

PETERS TOWNSHIP  
WASHINGTON COUNTY, PENNSYLVANIA

RESOLUTION NO. 06-03-24

A RESOLUTION OF THE COUNCIL OF PETERS TOWNSHIP,  
WASHINGTON COUNTY PENNSYLVANIA REPEALING  
AND REPLACING THE PETERS TOWNSHIP PURCHASING  
MANUAL THAT ESTABLISHES A COMPREHENSIVE SET  
OF POLICIES AND PROCEDURES GOVERNING THE  
PURCHASE OF MATERIALS AND SERVICES.

WHEREAS, the Peters Township Administrative Code requires to Township Manager to present to Peters Township Council for consideration and adoption, a manual regulating procedures for purchasing, bidding and contract requirements that will be of sufficient detail to enable employees to follow a consistent policy that will assure fiscal integrity and an efficient administration of the budget.

WHEREAS, Peters Township Council adopted by resolution the Peters Township Employee Purchasing Manual on October 11, 1982;

WHEREAS, this adopted handbook has since its adoption been subject to periodic review and revision;

WHEREAS, the Township Manager and staff has completed a comprehensive review of the existing Peters Township Purchasing Manual;

WHEREAS, the Peters Township Council desires to adopt a comprehensive set of policies and procedures regulating purchasing, bidding, and contracting to ensure fiscal integrity and the efficient administration of the budget;

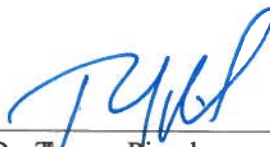
NOW, THEREFORE, Peters Township Council hereby resolves and adopts the Peters Township Purchasing Manual dated June 24, 2024 which is attached and labeled Exhibit A thus repealing and replacing the existing Purchasing Manual.

RESOLVED by the Peters Township Council this 28<sup>th</sup> day of June, 2024.

ATTEST:

PETERS TOWNSHIP

  
Paul F. Lauer  
Township Manager

By:   
Dr. Thomas Pirosko  
Chairman of Council



Peters Township  
Purchasing Manual

1781  
1976

Effective 6.24.24

## Table of Contents

Introduction .....	4
Purchasing Procedures/Requirements.....	4
Purchasing Methods .....	5
Petty Cash.....	5
Store Charge Accounts .....	5
Purchasing Cards .....	5
Purchase Requisitions/Purchase Orders .....	6
Sealed Bids.....	6
Bid Notice .....	6
Bids for Building Construction Projects.....	7
Bid Specifications.....	7
Bid Sheet Format .....	7
Bid Opening .....	8
Bid Bonds.....	8
Bid Analysis.....	8
Bid Award .....	8
Rejection of Bids.....	8
Retention of Bid Documents .....	9
Lack of Bids .....	9
Withdrawal of Bids .....	9
Exceptions to the Requirement for Competitive Bidding .....	9
Professional or Unique Services.....	10
Award of a Professional or Unique Services Contract.....	10
Contract Renewal for Professional or Unique Services.....	10
Emergency Purchases .....	10
Emergency Purchase Procedure.....	11
Contracts.....	11
Authorization to Execute Contract .....	11
Contracts Involving Real Estate .....	11
Change Orders.....	11
Retention of Records.....	11
Content of Contract Documents.....	12
Special Purchasing Requirements .....	13

State Liquid Fuels Funds .....	13
Public Works Contracts Exceeding \$25,000.....	14
Purchase of Equipment Containing Steel .....	15
Motor Vehicles .....	15
Workers Compensation .....	15
Payment Procedures.....	15
Intergovernmental Purchasing Programs .....	16
Sale of Municipal Equipment and Supplies .....	16
Purchase Requisition.....	17
Purchase Order .....	18
Bid Notices .....	19
Sample Bid Sheet .....	21
Sample Contract.....	22
Peters Township General Bid Specifications .....	24
Payment Voucher .....	27

## Introduction

The purpose of this manual is to provide clear and concise guidance for purchasing goods and services on behalf of Peters Township. These procedures are meant to empower departments in their procurement efforts thereby helping to facilitate the achievement of their goals, while maintaining effective internal financial controls that minimize, to the most reasonable extent possible, the potential to misuse public funds. As employees of Peters Township, we all share in the responsibility for ensuring that funds are used in a prudent, transparent, and accountable manner, and to swiftly report any suspected misuse of funds or circumvention of these procedures. Deliberate failure to follow these procedures may result in disciplinary action up to and including termination.

## Purchasing Procedures/Requirements

The procedures by which Peters Township acquires goods and services vary based upon the amount, the nature, and the necessity for the goods and services which are being acquired.

Most purchases will follow the guidance provided in the matrix below. Peters Township is exempt from sales tax. If an exemption certificate is requested by a vendor, reach out to the Assistant Township Manager or the Business Department.

***An employee shall not divide large purchases into multiple, smaller purchases solely to circumvent these established purchasing limits.***

Purchasing Requirements for Budgeted<sup>1</sup> Products and Services<sup>2</sup>

Amount	Pricing				Authorization		Payment Methods
	Requisition/Quotes		Sealed Bids	Cooperative <sup>3</sup>	Purchase Order <sup>4</sup>	Contract	
	Oral	Written					
<= \$50	no	no	no	yes	no	no	petty cash <sup>5</sup> , purchasing card <sup>6</sup> , store acct, invoice
< \$1000	no	no	no	yes	no	no	purchasing card, store acct, invoice
\$1000 - < \$2500	no	no	no	yes	yes	no	purchasing card, store acct, invoice
\$2,500 - < \$10,000	yes	no	no	yes	yes	no	invoice
\$10,000 - < \$30,000	no	yes	no	yes	no	Twp Manager	invoice
\$30,000 +	no	no	yes	yes	no	Council Chair	invoice

<sup>1</sup> Unbudgeted requests would follow the same procedure, however, the requisitioner would need to indicate what budgeted purchase(s) of equal or greater value that he/she will forego as a result.

<sup>2</sup> To determine the level for a service, add the total amount of the service for each year being contracted.

<sup>3</sup> The competitiveness of cooperative prices should still be verified.

<sup>4</sup> Purchase orders are always required for uniform pieces so that spending allocations can be accurately tracked.

<sup>5</sup> Petty cash is for purchases of an immediate nature where non-purchasing card payment must be made at the time of purchase.

<sup>6</sup> Purchasing card purchases should be avoided when possible if convenience fees are charged.

All deliveries should be checked against the original order and the packing slip, if applicable, to ensure what was ordered was received and received in good condition. All paperwork for each transaction should be kept together and forwarded when the request for payment is processed. This includes the purchase requisition, written quotes, purchase order, packing slip, and payment voucher/purchasing card envelope.

