

TOWN OF READING
PROCUREMENT HANDBOOK

June 2017
4th Edition

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**TOWN OF READING
PROCUREMENT PROCEDURES**

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TOWN OF READING PROCUREMENT PROCEDURES

1. OBJECTIVE

The Town of Reading has established a Procurement Office within the Administrative Services Department. The Procurement Office is managed by the Procurement Officer and is responsible for the procurement of supplies and services on behalf of the Town. It is the responsibility of the Procurement Office to secure quality goods and services while promoting fair competition and competitive pricing.

Procurement procedures have been developed to:

- simplify, clarify, and modernize the procedures governing procurement by the Town of Reading;
- increase public confidence in Town procurement procedures;
- ensure the fair and equitable treatment of all persons who offer to provide goods or services to the Town;
- provide increased economy in procurement activities and to maximize to the fullest extent practicable the purchasing value of Town funds;
- foster effective broad-based competition for the provision of goods and services to the Town of Reading;
- provide safeguards for the maintenance of a procurement system based on quality and integrity.

2. PROCUREMENT PROCEDURE

All Town departments, including the School Department and departments that operate through an enterprise fund, are subject to state procurement laws, inclusive but not limited to M.G.L. 30B, 7, 30/39M and 149, and are responsible for meeting all requirements. Departments under the jurisdiction of the Town Administration must follow all procurement procedures as established by the Town Manager and the Procurement Office. The Procurement Officer, acting on behalf of the Town Manager, provides internal support to monitor purchases and ensure procurement practices are in compliance with applicable law(s). The procurement officer is available to provide guidance and procurement assistance to all Town Departments, in the development and solicitation of public bids and proposals through quotes, the Invitation for Bid (IFB) and Request for Proposal (RFP) process for the procurement of goods and services, contract administration and monitoring of invoices which follow the contract award.

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3. OVERVIEW OF PROCUREMENT LAWS

The type of supply or service, along with the required amount, shall determine what legal requirements must be met in order for the procurement to be compliant with applicable purchasing laws. Once the need for the procurement has been identified and the nature of the goods and services determined, the applicable procurement must be followed. A majority of purchases will fall into one of the following categories:

- **Procurement of Supplies and Services: M.G.L. c. 30B**

Unless expressly exempt from public bidding under M.G.L. c. 30B, §1, the purchase of any supplies or services by the Town, meeting certain monetary thresholds, requires compliance with the procurement procedures contained in M.G.L. c. 30B.

- **Public Works (Non-Building) Construction (with Labor): M.G.L. c. 30, § 39M**

Procurement of a contractor for the construction, reconstruction, installation, demolition, maintenance or repair of a public work requires public bidding. A public works construction project is generally considered any horizontal construction activity that involves any land disturbance, but excluding the construction of a building. *Please view the Inspector General's charts Exhibit J for an overview of requirements* and submit **Exhibit B** to the Procurement Office to start the procurement process.

- **Building Construction Contracts: M.G.L. c. 149**

Procurement of a contractor for the construction, reconstruction, installation, demolition, maintenance or repair of a building by a public agency is subject to the Filed Sub-Bid Law, M.G.L. c. 149, §44A to 44M. *Please view the Inspector General's charts Exhibit J for an overview of requirements* and submit **Exhibit B** to the Procurement Office to start the procurement process.

- **Public Building Projects Design Services: M.G.L. c. 7C, §§ 44-57**

Procurement of design services (Architect/Engineer, etc.), in connection with a public building project are subject to the Designer Selection Law. Design services in connection with a public works construction project are exempt from all bidding requirements as long as the Town hires a designer that fits the definition contained in M.G.L. c. 30B, §2. *Please view the Inspector General's charts Exhibit J for an overview of requirements* and submit **Exhibit B** to the Procurement Office to start the procurement process.

Our procedures are designed to assure that all procurements are made in an orderly manner and in compliance with all applicable laws and policies. We apply the rules described in this book to all procurements, unless a department can show that there is a compelling reason to do otherwise.

It is important to note at the outset that two sets of rules apply to the Town's procurements:

- (1) legal requirements, i.e., those based on state or federal statute or regulation; and
- (2) our own requirements, i.e., those that are based on Town procedures.

Legal requirements cannot be waived; a Town procedure, however, may be waived wholly or in

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part with the written permission of the Town Manager. The Town must comply with legal requirements, or its procurements are invalid and any resulting contract is unenforceable. Town procedures, however, consists of self-imposed requirements that the Town has adopted as a matter of sound business practice. Procedure requirements will always be stricter than legal requirements. Procedure requirements may be waived; legal requirements may not.

The Town has no procedure requirements for public works and building construction, so only legal requirements apply.

Not all procurements are covered by these procedures. Procurements of supplies and services, as well as public works and building construction are covered. However, acquisitions and dispositions of interests in real property, and qualifications-based solicitations for Owner's Project Managers and designers and for certain exempt services, e.g., trash collection, certain student transportation services.

The principal statutes that apply to procurements under these procedures are M.G.L. c. 30B (supplies and services), M.G.L. c. 149 (building construction) and M.G.L. c. 30, §39M (construction other than buildings, a/k/a "public works" construction), and references to these statutes are made where it is useful or appropriate.

Many forms are referred to in these procedures. Important forms are included as exhibits at the end of this document.

While this document endeavors to answer the basic questions, anticipating them all would be impossible. Please call the Procurement Office at (781) 942-6696 with any and all questions or comments. For information on procurement issues generally or for questions not addressed in these procedures, consult two manuals published by the Massachusetts Office of the Inspector General: The Chapter 30B Manual, Procuring Supplies, Services, and Real Property (11/16) (supplies and services) and Designing and Constructing Public Facilities (9th ed.) (11/16) (Construction). Both manuals are available on the Procurement Office page of the Town of Reading's website: www.readingma.gov/procurement-office under links of interest. I expect the manuals to be updated to reflect the changes passed with the Municipal Modernization Act.

3.1 PROCUREMENT OF SUPPLIES AND SERVICES (M.G.L. c. 30B)

Chapter 30B establishes procedures to follow for most agreements for acquisitions of supplies and services, dispositions of surplus supplies, and real property acquisitions and dispositions by local governmental bodies. Most local jurisdictions' agreements with vendors for supplies and services, including agreements to buy, rent, lease, lease-purchase, or otherwise acquire supplies or services, are subject to Chapter 30B. "Supplies" are defined in the law as all property, other than real property, including equipment, materials, and printing and further including services incidental to the delivery, conveyance and installation of such property. "Services" are defined as the furnishing of labor, time, or effort by a contractor, not involving the furnishing of a specific end product other than reports. Who pays is irrelevant to whether a contract is subject to Chapter 30B. The law applies to the total value of the contract when there is an agreement between a local government and a vendor.

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30B CONTRACT VALUE

0-\$9,999	\$10,000 to \$50,000	\$50,000+
Sound business practices	Use a written purchase description to solicit written quotations from no fewer than 3 persons who customarily provide the supply or service	Sealed bid process (IFB or RFP)

BID SPLITTING

No person shall cause or conspire to cause the splitting or division of any procurement for the purpose of evading a requirement of these procedures or any statute.

3.1.1 PROCUREMENTS ESTIMATED TO COST LESS THAN \$10,000 (OVER THE CONTRACT TERM)

Procurement of supplies and services estimated to cost less than \$10,000 must be conducted using “sound business practices”. "Sound business practices" is defined as "ensuring the receipt of a favorable price by periodically soliciting price lists or quotes." While the definition does not require a formal competitive process for small procurements of less than \$10,000, it requires governmental bodies to ensure that they have received the needed quality of supplies and services at a reasonable price. Sound reasoning could also consist of consideration of quality, experience, or qualifications of vendor providing a service, availability, proximity of service, etc. Therefore, for procurements of goods and services costing less than \$10,000, departments must periodically check price lists from competing vendors and purchase goods and services at the lowest available price. The solicitation of quotes when possible is encouraged even for procurements estimated to cost less than \$10,000.

3.1.2 PROCUREMENTS ESTIMATED TO COST BETWEEN \$10,000 TO \$50,000

The procurement of supplies and services costing between \$10,000 and \$50,000 will require a written purchase description to solicit at least three written quotations from potential vendors who customarily supply the needed supply or service. Documentation of quotes solicited shall be on a Quote Summary Sheet (**Exhibit A**). The contract must be awarded to the vendor offering the lowest price who meets all of the specifications. A responsive and responsible bidder is defined as a vendor who meets your quality requirements and offers you the lowest price. Advertised notices and sealed submissions are not required. The requisition must be accompanied by an original or scanned and signed Quote Summary Sheet (**Exhibit A**). The department determines how quotes are solicited and when requisitions are submitted. Such purchases may not be made without the issuance of a formal purchase order by the Town of Reading. Any purchases made without a formal purchase order, which are not of an emergency nature, shall not constitute official transactions of the Town of Reading.

One thing to note when preparing quotes: follow up on quote requests you make by email or fax to make sure they have been received. It is always better to try and obtain at least four or five quotes to have at least three to work with. If you solicit a quote but get no response, document that fact in writing so Procurement knows you have endeavored to obtain at least three quotes.

All requests for quotes should be documented, successful or not.

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All contracts in the amount of \$10,000 or more shall be in writing, and the governmental body shall make no payment for a supply or service rendered prior to the execution of such contract.

You may use a PO as your contract for the purchase of goods provided the Town has the original PO on file signed by the vendor. For service contracts or construction projects the Town must have a signed contract with the vendor. In general, contracts supplied by our vendors are written for the benefit of the vendor. Any new contract should be referred to experienced counsel. A certificate of insurance from the vendor must be included for all service contracts. Refer to **Exhibit H** for an example.

