



Procurement Policy Manual

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**Town of Berryville
Procurement Policy**

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I. Purpose, General

The policies contained herein have been developed pursuant to the Virginia Public Procurement Act of the Code of Virginia § 2.2-4300 through § 2.2-4377 (“VPPA”). The VPPA has certain mandatory provisions and allows for the use of certain optional policies provided they are adopted in writing by the governing body and are based on competitive principles.

These policies are intended to provide the framework for procurement of materials, supplies, equipment, and services at the lowest possible cost consistent with the quality needed for the proper operation of municipal services. Our goal is the promotion of the Town's best interest through intelligent action and fair dealing which will result in obtaining the optimum value for each dollar spent as well as strengthening the public confidence in the integrity of public purchasing.

All forms referenced in the Policy are included in Attachment D of this Manual.

II. Policy

The Town of Berryville adopted the VPPA on September 11, 2012 as its procurement policy. A copy of the VPPA can be found at: <https://dgs.virginia.gov/globalassets/business-units/dps/documents/vppa/virginia-public-procurement-act.pdf>.

III. Applicability

These policies and procedures apply to all contracts for the procurement of goods, services, insurance (exempt under § 2.2 4345(13) of the VPPA) and construction entered into by the Town involving any expenditure of public funds except those specifically exempted in accordance with § 2.2-4343 and § 2.2-4346 within the Virginia Public Procurement Act.

IV. Procurement Authority and Responsibility

The Town Manager has the ultimate responsibility to ensure that the acquisition of goods and services does not violate or circumvent state law, regulations, Town ordinances or the provisions of this manual.

V. Delegation

The Town Manager may delegate the procurement of any goods or services to the Treasurer, Purchasing Agent or other responsible officials.

VI. Methods of Procurement

A. Small Purchase Policy

Berryville Small Purchase Threshold Matrix						
Type of Purchase	Estimated Cost	Required Authorization	Required Procurement Method	Process For Soliciting Quotes	Minimum number of Quotes	Town Policy Section Reference
Goods, construction, Insurance and Non Professional services	<\$10,000	Dept. Head	P-Card or Request for Payment	Oral or Written	1	VI.A.1a
	>\$10,000 to \$20,000			Written	2	VI.A.1b
	>\$20,000 to VPPA formal bid limit*	Dept. Head	Purchase Order	Informal IFB	4***	VI.A.1c
Professional Services	<VPPA formal RFP limit**	Dept. Head	Purchase Order and Contract	Informal RFP	4***	VI.A.2
Transportation -related Construction	Up to \$25,000	Dept. Head	Purchase Order and Contract	Informal IFB	3***	VI.A.3

* As of 7/2017 the Virginia Public Procurement Act (VPPA) formal Invitation for Bid (IFB) limit is \$100,000

**As of 7/2017 the VPPA Request for Proposal (RFP) limit is \$60,000.

***If less than minimum quotes received the matter will be forwarded to Town Council for notification.

In this section *VPPA Limit* shall be defined as the threshold amount requiring competitive negotiation set in the VPPA.

The competitive pricing methods set forth below shall be followed for purchases not expected to exceed the VPPA Limit.

1. Goods and/or Nonprofessional Services Not to Exceed VPPA Formal Bid Limit

1a. Up to \$10,000

- Where the Town's estimated cost of goods or nonprofessional services is \$10,000 or less, purchases may be made upon receipt of a minimum of one (1) written or telephone (oral) quotation.
- If more than one quote is solicited, the award will be made to the lowest responsive and responsible bidder.
- Additional sources may also be solicited, and competition is encouraged.
- Employees should seek additional competition whenever there is reason to believe a quotation is not a fair and reasonable price.
- P-Card is the preferred purchasing method.
- The purchasing limit of an employee is defined as the credit limit of the P-Card assigned to said employee.

1b. >10,000 to \$20,000

- Where the Town's estimated cost of goods or nonprofessional services is >\$10,000 up to \$20,000, purchases may be made with a minimum of two (2) written quotations.
- Additional sources may also be solicited, and competition is encouraged.
- Employees should seek additional competition whenever there is reason to believe a quotation is not a fair and reasonable price.
- P-Card is the preferred purchasing method.
- The purchasing limit of an employee is defined as the credit limit of the P-Card assigned to said employee.

1c. Over \$20,000 to VPPA formal bid limit

- Where the Town's estimated cost of goods or nonprofessional services is over \$20,000 to the small purchase limits set in the VPPA, receive four (4) written quotes using informal IFB.
- Quotes must be verified on the Record of Solicitations for Price Quotes form to be completed and signed by the Department Head and attached to a Request for Purchase Order form.
- If fewer than the required number of quotes are obtained, the reasons shall be documented and notification sent to Town Council.
- Approved Purchase Order is required prior to purchase.