## Purchasing Methods

### Petty Cash

Department petty cash funds may be established by the Assistant Township Manager if there is an ongoing need to handle small disbursements for such items as incidental postage, delivery charges, meeting expenses, small quantities of office supplies, and similar items for which any other method would be impractical. There is currently one petty cash fund administered by the Business Department in the municipal building. The Administrative Assistant-Finance is the fund custodian.

A request for petty cash must be approved by the department head and a receipt for the expenditure submitted and coded to the appropriate budget account.

In the event a new petty cash fund is needed, the Assistant Township Manager would designate a custodian for the fund. A check would be issued to establish the beginning balance.

Monthly, the Assistant Township Manager confirms that the money and the expenditure receipts in each fund equal the total of each fund. A voucher is created for the amount needed to replenish the fund.

### Store Charge Accounts

The Assistant Township Manager may establish charge accounts with local merchants to facilitate the purchase of supplies. Store charge account credit limits shall not exceed \$500 **unless there is a business need.**

Only employees authorized by a department head may utilize a Township store charge account. When a purchase is made, the employees should present a photo id to the vendor and request that the purchase should be charged to the Peters Township Council account. A copy of the receipt should be returned to the department head who will forward it along with a payment voucher to the Business Department for processing.

### Purchasing Cards

The Assistant Township Manager will authorize the issuance of purchasing cards to employees with a business need. These credit cards have no cash access. Purchases should be for business purposes only and receipts for each purchase should be kept for month-end reconciliation of the statement. **Department heads will have a credit limit of \$2500. Limits for all other employees will be set by the Assistant Township Manager but shall not exceed \$2500.**

When the statement is received, all charges should be checked against the receipts and placed inside the purchasing card envelope. The cardholder should code all charges on the front of the envelope and forward it to his/her supervisor for review and approval. The supervisor should review and sign on the top front of the envelope. ***It is critical that each supervisor carefully review all charges prior to approving them. It is your responsibility to carry out your fiduciary duties to the Township and that includes not signing off on these requests without confirming their legitimacy.***

It is the responsibility of the cardholder to keep their purchasing card secure and to report the loss of the card or fraudulent activity as soon as possible to the number on the back of the card as well as to the Assistant Township Manager.

## Purchase Requisitions/Purchase Orders

Purchase requisitions and purchase orders are drafted and forwarded to the Assistant Township Manager if \$5000 or less or to the Township Manager if over \$5000. If approved, they are forwarded to the Business Department to be assigned a number, signed, and sent back to the requestor for ordering. If denied or if additional information is required, it is sent back to the requestor unprocessed. Refer to the purchase matrix on page four to ascertain if oral or written quotes need to be attached or if the purchase requires a sealed bidding process.

If the actual cost differs from the original purchase order, an amended purchase order should be created and sent through the process identified above along with an explanation for the variance.

## Sealed Bids

Purchases over \$30,000 or more must be competitively bid by adhering to the following procedure:

### *Bid Notice*

A bid notice is placed at least twice in a legal advertisement in the official newspaper of Peters Township:

- The initial advertisement shall appear no earlier than 45 days before the bid opening. The second advertisement shall appear no later than 14 days before the bid opening and the interval between the two advertisements shall not be less than seven days.
- The bid notice should include:
  - A basic description of the item to be purchased
  - The quantity of the item to be purchased
  - The method by which specifications and documents may be obtained
  - The date, time, and place of the bid opening
  - The date, time, and place for a pre-bid meeting, if required
  - Any other specific requirements or relevant details
- By majority vote at a public meeting, the Peters Township Council may authorize the Township Manager to establish a list of qualified bidders prior to soliciting bids for a specific project. The criteria to be used to establish the qualified bidders list shall be reviewed and approved by the Peters Township Council. The list should contain at least five qualified bidders. Bidders will be qualified based on prior experience with related projects, quality of past performance, timeliness of delivery, size of staff, and financial capacity.
- Only those bidders who were qualified before the issuance of a bid package would be eligible to bid. Where bidders are qualified before soliciting bids, Peters Township Council shall award the bid to the lowest bidder who has not taken significant exceptions to the specification.
- An invitation to qualify as a bidder will be published at least twice in a legal advertisement in the official newspaper of Peters Township. The initial advertisement shall appear no less than ten working days before the qualification deadline. A second advertisement will be published at

least three days prior to the qualification deadline. The interval between advertisements shall not be less than three days apart.

### *Bids for Building Construction Projects*

When issuing bids for building construction projects, Peters Township may solicit bids from a single contractor who in turn shall issue subcontracts to the various trade contractors necessary to complete the project.

Peters Township Council may disqualify a bidder for reasons, including, but not limited to the following:

- Documentation of unsatisfactory past performance by the bidder or unsatisfactory goods or services provided by the bidder to the Township or to other municipalities
- False or misleading statements about a product or service
- An attempt by a bidder to influence the purchase of goods or services by the Township through a gift, gratuity, favor, or benefit or promise thereof, to a Township official or employee
- Collusion with another bidder to regulate the price, quality, or availability of goods or services to the detriment of the Township

Upon disqualification, a vendor shall be removed from the bidders list. To be reinstated as an eligible bidder the vendor would petition the Township Council in writing. Based upon the information submitted, Council could reinstate a bidder.

### *Bid Specifications*

The head of the department requiring competitive bidding shall be responsible for the preparation of specifications. The specifications shall be reviewed and approved by the Township Manager, or appointed designee, before proceeding with the bidding process.

Specifications should consist of a specific, complete, and accurate description of the items to be purchased, the performance requirements, and conditions and terms of the purchase. Specifications are to be clearly worded but are not to be so restrictive as to preclude the ability of multiple vendors from submitting bids. In addition to the detailed technical specifications, a list of general specifications is to be distributed with the bidding documents. These general specifications alert the bidder to standard requirements of the Township.

### *Bid Sheet Format*

The bid sheet that accompanies the specifications shall contain:

- A brief description to the item being bid
- The total bid as specified
- The bid with exceptions
- The bidders name, address, and telephone number
- A signature line
- Printed name and title of signer
- Date line



- If bid bonds, performance bonds, and labor and material bonds are required, it shall be noted on the bid sheet.
- If the project is subject to the Pennsylvania Prevailing Wage Law, it shall be noted on the bid sheet.
- A statement that all bids within 5% of the low bidder shall be treated as equal should be included.

