

ORDINANCE NO 26

Section 1. Definitions

As used in this chapter:

- a) **“Township Purchasing Agent”** or **“Agent”** means the Purchasing Agent of the Township.
- b) **“Contractual Services”** means and includes all telephone, gas, water, electric light and power service; towel and cleaning service; insurance; leases for all grounds, buildings, offices or other space required by the using agencies; and the rental, repair or maintenance of equipment, machinery and other personal property owned by the Township. **“Contractual Services”** does not include professional and other contractual services which are in their nature unique and not subject to competition.
- c) **“Supplies”** means and includes all supplies, materials and equipment.
- d) **“Using Agency”** means any department, agency, commission, bureau or other unit in the Township government using supplies or procuring contractual services as provided for in this Ordinance.

Section 2. Township Supervisor is Purchasing Agent: Authority

The Township purchasing Agent shall perform all duties required of a department head by law and shall have the powers and duties set forth in this Ordinance.

- a) **Scope of Purchasing Authority.** The Agent shall have the power and it shall be his or her duty to:
 1. Purchase or contract for all supplies and contractual services needed by any using agency which derives its support wholly or in part from the Township in accordance with purchasing procedures as prescribed by this chapter and such rules and regulations as are prescribed by the Agent and Board, and
 2. Negotiate all purchases for using agencies which authority shall not be abridged by excepting any particular using agency.
- b) **Other Powers and Duties.** In addition to the purchasing authority conferred in subsection (a) hereof, and in addition to any other powers and duties conferred by this Ordinance the Purchasing Agent shall:
 1. Procure for the Township the highest quality in supplies and contractual services at the least expense to the Township;
 2. Discourage uniform bidding and endeavor to obtain as full and open competition as possible on all purchase and sales;
 3. Establish and amend, when necessary, all rules and regulations authorized by this Ordinance, as prescribed in subsection (a) hereof, and any other necessary to its operation;
 4. Keep informed of current developments in the field of purchasing, prices, market conditions and new products and secure for the Township the benefits of research done in the field of purchasing by other governmental jurisdictions, national technical societies, trade associations having national recognition and private businesses and organizations;

5. Prescribe and maintain such forms as are reasonably necessary to the operation of this Ordinance;
 6. Prepare and adopt a standard purchasing nomenclature for using agencies and suppliers;
 7. Prepare, adopt and maintain a vendor's catalog file, which catalog shall be filed according to materials and contain descriptions of vendors' commodities, prices and discounts;
 8. Exploit the possibilities of buying in bulk so as to take full advantage of discounts;
 9. Procure for the Township all Federal tax exemptions to which it is entitled;
 10. Cooperate with the Finance Director so as to secure for the Township the maximum efficiency in budgeting and accounting; and
 11. Have the authority to declare vendors who default on their quotations to be irresponsible bidders and to disqualify them for receiving any business from the Municipality for a stated period of time.
- c) **Unauthorized Purchases.** Except as provided in this Ordinance no Township officer shall order the purchase of any supplies or make any contract within the purview of this ordinance other than through the Purchasing Agent, and any purchase ordered or contract made contrary to the provisions of this ordinance shall not be approved by Township officials, and the Township shall not be bound thereby.

Section 3. Requisitions for Supplies

- a) **Specifications.** The Purchasing Agent shall prepare and secure, with the cooperation of other Township officials and agencies of government, standard and written specifications for supplies used by the various branches of the Township government.
- b) **Requisition and Estimates.** All using agencies, either by or with the authorization of the head of the department under which they operate, shall file with the Purchasing Agent detailed requisitions or estimates of their requirements in supplies and contractual services in such manner, at such times and for such future periods as the Agent prescribes.
- c) **Unforeseen Requirements.** A using agency shall not be prevented from filing, in the same manner, with the Agent at any time, a requisition or estimate for any supplies and contractual services, the need for which was not foreseen when the detailed estimates were filed.
- d) **Revisory Power in Agent.** The Agent shall examine each requisition or estimate and shall have the authority to revise it as to quantity, quality or estimated cost, buy revision as to quality shall be in accordance with the standards and specifications established pursuant to this chapter.

Section 4. Sufficient Funds Required

Except in cases of emergency, the Purchasing Agent shall not issue any order for delivery on a contract for open market purchase until the Treasurer has certified, after pre-audit, that there is to the credit of the using agency concerned a sufficient unencumbered appropriation balance, in excess of all unpaid obligations, to defray the amount of such order.