2. Professional Services Not To Exceed VPPA Formal RFP Limit

- The Town may obtain required professional services using an Informal Request for Proposal up to the small purchase limits set in the VPPA.
- A minimum of four (4) quotes are required.
- A written determination for the use of competitive negotiation is not required for Informal RFPs
- The solicitation should include a cover sheet, a general description of what is being sought, the factors and weights to be used in evaluation, the Town's General Terms and Conditions (either in full or by reference), and any special terms and conditions including unique capabilities or qualifications that will be required.
- Offers may be opened and evaluated upon receipt. All responses must be received at the designated location by the date and hour stated in the solicitation.
- If fewer than the required number of quotes are obtained, the reasons shall be documented, and notification sent to Town Council.
- In lieu of an evaluation committee, the buyer or end user may solely evaluate and rank offers.
- Upon completion of the evaluation, negotiations shall be conducted with the offerors selected.
- An approved Purchase Order and a contract is required before goods are received or services rendered.

3. Transportation-related Construction (Up to \$25,000)

- Per the VPPA, the Town may establish purchase procedures not requiring competitive sealed bids or competitive negotiation for single term contracts for transportation-related construction, if the aggregate or sum of all phases is not expected to exceed \$25,000.
- Competition is encouraged. A minimum of three (3) quotes are to be obtained using informal IFB. The informal IFB will be listed on the Department of General Services central electronic procurement website.
- The informal IFB should include a cover sheet, a general description of what is being sought, the factors and weights to be used in evaluation, the Town's General Terms and Conditions (either in full or by reference), and any special terms and conditions including unique capabilities or qualifications that will be required.
- Offers may be opened and evaluated upon receipt. All responses must be received at the designated location by the date and hour stated in the solicitation.
- If fewer than the required number of quotes are obtained, the reasons shall be documented and notification sent to Town Council.
- In lieu of an evaluation committee, the buyer or end user may solely evaluate and rank offers.
- Upon completion of the evaluation, negotiations shall be conducted with the offerors selected.
- An approved Purchase Order and a contract is required before goods are received or services rendered.

VI. Methods of Procurement

B. Large Purchase Policy

Berryville Large Purchase Threshold Matrix						
Type of Purchase	Estimated Cost	Required Authorization	Required Procurement Method	Process For Soliciting Quotes	Minimum number of Quotes	Town Policy Section Reference
Goods, construction, and Other Non-Professional Services	VPPA formal IFB limit*	Town Council	Competitive Sealed Bid (IFB), formal bid opening. Contract and PO	Formal IFB, Public Notice, and eVA	3	VI.B.1
Professional Services	VPPA formal RFP limit**	Town Council	Competitive Negotiation (RFP), Purchase Order & Contract	Formal RFP,eVA and Post in a newspaper of general circulation.	3	VI.B.2
<p>*As of 7/2017, the Virginia Public Procurement Act (VPPA) formal Invitation for Bid (IFB) limit is \$100,000.</p> <p>**As of 7/2017, the Virginia Public Procurement Act (VPPA) Request for Proposal (RFP) limit is \$60,000</p>						

1. Large Purchases (over VPPA limits)

In this section *VPPA Limit* shall be defined as the threshold amount requiring competitive negotiation set in the VPPA.

1a. Competitive Sealed Bidding (IFB)

Competitive sealed bidding is the preferred method for acquiring goods, construction and non-professional services for public use when the estimated cost is over the VPPA limit.

- The goods or service to be procured when using this method must be capable of being described so that bids submitted by potential contractors can be evaluated against the description in the Invitation for Bids (IFB) and an award made to the lowest responsive and responsible bidder.
- When the terms and conditions of multiple awards are so provided in the Invitation for Bids, awards may be made to more than one bidder.
- Competitive sealed bidding includes the issuance of a written IFB containing the specifications or scope of work/purchase description and the contractual terms and conditions applicable to the procurement.
- The terms or conditions of the solicitation must include how the Town will publicly post the notice of the award or make the announcement of the decision to award the contract.
- IFBs must describe the requirements accurately and completely. Unnecessarily restrictive specifications or terms and conditions that unduly limit competition must be avoided.
- In addition to the public notice, bids are to be solicited directly from potential bidders. Any such direct solicitations shall include businesses selected from a list made available by the Department of Small Business and Supplier Diversity.
- In the competitive sealed bid process, bids are publicly opened and read aloud. The bids are evaluated based upon the requirements set forth in the IFB (if multiple awards are so provided in the solicitation, awards may be made to the lowest responsive and responsible bidders).

Preparation and Issuance of IFBs

Format:

- Prepare the IFB using the above guidelines.
- Town Council will approve the IFB before it is issued.
- Establish a due date and time that will allow sufficient time for potential bidders to seek clarification and for the issuance of an addendum, if necessary.
- The due date shall not be less than 10 days from the issue date of the IFB.