After the contract is signed by the vendor and Town Manager and returned to the Procurement Office, the Procurement Office will deliver one original to the department head or designee that originated the procurement, mail one original to the vendor and send the third original to the Finance Office. A fully signed copy of the contract and certificate of insurance liability will be filed in the Procurement Office and on Laserfiche. The Procurement Office will ensure that the vendors insurance is compliant at the time the contract is executed. Please note it is the responsibility of the originating department to ensure throughout the contract term that the insurance is up to date before and while any work commences.

3.1.3 PROCUREMENTS ESTIMATED TO COST OVER \$50,000

An Invitation for Bids (IFB) and Requests for Proposals (RFP) are used for procurements of \$50,000 or more and are administered in their entirety by the Procurement Office. Unlike requests for quotes, which can be done relatively quickly, IFBs and RFPs will take a minimum of a month from start to finish. An IFB should be used for all procurements of goods and services in circumstances where award to the bidder offering the lowest price is preferred. If the department has determined that consideration of factors other than price is important, a RFP should be used. The RFP process is the only procurement method that allows the Town to award a proposal based on what is determined to be in the best interests of the Town, taking into consideration both price and the evaluation of criteria set forth in the RFP. No department may utilize the RFP process, however, unless the Chief Procurement Officer has determined in writing that factors other than price are important considerations.

3.1.4 IFB/RFP PROCESS

Although procurements will differ, the Procurement Office requires that the typical IFB/RFP conform to the following:

1. An IFB or RFP is initiated when a department fills out a standard Bid Request Form (**Exhibit B**). Ask the Procurement Office for help to answer any of the required information. The 2nd page has an area for the Procurement Office to insert the procurement number, the Release Date, the Pre-Bid Meeting Date (optional) and the Opening Date. This form is the Procurement Office's reference for the advertisement: if MASSDOT, DCAMM, or other information is incorrect, the advertisement will be incorrect, so please take the time to answer all parts of the Bid Request Form accurately. Also confirm that the account number(s) contain sufficient funds for the procurement. If the account is yet to be funded, please let us know. Incomplete forms will be returned to the department, which may result in a delay in issuing the IFB or RFP.

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2. Space provided for the procurement description is limited, but it should be clear whether the procurement is a construction project or the purchase of a supply or non-construction service as this will determine the applicable law. If you have any questions, call the Procurement Office. An original hard copy Bid Request Form must be signed the department head. Unsigned forms or forms with a photocopy or scanned signature will not initiate the procurement. The original form is reviewed, and completed by the Procurement Office. A procurement file is opened, the advertisement is prepared and the procurement is assigned a bid number. The Procurement Office's deadline to submit ads is 3:00 p.m. on Tuesday's for the Reading Chronicle (local newspaper), Goods & Services Bulletin or Central Register (state publications) for publication the following week. A notice of the pending bid is also posted outside the **Town Clerk's Office**. The ads and the notice must appear at least 2 full weeks before the IFB or RFP is opened.
 3. It is the responsibility of the employee initiating the purchase to include a **detailed scope of work**, specifications and minimum qualification specifics to the bid/contract being solicited prior to the IFB/RFP being submitted to the Procurement Office.
 4. Dates for bid release, any pre-bid meeting, and bid opening will then be established. **ONLY** the Procurement Office sets these dates.
 5. The Procurement Office will advertise the project as necessary in the required bulletins, newspaper and COMMBUYS. The invoice for the advertisement will be sent to the originating department for payment. The funds will be deducted from the initiating department's budget according to the budget line indicated on the Bid Request Form.
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6. **Completed bid documents must be emailed as a single file in Microsoft Word format to purchasing@ci.reading.ma.us no later than 3:00 p.m. on the Friday prior to the release date.**
-
7. The Procurement Office templates are to be used at all times. If you create your own template or use an old document and then send it to the Procurement Office, you run the risk of having it delayed and/or returned to be updated to conform to the Town's current format.
 8. The Procurement Office will request a Suggested Vendors List (**Exhibit F**) from the project manager to ensure the bid is sent to any vendors of the project manager's choice.
 9. Since the RFP process allows the Town to award a contract to someone other than the lowest price proposer, the department head must send with the Bid Request Form a justification to the Certified Procurement Officer (CPO) explaining why a low bid IFB is not appropriate for the procurement.

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10. If a Pre-Bid Meeting or Mandatory Pre-Bid Meeting* is scheduled, the project manager, or someone designated by the project manager, must attend to chair the meeting and respond to questions. A member of the Procurement Office will also be present. Although bidders may ask questions and receive answers at a pre-bid, they may not rely on any information provided unless it is a response to a written question submitted to purchasing@ci.reading.ma.us. An addendum will be issued setting forth the questions and the Town's answers. This assures that all bidders have the same information and none has an unfair advantage.
11. If, for any reason, a bid must be cancelled that has already been released or even opened, send a notice to purchasing@ci.reading.ma.us. If the bid will be re-bid without changes, you may use the same Bid Request Form. Otherwise, a new Bid Request Form and a new procurement file number are required.
12. The Procurement Office will receive all questions from potential bidders. Only technical questions will be sent to the department head via email to be answered and returned to the Procurement Office so an addendum can be issued.

It is the responsibility of the department to perform reference checks on conforming bids or proposals to ensure that vendors or contractors are responsible and responsive. Any bids or proposals received from vendors that are deemed to be not responsible or not responsive must be rejected.

* The Pre-Bid Meeting is an opportunity for potential bidders to see a job site and/or to ask specific questions. Generally, the meeting should not be mandatory unless there is a compelling reason to make it so. If you think there is a compelling reason, provide written justification to the CPO with the Bid Request Form. This is because a mandatory Pre-Bid has the effect of limiting competition since only those attending are eligible to submit a bid. If you are not sure if a Pre-Bid should be mandatory, contact the Procurement Office.

4. PURCHASING THROUGH STATE CONTRACTS, AND COOPERATIVE CONTRACTS, ETC.

1. Read and comply with the contract user guide instructions for use. User guides for state contracts can be found at <http://www.mass.gov/anf/budget-taxes-and-procurement/procurement-info-and-res/buy-from-a-state-contract/statewide-contract-user-guides.html>. The ***Contract User Guide*** is intended to make it easier for users to understand the components of the contract, make informed decisions and place orders easily. If you have any questions, please contact the Procurement Office.
2. Reference the state or contract number when communicating with the seller.
3. Departments may still be required to solicit at least three (3) quotes from contractors even if it is part of the state or cooperative contract. The user guides specify instructions for making purchases.
4. Vendors on state contracts and using cooperative contracts still need to have a written contract with Town of Reading with the state contract number or cooperative contract listed on the contract and must be signed like any other procurement contract.

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5. The originating department needs to review the quotes they have received and ensure it correlates with the pricing in the cooperative or state bid. Do not assume the vendor has provided you with the correct pricing.
6. The Procurement Office will require a copy of the documents, quotes, etc. required by the state contract and or cooperative contracts to receive authorization of your requisition.

5. PREVAILING WAGE

All contracts for public works services or construction contracts require the contractor to pay prevailing wage to their employees. The Town must provide the prevailing wage rates with the bid solicitation. The Procurement Office will request the official wage rates based upon the information found on the Bid Request Form. Each prevailing wage rate sheet applies only to the public construction project for which it is issued. Page one of each wage sheet lists the specifics of the rates, be sure to read it for each project. The prevailing wage rates for each construction project are in effect for 90 days from the date of issue. Projects not bid within 90 days of the issued rates will require the awarding authority to request new prevailing wage rates. Once a project has been bid, the prevailing wage rate will apply for the duration of any contracts which result from that bid, except in the case of multi-year projects. *For projects lasting more than one year, the awarding authority must request annual updates to the wage schedules.* Please contact the Procurement Office for updated rates for your multi-year contracts if needed.

Please ensure your contractor posts the prevailing wage sheets on-site. The contractor (general and subs) are required to submit weekly payroll reports to the Town of Reading for the duration of the project. The originating department must ensure the contractors are compliant and maintain such records in their office. Payment of invoices to the contractors should be dependent upon prior receipt of the certified payroll records. Please view M.G.L. for the record retention requirements.

6. BIDS PREPARED BY AN ARCHITECT OR ENGINEER

Sometimes the Town engages an architect, engineer, or other design professional to handle the procurement. If so, the design professional often prepares the Scope of Work for the Town's bid document or they handle entire bidding process. Note that the design professional is not authorized to change the title of the project or modify the bid document without first discussing the modification with the Procurement Office. The design professional should send any and all procurements and edits highlighted in the bid document electronically to purchasing@ci.reading.ma.us in one (1) Microsoft Word format file for processing. Any drawings/plans must be sent to purchasing@ci.reading.ma.us in PDF format.

The Procurement Office will add the prevailing wage schedule, and include any new forms so that the new bid document can be posted to our website. Any pre-bid meeting date and time will also be posted to our website along with any DCAMM or MassDOT information provided in the bid.

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7. ADDENDA

To ensure all potential bidders receive the same information, once a bid document is released, **ALL QUESTIONS** regarding a bid must be directed to the Procurement Office via email to purchasing@ci.reading.ma.us. The Procurement Office will answer administrative questions and forward all technical questions to the department head or designee via email. Project managers, architects, engineers and all other employees are not to answer any questions about the bid from either the general public or interested bidders prior to the bid opening date. Bidders may and will ask questions at pre-bids, but they should be reminded that the Town is not bound by any oral answer given unless it is also submitted to the Procurement Office Department in writing. The Procurement Office will collect all questions until the cut-off date for questions in the IFB or RFP. Collected questions will be distributed by the Procurement and forward them electronically to the project manager and architect for answers to be inserted. Once answered, the Procurement Office will create an addendum and electronically release it to those on the bid list. Addenda will also be posted on our website. Procurements may require more than one addendum.

8. SOLE SOURCE PROCUREMENT

“Sole source” procurement is a purchase of supplies or services without advertising or competition. M.G.L. c. 30B, § 7 places strict limitations on sole source procurements. You may make sole source procurements of a supply or service when a reasonable investigation shows that there is only one practicable source for the desired supply or service. Your determination that only one practicable source exists must be made in writing. The essence of the certification is “I have investigated the marketplace and determined there is no benefit to bidding since there is only one vendor that offers what I want.”