### *Bid Opening*

Bid openings shall occur at the time and place specified in the bid notice and in the presence of two department head-level employees. Bid opening shall be open to the public and may be attended by any interested party including bidders.

### *Bid Bonds*

Along with their bid, all bidders are required to provide a bid bond in the form of a certified check or insurance bond in the amount 10% of the bid. Failure to provide the required bid bond shall justify rejection of the bid. The Township Manager may waive some or the entire bid bond requirement when to do so is in the best interest of the Township and not prohibited by state law. Upon award of a contract, all bid bonds, except those supplied by the successful bidder, shall be returned to the bidders from whom they were received. If the contract requires the posting of a performance bond, the successful bidder's bid bond shall be returned upon execution of the contract **and the posting of the performance bond**. If the contract does not require the posting of a performance bond, the bid bond received from the successful bidder will be held as partial security and returned upon the successful completion of the contract.

### *Bid Analysis*

The Peters Township Council shall determine the best responsible bidder based upon an evaluation performed under the direction of the Township Manager. The criteria by which the best responsible bidder will be chosen will include adherence to specifications, past performance, financial capacity, and total cost. Total cost will be an important criterion in the award of all bids. Cost, however, is not to be the sole criterion. All bids within 5% of the lowest bid made without taking significant exceptions to the specifications will be viewed as equal regarding the criterion of total cost. When other bids are received within 5% of the lowest bid, the Peters Township Council will award the bid to the most responsible bidder. The Peters Township Council may award a contract to a bidder whose bid price exceeds 5% of the lowest bid. To do so the Peters Township Council must judge that other criteria are of greater significance. At the time of the award these significant criteria must be listed.

### *Bid Award*

The Peters Township Council shall review the recommendation of the Township Manager and may award a contract to the most responsible bidder. All such awards shall be made in a public meeting by a majority vote of the Peters Township Council.

### *Rejection of Bids*

Any bids received after the bid opening has commenced shall be returned to the bidder unopened. The Peters Township Council shall reserve the right to reject any and all bids received. In considering a bid, Council may waive any bidding formality as long as it does not conflict with the Administrative Code, the Home Rule Charter, or Pennsylvania State law.

### *Retention of Bid Documents*

Bid documents from the successful bidder shall be retained for a period of **seven** years after the completion of the project. Bid Documents from unsuccessful bidders shall be retained for three years after the completion of the project.

### *Lack of Bids*

If the Township has twice attempted to solicit bids and no bids have been received, the Council may at a public meeting award a contract to a vendor best able to serve the needs of the Township.

### *Withdrawal of Bids*

Construction contract bidders are permitted to withdraw their bids in accordance with Act 4 of 1974, 73 PA Stat. Section 1601, et seq. To withdraw a bid, the contractor must give notice of their claim of the right to withdraw their bid within two business days of the bid opening. If a vendor withdraws a bid, that vendor shall not supply any material or labor to the awarded contractor for which the withdrawn bid was submitted without the written approval of the Township. If a bid is withdrawn in accordance with these procedures, the Township may award the contract to the next most responsible bidder or reject all bids and resubmit the project for bidding. The withdrawal of bids for other than construction contracts is expressly excluded.

### *Exceptions to the Requirement for Competitive Bidding*

Competitive bidding is not required when the Township Manager determines one of the following exceptions exist:

- Labor, material, supplies, or services furnished by one Township department to another Township department
- Contracts for labor, material, supplies, or services are available from only one vendor
- Contracts for labor, material, supplies, or services totaling less than **\$30,000** for the same item or service in the year supplied
- Contracts relating to the acquisition or use of real property
- Contracts for professional or unique services
- Contracts for insurance and surety bonds
- Contracts with other governmental units
- Contracts for emergencies, repairs of services involving danger to the health and safety of employees or the public
- **Contracts where competitive bidding was accomplished by another governmental agency or cooperative and where purchases are made through cooperative purchasing. It is still the responsibility of the requisitioner to test the competitiveness of the pricing, with other options**

both inside and outside the cooperative, and ensure compliance with all conditions if funded by a grant.

The fact that competitive bidding is not required does not eliminate the importance of soliciting responsible price quotations or proposals for goods and services.

## Professional or Unique Services

For professional or unique services where competitive bidding is not feasible, the procedure outlined below shall be followed:

- A Request for Proposals (RFP) shall be placed at least twice in a legal advertisement in the official newspaper of Peters Township. The initial advertisement shall appear no earlier than 45 days before the bid opening. The initial advertisement shall appear no later than 14 days before the bid opening.
- The second advertisement shall occur no later than 7 days before the bid opening. The interval between advertisements shall not be less than 7 days.

The Township Manager and the relevant department head will evaluate submitted proposals on all factors including price. If possible, at least three qualified proposals shall be selected and ranked by the Township Manager and the relevant department head. Negotiations of the contract shall then be held between the Township Manager, the Department head, and the vendor of first preference. If not successful, the Township Manager and the department head shall negotiate with the candidate vendors in order of preference until a successful negotiation is completed.

### Award of a Professional or Unique Services Contract

The award of the contract for professional or unique services shall be made at a public meeting of the Peters Township Council in the same manner as the competitive bid award, except the Township Manager shall specify that the contract is for a professional or unique service and shall present to Council the qualifications of the selected contractor.

### Contract Renewal for Professional or Unique Services

The Township Manager shall be required to review at least every three years all contracts for professional or unique services to determine if they should be renewed. If the Township Manager determines that a review of a certain contract is not necessary, he shall submit to Council a report explaining his recommendation for automatic renewal.

## Emergency Purchases

When emergency circumstances require that a purchase be made within a limited period, the Township Manager may waive the bid requirement and authorize an emergency purchase.

Such emergency purchases shall be limited to situations where:

- a delay in making the purchase would present a threat to the health, safety, or welfare of the residents of the Township
- the purchase is necessitated by unforeseen circumstances and delay would seriously hinder the effective delivery of essential Township services
- there are no feasible alternatives to the emergency purchase

### Emergency Purchase Procedure

The Township Manager shall advise the Chairman or, in his absence, the Vice Chairman of the Peters Township Council of the need for an emergency purchase as soon as possible. All emergency purchases shall be reported to the Peters Township Council at the next regularly scheduled meeting. Every effort shall be made to provide competitive conditions during an emergency purchase. Quotations shall be obtained from as many vendors as possible; such quotations may be oral.

### Contracts

Written contracts are required for all purchases of goods or services totaling \$10,000 and above. The term of the contract for the purchase of supplies shall not exceed five years.