Scope:

- Specify in detail the materials, equipment, and supplies to be furnished or the scope of work to be performed by the contractor, including or incorporating by reference the specifications, drawings and contractual terms and conditions applicable to the procurement.

Conferences/Site visits:

- All pre-bid conferences and/or site visits shall be mentioned in both the IFB and any advertisement.
- If attendance at such a conference or site visit is a prerequisite for bidding, the public notice period shall be long enough to provide adequate opportunity for potential bidders to obtain a copy of the IFB and attend.
- Any changes in the requirements of the solicitation must be made by written addendum.
- The due date for receipt of bids should not be less than 10 days after the issue date of the addendum.

Sources:

- If fewer than the required number of sources are solicited, the reasons must be documented in writing and placed in the bid file and sent to Town Council for determination.
- Receive bids from three (3) valid sources, and advertise on the Virginia Department of General Services central electronic procurement website. Notice shall be posted on the Town website.

Sealed Bids (IFBs)**Receipt, Opening, Evaluation, and Award:****Receipt:**

- Bids shall be received until the date and time specified in the IFB.
- Bids are then publicly opened and read aloud.
- Late bids shall not be considered.

Opening:

- After bid opening, each bid is evaluated to determine if it is responsive to the IFB.
- The responsive bids are then evaluated by the purchasing agent or other Town staff (as determined by the Town Manager) according to the criteria and/or evaluation procedure described in the IFB to determine the lowest bid.

Evaluation:

- The lowest responsive bidder is then evaluated to determine if the firm is responsible.

Award

- The contract is awarded to the lowest responsive and responsible bidder.
- Award of the contract must be approved by Town Council.

2. Competitive Negotiation (RFP)

General:

- The Town shall use competitive negotiation for the procurement of all professional services estimated over the VPPA limit.
- Competitive negotiation may be the procurement method used for goods and nonprofessional services when it is not practicable or fiscally advantageous to use competitive sealed bidding.

Preparation and Issuance of a Request for Proposal (RFP):

- A written RFP is issued to describe in general terms that which is to be procured.
- The RFP must list the specific requirements to be addressed by the offerors that will be used in evaluating the proposals and will contain other applicable contractual terms and conditions, including any unique capabilities or qualifications required of the contractor.
- When the terms and conditions of multiple awards are so provided in the RFP, awards may be made to more than one offeror.
- The terms or conditions of the RFP must state the manner in which public notice of the award or the announcement of the decision to award shall be given by the public body.
- Advertisement of solicitation of the RFP, including newspaper publication, is required by the VPPA.
- RFP evaluation criteria

Format:

- Establish a proposal submission due date and time which provide sufficient time for potential offerors to develop a proposal.
- Town Council will approve the RFP before it is issued.
- The minimum time period is ten (10) days from issue date of the RFP.
- The time period used may be greater than the required ten (10) days based on the complexity of the requirement and whether or not a preproposal conference is required.

Sources:

- If fewer than the required number of bids are received, the reasons must be stated in writing and placed in the bid file and sent to Town Council for determination.
- RFPs shall be advertised on the Virginia Department of General Services central electronic procurement website. Notice shall be posted on the Town website and published in a local newspaper of general circulation.

Proposal Conferences:

- All preproposal conferences or site visits must be mentioned in the RFP and any advertisement of it.
- If attendance at such a conference or site visit is a prerequisite for submitting a proposal, the public notice period must be at least ten (10) days after issuance to provide adequate opportunity for potential offerors to obtain a copy of the RFP and attend.

Sealed Proposals (RFPs)

Receipt, Opening, Evaluation, Negotiation and Award

Opening:

- Public openings of proposals are not required.
- If a public opening is held, the names of the individuals, or the names of firms submitting proposals in a timely manner, is the only information read aloud and made available to the offerors and general public.

Evaluation:

- The proposals are evaluated by the purchasing agent, contracting officer, or an evaluation team if so desired and designated by the Town Council.
- As an option, evaluators may request presentations or discussions with offerors, as necessary, to clarify material in the offerors proposals, to help determine those fully qualified and best suited.
- Proposals are then evaluated on the basis of the criteria set forth in the RFP, using the scoring weights previously determined.
- All RFP responses are to be evaluated.
- Proposals not meeting requirements should be scored lower.
- Only bids in response to an RFP may be determined to be nonresponsive.
- Offerors may be given an opportunity to correct a deficiency in their proposals, within an appropriate period of time, as determined by the purchasing agent.
- Offerors who fail to submit required documentation or meet mandatory requirements, in such time, for evaluation purposes may be eliminated from further consideration.
- Two or more offerors determined to be fully qualified and best suited are then selected for negotiation.
- Price is considered, but need not be the sole determining factor.