There is much confusion around sole source procurements. A sole source procurement is not valid “because I like working with this company” or “because we always buy from them.”

You may make a sole source procurement of not more than \$50,000 for any supply or service when a reasonable investigation shows that there is only one practicable source. Your determination that only one practicable source exists must be in writing on a Sole Source Request and Declaration Form (**Exhibit C**). It is your responsibility to certify to the CPO that this is the only company that can provide the supply or service you require. The statute says that “the procurement officer determines in writing,” so the CPO is relying on your representation by personally certifying to what it is you have done and what you have concluded. M.G.L. c. 30B, §7(a).

The Sole Source Request and Declaration Form consists of 3 sections, as follows:

1. Describe the supply/service, the amount and the start and end date for the procurement. For example, if you wish to purchase a \$25,000 Bobcat sidewalk plow in November that is the only sidewalk plow small enough to fit many of our sidewalks that are only 20" wide, this would be a one-time purchase in this fiscal year. Your description would be: “Bobcat sidewalk plow with a maximum blade span of 20”, your amount would be \$25,000, your start date would be 11/1/16

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and your end date 11/30/16.

2. Describe your investigation into whether there is another source for this type of sidewalk plow. Check the internet, catalogs, plow companies you do business with, etc. Your explanation here would be a summary of the scope of your investigation and your determination that Bobcat is the only company reasonably accessible to the TOWN OF READING that manufactures a sidewalk plow with a maximum blade span of 20". Include any other information (e.g., that you need a modification to an existing asset that cannot be supplied by anyone but the original vendor) that limits the scope of your investigation.

3. State the reason(s) for your conclusion that the named vendor is the only practicable source. Your conclusion must be supported by a recent (60 days or less) letter from the manufacturer stating that it is the manufacturer and sole distributor of an item, e.g., a 20" sidewalk plow. This letter must be dated, signed and attached to the Declaration form.

If the manufacturer cannot provide this letter because the item is sold through other distributors across the country, it is not a sole source. You would then need to find at least two other vendors and solicit quotes or bids.

You may make sole source procurements of \$50,000 or more for the following:

- Education materials
- Library books
- Software maintenance
- Procurements from regulated industry companies (i.e., any utility companies subject to regulation by the Department of Public Utilities)

Even though you are allowed to go above \$50,000 when making procurements such as these, you must still follow the procedures set forth above.

For supplies/services over \$50,000 that do not fall into the categories listed above, you must go out to bid, even if you have determined there is only one practicable source.

If your product description is too specific, you may have a proprietary specification which is subject to certain rules. M.G.L. c. 30B, §14. If you think this may be an issue, contact the Procurement Office.

9. PROMPT PAY DISCOUNTS (PPDS)

A PPD is a discount a vendor is willing to give in exchange for payment within a specified number of days. We consider PPDs "found money".

When we put out an RFP or IFB, our standard form asks bidders if they offer a PPD. Most vendors do not offer one, but in some instances the winning bidder does.

It is a good idea to get acquainted with the companies you deal with that offer PPDs and process their invoices quickly.

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10. VENDOR NUMBERS

Requisitions are created by departments and submitted to the Procurement Office for approval. A requisition cannot be created without a vendor number. The Finance Department assigns a vendor number based on the department's request and its submission of the vendor's IRS Form W-9. Numbers are assigned to vendors, so that all future procurements from that vendor are done under that vendor number. It is possible that some vendors may have multiple vendor numbers. These may be specific to their location or service/supplies offered. An example of this would be Ricoh. Ricoh has one vendor number for machine purchases and lease payments and a different vendor number for supplies and maintenance agreements.

Before submitting a request, please make sure to check in Munis to see if the person or company for which you intend to file a request already has a vendor number. Search by last name for a person, e.g., *GREENBLATT*. If looking for a company, pick the most unique word to search, i.e. Central Ceilings, Inc. would be *CEILINGS*.

If you search for a vendor and the exact name comes up and it is unique, i.e. Alexander Bushnell, but it has a different address, check by calling the vendor to see if it has moved. If so, you just need to do an address change.

A sample of the most recent W-9 (**Exhibit I**), is included in these procedures and is available electronically by request to purchasing@ci.reading.ma.us.

11. TAX EXEMPT CERTIFICATES

There are two types of tax exempt certificates: Form ST-5, Sales Tax Exempt Purchase Certificate and ST-5C, contractors and sub-contractor's Sales Tax Exempt Purchase Certificate. Both are MassDOR forms that certify that the Town is a municipal entity not subject to sales taxes. These certificates are issued by the Finance Department for a vendor or by a department on the vendor's behalf. When a vendor presents our certificate to be used on a Town contract, the merchant cannot charge sales tax.

All department requests for tax exempt certificates should include the following information:

1. Name of the company (vendor requesting the certificate)
2. Full address
3. Email address, phone # and fax number
4. Reason for requesting certificate, i.e. blanket order, contract #, purchase order # or even a single item

The Finance Department will complete and sign the necessary form and return it to the vendor. We do not give departments blank tax exempt certificates to fill out.

If anyone requests an ST-2 (Certificate of Exemption), it will be provided along with the ST-5.

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12. REQUISITIONS, PURCHASE ORDERS, AND FUNDING

A requisition is a request by a department to purchase a specified supply or service input into Munis. The department head or designated support staff will complete a requisition in Munis. The requisition should have documentation of sound business practice used or the details of the solicitation of quotes, bids or proposals, copy of the contract etc. attached depending on the various types of procurement utilized and the dollar amount.

The department head is accountable for the complete appropriation of funds at the time of the requisition entry and the availability of funding. After a requisition is approved, it is converted to a purchase order, which is an instruction to a vendor by a department to provide the approved supply or service. The majority of requisitions are converted to purchase orders within 3 days of the creation of requisition by the department. Purchase orders initiate procurement; they are not used to pay bills.

12.1 ANTICIPATE PURCHASING NEEDS

All employees are responsible for anticipating needs and services in a timely manner to allow compliance with all procurement laws.

12.2 IDENTIFY OPPORTUNITIES TO CONSOLIDATE PURCHASES

Office furniture - All requests for new or replacement office furniture will be forwarded to the Facilities Department for approval before a purchase is undertaken. The Facilities office will be responsible for maintaining a list of surplus and/or underutilized office furniture within Town government to assure that unnecessary purchases are not made.

Computer supplies and equipment - All purchases of computer supplies and computer hardware will be coordinated by the Information Technology (IT) Department in Administrative Services. All requests for these supplies or equipment should be forwarded to this unit before purchases are made by any Town department. The IT Department will maintain a list of surplus equipment.

Department heads should also attempt to utilize state or cooperative purchasing through regional and state associations when possible.

12.3 PURCHASE ORDERS

Department heads shall be responsible for the control and issuance of all purchase orders in their department. A purchase order must be issued for each purchase of a supply or service.

Upon the award of any contract, a requisition should be entered by the Department to encumber the funds necessary to pay the contract. The purchase order number should be provided to the vendor to be referenced on invoices they submit to the Town for payment. If you are using the PO as your contract, the PO must be signed by the vendor and kept on file internally.

TOWN OF READING PROCUREMENT PROCEDURES

12.4 BLANKET PURCHASE ORDERS

Blanket purchase orders may be used in order to avoid issuing a large number of town purchase orders to the same vendor(s) for the same commodities. Upon determining that a blanket purchase order is warranted, due to the common supply needs of several town departments, you may solicit quotations or competitive bids from qualified vendors. After reviewing the price quotations for the items to be provided, you can place the order with the responsible vendor offering the lowest unit price for the supply or commodity to be purchased. If more than one item or commodity is to be purchased on a single blanket purchase order, you should award the entire order to the vendor who offers the lowest unit price on the items to be purchased in the largest volumes.

13. CHANGE ORDERS AND INCREASES ON ACTIVE CONTRACTS

It often happens that an estimate does not fully anticipate what will actually be needed under a contract. Fortunately, the statutes allow for adjustments to existing contracts. The rules are different for construction contracts under c. 149 or c. 30, §39M and contracts for supplies and services under c. 30B. Changes to construction contracts are called change orders and they can amend the scope of work and contract price by adding or subtracting work at mutually agreed upon prices. However, if the change is an increase to a set unit-priced (per ton, per hour, and so forth) supply or service, only the quantity but not the unit price can be changed.

13.1 INCREASES ON ACTIVE CONTRACTS

Changes to c. 30B contracts are called increases, and they can only increase the **quantity** of the supply or service on the same terms as underlying contract provided that the following four conditions are met:

1. the unit prices remain the same or less;
2. the procurement officer documents in writing that an increase is necessary to fulfill the actual needs of the local jurisdiction and is more economical and practical than awarding another contract;
3. the parties agree to the increase in writing; and
4. the cost of the increase does not exceed **25 percent** of the contract price

If you have procured multiple items (for example, desks, chairs and file cabinets) under a single office equipment contract, and you need to purchase additional desks, your purchase limit is 25 percent of the total contract price for all of the items purchased, not 25 percent of the total price of the desks purchased under the contract. (Increases and change orders should not be confused with extensions. Extensions are contractual rights to renew a contract term and are specifically provided for in the initial IFB or RFP.)

Contracts for the purchase of **gasoline, special fuel, oil, road salt and other ice and snow control supplies** are not subject to the 25 percent limitation. However, you must meet the first three

TOWN OF READING PROCUREMENT PROCEDURES

conditions listed above before purchasing additional supplies under the existing contract.