### Authorization to Execute Contract

Contracts totaling less than \$30,000 can be executed by the Township Manager, or in his absence, an Assistant Township Manager. Contracts over \$30,000 shall be approved by Council and shall be executed on behalf of the Township by the Chairman of Council or, in his absence, the Vice Chairman of Council and attested by the Township Manager or an Assistant Township Manager.

### Contracts Involving Real Estate

All contracts of the Township involving the purchase, sale, leasing, or use of real estate, regardless of the amount, shall be in writing and shall be executed on behalf of the Township by the Chairman of Council or, in his absence, the Vice Chairman of Council and attested by the Township Manager or an Assistant Township Manager.

Any Township official required to execute a written contract may request the Township Solicitor review and approve the contract.

### Change Orders

The Township Manager or in their absence, an Assistant Township Manager, shall execute change orders for contracts less than \$30,000 on behalf of the Township. Change orders for contracts over \$30,000 shall be approved by Council and shall be executed on behalf of the Township by the Chairman of Council or, in their absence, the Vice Chairman of Council and attested by the Township Manager or an Assistant Township Manager.

### Retention of Records

All original copies of executed contracts shall be retained in an active file by the Business Department for a period of seven years.

## Content of Contract Documents

The contents of a contract are determined by the nature of the goods or services being acquired and the degree of control the Township wishes to exercise. A standard contract for routine purchases shall be maintained by the Business Department. Contracts for purchases which are not of a routine nature shall be drafted or reviewed by the Township Solicitor.

Selected clauses often used in purchase, service, and project contracts include:

- **Description of the good to be purchased or the service to be rendered** in appropriate detail. The description may be spelled out in the body of the contract or referred to in a supplemental exhibit such as the bid specifications or a price quote.
- **Liquidated Damages** - Prescribes the date when the item or service is to be delivered, completed, or installed. In addition, it prescribes the cost of damages that will be assessed to the vendor for failure to complete the work by the scheduled date.
- **Final Clean-Up** - Requires the contractor as a condition of substantial completion to remove, at his expense, all equipment, excess materials, rubbish, and any other materials brought to or created at the site during construction.
- **Insurance Requirements** - Requires the contractor to maintain adequate insurance to protect his firm, the Township, and Township officials from claims arising from operations performed under the contract. Required insurance coverage may include general liability, automobile, and workers compensation. Coverage limits shall be established in accordance with the nature of the work being performed. In general, the Township should be listed as an additional insured on all contractor liability insurance policies.
- **Retainage** - The Township may retain a percentage of total project cost, often 10%, to be withheld until all work is complete and all claims have been satisfied. **With the approval of the Township Manager, additional retainage may be waived once the contract is halfway complete.**
- **Authority of a Consultant** - Permits the Township, if desired, to hire its own consultant to supervise the project. This clause defines the role of the consultant, engineer, or architect relative to the contractor. This clause may give the consultant the power to stop work, and to accept or reject materials and work not conforming to the conditions of the contract.
- **Prevailing Wage** - Indicates that the contractor is required to pay prevailing wages, indicates the prevailing wage rate, and describes the reporting process for verifying that prevailing wages have been paid.
- **Discrimination** - Prohibits contractors and subcontractors from discriminating against classes of individual protected under federal and state laws
- **Use of Subcontractors** - Requires the contractor to identify all subcontractors and their competency.
- **No Lien Contract** - While in general, municipal property is not subject to mechanics liens, the Township may require the Contractor to execute a no lien contract for certain construction projects and file that contract with the Washington County Prothonotary's Office.
- **Dispute Resolution** – Provides the process for resolution of disputes.
- **Bonding requirements by type:**

- Bid Bond - Bid bonds accompany submitted bids as an expression of good faith. A bid bond may be a flat dollar amount or a percentage of the bid, but in no case shall the bid bond exceed 10% of the bid amount.
- Performance Bond – Accompanies the signing of a contract and pledges the contractor’s intention to carry out the terms of the contract. A performance bond of 100% is required for all public work construction or maintenance contracts over \$5000. Construction and maintenance contracts are required by the Public Works Contractors Bond Law of 1967, P.L.869 (8 P.S. 191 et seq.), **as amended on December 17, 1990**, and supersede requirements of municipal codes.
- Payment Bond – Protects subcontractors and other individuals furnishing labor or materials for the project to the prime contractor. For public works contracts over \$5000, 100% payment bonds may be required. Construction and maintenance contracts are required by the Public Works Contractors Bond Law of 1967, P.L.869 (8 P.S. 191 et seq.), **as amended on December 17, 1990**, and supersede requirements of municipal codes.
- Maintenance Bond – Act as warranties on contracted work. They protect the Township against faulty or defective work. Whenever possible, a maintenance bond will be obtained at a rate of 20% of the contract price.

**Exception to bonding requirements** - Bonds serve two purposes. They act as a form of security to ensure that the bidder will carry out the terms of the contract as planned. They also serve as a mechanism for verifying the qualifications and solvency of the bidder. However, there are certain contracts when a bond may not further either of these purposes and would only serve to increase the cost of the bid. In such cases, the bond, if not required by law, may be waived by the Township Manager.

## Special Purchasing Requirements

State laws have placed special purchasing requirements on the Township relating to use of Liquid Fuels Funds, purchases of steel products and motor vehicles, payment of prevailing wages, and worker’s compensation insurance.

### State Liquid Fuels Funds

State funds allotted under the Liquid Fuels Act 655 and Act 32 may not be commingled with local funds. A separate checking account must be established for deposits and payments, and an annual check record of this account must be submitted to the PennDOT. However, the Department permits the Township to spend money for highway purposes directly from the General Fund and to reimburse the fund by transferring from the Liquid Fuels Fund during the current year. The transfers are made by initiating Automated Clearing House (ACH) transactions from the Liquid Fuels Fund checking account to the General Fund checking account.

That portion of the allocation budgeted for maintenance, materials, supplies, small tools, and major equipment (not to exceed 20% of the allocation) may be spent by the Township without further approval from PennDOT.