Section 5. Contract Interest; Gifts; Rebates

- a) Any purchase order on a contract within the purview of this ordinance in which the Purchasing Agent or any other officer or employee of the Township is financially interested, directly or

indirectly, shall be void, except that before the execution of a purchase order or contract, Board may waive compliance with this section if it finds such action to be in the best interest of the Township.

- b) The Agent and every other officer and employee of the Township are prohibited from accepting, directly or indirectly, from any person to which any purchase order or contract is or might be awarded, any rebate, gift, money or anything of nominal value, without the vendor's advertisement, except where the same is given for the use and benefit of the Township.

Section 6. Omitted

Section 7. Formal Contracts; Bidding Procedure

- a) **Required.** For all supplies and contractual services, except as otherwise provided in this chapter, when the estimated cost thereof exceed \$1,500.00 Board shall authorize the purchase by formal, written contract with the lowest responsible bidder, after due notice inviting proposals. For all sales of personal property which has become obsolete and unusable, when the estimated value exceed \$1,500.00, Board shall authorize the sale by formal, written contract to the highest responsible bidder, after due notice inviting proposals.
- b) **Notice Inviting Bids.**
 - 1. Newspaper Publication. Notice inviting bids shall be published once in at least one official newspaper in the Township at least five days preceding the last day set for the receipt of proposals.
 - 2. Scope of Notice. The newspaper notice required by paragraph (b) (1) hereof shall include a general description of the articles to be purchased or sold and shall state where bid blanks and specification may be secured and the time and place for bid openings.
 - 3. Bidders List. Board shall authorize the Purchasing Agent to solicit sealed bids from all responsible prospective suppliers who have requested their named to be added to a bidders list, which the Agent shall maintain, by sending them a copy of such newspaper notice or such other notice as will acquaint them with the proposed purchase or sale. In any case, invitations sent to the vendors on the bidders list shall be limited to commodities that are similar in character and ordinarily handled by the trade group to which the invitations are sent.
 - 4. Bulletin Board. The agent shall also advertise all pending purchases or sales by a notice posted on the public bulletin board in the Township Hall.
- c) **Bid Deposits.** When deemed necessary by the Agent and Board, bid deposits shall be prescribed in the public notices inviting bids. Unsuccessful bidders shall be entitled to the return of such surety where the Agent has required such. A successful bidder shall forfeit any surety required by the Agent upon failure on his or her part to enter into a contract within ten days after the award.
- d) **Bid Opening Procedure.**
 - 1. Sealed. Bids shall be submitted sealed to the Agent and shall be identified as bids on the envelope.
 - 2. Opening. Bids shall be opened in public at the time and place stated in the public notices.
 - 3. Tabulation. A tabulation of all bids received shall be posted for public inspection.

4. Recommendations. After opening and tabulating all bids received, the Agent shall submit his or her recommendations to Board.
- e) **Rejection of Bids.** Board may accept or reject all bids, part of all bids or all bids for any one or more supplies or contractual services included in the proposed contract, when the public interest will be served thereby.

The Agent shall not accept the bid of a contractor who is in default on the payment of taxes, license fees or other moneys due the Township.
- f) **Award of Contract.**
 1. Authority of Agent. The Agents shall have the authority to award contracts within the limitations of this ordinance.
 2. Lowest responsible bidder. Contracts shall be awarded to the lowest responsible bidder. In determining the lowest responsible bidder, the Agent and Board shall consider in addition to price:
 - A. The ability, capacity and skill of the bidder to perform the contract or provide the service required;
 - B. Whether the bidder can perform the contract or provide the service promptly, or within the time specified, without delay or interference;
 - C. The quality or performance of previous contracts or services;
 - D. The previous and existing compliance by the bidder with laws and ordinances relating to the contract or service;
 - E. The sufficiency of the financial resources and ability of the bidder to perform the contract or provide the service;
 - F. The quality, availability and adaptability of the supplies or contractual services to the particular use required;
 - G. The ability of the bidder to provide future maintenance and service for the use of the subject of the contract; and
 - H. The number and scope of conditions attached to the bid.
 3. Award other than low bidder. When the award is not given to the lowest bidder, a full and complete statement of the reasons for placing the order elsewhere shall be prepared by the Agent, filed with the other papers relating to the transaction and submitted with his or her recommendation to Board.
 4. Tie Bids.
 - A. *Local Vendors.* If all bids received are for the same total amount or unit price, quality and service being equal, the contract shall be awarded to a local bidder.
 - B. *Outside Vendors.* Where paragraph (f)(4)A hereof is not in effect, the Agent shall award the contract to one of the bidders by drawing lots in public.
- g) **Performance Bonds.** The Agent may require a prospective contractor or supplier to post a performance bond before entering into a contract with the Township, in such amount as he or she finds reasonably necessary to protect the best interests of the Township.
- h) **Prohibition Against Subdivision.** No contract or purchase shall be subdivided to avoid the requirements of this ordinance.