13.2 CHANGE ORDERS

For construction contracts, M.G.L. c. 30, § 39 states that any change to a construction contract can only be made in a written document signed by a person duly authorized by the Town. Like the Bid Request Form, it must be signed by the Department Head and submitted to the Procurement Office Department. If the certification is proper in form, the Procurement Office will sign the Change Order and so that the originating department can send it to the contractor for their signature. Upon return it is executed by the CPO, the Town Accountant and the Town Manager—in the same manner as the original contract. Under no circumstances is it appropriate for any person acting on his or her own to seek to unilaterally modify a construction contract. Any such attempt to modify is of no legal effect and vendors cannot be paid for work done in reliance on the modification. Other consequences are possible liability to the Town, a surety's refusal to pay under an invalid contract, or a claim against the person by the contractor for misrepresenting his or her authority.

14. PROPRIETARY SPECIFICATIONS

Although the construction, supplies and services bid laws are premised on fair and open competition, they do allow the use of so-called “proprietary” specifications under certain circumstances. A proprietary specification either uses a specific brand name or is written so restrictively that only one vendor or manufacturer can supply the desired service or item. For example, the Town may have standard door hardware (which it procured through a bid process) and wants to inventory the same brand hardware for replacements and repairs. Because such specifications use a brand name or are written in a way that only one vendor can bid, they are presumptively anticompetitive and the statutes require a written justification for their use. The written justification is to be available to the public on request. Departments that include proprietary items in their IFBs or RFPs must provide the Procurement Office with a signed, credible written justification for their use prior to the bid release explaining why no other description will suffice. (Remember, competitors and vendors have the right to look at it.) If you have not given the Procurement Office the written justification, your bid release may be delayed. Note that even if you use a proprietary specification, you still have to go out to bid.

15. TOWN CREDIT CARD

The Town credit card (P Card) is managed by the Treasury Office. Please contact the Treasury's Office to receive the card and for the procedure regarding its use for town purchases.

16. SURPLUS PROPERTY

From time to time, the Town of Reading finds it necessary to dispose of materials, equipment, etc. that are no longer needed or useful. The following procedure outlines the process to be followed in the disposition of surplus items after the originating department has offered the item(s) for repurposing to other departments within the Town of Reading. This procedure applies to all items having resale or salvage value regardless of dollar amount. Please note goods

TOWN OF READING PROCUREMENT PROCEDURES

owned by the Town are never to be given to individuals.

Massachusetts General Laws Chapter 30B, §15 provides for a governmental body to dispose of a tangible supply, no longer useful to the governmental body, but having resale or salvage value. These rules apply to all tangible surplus supplies with a resale or salvage value including motor vehicles, machinery, computer equipment, furniture, and other materials and items.

The General Bylaws of the Town of Reading 6.2 *Disposal of surplus property* outline the procedure of items with an estimated value up to \$5,000.

The bylaw shall not apply to the disposition of old books, magazines, periodicals, recordings and printed materials in the custody of the Board of Library Trustees. Such disposition may be made at the discretion of the Board of Library Trustees.

In order to follow the appropriate steps you must first make a determination of its value. The declared value determines the procedure that must be followed.

PROCEDURE:

No tangible surplus items owned by the Town of Reading shall be sold or otherwise disposed of except upon the written recommendation of the respective Division Director/ Department Head to the Town Manager. The written recommendation shall include a specific description (as much detail as possible) of the item to be disposed of including relevant make, model number, serial number, vehicle identification number, etc. The written recommendation is also to include justification/reason for the request.

The Town Manager shall review the written recommendation and make an initial determination of its merits.

Upon the Town Manager's approval, the written recommendation shall be added to a warrant article at the next town meeting or forwarded to the Finance Committee for final review and approval. As a general rule, surplus is approved for sale or disposal at the Town's annual or special town meeting.

After the item has been approved for disposition, please submit the "Surplus Property Form", **Exhibit D** to the Procurement Office. Sufficient information and photographs should be provided to allow for inspection of a potential buyer of the surplus item. The form gives the Procurement Office the necessary information to offer the item(s) for auction and disposal. The Procurement Office will require the list and photographs of the items to sell a minimum of 30 calendar days prior to the items needing to be removed from your site. This timeframe allows for advertising requirements and the buyer time to make payment and pick the item up. Please note, M.G.L. c 30B requires that surplus items above \$10,000 in value be advertised at least 14 calendar days prior to the bid opening or auction closing.

TOWN OF READING PROCUREMENT PROCEDURES

Value over \$10,000

The sale of all surplus items with a value above \$10,000 shall be conducted by sealed bids or public auction in accordance with M.G.L. c 30B.

Charitable Donations

Surplus items with an estimated net value of \$5,000 or less may be disposed of at less than fair market value to any organization that has an IRS tax exempt status by reason of its charitable nature without town meeting approval.

Trade-Ins

Surplus supplies can be traded in as part of a Chapter 30B bid or proposal process. However, Chapter 30B does not permit trade-ins as part of a **quote process** unless the value of the supplies is less than \$10,000 and your local jurisdiction's written procedures specify that trade-ins are permissible. Our local bylaw states you can trade the item in using a **quote process** with items that have value up to \$5,000 only.

17. EMPLOYEE REIMBURSEMENTS

An employee wishing to purchase a supply or service and request reimbursement must first receive authorization from his or her Department head. The department heads prior approval must be attached to the Expenditure Reimbursement Form.

18. SPECIAL APPROVAL – IT PURCHASES

The IT Department must approve all purchases of computers and computer equipment prior to the purchase being made.

19. EMERGENCY PROCUREMENTS

M.G.L. c. 30 B

Emergencies may require expedited procurements. If the time required to comply fully with Chapter 30B would endanger the health or safety of people or their property due to an unforeseen emergency, you may procure the needed item or service without complying with all of Chapter 30B's requirements. Even under emergency circumstances, however, you must comply with Chapter 30B to the extent possible. For example, if you do not have time to advertise for two weeks, you can shorten the advertising period; or, if you have no time to advertise, you can solicit quotes. You may procure only those supplies or services necessary to meet the emergency.

A local jurisdiction may not artificially create an emergency by postponing normal purchases. If you had reason to know in advance that you needed the supplies or services and you failed to act until the need became critical, you will have difficulty justifying an emergency procurement.

TOWN OF READING PROCUREMENT PROCEDURES

Invoking the emergency procedures in the absence of a genuine emergency could invalidate your contract.

For c. 30B procurements, the Procurement Office must maintain a record of each emergency procurement, documenting the basis that an emergency exists, the name of the vendor, and the emergency procurement amount. Notice of the emergency procurement must be published as soon as possible to the *Goods and Services Bulletin*. To assure these requirements are met, the Procurement Office must receive a copy of a completed and signed **Emergency Procurement Data Sheet**, and example of which is provided as **Exhibit E**, before a requisition is approved.

M.G.L. c. 149 or M.G.L. c. 30, § 39M

For the emergency procurement of construction services under c. 149 or c. 30, §39M, prior written approval of DCAMM is required. Thus, where a road has collapsed or the Town needs to secure a burned or destroyed Town building, and only an immediate repair will protect life and property, the Town must submit a written request explaining the nature of the emergency and what if any steps it will take to get a best value price. DCAMM is both responsive and reasonable in granting waivers as long as the documentation requirements are met. An example letter you may use to request the approval of DCAMM as **Exhibit G**.

20. CONTRACT ADMINISTRATION

A written contract is required by M.G.L. c. 30B, §17 for any procurement costing more than \$10,000. The Town Manager is the only authorized individual to sign contracts on behalf of the Town of Reading. It is the responsibility of the department to provide the Procurement Office with proper specifications for bids or a detailed scope of services setting forth a clear description of goods and services to be procured. The scope of services must be provided before issuing the appropriate procurement document and must be incorporated into the written contract.

Be sure to keep records in your project file on the contractor's performance (pictures, examples of poor performance).

20.1 MULTI- YEAR CONTRACTS

M.G.L. Chapter 30 B § 12 (b) Unless authorized at town meeting, the Town shall not award a contract for a term exceeding three years, including any renewal, extension, or option.

20.2 PROFESSIONAL SERVICE CONTRACTS

In cases where the Town of Reading has engaged the services of a professional service firm, or an individual consultant, for an unspecified level of service, detailed statements of time and expenses shall be rendered to the Town of Reading on a monthly basis. Each statement shall contain the most recent month's detailed charges, and fiscal year-to-date total charges. Invoices for professional services provided under such agreements will not be processed for payment in the absence of detailed time and expense statements.

TOWN OF READING PROCUREMENT PROCEDURES

20.3 CONTROL PAYMENTS TO VENDORS

Payment to vendors shall not be made:

- without a valid purchase order;
- under a contract made in violation of these procedures;
- for a supply or service rendered prior to the execution of a valid contract; and
- in an amount in excess of that authorized by the contract. Ensure all invoices match your contract terms and pricing details. Employees paying invoices must verify that the Town is being charged for materials in accordance with the contract.

20.4 CONTROL CONTRACT EXTENSIONS AND RENEWALS

If a contract contains an option for renewal or extension, the exercise of the option shall be at the sole discretion of the Town of Reading and shall not be subject to agreement or acceptance by the vendor. No option shall be exercised unless the department head recommends in writing to the Town Manager, after reasonable investigation of costs and benefits, that the exercise of the option is more advantageous to the Town than alternate means of procuring comparable supplies or services.

21. PROCUREMENT PROCEDURES FOR COMMUNITY PROJECTS

The Town not only has procedures for its own procurements, but also has procedures applicable to private persons who receive public funds administered or awarded by the Town. The Town also grants monies to private nonprofits for various community development purposes, mainly to build and operate affordable housing. Funds for these projects come from HUD, Community Preservation Act (CPA) grants, and other sources.

When it comes to spending the taxpayer money, no matter how little the amount and regardless of whether or not the money comes from Reading residents, it is important to ensure that the developer to whom the Town has granted funds uses sound business practices. The funding agencies from which Reading receives the money have no specific procurement requirements; HUD requires only that we follow “sound management practices.” The Town has decided that it is a sound management practice to require substantially similar processes for grants as it does when spending its own funds.