The procedure for undertaking construction work financed with Liquid Fuel monies is outlined in [PennDOT Publication 9](#). It is the policy of Peters Township to expend Liquid Fuels funds on its annual paving project. Per Publication 9, the following steps must be taken:

1. The Township Manager or Engineer shall notify the PennDOT Municipal Services Representative that work has been proposed utilizing Liquid Fuels Tax funds.
2. The Township Manager or Engineer shall meet with the Municipal Services Representative to review the proposed work to determine if it fits the criteria of a project as set forth on page 12 of the publication, thereby requiring the completion of an MS-329 Project Approval Form. It is imperative that this be done prior to the project being started to ensure compliance with all requirements.
3. During the review of the work, the Municipal Services Representative may instruct the Township Manager or Engineer on the preparation of the advertisement and proposal/contract.
4. The Municipal Services Representative and/or the Township Engineer will estimate the cost of the work to be done. If the estimated cost exceeds **\$100,000**, the Township Engineer shall request from the Pennsylvania Department of Labor and Industry guidance as to whether the work is subject to the Pennsylvania Prevailing Wage Act and, if it is, determination of the applicable Pennsylvania prevailing wages by requesting the Pennsylvania Prevailing Wage Rate Schedule. When prevailing wage rates apply, the Township shall inform bidders of those rates through the advertisement and the proposal/contract. If the Department of Labor and Industry determines that Prevailing Wage Rates apply to this project, then the actual rates must be advertised as part of the proposal/contract. All bid documents will also reflect the need of the contractor to pay prevailing wage rates.
5. The Township Engineer will prepare the advertisement and contract showing estimated quantities and type of material or type and scope of work. The time and place of the bid opening shall be as specified in the advertisement.
6. The Township Manager or Engineer shall prepare a bid tabulation sheet and notify the Municipal Services Representative that the bids have been received and a contract awarded. The advertisement and proposal/contract documents will be reviewed by the Municipal Services Representative. Any discrepancies must be resolved and reflected on a revised MS-329, Project Approval Form, authorizing work to begin. Work shall not commence prior to the completion of this step. A completed and signed MS-329 will be forwarded to the Township for future audit purposes.
7. All revisions to the project must be reported to the Municipal Services Representative. A revised MS-329 may be issued based on changes to the scope of work.
8. Upon completion of the project, the Township Manager or Engineer shall complete Form MS-999, Project Completion Report, and submit this form to the Municipal Services Representative. A final field inspection will be conducted by the Municipal Services Representative of the finished project. The Township may be asked to provide all documentation required by [PennDOT Publication 408](#). Based on the Municipal Services Representative's review that the project was completed in accordance with the scope of work described on the MS-329, the MS-999 will be signed and a copy returned to the Township for future audit purposes.

### Public Works Contracts Exceeding \$25,000

Purchasing requirement under the Pennsylvania Prevailing Wage Act include:

- Bid specifications must contain a provision requiring the payment of the prevailing wage to all workers on the project.

- Bid specification must contain a prevailing wage determination as provided by the Pennsylvania Department of Labor and Industry. Reference to prevailing wages must be made in the notice requesting bids on the project.
- The wage determination becomes part of the contract and cannot be altered during the contract period.

## Purchase of Equipment Containing Steel

Purchase requirements under the Steel Products Procurement Act include:

- All Public Works contracts, including construction, maintenance, and repair, must specify use of steel products made in the United States except for items listed as exempt from regulation by the Pennsylvania Department of General Services.

## Motor Vehicles

Purchase requirements under the Pennsylvania Motor Vehicle Procurement Act include:

- The Township is required to purchase or lease only motor vehicles manufactured or assembled in North America. If the vehicle is assembled, but not manufactured in North America, it qualifies provided that a majority of the parts have been manufactured in North America. A contractor supplying motor vehicles must demonstrate that the provisions of the Act have been met before payment to the contractor can be made.

## Workers Compensation

All contractors must provide the Township with proof that they follow the provisions of the Workers Compensation Act and have insured their liability under the Act.

## Payment Procedures

Upon receipt of the ordered goods, the requisitioner shall verify that they have been received as ordered and in good condition. The packing slip is to be reviewed and signed by the receiver of the goods and saved for inclusion in the payment requisition packet. If the item(s) received is not acceptable, the requisitioner will arrange for the return and replacement of the defective item(s) or take other action as required. If it is a service, the requisitioner will verify that the service was acceptable and provided as ordered.

Upon receipt of the invoice, the requisitioner will create a payment requisition packet consisting of the purchase order and purchase requisition if required, the packing slip, the invoice, and a payment voucher. The packet is forwarded to the department head who reviews and approves the payment voucher. This packet should be prepared and processed as soon as the invoice is received to allow for processing and timely payment by the Business Department. By signing the payment voucher, the department head is attesting that the payment of the vendor is appropriate and is correctly coded based on where it is in the budget. The department head forwards the packet to the Assistant Township Manager or his/her designee.



The Assistant Township Manager/Township Manager reviews the packet and recommends it for approval by Council. Council shall act at their regular meetings to approve the payment of all bills including those made by electronic funds transfer. All checks shall require two signatures. The Chairman or Vice Chairman of Council shall review the invoices and sign the checks. The second signature is from the Township Manager or Assistant Township Manager. A duplicate copy of the check shall be attached to the payment requisition packet.

If a bill(s) required a faster than normal turnaround to avoid the payment of interest and late payment penalties, the Township Manager reserves the right to process them in between regularly scheduled Council meetings. The interim payables will be reported at the next Council meeting.

If a fixed asset is purchased with a value of \$10,000 or higher and a useful life of five or more years, the Business Department shall incorporate the item into the existing inventory.

All records related to the payment of invoices shall be retained for a period of seven years.

## Intergovernmental Purchasing Programs

The Township presently has intergovernmental purchasing agreements with several public agencies including but not limited to the Commonwealth of Pennsylvania Department of General Services Cooperative Purchasing Program (COSTARS) and the Southwestern Pennsylvania Area Purchasing Council (SHACOG). In addition, the Township may purchase items under contracts that a public agency has bid on with expressed intent of allowing municipalities to purchase under the contract.

Prior to purchasing a particular item, an individual submitting a requisition must determine if the price for the item to be purchased through the intergovernmental purchasing program is competitively priced. The same guidelines should be followed on page four of this manual. Oral and written quotes should be obtained even if the item is being purchased from a governmental cooperative agreement and the same contract requirements apply as well.

## Sale of Municipal Equipment and Supplies

The Township disposes of equipment and supplies that are deemed to be unneeded, obsolete, or surplus.

The Township Manager shall have the authority to dispose of unneeded, obsolete, or surplus equipment or supplies with a sale value of less than \$20,000 in the manner most beneficial to the Township. The sale of obsolete or surplus equipment, supplies, etc., exceeding \$20,000 must be approved by the Peters Township Council. The department heads shall be responsible for making an initial determination of items to be sold.

All sales to private parties shall be made on a competitive bidding basis. Competitive bidding may be used but is not required for the sale of equipment, supplies, or other services to other political subdivisions. If it is deemed in the best interest of the Township, unneeded, obsolete, or surplus equipment with a sale value of under \$5,000 may be donated to a local non-profit by the Township Manager. If the sale value is above \$5,000, Council must approve the donation to a local non-profit.