During the evaluation phase it may be determined that only one offeror is fully qualified, or that one offeror is CLEARLY more highly qualified than the others under consideration. A written determination shall be prepared and retained in the contract file to document the meaningful and convincing facts supporting the decision for selecting only one offeror and negotiating with that offeror. The determination shall be signed by the Town Manager or designee.

Negotiation and Award:

- Negotiations are conducted with each of the offerors so selected.
- Negotiation allows modification of proposals, including price.
- Offers and counter offers may be made as many times with each offeror as is necessary to secure a reasonable contract.
- After negotiations have been conducted with each of the selected offerors, the Town selects the offeror which, in its opinion, has made the best proposal.
- In all cases, written confirmation shall be obtained from the offeror on any modifications of the original proposal.
- Once an Intent to Award notice is posted, no further negotiation shall be conducted.
- Award of the contract must be approved by Town Council.

The Town may cancel a RFP, or reject proposals at any time prior to making an award.

The award documents shall incorporate, by reference, the terms and conditions of the RFP and the contractor's proposal, together with all written modifications thereof.

C. Cooperative Procurement

Cooperative procurement is available to the Town if a good or service has been procured by another public body with the stated intention that the procurement is to be shared cooperatively with other public bodies. The Cooperative Procurement form must be completed by the Department Head and signed by both the Department Head and the Town Manager or designee. The form must be attached to the Request for Purchase Order form, the Request for Payment form, or the contract.

Contracts based on cooperative procurement, exclusive of State contracts, valued over \$100,000 will be forwarded by the Purchasing Agent to the Town Council for review no less than 45 days prior to the date a contract is expected to be signed. The Town Council may review the contract and take action. If no action is taken within 45 days, the contract is deemed acceptable to Town Council. The Purchasing Agent will check references for those contracts valued at over \$100,000.

D. Sole Source Procurement

Definition:

A sole source procurement is authorized when there is only one source practicably available for the goods or services required. Competition is not available in a sole source situation; thus distinguishing it from a proprietary purchase where the product required is restricted to the manufacturer(s) stipulated, but is sold through distributors and competition between them can be obtained. Sole source justification based solely on a single vendor's capability to deliver in the least amount of time is not appropriate since availability alone is not a valid basis for determining a sole source procurement. For sole source requirements exceeding \$10,000, a written quotation must be obtained from the vendor.

Approval for Sole Source Procurements up to the VPPA Small Purchase limit:

- All sole source procurements for goods and services up to the VPPA limit must be approved in advance by the Town Manager or designee, which shall be the chief purchasing officer. The Sole Source Procurement form must be completed by Department Head and signed by both the Department Head and the Town Manager or designee. The Sole Source Procurement form must be attached to the Request for Payment form or Purchase Order Request form.
- The written determination documenting that there is only one source practicably available for that which is to be procured, must be included in the procurement file.
- In addition, a memorandum must be attached to the request which addresses the four points shown in the next section. The writing shall document the basis for the determination, which should include any market analysis conducted in order to ensure that the good or service required was practicably available from only one source.

Approval for Sole Source Procurements Over the VPPA Small Purchase limit:

- All sole source procurements for goods and services over the small purchase limits set by the VPPA must be approved by the Town Manager prior to commencement of the actual procurement. The Sole Source Procurement form must be completed by Department Head and signed by both the Department Head and the Town Manager or designee. The Sole Source procurement form must be attached to the Request for Purchase Order. A memorandum must accompany the request, which addresses the following four points:
 1. Explain why this is the only product or service that can meet the needs of the Town.
 2. Explain why this vendor is the only practicably available source from which to obtain this product or service.
 3. Explain why the price is considered reasonable.
 4. Describe the efforts that were made to conduct a noncompetitive negotiation to get the best possible price for the taxpayers.

Negotiating and Award:

A contract shall be negotiated and awarded without competitive sealed bidding or competitive negotiation. In making sole source procurement, it is the buyer's or contracting officer's responsibility to negotiate a contract that is in the best interest of the Town.

Price Reasonableness Determination:

The buyer or contracting officer should carefully research the good or service to determine a fair and reasonable price.

Posting Requirements:

For sole source procurements over \$50,000 public award notices must be posted beginning within 10 days of the award for a 30 day period on the Town website: www.berryvilleva.gov.

Award Document:

The Town must issue an award document (approved PO or contract) prior to purchase for sole source purchases over \$20,000. When a quote has been obtained from the vendor and no further negotiations are needed, either a purchase order or an executed contract is required before goods are received or services are rendered.

E. Emergency Procurement

For Purchases over the \$10,000 Single Quotation Threshold

Emergency Procurement is purchasing or contracting action in excess of the Town Single Quotation purchase threshold (\$10,000) without soliciting the minimum number of quotes. An emergency procurement may be made when an emergency condition arises and the need cannot be met through normal procurement methods.