Accordingly, when we undertake a building project or a nonprofit receives funds to renovate a building for affordable housing, the following thresholds apply: up to \$10,000, sound business practices; \$10,000-\$50,000, solicit at least written 3 quotes; and over \$50,000 sealed bids.

22. ENVIRONMENTAL PREFERABLE PRODUCTS

TOWN OF READING PROCUREMENT PROCEDURES

The Town encourages environmentally preferable products, i.e., products or services that have fewer negative or more positive effects on human health and the environment when compared with competing products or services that serve the same purpose. The Town encourages bidders to describe, in the space provided on the Bid Form, the environmental attributes of its goods or services throughout the entire life-cycle, including manufacture, use, and disposition. This information may include multiple environmental considerations such as natural resource use, recycled content, energy and water efficiency, greenhouse gas emissions, impact on climate change, packaging, hazardous material use, and health and safety impacts on workers, consumers and the community. If the bidder does not currently assess such attributes, we ask them to please indicate that on the bid form.

Bidders are encouraged also to provide information related to steps they take internally to:

- (a) identify any positive or negative environmental attributes of products or services they offer, as specified above, and
- (b) insure that those attributes are being addressed as part of operations.

Like prompt pay discounts, the Town notes any responses at the bid opening; but, does not take environmental sustainability information into account when evaluating bid proposals.

23. INVITATION FOR BID (IFB)

1. If the procurement was done as an IFB the bids will be opened publicly by the Procurement Office or designee who shall read aloud the name of the bidder and the amount of the bid. The Procurement Office or designee shall note the bidders who have presented a bid and the amount of the bid. **LATE BIDS WILL NOT BE ACCEPTED.**
2. After the IFB opening the Procurement Office will type and scan the bid tabulation sheet to the Department Head and upload the bidders list to the town's website.
3. The Department Head or designee will review the lowest bidder's documentation to ensure they are the lowest responsible and responsive bidder. If the lowest bidder is not responsible and or responsive make note of why the vendor is not responsive and/or responsible and proceed to review the next lowest bidder.
4. Once a vendor has been determined, the Department Head or designee will notify the Procurement Office of the winning bidder.
5. The Procurement Office will draft and send a notice of intent-to-award and contracts to the responsive and responsible bidder.
6. Once the vendor has returned the signed contract to the Procurement Office, the Procurement Office shall send the contract for final signatures to the Town Accountant and Town Manager.

**TOWN OF READING
PROCUREMENT PROCEDURES**

7. After the contract is signed by the vendor and Town Manager, the Procurement Office will deliver one original to the department head or designee that originated the procurement, mail one original to the vendor and send the third original to the Finance Office. A fully signed copy of the contract and certificate of insurance liability will be filed in the Procurement Office and on Laserfiche. The Procurement Office will ensure that the vendors insurance is compliant at the time the contract is executed. Please note it is the responsibility of the originating department to ensure throughout the contract term that the insurance is up to date before and while any work commences.
8. All invoices for advertising the IFB will be paid by the requesting department within their appropriate line item.

24. REQUEST FOR PROPOSALS (RFP)

1. If the procurement was handled as a RFP the Procurement Office will receive all proposals. After the RFP deadline has passed the Department Head shall pick up the non-technical proposals from the Procurement Office.
2. The Department Head and or review committee shall review the proposals within two to ten business days.
3. After the Department Head or designee have reviewed the proposals, selected the most advantageous proposer and completed the RFP evaluation all documents shall be returned to the Procurement Office.
4. The Procurement Office will draft and send a Notice of Intent of Award to the most advantageous proposer.
5. The Procurement Office will update the final contract with the details supplied (amount, scope of work, and specifications).
6. Once the vendor has returned the signed contract to the Procurement Office, the Procurement Office shall send the contract for final signatures by the Town Accountant and Town Manager.
7. After the contract is signed by the vendor and Town Manager, the Procurement Office will deliver one original to the department head or designee that originated the procurement, mail one original to the vendor and send the third original to the Finance Office. A fully signed copy of the contract and certificate of insurance liability will be filed in the Procurement Office and on Laserfiche. The Procurement Office will ensure that the vendors insurance is compliant at the time the contract is executed. Please note it is the responsibility of the originating department to ensure throughout the contract term that the insurance is up to date before and while any work commences.
8. All invoices for advertising the RFP will be paid by the requesting department within their appropriate line item.

EXHIBIT A
QUOTE SUMMARY SHEET

Use this form for 30 B purchases of supplies and services from \$10,000 to \$50,000. The original of this form, a copy of the contract between Town & Vendor and any supporting pages must be filed with the Procurement Office.

SECTION 1:

Name: _____ Today's Date: _____
(Quotes requested by)

VENDOR AWARDED	DATE AWARDED	AWARDED AMOUNT
		\$ _____

SECTION 2:

SPECIFICATIONS SENT TO VENDORS - Description of goods or services to be purchased § 7 (Attach additional pages wherever necessary). Be sure to send the same written purchase description to each vendor and include:

- quality, performance or experience standards that the vendor must meet;
- actual or estimated quantities;
- service and warranty terms;
- sampling, inspection and test criteria;
- delivery terms or performance deadlines. (prices must include delivery and any freight charges)

SECTION 3:

Please choose one or more of the options below:

____ Written quotations from no fewer than **3 vendors** who customarily provide the supply or service were sought
 ____ Reference number of state contract § 1(c) _____ (e.g. FAC85)

You must comply with all the terms written in the state and validate pricing. Some state contracts still require multiple quotes to be sought and additional terms. Please refer to the contracts user guide or contact the Procurement Office if you are unsure of the terms of the contract.

____ Reference number and name of the cooperative supply agreement §§ 1(f) and 22: _____
 (e.g. MHEC G02): _____

You must comply with all the terms written in the cooperative contract and validate pricing. Please contact the Procurement Office if you are unsure of the terms of the contract.

____ Sole Source Request (Sole Source Request and Declaration form attached) § 7
 ____ Emergency Procurement (Emergency Procurement Data Sheet attached) § 8

SECTION 3:

Names and address of all vendors from whom quotes were sought.

1) _____
 Name of Vendor Did the vendor submit a quote? Yes / No

 Address of Vendor

 Date Quote Received \$ _____
Amount of Quote

Explain if Non Responsive (Vendor did not meet quality and or experience requirements) _____

(Explain on back of form or attach additional pages wherever necessary)

2) _____
 Name of Vendor Did the vendor submit a quote? Yes / No

 Address of Vendor

 Date Quote Received \$ _____
Amount of Quote

Explain if Non Responsive (Vendor did not meet quality and or experience requirements) _____

(Explain on back of form or attach additional pages wherever necessary)

3) _____
 Name of Vendor Did the vendor submit a quote? Yes / No

 Address of Vendor

 Date Quote Received \$ _____
Amount of Quote

4) _____
 Name of Vendor Did the vendor submit a quote? Yes / No

 Address of Vendor

 Date Quote Received \$ _____
Amount of Quote

Explain if Non Responsive (Vendor did not meet quality and or experience requirements) _____

(Explain on back of form or attach additional pages wherever necessary)

SECTION 4:

Award the contract to the responsible offeror offering the needed quality of the supply or service at the best price. A responsible offeror has the capacity, reliability and integrity to perform the contract.

APPROVAL - I certify that I am not aware of any violations of Chapter 268A (ethics issues) regarding this procurement. I am not aware of any potential conflict of interest that I have not already disclosed to the Procurement Officer.

Signature-Employee completing this form Signature-Department Head

Date Date

Keep the following records in your file for 6 years after the last payment on the contract is made:

- Written contract (All written contracts must be signed by the Town Manager)
- Names and addresses of all vendors from whom quotes were sought
- Your written purchase description
- Name of all vendors submitting quotes (including date of quote and amount)

**EXHIBIT B
 BID/QUOTE/RFP/RFQ REQUEST FORM**

Email the completed Bid Request Form to purchasing@ci.reading.ma.us

Previous Bid# _____

Project Manager

Phone

Email

Description of Project: _____

PROJECT INFORMATION

Estimated Contract Cost: \$ _____

Project Title: _____

Anticipated Start Date: _____ End Date: _____

Contract Term: Fiscal Calendar

Options to renew: None 1 Year 2 Years

Pre-bid Information Meeting Required: Yes No

Pre-Bid Meeting Date: _____ Location: _____

ORG & OBJ #s for Project: _____

ORG & OBJ #'s for Advertising: _____

Grant Funding: Yes No

Stimulus Funding: Yes No

Could the CONTRACTOR'S employees have unsupervised contact with children, the disabled, or the elderly during the performance of their work under this Contract? Yes No if yes, a CORI and SORI will be required.

Special Instructions: _____

What type of contract are you procuring?

___ **SUPPLIES and SERVICES M.G.L. c. 30 B (Over \$50,000)**

___ **PUBLIC WORKS (NON BUILDING) CONSTRUCTION (with labor) M.G.L. 30, § 39M**

Chapter 90 Funding: Yes No

if yes, have you followed all of requirements to fulfill their funding requirements Yes No

(e.g. Mass Highway Pre-qualification Form Required)

Price Adjustment Required: Yes No If yes, circle each: Gas / Diesel / Portland Cement / Liquid Asphalt / Steel

Drawings/Plans: Yes No # of Pages _____

___ **BUILDING CONSTRUCTION CONTRACTS M.G.L. 149**

Construction/Facility improvements with a cost of \$100,000 or more will mandate the implementation of DCAM procedures. DCAM

Certified Contractor Required: Yes No

Filed Sub Bids: Yes No

Drawings/Plans: Yes No # of Pages _____

Category of Work: _____ Trades: _____

ALTERNATES: Yes No

How many (list in order of priority): _____

Department Head Approval

Date

PROCUREMENT OFFICE USE ONLY

Previous Bid No.:

New Bid No.:

Prevailing Wage Rates Required (yes / no):

Bid Bond - Required (yes / no):

Payment Bond - Required (yes / no):

Performance Bond - Required (yes / no):

DATES AND TIMES

Release Date:

Pre-Bid Meeting Required (yes / no):

Mandatory Meeting Required (yes / no):

Advertising Required (yes / no): Circle all that apply

Reading Chronicle Bulletin Board Website Central Register Goods & Services

Date Posted

Date and Time of Bid/RFP Opening:

Opening Location:

Notes:

EXHIBIT C
SOLE SOURCE REQUEST and DECLARATION

Name: _____
(Person completing this form)

Today's Date: _____

VENDOR NAME: _____ DOLLAR AMOUNT \$ _____

ADDRESS: _____

TELEPHONE NO: _____ EMAIL ADDRESS: _____

You may award a sole-source contract of less than \$50,000 if a reasonable investigation indicates that there is only one practicable source for the supply or service you are procuring. In this case, you need not seek competitive quotes.

