

VILLAGE OF STEVENSVILLE  
BERRIEN COUNTY, MICHIGAN

Ordinance No. 121422

AN ORDINANCE ESTABLISHING A PURCHASING POLICY FOR THE VILLAGE OF  
STEVENSVILLE

The Village of Stevensville Ordains:

**Section 1. Purpose.**

- A. The General Law Village Act, Public Act No. 3 of 1895, as amended, provides the general framework for purchasing and sale of materials, supplies, equipment and property of the Village of Stevensville (hereafter, the "Village"). The designated officer responsible for serving as the purchasing agent is the Village Manager or Village President's designee. The Village Council (hereafter, "council") may establish by resolution the detailed purchasing procedures of the Village. By adoption of this purchasing policy (hereafter, "policy"), the council has determined that the best interests of the citizens of the Village of Stevensville are served by enactment of this policy. Future amendments of this policy may be accomplished by council action, which shall be provided by a formal resolution amending this policy. This policy, together with any amendments to same, shall be kept by the Village Clerk as the official purchasing policy of the Village.
- B. The following policy represents the standard purchasing procedure for the Village and is intended to serve as a basic reference document for those involved in purchasing and sale of materials, supplies, equipment and property; and the retaining of professional services.

**Section 2. Purchasing Guidelines.**

- A. *General requirements.* The expected cost of a purchase shall determine which procedures are required, as detailed below. If the bids or quotes obtained fall into a higher classification than expected, the procedures must be followed for the higher classification.

\$0.00 - \$50.00 EXPECTED COST

1. Petty cash with receipt
2. Purchase order required

\$50.01 - \$5,000.00 EXPECTED COST

1. Every effort to obtain best price will be taken via telephone or electronic email quotations
2. No formal request for written quotations required
3. Village Manager approval required
4. Purchase order required
5. *Blanket purchases.* For recurring purchases of items costing more than \$500.00 but less than \$5,001.00 per purchase, blanket purchase orders must originally be submitted to council under the purchasing guidelines. Blanket purchase orders are valid for not more than three years from the date of Village Council approval.

\$5,000.01 - \$20,000.00 EXPECTED COST

1. Three written quotations required and attached to purchase order

- a. *Refusal to Provide Quote.* After given an opportunity to provide a quote, if a party refuses or is unable to provide a quote to the Village, this constitutes the solicitation of a quote for purposes of this Ordinance.
2. Purchase Order required
3. Village Council approval required

\$20,000.01 AND GREATER EXPECTED COSTS

1. All purchases shall be by competitive bidding, after advertisement in a local newspaper of general circulation, with the sealed bids received by and opened in public under the control and oversight of the Village Manager.
2. The Village Manager shall prepare a report and recommendation to the Village Council with regard to the bids received.
3. Purchase order required.
4. Village Council approval required.

**Section 3. Competitive Bid Procedure.**

- A. *Bid forms.* The bid procedure forms shall be established by the Purchasing Agent, reviewed by the Village Manager and recommended to and approved by the Village Council. The official bid procedure forms are to be attached to the original purchasing policy of the Village, and retained within the Village Clerks' office.
- B. *Bid specifications and requirements.*
  1. The Purchasing Agent shall prepare, or cause to be prepared, specifications for the articles or services required, and shall advertise the requirements of the Village at least once in a newspaper of general circulation in the Village, inviting the tender of bids in writing for the furnishing of such requirements.
    - a. When in the judgment of the Purchasing Agent, the specifications are varied on the type of material, supply or equipment acceptable to the Village, the Purchasing Agent is authorized to seek proposals by written request to two or more vendors requesting they submit sealed proposals which will include bid price and the specifications of their product.
    - b. *Limited suppliers.* When in the judgment of the Purchasing Agent there are three or less suppliers of an item to be purchased in the area of the general distribution of the newspaper, the request for bids may be made by letter or electronic mail to the suppliers without publication in a newspaper. All other requirements of the bidding procedure shall remain the same.
  2. The bids shall be opened and read aloud by the Village Manager, in public at Village Hall, at the time and place specified in the published notice.
  3. Any bid received at the place designed for submission after the time set for opening of bids is a late bid. It is the Village's policy that all late bids be rejected unless such lateness was occasioned by acts or omissions of the Village.
  4. Bid deposits or surety may be prescribed in the public notice inviting bids. The bid deposit or surety shall be returned to all unsuccessful bidders within 30 days of the opening date. Should a successful bidder fail to enter into a contract with the Village within the time specified after written notification of the bid award, the bid deposit or surety shall be forfeited to the Village.
  5. Performance bonds may be required in such amount as shall be found necessary to protect the best interests of the Village.

6. The Village Manager shall report to the Village Council the bids and tabulation thereof, and shall recommend to the Village Council the selection of the lowest and most responsible bid, or if the interest of the Village would be better served, the rejection of any or all bids.
  - a. The Village Council shall have the right to reject any and all bids, to waive irregularities in bidding and to accept bids, which do not conform in every respect to the bidding requirements, and to negotiate with the selected bidder. If the Village Council shall find any of the bids satisfactory, it shall award the contract to the lowest, responsible bidder unless the Village Council shall determine that the public interest will be better served by accepting the higher bid. The Village Council shall authorize the execution of the contract by the successful bidder and the filing of any bond, which may have been required. If two or more of the lowest bids received are for the same total amount or unit price, quality and service being equal, the contract or purchase may be awarded to one of the tied bidders by drawing lots in public.
  - b. *Evaluation of bids on total cost; acquisition cost basis.* In cases where bids are solicited for materials, supplies, or services, the award by the Village Council may be based on evaluation of the total cost to the Village considering the purchase price and the projected lifetime operation (life cycle analysis). The bid invitation shall state that the total cost criteria may be used to evaluate bids.