General:

- An emergency is an occurrence of a serious and urgent nature that demands immediate action.
- Emergency procedures may be used to purchase only that which is necessary to cover the requirements of the emergency.

- Subsequent requirements shall be obtained using normal purchasing procedures.
- The potential loss of funds at the end of a fiscal year is not considered an emergency.

Types of Emergency Procurements:

- The nature of the emergency will determine what pre-award action may be taken.
- For an emergency purchase required to protect personal safety or property, efforts should be directed to finding a source and directing the contractor to proceed; however, such procurement shall be made with such competition as is practicable under the circumstances.
- For other types of emergencies, competition should also be sought to the maximum extent practicable.

Award of Emergency Procurements:

- Unless the purchase is made by P-Card, the Town must prepare a confirming contract or - request for payment form, as soon as practicable, after directing the contractor to proceed.
- Care should be taken to include in detail any agreements, including price, that were made orally with the contractor.
- The Emergency Procurement Justification form must be completed by the Department Head and signed by both the Department Head and the Town Manager or designee. The Emergency Procurement form must be attached to the Request for Payment, the contract, or the P-Card Expense report.

VII. General Procurement Policies

A. Adequate Competition

A sufficient number of sources must be solicited for the procurement of goods or services consistent with the method of procurement used.

B. Bidder's List

In lieu of a Bidder's List, the Town will post all written solicitations on the Virginia Department of General Services central electronic procurement website and the Town website: www.berryvilleva.gov.

C. Vendor Registration

All new vendors must complete a Town of Berryville Vendor Registration/W-9 form before goods are received or services rendered.

D. Ethics

See § 2.2-4367 to § 2.2-4377 of the VPPA. See Attachment C.

E. Solicitations

Amending a Solicitation

If it is necessary to amend a solicitation, the amendment must be posted wherever the solicitation was originally made and an addendum sent to all potential bidders or offerors who received a copy of the solicitation or who attended a pre-bid or pre-proposal conference.

Canceling a Solicitation

An Invitation for Bid, a Request for Proposal, any other solicitation, or any and all bids or proposals, may be canceled or rejected. When canceling a written solicitation all vendors who have been issued a solicitation must be notified, and the notice must be publicly posted on the Virginia Department of General Services central electronic procurement website and the Town website: www.berryvilleva.gov.

Negotiation with Lowest Responsible Bidder

Unless cancelled or rejected, a responsive bid from the lowest responsible bidder shall be accepted as submitted, except that if the bid from the lowest responsible bidder exceeds available funds, the town may negotiate with the apparent low bidder to obtain a contract price within available funds.

(a) Procedures for negotiations. If the town wishes to negotiate with the apparent low bidder to obtain a contract price within available funds, negotiations shall be conducted in accordance with the following procedures:

(1) The using agency shall provide the director of public works, in the case of construction projects, and the procurement officer, in all other matters, with a written determination that the apparent low bid exceeds available funds. Said determination shall be confirmed in writing by the treasurer or his/her designee.

The using agency shall also provide the appropriate officer/director with a suggested reduction in scope for the proposed purchase.

(2) The appropriate officer/director shall advise the lowest responsible bidder, in writing, that the proposed purchase exceeds available funds. He shall further suggest a reduction in scope for the proposed purchase, and invite the lowest responsible bidder to amend its bid proposal based upon the proposed reduction in scope.

(3) Repetitive informal discussions with the lowest responsible bidder for purposes of obtaining a contract within available funds shall be permissible.

(4) The lowest responsible bidder shall submit an addendum to its bid, which addendum shall include the change in scope for the proposed purchase, the reduction in price and the new contract value.

(5) If the proposed addendum is acceptable to the town, the town may award a contract within funds available to the lowest responsible bidder based upon the amended bid proposal.

(6) If the town and the lowest responsible bidder cannot negotiate a contract within available funds, all bids may be rejected.

F. Performance and Payment Bonds

Upon the award of any public construction contract exceeding \$100,000 awarded to any prime contractor, such contractor shall furnish the Town with the following bonds:

1. A performance bond in the sum of the contract amount conditioned upon the faithful performance of the contract in strict conformity with the plans, specifications, and conditions of the contract.
2. A payment bond in the sum of the contract amount. The bond shall be for the protection of claimants who have and fulfill contracts to supply labor or materials to the prime contractor to whom the contract was awarded, or to any subcontractors, in the furtherance of the work. "Labor or materials" shall include public utility services and reasonable rentals of equipment, but only for periods when the equipment rented is actually used at the site.