Please describe the supplies or services procured:

Start Date of Procurement Investigation

End Date of Procurement Investigation

You **may not** make a sole-source procurement of \$50,000 or more except for the following:

1. Software maintenance, library books and educational materials: You may make noncompetitive purchases in any amount for software maintenance; library books; school textbooks; or educational programs, courses or curricula in any media, including educational software, newspapers, serials, periodicals and audiovisual materials, **if you determine in writing**, after reasonable investigation, that there is only one practicable source for the items

2. Utilities: You may make noncompetitive purchases of water, gas, electricity, sewer and telephone services in any amount from a regulated industry company if you determine in writing that there is only one practicable source for the services.

Please describe the basis and your investigation for your determination that only one practicable source exists:

Your determination must be supported by a letter from the vendor dated no more than 60 days from the date confirming that it is the sole source for the supply or service described above.

Contracts for energy or energy-related services are exempt from Chapter 30B; however, for the contract to be exempt, within 15 days of contract execution, a governmental body must submit a copy of the energy or energy-related contract and a report of the process used to execute the contract to the Department of Public Utilities, the Department of Energy Resources, and the Office of the Inspector General. M.G.L. c. 30B, § 1(b)(33).

APPROVAL - I certify that I am not aware of any violations of Chapter 268A (ethics issues) regarding this procurement. I am not aware of any potential conflict of interest that I have not already disclosed to the Procurement Officer

Signature-Employee completing this form

Signature-Department Head

TOWN OF READING
CONTRACTS FOR ENERGY AND ENERGY-RELATED SERVICES
CHAPTER 30B COMPLIANCE FORM

By letter dated _____, I have provided a copy of a contract and a report of the process used to execute the contract to each of the following parties in compliance with M.G.L. c. 30B, § 1(b)(33):

Mark Marini, Secretary
Department of Public Utilities
One South Station, 2nd Floor
Boston, MA 02110

Office of the General Counsel
Department of Energy Resources
100 Cambridge Street
Suite 1020
Boston, MA 02114

Office of the Inspector General
One Ashburton Place
Room 1311
Boston, MA 02108

Signature

Printed Name

Title

Name of Contract

Date of Contract Execution

**EXHIBIT D
SURPLUS PROPERTY FORM**

Date: _____	Storage Address: _____ _____
Department Name: _____	_____
Contact Person: _____	_____
Telephone: _____	<i>Please include pictures of the items you wish to be auctioned.</i>
E-Mail Address: _____	Date item(s) must be removed by: _____

Please provide this information to the best of your ability.

Description	Quantity	Age	Condition Code	Original Value*	Minimum Acceptable Bid
EXAMPLE Jpeg No. _____ Year _____ Make _____ Model _____ VIN _____ Town Identification # _____ Mileage _____	1	10	A-5	\$20,000	\$100

Date of ATM/STM Approval of Disposition: _____ (Not applicable to items with no value)	Article number from the ATM/STM: _____
--	---

Signature _____ **Title** _____ **Date** _____

Page ____ **of** ____

Condition Code	Definitions
A-1	New or used property in excellent condition. Ready for use and identical or interchangeable with new items delivered by a manufacturer or normal source of supply.
A-2	New or used property in good condition. Does not quite qualify for A-1 (because slightly shopworn, soiled, or similar), but condition does not impair utility.
A-3	New or used property in fair condition. Soiled, shopworn, rusted, deteriorated, or damaged to the extent that utility is slightly impaired.
A-4	Used property, but repaired or renovated. Further repairs or renovation required or expected to be needed in near future.
A-5	Used property, working/functional
A-6	Used property, not working
S - Salvage	Personal property that has some value in its basic material content, but which is in such condition that it has no reasonable prospect for use for any purpose as a unit and its repair or rehabilitation for use as a unit is clearly impractical.
T- Trash	Has no value to the Town, should be disposed of at the least cost to the Town possible.
* Original Value:	Actual acquisition cost (original cost) or your best estimate of the acquisition cost.

EXHIBIT E

TOWN OF READING

EMERGENCY PROCUREMENT DATA SHEET

M.G.L. c. 30B, §8

Date:	
Requesting Department::	
Contractor's or supplier's name:	
Amount of each contract	
Supply or service procured:	
Justification for the need for an emergency procurement:	<p>[Describe the emergency] Due to the heavy snows of late January and February 2015, the amount of snow on Town streets and sidewalks poses hazards to drivers and pedestrians on account of poor visibility and the necessity of walking in Town streets.</p> <p>[Solution] The Town will use sound business practices to obtain prices.</p>

Department Head Signature

Town Manager Signature

Date

Date

The Procurement Office is instructed to submit a notice of this emergency procurement as soon as practicable to the *Goods and Services Bulletin*.

EXHIBIT F

SUGGESTED VENDORS LIST

Please inform the Procurement Office know of any vendors you would like to receive the final IFB/RFP.

PROJECT NAME: _____

Company Name: _____

Contact Name: _____

Phone: _____

Fax: _____

Email: _____

Company Name: _____

Contact Name: _____

Phone: _____

Fax: _____

Email: _____

Company Name: _____

Contact Name: _____

Phone: _____

Fax: _____

Email: _____

EXHIBIT G

Division of Capital Asset Management and Maintenance (DCAMM) Emergency Waiver Requests by Public Awarding Authorities

IN QUALIFYING EMERGENCY SITUATIONS CERTAIN PUBLIC CONSTRUCTION PROCUREMENT LAWS MAY BE WAIVED UNDER G.L. c. 149, §44(A)(4) OR THE ADVERTISING REQUIREMENTS MAY BE WAIVED UNDER G.L. c. 149, §44(J)(6). UNDER THESE LAWS PUBLIC AWARING AUTHORITIES SEEKING AN EMERGENCY WAIVER MUST RECEIVE WRITTEN APPROVAL FROM THE DIVISION OF CAPITAL ASSET MANAGEMENT AND MAINTENANCE (DCAMM).

PLEASE NOTE: Snow removal work alone does not require an emergency waiver. Just as shoveling snow off sidewalks, mowing lawns, removal of downed trees after storms and cleaning buildings is not considered “maintenance” for purposes of G.L. c. 149 §44A et. seq., removing snow from a roof is not considered the type of “maintenance” work subject to G.L. c. 149.

PUBLIC AWARING AUTHORITIES REQUESTING AN EMERGENCY WAIVER SHOULD:

Send an e-mail with Emergency Waiver letter request attached to: emergencywaivers.dcam@state.ma.us

SAMPLE LETTER



Town of Reading
16 Lowell Street
Reading, MA 01867-2685

Website: www.readingma.gov

Office: (781) 942-

Date

Carol Gladstone, Commissioner (As of July 2016, Verify director at time of emergency)
Division of Capital Asset Management and Maintenance
One Ashburton Place, 15th Floor
Boston, MA 02108
Attn: Office of the General Counsel

Dear Ms. Gladstone,

We are seeking a waiver of the bidding requirements of G.L. c. 149, §44A(4), and/or the advertising requirements of G.L. c. 149, §44J(6).

Describe the nature of the extreme emergency and how it creates an immediate threat to the health or safety of people or property;

State how and when the awarding authority became aware of the emergency situation;

Detail the proposed scope of work necessary to preserve the health or safety of persons or property for which the awarding authority is seeking an emergency waiver – include a statement that the scope of work described is the minimum work necessary to alleviate the emergency.

Explain why the time requirements involved in the standard bidding process will not suffice;

To the extent a bid solicitation process is possible, explain that process to be used (maximizing competition - minimum 3 competitive prices); if a bid solicitation process is not possible or cannot meet the minimum standard, then explain why.

The approximate dollar value of the emergency scope of work; and

We acknowledge that the prevailing wage law, bonding requirements and the DCAMM contractor certification requirements (projects over c. 149 building project threshold) apply to this emergency project.

Attached are (letters, reports, orders, etc. from expert consultants and local or state officials) in supportive documentation.

Sincerely,

Title

DCAMM will notify us before the end of the next business day whether the request is approved, denied or requires additional information. Please note that when Emergency Waivers are granted, awarding authorities must nevertheless comply with prevailing wage, bonding and DCAMM contractor certification requirements.

For more information go to:

<http://www.mass.gov/anf/property-mgmt-and-construction/info-and-guide-for-municipalities/emergency-waiver-requests-by-public-awarding.html>

Request for Taxpayer Identification Number and Certification

Give Form to the requester. Do not send to the IRS.

Print or type See Specific Instructions on page 2.	1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.	
	2 Business name/disregarded entity name, if different from above	
	3 Check appropriate box for federal tax classification; check only one of the following seven boxes: <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner. <input type="checkbox"/> Other (see instructions) ▶ _____	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <i>(Applies to accounts maintained outside the U.S.)</i>
	5 Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
	6 City, state, and ZIP code	
	7 List account number(s) here (optional)	

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number									

or

Employer identification number									

Note. If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here	Signature of U.S. person ▶	Date ▶
------------------	----------------------------	--------

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at www.irs.gov/fw9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)

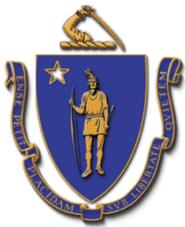
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding? on page 2.