Section 8. Open Market Procedure

- a) All purchases of supplies and contractual services, and all sales of personal property which has become obsolete and unusable, of less than the estimated value of one thousand five hundred dollars (\$1,500.00) shall be made in the open market without prior Board approval, without newspaper advertisement and without observing the procedure set forth in Section 7 for the award of formal contracts.
- b) In all purchases and sales as set forth in subsection (a) hereof, where the estimated value is at least one thousand five hundred dollars (\$1,500.00) but less than two thousand five hundred dollars (\$2,500.00), the Purchasing Agent shall, whenever time will permit, report the same to Board for direction. Whenever time will not permit, the provisions of subsection (c) hereof shall be applicable.
- c) In all purchases made by the Purchasing Agent which are without prior Board direction and which are for at least one thousand five hundred dollars (\$1,500.00), but less than two thousand five hundred dollars (\$2,500.00), the Purchasing Agent shall follow the procedures set forth in Section 12.

Section 9. Petty Expenditures Revolving Fund

- a) **Appropriation.** There is hereby appropriated out of any money in the Township Treasury, not otherwise appropriated, one hundred fifty dollars (\$150.00) which shall be known as the Petty Expenditures Revolving Fund, from such fund shall be paid all purchases not in excess of twenty-five dollars (\$25.00) each, made by the heads of using agencies for incidentals with the approval of the Purchasing Agent.
- b) **Rules and Regulations.** The Agent shall promulgate rules and regulations for use of the Fund.
- c) **Accounting.** At the end of each month, the Agent shall render to the Treasurer a statement showing the actual expenditures for each using agency made out of the Fund, and the Treasurer shall reimburse such Fund for such expenditures in the same manner as other expenditures of such using agencies are paid.

Section 10. Central Purchasing

- a) The Purchasing Agent shall control and supervise central purchasing storerooms and warehouses and shall establish and administer storerooms.
- b) Requisitions for supplies in a storeroom or warehouse shall be credited by the Agent to the storerooms by a charge against the appropriation of the using agency.
- c) The Agent shall maintain an inventory record of all materials, supplies or equipment stored in storerooms or warehouses.

Section 11. Price Agreement Contract Procedure

The head of a using agency may submit requisitions to the Purchasing Agent for supplies available under the terms of a price agreement contract made by the Agent.

Section 12. Emergency Purchases

In the case of an emergency endangering the public peace, health or safety, the Purchasing Agent or his or her designee, with the approval of any department head, may purchase directly any supplies, materials, services or equipment which he or she deems immediately necessary. Within one week from

the time of such purchase, the purchaser, if other than the Purchasing Agent, shall file, in writing with the Agent, a detailed explanation of the necessity for such purchase, and the Agent shall submit such statement to Board not later than the next regular meeting of Board, which statement shall be entered into the minutes of Board.

Section 13. Inspection and Testing

The Purchasing Agent or his or her designee shall inspect, or supervise the inspection of, all deliveries of supplies or contractual services to determine if such supplies or services conform to the specifications set forth in the order or contract.

Section 14. Surplus Stock

- a) **Reports Required.** All using agencies shall submit to the Purchasing Agent, at such times and in such form as he or she prescribes, reports showing stocks of all supplies which are no longer used or which have become obsolete, worn out or scrapped.
- b) **Transfers.** The Agent may transfer surplus stock to other using agencies.
- c) **Sales; Competitive Bidding.** The Agent may sell all supplies which have become unsuitable for public use, or exchange the same for, or trade in the same on new supplies. Sales under this section shall be made to the highest responsible bidder and in accordance with Section 7 or 8, whichever is applicable.

Section 15. Waiver of Bidding Requirements.

Board may waive the requirement of any competitive bidder under Section 7 whenever two-thirds of the members of Board agree that the best interest of the Township would be better served, including the joining with other units of government in cooperative purchase plans.