Each of the bonds shall be executed and made payable to the Town of Berryville by one or more surety companies selected by the contractor that are authorized to do business in Virginia and filed with the purchasing office that awarded the contract or a designated official thereof within 10 days after receipt of the purchase order or notice of award.

Nothing in this section shall preclude the Town from requiring payment or performance bonds for construction contracts below \$100,000.

Alternative Forms of Security

A certified check or cash escrow may be accepted in lieu of a bid, payment, or performance bond. If approved by the Town Manager (after consultation with the Town Attorney if necessary), a bidder may furnish a personal bond, property bond, or bank or savings and loan association's letter of credit on certain designated funds in the face amount required for the bid, payment, or performance bond. Approval shall be

granted only upon a determination that the alternative form of security proffered affords protection to the Town equivalent to a corporate surety's bond.

Contracts/Purchase Orders and Modification Restrictions

The Department Head's signature will be required on Purchase Order Request forms. A contract or purchase order may not be modified or renewed unless provided for in the original contract or solicitation. No additional consideration or increase in contract price may be paid to the contractor because of renewal unless specifically authorized under the original contract.

- Purchases Up to the VPPA limit - Cumulative contract modifications to purchases made under small purchase procedures shall not exceed 25% of the original contract price without advance written approval of the Town Manager.
- Purchases over the VPPA limit - A contract may include provisions for modification of the contract during performance, but no fixed-price contract may be increased by more than 25% of the original amount of the contract or \$50,000, whichever is greater, without the advance written approval of the Town Manager.

G. Bill Payment Policy

The Department Head's signature will be required on the Purchase Order or Request for Payment forms before processing. The Town Treasurer shall make payment in full (unless an alternate payment plan has been agreed upon) for all goods delivered or services rendered within thirty days of receipt of the bill.

Department Heads shall submit bills for payment by the fifth and twentieth of each month.

No goods or services shall be deemed received until such goods are completely delivered and found acceptable by the Department Head. For purposes of determining whether or not payment was made in accordance with this policy, payment in full shall be considered to be made on the date the check for payment was mailed or otherwise transmitted.

When a bill submitted to the Town of Berryville is incorrect or when there is a defect or impropriety in a bill submitted, the respective Department Head shall notify the creditor in writing prior to the date on which payment in full is due. The notice shall contain a description of the defect or impropriety and any other additional information to enable the creditor to correct the bill. Upon receiving a corrected bill, the Town of Berryville shall make payment in full on or before the thirtieth calendar day after receipt of the corrected bill.

Bill payments will be processed at least twice a month. A register of all checks issued and all P-card purchases each month shall be presented to Town Council.

The Town Manager or designee may approve payment in cases wherein the Policy has not been adhered to. In such instances, the Town Manager will document the specific circumstances on the Request for Payment form or the Request for Purchase Order.

H. Documentation of Files

A complete file will be maintained in one place for each purchase transaction, containing all the information necessary to understand the why, who, what, when, where and how of the transaction.

I. Nondiscrimination

In the solicitation, awarding or administration of contracts, the Town shall not discriminate because of the race, religion, color, sex, age, disability, or national origin of the bidder, offeror, or contractor (Code of Virginia, § 2.2-4310A).

J. Preferences

Berryville Vendors and Products

In the event of a tie bid, preference is given to goods produced in Berryville, goods or services or construction provided by Berryville persons, firms or corporations. In the event that this provision does not resolve the tie, preference is given to goods produced in Virginia, goods or services or construction provided by Virginia persons, firms or corporations.

Recycled Paper and Paper Products Preference VPPA § 2.2-4313

In determining the award of any contract for paper and paper products the Town may award to the lowest responsible bidder offering recycled paper and paper products of a quality suitable for the purpose intended, so long as the bid price is not more than 10% greater than the bid price of the low responsive and responsible bidder.

K. Public Access to Procurement Records

- Except as provided in this section, all proceedings, records, contracts and other public records relating to procurement transactions shall be open to the inspection of any citizen, or any interested person, firm or corporation, in accordance with the Virginia Freedom of Information Act (§ 2.2-3700 et seq).
- Cost estimates relating to a proposed procurement transaction prepared by or for a public body shall not be open to public inspection.
- Any competitive sealed bidding bidder, upon request, shall be afforded the opportunity to inspect bid records within a reasonable time after the opening of all bids but prior to award, except in the event that the Town Manager decides not to accept any of the bids and to reopen the contract. Otherwise, bid records shall be open to public inspection only after award of the contract.
- Any competitive negotiation offeror, upon request, shall be afforded the opportunity to inspect proposal records within a reasonable time after the evaluation and negotiations of proposals are completed but prior to award, except in the event that the Town Manager decides not to accept any of the proposals and to reopen the contract. Otherwise, proposal records shall be open to public inspection only after award of the contract.
- Any inspection of procurement transaction records under this section shall be subject to reasonable restrictions to ensure the security and integrity of the records.