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.



GLENN A. CUNHA
INSPECTOR GENERAL

The Commonwealth of Massachusetts

Office of the Inspector General

John W. McCormack
State Office Building
One Ashburton Place
Room 1311
Boston, MA 02108
Tel: (617) 727-9140
Fax: (617) 723-2334

Exhibit J

October 2016

Dear Local Official:

The Office of the Inspector General (Office) created the following charts for local officials to use as a quick guide on public procurement procedures that must be followed pursuant to the Massachusetts General Laws. Your local rules may establish stricter or additional requirements that you must follow. Contact your chief procurement officer or legal counsel for advice on your local rules and procurement procedures.

The Office updated the charts with changes that are effective November 7, 2016, pursuant to the passage of Chapter 218 of the Acts of 2016, *An Act Modernizing Municipal Finance and Government*. The charts highlight particular compliance requirements depending on the cost or the nature of your procurement. For example, the charts highlight, where applicable, the requirement for a ten-hour course in construction safety and health approved by the United States Occupational Safety and Health Administration (OSHA). The charts are meant to provide a general overview of the principal public procurement statutes, and are not a substitute for reviewing the statute or obtaining the advice of legal counsel.

The charts include:

- M.G.L. c. 149 – BUILDING CONSTRUCTION CONTRACTS
- M.G.L. c. 30, § 39M, or M.G.L. c. 30B – PUBLIC WORKS (NON-BUILDING) CONSTRUCTION CONTRACTS (WITH LABOR)
- M.G.L. c. 30, § 39M, or M.G.L. c. 30B – CONSTRUCTION MATERIALS PROCUREMENTS (WITHOUT LABOR)
- M.G.L. c. 7C, §§ 44-57 – DESIGN SERVICES FOR PUBLIC BUILDING PROJECTS: Cities, Towns, Regional School Districts and Horace Mann Charter Schools
- M.G.L. c. 30B – PROCUREMENT OF SUPPLIES AND SERVICES

Any suggestions for the charts or questions concerning Chapter 30B (M.G.L. c. 30B) may be directed to this Office by calling (617) 722-8838. Questions concerning M.G.L. c. 149, M.G.L. c. 30, § 39M, and M.G.L. c. 7C may be directed to the Office of the Attorney General by calling (617) 963-2371 or your legal counsel.

Additional information is available from the following sources:

- Prevailing wage rate sheets may be requested online at <http://www.mass.gov/lwd/labor-standards/prevailing-wage-program/> or by calling the Department of Labor Standards at (617) 626-6953.
- *Central Register* advertisements may be submitted to the Secretary of the State's Office online at <http://www.sec.state.ma.us/spr/sprcentral/infosubmit.htm>. The submission deadline is 4:00 p.m. on Thursday for publication the following Wednesday.
- *Goods and Services Bulletin* advertisements may be submitted the Secretary of the State's Office online at <http://www.sec.state.ma.us/sprpublicforms/GSSubmissionform.aspx>. The submission deadline is 4:00 p.m. on Wednesday for publication the following Monday.
- COMMBUYS postings may be completed at www.commbuys.com.

My Office is committed to helping procurement officials comply with the state's procurement laws and make responsible purchasing decisions. Please do not hesitate to contact our Chapter 30B hotline if we can be of further assistance. Thank you.

Sincerely,



Glenn A. Cunha
Inspector General

M.G.L. c. 149 – BUILDING CONSTRUCTION CONTRACTS

Estimated Contract Amount	Under \$10,000	\$10,000 to \$50,000	Over \$50,000 to \$150,000	Over \$150,000	Over \$10,000,000
Procurement Procedure	Sound business practices (as defined in M.G.L. c. 30B, § 2). ¹	Use a written scope-of-work statement to solicit written responses from no fewer than 3 persons who customarily perform such work.	Sealed bids (using M.G.L. c. 30, § 39M).	Sealed bids (using M.G.L. c. 149, §§ 44A – 44J).	Solicit statements of qualifications prior to soliciting sealed bids (using M.G.L. c. 149, §§ 44A – 44J).
Notice/Advertising Requirements	None.	Post a notice at least two weeks before responses are due on 1) your jurisdiction’s website; 2) COMMBUYS; 3) in the <i>Central Register</i> ; and 4) in a conspicuous place near your office. ²	Post a notice 1) in your jurisdiction’s office for at least one week before bids are due; and, at least two weeks before bids are due, publish 2) in the <i>Central Register</i> ; 3) in a newspaper; and 4) on COMMBUYS. ³	Post a notice 1) in your jurisdiction’s office for at least one week before bids are due; and, at least two weeks before bids are due, publish 2) in the <i>Central Register</i> ; 3) in a newspaper; and 4) on COMMBUYS. ⁴	Advertise the request for qualifications at least two weeks before responses are due (1) in a newspaper; (2) in the <i>Central Register</i> ; and (3) on COMMBUYS. ⁵
DCAMM Certification	No.	No.	No.	Yes. General bidders if more than \$150,000 and filed sub-bidders if more than \$25,000.	Yes. General bidders if more than \$150,000 and filed sub-bidders if more than \$25,000.
OSHA Training	No.	Yes.	Yes.	Yes.	Yes.
Prequalification	No.	No.	No.	Optional. ⁶	Yes.
Filed Sub-bids	No.	No.	No.	Yes, if more than \$25,000.	Yes, if more than \$25,000.
Bid Deposit	No.	No.	5% of the value of the total bid.	5% of the value of the total bid or sub-bid.	5% of the value of the total bid or sub-bid.
Payment Bond	No.	50% payment bond if contract is >\$25,000. ⁷	50% payment bond.	100% payment bond.	100% payment bond.
Performance Bond	No.	No.	No.	100% performance bond.	100% performance bond.
Prevailing Wage	Yes.	Yes.	Yes.	Yes.	Yes.
Contractor Evaluation	No.	No.	No.	Yes.	Yes.
OSD or Blanket Contract Option	Yes.	Yes.	No.	No.	No.

¹ M.G.L. c. 149, § 44A(2)(A), as amended by Chapter 218 of the Acts of 2016. M.G.L. c. 30B, § 2, defines sound business practices as “ensuring the receipt of favorable prices by periodically soliciting price lists or quotes.”

² M.G.L. c. 149, § 44A(2)(B), as amended by Chapter 218 of the Acts of 2016.

³ M.G.L. c. 149, § 44J, as amended by Chapter 218 of the Acts of 2016.

⁴ M.G.L. c. 149, § 44J, as amended by Chapter 218 of the Acts of 2016.

⁵ The advertising procedures listed pertain only to the request for qualifications. Within 14 days of the completion of the prequalification process, you are required to post a notice in your jurisdiction and on COMMBUYS listing those general contractors and subcontractors that have been prequalified. A copy of the notice must be sent via first class mail, postage pre-paid, to all prequalified general and subcontractors along with an invitation to bid. The invitation to bid must have a deadline of at least two weeks. Although you may only consider bids from those general and subcontractors who have been prequalified, the advertising requirements for building construction contracts over \$150,000 apply.

⁶ If you decide to use the optional prequalification process for projects over \$150,000, follow the procedures listed in the “Over \$10,000,000” column.

⁷ M.G.L. c. 149, § 29.

M.G.L. c. 30, § 39M, or M.G.L. c. 30B, § 5 – PUBLIC WORKS (NON-BUILDING) CONSTRUCTION CONTRACTS (WITH LABOR)

Estimated Contract Amount	Under \$10,000	\$10,000 to \$50,000	Over \$50,000	\$50,000 or less
	M.G.L. c. 30, § 39M	M.G.L. c. 30, § 39M	M.G.L. c. 30, § 39M	M.G.L. c. 30B, § 5 Option ¹
Procurement Procedure	Sound business practices (as defined in M.G.L. c. 30B, § 2). ²	Use a written scope-of-work statement to solicit written responses from no fewer than 3 persons who customarily perform such work. ³	Sealed bids.	Sealed bids.
Notice/Advertising Requirements	None.	Post a notice at least two weeks before responses are due on 1) your jurisdiction’s website; 2) COMMBUYS; 3) in the <i>Central Register</i> ; and 4) in a conspicuous place near your office. ⁴	Post a notice 1) in your jurisdiction’s office for at least one week before bids are due; and, at least two weeks before bids are due, publish 2) in the <i>Central Register</i> ; 3) in a newspaper; and 4) on COMMBUYS. ⁵	Post a notice at least two weeks before bids are due 1) in your jurisdiction’s office, and publish 2) in a newspaper; 3) on COMMBUYS; and 4) in the <i>Central Register</i> . ⁶
OSHA Training	No.	Yes.	Yes.	Yes.
Prequalification	No.	No.	Maybe. ⁷	No.
Bid Deposit	No.	No.	5% of the value of the total bid.	No.
Payment Bond	No.	50% payment bond if contract is more than \$25,000. ⁸	50% payment bond.	50% payment bond if contract is more than \$25,000. ⁹
Performance Bond	No.	No.	No.	No.
Prevailing Wage	Yes.	Yes.	Yes.	Yes.
OSD or Blanket Contract Option	Yes.	Yes.	No.	No.

¹ Authorized by M.G.L. c. 30, § 39M(d).

² M.G.L. c. 30, § 39M, as amended by Chapter 218 of the Acts of 2016. M.G.L. c. 30B, § 2, defines sound business practices as “ensuring the receipt of favorable prices by periodically soliciting price lists or quotes.”

³ M.G.L. c. 30, § 39M, as amended by Chapter 218 of the Acts of 2016.

⁴ M.G.L. c. 30, § 39M, as amended by Chapter 218 of the Acts of 2016.