C. Exceptions

1. *Contracts with other governmental units.* The provisions of this policy relating to contracting shall not relate to contracts with other governmental units, which contracts are subject to approval by the Village Council at any regular or special meeting.
2. *Noncompetitive negotiation.* Contracts or agreements in excess of \$5,000.00 may be made by noncompetitive negotiation only when competition is not reasonably possible as determined by the council, following consideration of a recommendation from the Purchasing Agent.
3. *State purchases.* The Village Manager is authorized to purchase from the state budgeted items or supplies that have been placed out for competitive bid by the state and contracts awarded and said items and prices then extended to the units of government within the state under an extended purchase program. Items and supplies purchased in this manner are an exception to this policy.
4. *Professional services.* Professional services such as those provided by architects, engineers, accountants, consultants, appraisers, attorneys, and risk management auditors shall be secured through an evaluation and negotiation process administered by the Village Manager. This process will be initiated by the preparation of a request for proposals and distribution to appropriate individuals, companies, and corporations, allowing adequate public notice with sufficient time prior to the date set for submission of proposals.

The request for bids for professional services should include the following:

- a. A full description of the service to be contracted;
- b. The specific criteria that will be used in evaluating proposals;
- c. Other such pertinent information such as delivery dates or the time frame within which the proposed work must be completed;
- d. Responsible Village personnel who are available to answer questions and to whom the proposals should be addressed;
- e. A statement indicating that the Village reserves the right to reject any and all proposals, to waive irregularities and nonconformities in proposals, to accept and reject proposals based on what the Village Council deems is in the best interests of the Village, to

negotiate with the selected professional services vendor, and to make the contract award as the Village Council deems is in the best interests of the Village.

5. *Additional notes.*

- a. Professional services retained in this section may be for a specific project, with a specific anticipated timeline, or general services for an unspecified length of time.
- b. Nothing in this section shall address selecting a village attorney by the Village Council, whose selection shall be at the sole discretion of the Village Council.

**Section 4. General Provisions.**

- A. *Conformance with policy.* All purchases for the Village shall be made through the Purchasing Agent in accordance with this policy unless otherwise approved by resolution of the council. In the event the Village receives federal or state funding for any purchase or service, the Village will follow any and all federal or state procurement requirements.
- B. *Sale of surplus Village property.* The Purchasing Agent is authorized to sell supplies or equipment which has become unsuitable for Village use by reason of obsolescence, or other reasons, or may exchange the same for, or trade in the same on, new supplies or equipment. Surplus supplies or equipment shall be sold on a competitive basis to the highest bidder if the estimated value exceeds \$10,000.00; in a manner prescribed by Council if between \$1,001 and \$9,999.99; or in the discretion of the Purchasing Agent if between \$0 and \$1,000.
- C. *Purchase of used equipment.* In the event that the Village's needs can be met through the purchase of used equipment, the Purchasing Agent shall make every effort to obtain comparable costs to submit to the Council, along with a statement justifying the purchase.
- D. *Exceptions; emergency purchases.* In the event of an emergency or such extenuating circumstances wherein time is of the immediate essence, and it is not possible to schedule a special meeting of the Village Council, the Village Manager is authorized to make purchases of such supplies, materials, equipment, or contractual services which, in the Village Manager's discretion, is necessary to protect the public health, safety, and welfare of the community from imminent risk of harm, without complying with the bidding procedures outlined in this Ordinance. In the event of such emergency purchases, the Village Manager is only authorized to make such purchases in such amounts as are necessary to avoid the imminent risk of harm. The Village Manager shall report the details of the purchases to the council at a special meeting called as soon as practical in accordance with applicable law.
- E. *Additions to construction contracts.* Should the Village Council determine that additional construction needs to be undertaken as part of, or in conjunction with an already awarded construction contract, it may authorize a contract or change order for such additional work with the original contractor, and without the necessity of putting the additional work out for competitive bidding, if:
  1. The price of the additional work does not exceed 25 percent of the original contract price;
  2. The Village Manager has certified to the Village Council that it is not economically feasible for another contractor to undertake such additional work because of the cost or set-up or because of the cost of work which would have to be duplicated by such other contractor; or
  3. The public works director and/or the project engineer retained by the Village to design such additional work, have certified their opinions to the Village Council that the price offered by the original contractor for doing the additional work is a fair price, considering the cost of materials and labor on the present market, and that such price gives the Village the benefit of savings which

the contractor will realize as a result of doing the work in conjunction with the original contract work.

- F. *Additional purchases after competitive bids.* The Village may purchase materials, supplies or services which are substantially identical to those previously purchased by the Village after complying with the terms of this policy and without obtaining new competitive bids, under the following conditions:
1. The purchase does not exceed in value 50 percent of the prior purchase;
  2. The purchase occurs not more than 12 months after the opening of the bids for the prior purchase; and
  3. The Village Manager has certified in writing to the council that the Village Manager has made diligent inquiry as to the market price of the item being purchased and has been reliably informed that such price has not declined since the original bids were obtained.

Section 5. Effective Date. This ordinance shall become effective either 20 days after adoption or upon publication, whichever occurs later.

YEAS: Binkley, Mason, Patterson, Peters, Schewe, Steinberger, Wenger  
NAYS: None  
ABSTAIN: None  
ABSENT: None

### CERTIFICATION

As the duly appointed Clerk of the Village of Stevensville, Berrien County, Michigan, I certify this is a true and complete copy of an ordinance adopted by the Stevensville Village Council at its meeting of December 14, 2022.

  
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Kelly Vaughn, Village Clerk

Adopted: December 14, 2022  
Published: December 22, 2022  
Effective: January 3, 2023