- Trade secrets or proprietary information submitted by a bidder, offeror or contractor in connection with a procurement transaction or prequalification application submitted pursuant to subsection B of § 2.2-4317 shall not be subject to the Virginia Freedom of Information Act (§ 2.2-3700 et seq.); however, the bidder, offeror or contractor shall (i) invoke the protections of this section prior to or upon submission of the data or other materials, (ii) identify the data or other materials to be protected, and (iii) state the reasons why protection is necessary.

L. Publicly Posted Notices

All solicitations for goods and services over \$50,000 shall be posted on the Town website: www.berryvilleva.gov.

Award Notices over \$50,000 must be posted on the Town website: www.berryvilleva.gov, for a ten (10) day period immediately following the date of award. The procurement records must be available for review by any bidder or offeror at the time a Notice of Intent To Award or an Award Notice is posted.

M. Responsible Bidder or Offeror

In determining a responsible bidder or offeror, a number of factors, including but not limited to the following, are considered. The vendor should:

- be a regular dealer, supplier, or when required in the solicitation an authorized dealer of the goods or services offered;
- have the ability to comply with the required delivery or performance schedule, taking into consideration other business commitments;
- have a satisfactory record of performance;
- have a satisfactory record of integrity; and
- have the necessary facilities, organization, experience, technical skills, and financial resources to fulfill the terms of the purchase order or contract.

N. Responsive Bid

- To be considered for an award, a bid must comply in all material respects with the Invitation for Bids.
- Responsiveness relates to compliance with the provisions of the solicitation, including specifications and terms and conditions.
- Failure to comply with the requirements set forth in the Invitation for Bids may result in a bid being declared nonresponsive, e.g., failure to sign a bid, failure to return the required bid documents, substitution of vendor's terms, deletion of terms and conditions stated in the Invitation for Bids, failure to offer a product or service that meets the requirements of the Invitation for Bids, etc.
- A bidder who fails to provide prices for all categories of labor in the pricing schedule of a time and materials service contract is considered nonresponsive.
- This is true whether the price was left blank or the bidder entered a figure of \$0. Bidders who provide multiple prices for performing a service where a single price was solicited are also nonresponsive.

VIII. Guidelines for Procurement

This section contains general guidelines for procuring goods and services.

A. Administrative Lead-Time

Administrative lead-time is that period of time from initiation of the requirement by the user to issuance of an award. For routine procurements where informal written solicitations are used, the minimum time required to prepare, solicit, evaluate, and make an award may take from three (3) days up to thirty (30) days. When competitive sealed bidding or competitive negotiation is used, the time required by the purchasing office may be longer.

B. Selection of Procurement Method

It is important to select the proper procurement method. The estimated or anticipated value of the contract must be determined first, unless the purchase is an emergency. The anticipated value of the contract includes the dollar value for the initial period of the contract, and includes all possible renewal periods. The expected trade-in value of equipment should not be considered when determining the anticipated value of a contract.

C. Preparing the Written Solicitation

Solicitations should convey to the reader, in a clear, concise and logical sequence, the information necessary to answer the basic questions of who, what, why, where, when and how.

D. Contract Period

- Term contracts normally cover a 12 month period or cite a specific time for completion for the project or service.
- A solicitation for a multi-year contract, or one that includes an option on the part of the Town to renew the contract for an additional period, may be advantageous and should be considered; however, in determining the value of the contract and procurement method, all possible renewal periods must be included.
- Multi-year programs are subject to availability of funds, and each solicitation covering a multi-year period must contain an availability of funds clause.
- If price adjustments are to be permitted during the contract period, the conditions under which they are authorized must be specified in the original solicitation and resulting contract.
- The Town should review all multi-year contracts at least annually to determine if the goods or services are still required, if prices are fair and reasonable based on the current market conditions, and if performance is satisfactory.
- Multi-year contracts including options to renew normally should not exceed 5 years.

E. Specifications

Solicitations of offers, whether by formal advertising or negotiations, shall incorporate a clear and accurate description of the technical requirements for the material, product, or service to be purchased. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a "brand name or equal" description (see Use of Brand Names below) may be used as a means to define the performance or other salient requirements of a procurement.

Invitations for bids and requests for proposals shall clearly set forth all requirements which bidders must fulfill in order for bids and proposals to be properly evaluated. Factors to be used in evaluating bids or proposals shall be clearly stated in the solicitation to enable bidders to know how their bids or proposals will be evaluated. If a solicitation requires a listing of subcontractors or sub-item vendors, a bidder's failure to list such shall make that bid nonresponsive.