⁵ M.G.L. c. 149, § 44J.

⁶ M.G.L. c. 30B, § 5, and M.G.L. c. 9, § 20A.

⁷ Although M.G.L. c. 30, § 39M, does not mandate a contractor prequalification process, prequalification of bidders by the Massachusetts Department of Transportation is required for contracts of \$50,000 or more (1) if the awarding authority receives State Aid funds under M.G.L. c. 90, § 34; or (2) the work is on a state road, regardless of whether the awarding authority receives State Aid funds under M.G.L. c. 90, § 34.

⁸ M.G.L. c. 149, § 29.

⁹ M.G.L. c. 149, § 29.

**M.G.L. c. 30, § 39M, or M.G.L. c. 30B, § 5 – CONSTRUCTION MATERIALS PROCUREMENTS
(WITHOUT LABOR)**

Estimated Contract Amount	Under \$10,000	\$10,000 to \$50,000	Over \$50,000	Any Amount
	M.G.L. c. 30, § 39M	M.G.L. c. 30, § 39M	M.G.L. c. 30, § 39M	M.G.L. c. 30B, § 5 Option¹
Procurement Procedure	Sound business practices (as defined in M.G.L. c. 30B, § 2). ²	Use a written scope-of-work statement to solicit written responses from no fewer than 3 persons who customarily perform such work.	Sealed bids.	Sealed bids.
Notice/Advertising Requirements	None.	Post a notice at least two weeks before responses are due on 1) your jurisdiction’s website; 2) COMMBUYS; 3) in the <i>Central Register</i> ; and 4) in a conspicuous place near your office. ³	Post a notice 1) in your jurisdiction’s office for at least one week before bids are due; and, at least two weeks before bids are due, publish 2) in the <i>Central Register</i> ; 3) in a newspaper; and 4) on COMMBUYS. ⁴	Post a notice at least two weeks before bids are due 1) in your jurisdiction’s office, and publish 2) in a newspaper; 3) on COMMBUYS; and 4) in the <i>Central Register</i> . ⁵
OSHA Training	No.	No.	No.	No.
Prequalification	No.	No.	No.	No.
Bid Deposit	No.	No.	5% of the value of the total bid.	No.
Payment Bond	No.	50% payment bond if contract is more than \$25,000. ⁶	50% payment bond.	50% payment bond if contract is more than \$25,000. ⁷
Performance Bond	No.	No.	No.	No.
Prevailing Wage	No.	No.	No.	No.
OSD Option	Yes.	Yes.	Yes.	No.
Blanket Contract Option	Yes.	Yes.	No.	No.

¹ Authorized by M.G.L. c. 30, § 39M(d).

² M.G.L. c. 30, § 39M, as amended by Chapter 218 of the Acts of 2016. M.G.L. c. 30B, § 2, defines sound business practices as “ensuring the receipt of favorable prices by periodically soliciting price lists or quotes.”

³ M.G.L. c. 30, § 39M, as amended by Chapter 218 of the Acts of 2016.

⁴ M.G.L. c. 149, § 44J.

⁵ M.G.L. c. 30B, § 5, and M.G.L. c. 9, § 20A.

⁶ M.G.L. c. 149, § 29.

⁷ M.G.L. c. 149, § 29.

M.G.L. c. 7C, §§ 44-57 – DESIGN SERVICES FOR PUBLIC BUILDING PROJECTS: Cities, Towns, Regional School Districts and Horace Mann Charter Schools¹

Estimated Construction Cost (ECC)/Estimated Design Fee (EDF)	ECC \$100,000 or less or EDF less than \$10,000	ECC more than \$100,000 <u>and</u> EDF \$10,000 or more (both ECC <u>and</u> EDF thresholds must be met before the designer selection procedure is required).*
Procurement Procedure	None. Recommend soliciting qualifications and prices from at least three designers.	Qualifications-based selection process. Jurisdiction must either (1) set the design fee; or (2) set a not-to-exceed fee limit and then negotiate the fee with the top-ranked designer within the fee limit.
Advertising Required	No.	Advertise in the <i>Central Register</i> and your local newspaper at least two weeks before the deadline for filing applications.
Designer Selection Board¹	No.	No – adopt selection procedure in writing. ^{2,3}
Designer Application	No.	Use “Standard Designer Application Form for Municipalities and Public Agencies not within DSB Jurisdiction (Updated July 2016)”
Designer Evaluation (Submit to DCAMM and Designer Selection Board)	No.	Yes. See http://www.mass.gov/anf/property-mgmt-and-construction/design-and-construction-of-public-bldgs/designer-selection-process/designer-selection-proc-and-evals-for-municipalities/dsgnr-eval-frms-and-info-for-municips-and-pub-agencies.html
Registration	Yes.	Yes.
Insurance	No.	10% of the total cost of the project or \$1 million, whichever is less. ⁴
Prevailing Wage	No.	No.

*See The Designer Selection Board’s *Guidelines for City and Town Building Projects*, dated September 2015.

¹ Executive Departments of the Commonwealth and Commonwealth charter schools are subject to the jurisdiction of the Designer Selection Board when the design fee is \$10,000 or more and the construction project is estimated to cost \$100,000 or more.

² Cities, towns, school districts and Horace Mann charter schools are required to adopt their own procedures for selecting designers for building projects. These procedures must conform to the purposes and intent of the designer selection process as outlined in M.G.L. c. 7C, §§ 44 – 57, and noted herein. See this Office’s *Model Designer Selection Procedures for Municipalities and Other Local Public Agencies*, available at <http://www.mass.gov/ig/publications/guides-advisories-other-publications/model-designer-selection-procedures-municipalities-and-other-local-public-agencies.html>.

³ Housing Authorities must follow the procedures established by the Department of Housing and Community Development for the design of state-funded housing. Projects requesting funding from the Massachusetts School Building Authority (MSBA) are subject to MSBA rules.

⁴ M.G.L. c. 7C, § 51.

M.G.L. c. 30B – PROCUREMENT OF SUPPLIES AND SERVICES

Estimated Contract Amount	Under \$10,000	\$10,000 to \$50,000	Over \$50,000
Procurement Procedure	Sound business practices. ¹	Use a written purchase description to solicit written quotations from no fewer than 3 persons who customarily provide the supply or service. ²	Sealed bids or proposals (M.G.L. c. 30B, §§ 5 or 6).
Notice/Advertising Requirements	None.	None.	Post a notice 1) in your jurisdiction’s office, and, at least two weeks before bids or proposals are due, publish 2) in a newspaper, and 3) on COMMBUYS. If the procurement will exceed \$100,000, at least two weeks before bids or proposals are due, publish in the <i>Goods and Services Bulletin</i> .
Award contract to:	Responsible person offering the best price.	Responsible person offering the needed quality of supply or service at the lowest price quotation.	Under § 5, the responsible ³ and responsive ⁴ bidder offering the best price. Under § 6, the most advantageous proposal from a responsible and responsive proposer taking into consideration price and non-price proposals.
Written Contract Required⁵	No. Keep written records as a best practice.	Yes.	Yes.
Maximum Contract Term⁶	Three years, unless majority vote authorizes longer.		
OSD Option	Yes.		

¹ M.G.L. c. 30B, § 2, defines sound business practices as “ensuring the receipt of favorable prices by periodically soliciting price lists or quotes.”

² M.G.L. c. 30B, § 4, as amended by Chapter 218 of the Acts of 2016.

³ M.G.L. c. 30B, § 2, defines a responsible bidder or offeror as “a person who has the capability to perform fully the contract requirements, and the integrity and reliability which assures good faith performance.”

⁴ M.G.L. c. 30B, § 2, defines a responsive bidder or offeror as “a person who has submitted a bid or proposal which conforms in all respects to the invitation for bids or request for proposals.”

⁵ M.G.L. c. 30B, § 17(a), states “All contracts in the amount of \$10,000 or more shall be in writing, and the governmental body shall make no payment for a supply or service rendered prior to the execution of such contract.”

⁶ M.G.L. c. 30B, § 12(b), states “Unless authorized by majority vote, a procurement officer shall not award a contract for a term exceeding three years, including any renewal, extension, or option.”

**EXHIBIT D
SURPLUS PROPERTY FORM**

Date: _____	Storage Address: _____

Department Name: _____	_____
Contact Person: _____	_____
Telephone: _____	<i>Please include pictures of the items you wish to be auctioned.</i>
E-Mail Address: _____	Date item(s) must be removed by: _____

Please provide this information to the best of your ability.

Description	Quantity	Age	Condition Code	Original Value*	Minimum Acceptable Bid
EXAMPLE Jpeg No. _____ Year _____ Make _____ Model _____ VIN _____ Town Identification # _____ Mileage _____	1	10	A-5	\$20,000	\$100

Date of ATM/STM Approval of Disposition: _____ (Not applicable to items with no value)	Article number from the ATM/STM: _____
--	---

Signature _____ **Title** _____ **Date** _____
Page ____ **of** ____

Condition Code	Definitions
A-1	New or used property in excellent condition. Ready for use and identical or interchangeable with new items delivered by a manufacturer or normal source of supply.
A-2	New or used property in good condition. Does not quite qualify for A-1 (because slightly shopworn, soiled, or similar), but condition does not impair utility.
A-3	New or used property in fair condition. Soiled, shopworn, rusted, deteriorated, or damaged to the extent that utility is slightly impaired.
A-4	Used property, but repaired or renovated. Further repairs or renovation required or expected to be needed in near future.
A-5	Used property, working/functional
A-6	Used property, not working
S - Salvage	Personal property that has some value in its basic material content, but which is in such condition that it has no reasonable prospect for use for any purpose as a unit and its repair or rehabilitation for use as a unit is clearly impractical.
T- Trash	Has no value to the Town, should be disposed of at the least cost to the Town possible.
* Original Value:	Actual acquisition cost (original cost) or your best estimate of the acquisition cost.