the Town of Rutland. The Town Administrator will maintain a list of preferred vendors.
- e. **Leasing Equipment.** The Selectboard shall approve all leasing of equipment.
- f. **Purchase of Professional Services.** The purchase of professional services for the Town of Rutland shall be exempt from the formal bid process. Such services include, but are not limited to, legal counsel, insurance, engineering/architectural services, and consulting services. The Selectboard shall purchase such services according to the best interest of the Town of Rutland.
- g. **Cooperative Purchasing.** The Town of Rutland may enter into cooperative lease or purchase agreements with other municipalities, at the discretion of the Selectboard.
- h. **Emergency Purchases.** When an emergency threatens the health, lives or property of the residents of the Town, or threatens the property of the Town or the delivery of necessary services to the residents of the Town, the following shall have the authority to purchase emergency supplies and services while acting in the best interest of the town: Town Administrator, Selectboard, Health Officer, Road Commissioner, Fire Chief, Police Chief, or Emergency Management Chairperson.
- i. **Capital Improvement purchases** - Must be approved by the Selectboard and shall be for not less than that of a Regular Purchase.
- j. **Depreciation Account purchases** - Must be approved by the Selectboard and shall be for not less than that of a Regular Purchase.

This policy shall remain in effect until amended or modified by a subsequent Board.

The Town of Rutland Selectboard

Don Chioffi, Chairman	Date: November 22 nd , 2022
Joseph Denardo, Clerk	Mary Ashcroft
Sharon Russell	Kurt Hathaway

Depreciation Account / Capital Improvement Ballot Language

YES - RTFD from 1973 – Shall the Selectmen be authorized to assess each tax payer (2c) Two Cents on the Grand List each year hereafter, and use the revenue therefrom to establish and create a special escrow fund, to be called and designated the RUTLADN TOWN FIRE EQUIPMENT DEPRECIATION FUND, the proceeds from this fund to be used only for the purpose of maintaining and replacing fire fighting equipment. **Yes – 358 No - 96**

YES - RTFD from 1974 – Shall the Selectmen be authorized to assess each tax payer (2c) Two Cents on the Grand List each year hereafter, and use the revenue therefrom to establish and create a special escrow fund, to be called and designated the RUTLADN TOWN FIRE EQUIPMENT DEPRECIATION FUND, the proceeds from this fund to be used only for the purpose of maintaining and replacing fire fighting equipment. **Yes – 503 No - 114**

YES - RTFD from 1975 – Shall the Selectmen be authorized to assess each tax payer (2c) Two Cents on the Grand List each year hereafter, and use the revenue therefrom to establish and create a special escrow fund, to be called and designated the RUTLADN TOWN FIRE EQUIPMENT DEPRECIATION FUND, the proceeds from this fund to be used only for the purpose of maintaining and replacing fire fighting equipment. **Yes – 707 No - 225**

YES - RTFD from 1976 – Shall the Selectmen be authorized to assess each tax payer (2c) Two Cents on the Grand List each year hereafter, and use the revenue therefrom to establish and create a special escrow fund, to be called and designated the RUTLADN TOWN FIRE EQUIPMENT DEPRECIATION FUND, the proceeds from this fund to be used only for the purpose of maintaining and replacing fire fighting equipment. **Yes – 482 No - 138**

NO - REC from 1982 - Shall the Selectmen be authorized to assess each tax payer ONE CENT (1c) on the Grand List each year hereafter and use the revenue therefrom to establish and create a special escrow fund to be called and designated the RUTLAND TOWN RECREATION FUND, the proceeds from this fund to be used only for the purpose of maintain major equipment and facilities? **Yes – 444 No - 618**

YES - REC from 1983 - Shall the Selectmen be authorized to assess each tax payer ONE CENT (1c) on the Grand List each year hereafter and use the revenue therefrom to establish and create a special escrow fund to be called and designated the RUTLAND TOWN RECREATION FUND, the proceeds from this fund to be used only for the purpose of maintain major equipment and facilities? **Yes – 701 No - 454**

??? – **FIRE from 1988** - Due to inflation and the high cost of new equipment, shall the voters of Rutland town authorize the Selectmen to raise an additional ONE-CENT (1c) annually on the grand List for an annual total of TWO CENTS (2c) toward the operation of the Fire Equipment Depreciation Fund. **YES - NO -**

YES - RTFD from 2001 – Shall the Select Board be authorized to increase the Rutland Town Fire Department Depreciation Fund from its current 1 cent on the Grand List to 1 ¾ cents so as to keep up with inflation and the high cost of fire equipment? **Yes – 777 No - 243**

YES - Highway from 2005 – Shall the Select Board be authorized to assess each tax payer one-half cent (1/2c) on the Grand List each year hereafter and use the revenue therefrom to establish and create a special escrow fund to be called and designated the RUTLAND TOWN HIGHWAY DEPRECIATION FUND, the proceeds from this fund to be used only for the purpose of maintain major equipment? **Yes – 596 No - 550**

NO - Rec from 2010 – Due to the increased Grand List, shall the voters of Rutland Town authorize the Select Board to increase the present one quarter-cent (1/4c) to one half-cent (1/2c) on the Grand

List each year hereafter toward the operation of the Recreation Depreciation Fund? **Yes – 547 No - 748**

YES - Capital Improvement from 2015 – Shall the Town of Rutland deposit any budget surpluses that may become available in future fiscal years into a reserve fund, established pursuant to 24 V.S.A 2804, to be maintained and used as a capital account to fund the construction, maintenance, repair, and/or improvement of Town buildings and infrastructure? **Yes – 688 No - 262**

YES - RTPD from 2019 - Shall the Town of Rutland annually fund its existing reserve account for the purchase, repair, and/or maintenance of Police Department equipment (a/k/a “police depreciation fund”) by taxes raised at the rate of \$.0025 per \$100 of assessed property valuation? **Yes – 562 No - 319**

YES - Transfer Station from 2021 - Shall the Town of Rutland establish a reserve fund pursuant to 24 V.S.A. §2804 to be maintained and used as a depreciation account for the purchase, repair, and/or maintenance of the Transfer Station building/equipment, with this depreciation account to be funded annually by taxes raised at the rate of .00125 per \$100 of assessed property valuation? **Yes – 669 No - 223**

YES - Rec from 2022 - Shall the Town of Rutland establish a reserve fund pursuant to 24 V.S.A. §2804 to be maintained and used as a depreciation account for the purchase, repair, and/or maintenance of the Recreation equipment and infrastructure, with this depreciation account to be funded annually by taxes raised at the rate of .0125 per \$100 of assessed property valuation? **Yes – 619 No – 271**