# Purchase Requisition

## Purchasing Requirements for Budgeted<sup>1</sup> Products and Services<sup>2</sup>

Amount	Pricing				Authorization		Payment Methods
	Requisition/Quotes		Sealed Bids	Cooperative <sup>3</sup>	Purchase Order <sup>4</sup>	Contract	
	Oral	Written					
<= \$50	no	no	no	yes	no	no	petty cash <sup>5</sup> , purchasing card <sup>6</sup> , store acct, invoice
< \$1000	no	no	no	yes	no	no	purchasing card, store acct, invoice
\$1000 - < \$2500	no	no	no	yes	yes	no	purchasing card, store acct, invoice
\$2,500 - < \$10,000	yes	no	no	yes	yes	no	invoice
\$10,000 - < \$30,000	no	yes	no	yes	no	Twp Manager	invoice
\$30,000 +	no	no	yes	yes	no	Council Chair	invoice

<sup>1</sup> Unbudgeted requests would follow the same procedure, however, the requisitioner would need to indicate what budgeted purchase(s) of equal or greater value that he/she will forego as a result.

<sup>2</sup> To determine the level for a service, add the total amount of the service for each year being contracted.

<sup>3</sup> The competitiveness of cooperative prices should still be verified.

<sup>4</sup> Purchase orders are always required for uniform pieces so that spending allocations can be accurately tracked.

<sup>5</sup> Petty cash is for purchases of an immediate nature where non-purchasing card payment must be made at the time of purchase.

<sup>6</sup> Purchasing card purchases should be avoided when possible if convenience fees are charged.

**Instructions:**

1. Complete this requisition form and purchase order form in their entirety.
2. For purchases of **\$5000** and higher, email the completed form to Purchase Orders. The subject line should read, Purchase Order. For purchases below **\$5000**, email the completed forms to [teakin@peterstownship.com](mailto:teakin@peterstownship.com). Approved purchases will be forwarded to the business department where a purchase order number will be assigned.
3. The purchase requisition and purchase order will be returned to the requisitioner, who will place the order.

<b>REQUISITION DATE</b>

QUOTATIONS	VENDOR NAME	TOTAL
<b>1</b> (LOW BID)		\$
2		\$
3		\$

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**Special Instructions:**

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## Purchase Order

The following number must appear on all related correspondence, shipping papers, and invoices:

**P.O. NUMBER:**

**SHIP FROM (address and phone number):**

**SHIP TO (department, address, and phone number):**

P.O. DATE	REQUISITIONER	ORGANIZATION CODE	ACCOUNT
QUANTITY	DESCRIPTION	UNIT PRICE	TOTAL
			\$
	COSTARS Contract # if applicable:		

**TERMS:** 30 Days Net

**SHIPPING VIA:**

SUBTOTAL	\$
SHIPPING & HANDLING	
OTHER	
TOTAL	\$

Enter this order in accordance with the prices, terms, delivery method, and specifications listed above and please notify us immediately if you are unable to fulfill as specified.

\_\_\_\_\_  
Authorized by

\_\_\_\_\_  
Date

## Bid Notices

The Bid Notice is placed at least twice in a legal advertisement in the official newspaper of Peters Township.

The timing of the advertisements shall adhere to the following criteria:

1. The initial advertisement shall appear no earlier than 45 days before the bid opening.
2. The initial advertisement shall appear no later than 14 days before the bid opening.
3. The second advertisement shall occur no later than 7 days before the bid opening.
4. The interval between advertisements shall not be less than 7 days.

Following are three sample bid notices:

### **Bid Notice - 2024 Pavement Rejuvenator Program**

The Council of Peters Township is soliciting bids for the 2024 Pavement Rejuvenator Program. The total quantity of asphalt to be rejuvenated is estimated at 141,820 square yards. All proposals must be in the hands of Mark Zemaitis, Director of Engineering, Peters Township, 610 East McMurray Road, McMurray, PA 15317, before 11:15 A.M. prevailing time on Friday, May 31, 2024, at which time the bids will be opened. All bids must be in a sealed envelope marked "2024 Pavement Rejuvenator Program" and must be accompanied by a bid bond or certified check in the amount of 10% of the bid.

Bidding Documents are available at the Peters Township Municipal Building during normal business hours (8:30 A.M. – 4:30 P.M.) and may be purchased for \$ 25.00 per set. No refund will be made for the return of any documents. Bids shall only be considered valid if the bidder is included on the official plan holder list. Only the purchase of the plans and specifications from the Township will place purchaser on the official plan holder list. The Township reserves the right to reject any and/or all bids.

### **Bid Notice - 2024 Detention Pond Rehabilitation**

The Council of Peters Township is soliciting bids for the rehabilitation of two existing stormwater detention ponds: Springdale Plan & Ross Creek Farms Plan. Work at each pond may include trimming and removal of existing trees and vegetation; removal of accumulated sediment; fine grading of the pond interior; re-establishing low flow channels; supply & placement of rip rap aprons; erosion & sedimentation controls; restoration of all disturbed areas; and other items incidental to the project.

All proposals must be in the hands of Mark Zemaitis, Director of Engineering, Peters Township, 610 East McMurray Road, McMurray, PA 15317, before 11:00 A.M. prevailing time on Friday, May 31, 2024, at which time the bids will be opened. All bids must be in a sealed envelope marked "2024 Detention Pond Rehabilitations" and must be accompanied by a bid bond or certified check in the amount of 10% of the bid.

Bid specifications and documents are available at the Peters Township Municipal Building during normal business hours (8:30 A.M. – 4:30 P.M.) and may be purchased for \$ 25.00 per set. No refund will be made for the return of any documents. Bids shall only be considered valid if the bidder is included on the official plan holder list. Only the purchase of the plans and specifications from the Township will

place purchaser on the official plan holder list. The Township reserves the right to reject any and/or all bids.

### **Bid Notice - Recreation Center HVAC Upgrade**

The Peters Township Council is seeking bids for the HVAC Construction of the Upgrades to the Peters Township Recreation Center, located at 700 Meredith Drive, Venetia, PA 15367. Work shall consist of reroofing, mechanical (including plumbing and HVAC work), and electrical construction, as shown and described in the Contract Drawings and Specification.

Bid specifications are available online at Tristate Reprographics, Inc. ([www.tsrplanroom.com](http://www.tsrplanroom.com)). Sealed proposals must be submitted to the Township Manager before 11:00 A.M. prevailing time Friday, June 14, 2024, at which time they will be opened and read in Council Chambers. Proposals shall be delivered in a sealed envelope and clearly marked **“PETERS TOWNSHIP RECREATION CENTER HVAC UPGRADE”**. Bid Security in the amount of 10% is required. **Pennsylvania Prevailing Wages must be paid for this project.** Proposals to receive consideration must be accompanied by an executed Non-Collusion Affidavit in the form provided by Peters Township.

**There will be a mandatory pre-bid conference held at the Peters Township Recreation Center on Wednesday, June 5, 2024, at 2:00pm.**

Peters Township reserves the right to reject any or all bids, or any part thereof, for any reason, and reserves the right to waive any informality therein.

Sample Bid Sheet

PETERS TOWNSHIP BID SHEET

ITEM:

BASE BID:

TOTAL BID AS SPECIFIED WITH STANDARD 10-YEAR WARRANTY: \_\_\_\_\_

ALTERNATE BID:

TOTAL BID AS SPECIFIED WITH ALTERNATE 10-YEAR WARRANTY: \_\_\_\_\_

BID WITH EXCEPTIONS:

TOTAL BID WITH EXCEPTIONS: \_\_\_\_\_

Bidders are required to submit a detailed explanation of exceptions to the specifications and reasons for exceptions.

BIDDER:

Name of Firm: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

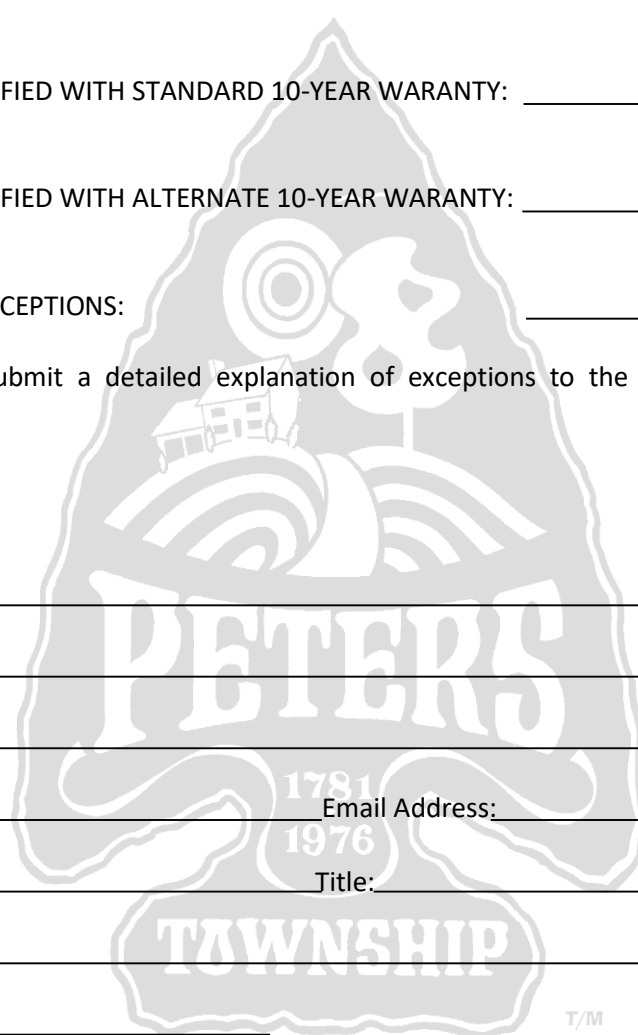
Email Address: \_\_\_\_\_

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_



A bid bond or certified check equal to 10% of bid must be attached.

The successful bidder will be required to provide a performance bond and a labor and materials bond.

This project is subject to Pennsylvania Prevailing Wage Law.

# Sample Contract

## CONTRACT

THIS CONTRACT made and entered into this 26<sup>th</sup> day of March 2007 by and between Allegheny City Electric, Inc. 1139 Woodland Ave., Pittsburgh, PA 15212 (hereinafter referred to as VENDOR) and Peters Township, a Home Rule Community at 610 East McMurray Road, McMurray, Pennsylvania 15317 (hereinafter referred to as TOWNSHIP).

### WITNESSETH:

WHEREAS, the TOWNSHIP has received bids for the installation of a sports lighting system in accordance with the provisions of the Peters Township Purchasing Manual; and

WHEREAS, the VENDOR has submitted the best responsible bid; and

WHEREAS, both parties wish to memorialize the conditions of said bid as follows:

1. VENDOR will install a sport lighting system manufactured by Qualite with an extended 10-year warranty in Peterswood Park in accordance with the attached specifications and submittals. Documents which are included as part of this contract include:
  - Exhibit A: Bid specifications
  - Exhibit B: Bid Specifications – Addendum 1
  - Exhibit C: Drawing prepared by Olander Engineering, Inc. entitled Peterswood Park Baseball Field Lighting for Peters Township dated February 20, 2007
  - Exhibit D: Peters Township Bid Sheet specifying Qualite Lighting System
  - Exhibit E: Email from Michael J. Septak sent on March 22, 2007, at 11:28 AM including attached drawing with maintained light levels
  - Exhibit F: Letter from Allegheny City Electric, Inc. dated March 20, 2007
  - Exhibit G: Memo from Dan Dwyer, President of Qualite Lighting, Inc. to Peters Township, McMurray, PA dated March 20, 2007
2. Within thirty days (30) of receipt of invoice, certification from Qualite that the lighting systems is installed in accordance with manufacturers specifications and the requirements of the performance guarantee and warranty, and upon satisfactory completion as determined by the TOWNSHIP, TOWNSHIP will pay VENDOR Two Hundred Twenty-Two Thousand and 00/100 (\$222,000).
3. This contract represents the sole understanding between both parties and any changes must be made in writing and executed by both parties.
4. This contract shall be governed by and interpreted under the laws of the Commonwealth of Pennsylvania, without regard to Conflict of Law principles. Any disputes, claims, or actions regarding this contract or performance hereunder shall be prosecuted exclusively in the Court of Common Pleas of Washington County, Pennsylvania.

ATTEST:

Vendor Name

\_\_\_\_\_  
Name

By: \_\_\_\_\_

Name  
Title

ATTEST:

Peters Township

\_\_\_\_\_  
Name

By: \_\_\_\_\_  
Paul F. Lauer, Township Manager



## Peters Township General Bid Specifications

1. A certified check or bid bond in the amount of 10% of the bid price must accompany each bid.
2. A performance bond equal to 100% of the contract amount is required.
3. A payment bond equal to 100% of the contract amount is required.
4. A maintenance bond equal to 20% of the contract amount is required for a period of two (2) years from the date of substantial completion.
5. Bid prices shall exclude Federal Excise Tax and Pennsylvania Selective Sales and Use Tax. Upon request, the Township will furnish certificates of exemption to the successful bidder.
6. Each proposal shall be clearly marked on the outside of the envelope indicating the name of the item for which the bid is submitted and addressed to the Township Manager.
7. No responsibility will be attached to any Township representative for the premature opening of a bid not properly addressed and identified.
8. All bid proposals must be submitted on the official form provided by the Township.
9. Proposals must be received no later than the time stipulated in the official bid notice.
10. The bid deposit will be returned to the successful bidder within fifteen (15) days of the completion of the contract or when deemed necessary, within fifteen (15) days of posting of the performance bond. The bid deposit will be returned to the unsuccessful bidder within fifteen (15) days after the awarding of the contract.
11. All discounts offered must be for at least a period of sixty (60) days to be considered in the awarding of contracts; discount periods shall be from the date of delivery.
12. The Township reserves the right to award bids independently to separate bidders when bids for more than one item are included on one proposal form.
13. The Township reserves the right to reject any and all bids and waive any technicality or formality.
14. Failure of the bidder to sign the bid or have the signature of an authorized representative or agent on the bid proposal in the space provided may be cause for rejection of the bid.
15. Bidders for any construction contract are permitted to withdraw their bids in accordance with Act 4 of 1974, 73 pa.C.S.A. Section 1601, et seq. To withdraw a bid, the contractor must give notice of its claim of the right to withdraw their bid within two business days of the bid opening. If a vendor withdraws a bid, that vendor shall not supply any material or labor to the awarded contractor for which the withdrawn bid was submitted without the written approval of the Township. If a bid is withdrawn in accordance with these procedures, the Township may award the contract to the next best responsible bidder or reject all bids and resubmit the project for bidding. Withdrawal of bids for other than construction contracts is expressly excluded.
16. Bids will be awarded within sixty (60) days of receipt unless the concerned parties individually agree to an extension beyond sixty (60) days.
17. All discounts shall be noted on the bid blank.
18. Bidder shall be an equal opportunity employer and shall not discriminate based upon race, color, religion, sex (including pregnancy, sexual orientation, or gender identity), national origin, disability, age, genetic information (including family medical history), or any other type protected by law.
19. All bids within 5% of the lowest bid made without taking significant exceptions to the specification will be viewed as equal regarding the criterion of total cost. When other bids are received within 5% of the lowest bid, the Peters Township Council will award the bid to the best responsible bidder.
20. The bidder acknowledges Peters Township will suffer financial losses that while substantial, will be difficult to precisely ascertain if the project is not complete by [completion date]. Accordingly, the

bidder and the bidder's surety agree that they shall be liable for \$200 per calendar day for each day past [completion date] that the project is not substantially complete.

## Peters Township General Bid Specifications

21. Peters Township requires Certificates of Insurance as follows:

1. Worker's Compensation

Statutory requirements, including all states' coverage, with Employer's Liability of \$100,000.

2. Comprehensive Automobile Liability, including owned, non-owned and hired vehicles

Bodily Injury Liability: \$500,000 Per Person  
\$500,000 Per Occurrence

Property Damage Liability: \$50,000 Per Occurrence

3. Comprehensive General Liability, including premises and operations, independent contractors, products/completed operations, blanket contractual for oral and written contracts and broad form property damage. (If applicable, coverage shall include the explosion (x), collapse (c), and/or underground damage (u) hazards.)

Bodily Injury: \$500,000 Per Person  
\$500,000 Per Occurrence

Property Damage: \$250,000 Per Occurrence

The limits of liability may be reduced via certification of Umbrella Excess Liability Insurance coverage of at least \$1,000,000.

Certificates of Insurance issued pursuant to these requirements are to indicate the following:

- (1) Name and address of agency
- (2) Name and address of insured (contractor)
- (3) Name and address of carrier (insurance company)
- (4) Name and address of certificate holder/additional insured (Peters Township)
- (5) Effective dates and expiration dates of each insurance coverage
- (6) Limits of coverage and policy numbers

In the event of cancellation or material change in any of this coverage, Peters Township requires thirty (30) days' advance written notice.

Peters Township will be named as an additional insured and the notice of this status shall be included on the Certificate of Insurance.

## Payment Voucher

### Peters Township Payment Voucher

Fund Number: \_\_\_\_\_

Vendor Number : \_\_\_\_\_

Organization Code : \_\_\_\_\_

Due Date: \_\_\_\_\_

Account Number: \_\_\_\_\_

Net Amount: \_\_\_\_\_

Description: \_\_\_\_\_

Department Head Approval

Township Manager's Approval

Fund Name	Fund Number	Organization Name	Code Number	Organization Name	Code Number	Organization Name	Code Number	Organization Name	Code Number
General	01	Council	1110	Police Vehicle	2170	Signs & Signals	3240	Supplies	420100
Liquid Fuels	02	Manager	1210	Animal Control	2180	Storm Sewers	3250	Uniforms	420300
Capital Projects	03	Special Projects	1220	Fire Admin.	2210	PW - Vehicles	3260	Fuel & Tires	420400
Library	04	Tax Collection	1230	Fire Suppression	2220	Highway Main	3270	Minor Equip.	420600
Cable Television	05	Engineering	1240	Fire Vehicle	2230	Street Lighting	3280	Telephone	430101
Equitable Share	06	Legal	1241	Fire Prevention	2240	Park/Rec-Admin	4110	Ad/Printing	430200
Local Share	08	Audit	1242	Fire Station	2250	Rec.Programming	4120	Maintenance	430400
Solid Waste	10	Municipal Bldg	1250	EMS	2310	Tennis Center	4130	Dues	430600
2019 Bond Issue	11	Network Admin	1260	Planning	2410	CRC	4140	Contracted Svc.	430700
2016 Bond Issue	12	Admin. Vehicle	1270	Building Insp	2420	Park Main.	3290	Training	430800
2022 Bond Issue	13	Police Admin	2110	Zoning	2430	Library Bldg.	4210	Utilities	430900
2021 Bond Issue	14	Police Patrol	2120	Recycling	3120	Lib - Admin	4220	Misc. Services	439900
		Detective	2130	PW - Admin	3210	Lib - Children	4230	Contributions	440000
		Com. Relations	2140	PW - Building	3220	Lib - Adult/Ref.	4260	Capital Equipment	460100
		School Guard	2160	Snow & Ice	3230			Capital Project	460200