F. Use of Brand Names

Unless otherwise provided in the Invitation for Bid, the name of a certain brand does not restrict bidders to a specific brand, make or manufacturer's name, but conveys the general style, type, character and quality of the article desired. Any article that the Town, in its sole discretion determines to be the equal of that specified, considering quality, workmanship, economy of operation and suitability for the purpose intended shall be acceptable.

G. Vendor Assistance in Specification Preparation

Advice or assistance may be received from a vendor in identifying the features and characteristics needed by the Town; however, no person who, for compensation, prepares an Invitation to Bid or Request for Proposal for or on behalf of a public body shall (i) submit a bid or proposal for that procurement or any portion thereof or (ii) disclose to any bidder or offeror information concerning the procurement which is not available to the public.

H. Order Splitting Prohibition

The placement of multiple orders within other than a reasonable time period to one or more vendors for the same, like, or related goods or services to avoid using the appropriate method of procurement or to remain within delegated purchasing authority is prohibited. Order splitting results in higher administrative cost to the Town. Requirements should be combined when practical to obtain quantity discounts and other administrative efficiencies.

I. Freight

It is the basic policy of the Town of Berryville to solicit bids for goods Freight on Board (F.O.B.) Destination, which means that freight charges are paid by the seller who owns and assumes all risk for the goods until they are accepted at the designated delivery point. The cost of shipping the goods may be included in the quoted price or by the bidder or offeror as a separate line item.

J. Insurance

Whenever work is to be performed on Town owned or leased property or facilities, the contractor shall be required to provide evidence of Workers' Compensation, Employer's Liability, Commercial General Liability and Automobile Liability, and in certain types of programs Professional Liability/Errors and Omissions insurance coverage as specified by Virginia Municipal League recommendations (see Attachments A and B).

IX. Contract Administration

A. General

Contract administration begins after award of the contract. Its purpose is to assure that the contractor's and Town's total performance is in accordance with the terms and conditions of the contractual agreement. The integrity of the public purchasing system demands that goods or services be furnished, received, invoiced and paid as specified in the contract.

Contract Administrator:

- The administrator should be the end user of the contract or one who has a vested interest in the procurement who will be responsible for the proper adherence to all contract specifications by the contractor. The administrator will be named by job position in the contract.
- Contract administration shall be delegated by the buyer designating a specific individual or position, highlighting important aspects of the contract, and distinguishing between the administrator's authority and that which must remain a function of the purchasing office.

Contract Files:

- A complete file will be maintained in the Town Office for each purchase transaction, containing all the information necessary to understand the why, who, what, when, where and how of the transaction.
- Generally, records are open to the public in accordance with the Virginia Freedom of Information Act and should be made available for review after the award has been made.

B. Contract Renewal and Extension

Renewal:

- A term contract may contain a renewal clause describing the conditions under which it may be renewed for a stipulated period of time.
- However, no contract may be renewed and no additional consideration may be paid unless specifically provided for in the original contract.
- Price increases should not be given automatically at renewal.
- It is the responsibility of the contractor to request a price increase, if desired, up to the amount authorized by the index referenced in the contract. The Town may then negotiate the amount of the increase up to the indexed amount.

Extension:

The Town may extend the term of an existing contract for services to allow completion of any work undertaken but not completed during the original term of the contract. No additional consideration exceeding the contracted price may be paid to the contractor. Also, in exceptional or extenuating circumstances a contract may be extended by mutual consent for a limited period of time, not to exceed six (6) months. This action should be taken in writing prior to the expiration of the current contract.

C. Vendor Performance

Default. A contractor is considered in default if he or she fails to perform in accordance with the terms and conditions of the contract.

If it is determined that a contractor is in default, a Vendor Complaint form should be issued and distributed followed by a “Notice to Cure” if unacceptable vendor response, resolution, or action is received. A cure letter may also be issued at the same time as the Vendor Complaint form.

Vendor Performance Complaints. Complaints and/or discrepancies on vendor performance should be reported as they occur using the Vendor Complaint Form. Vendors are required to respond to the Town within ten days. Failure to do so may result in removal from the Vendors List.

Notice to Cure. A Cure letter is used when a contractor has failed to perform or deliver as substantiated by a Vendor Complaint form. It provides the contractor a period of time to correct or “cure” the deficiency and places the contractor on notice as to the consequences for failure to take the required corrective action. The notice may be given either orally or in writing advising the contractor that non delivery or non-conformance is a breach of a contract and, if the deficiency is not corrected within a stated number of days, the Town will terminate the contract for default and hold the contractor liable for any excess costs.

Termination for Default and Re-procurement Costs. Upon the expiration of the time period stated in the “Notice to Cure,” if a satisfactory resolution has not been reached, the contractor will be sent a Termination for Default letter, and the buyer will take repurchase action. The Termination for Default letter states that the contract is being terminated for default and that when the Town repurchases the goods or services, any additional cost will be billed to the Vendor in default. If the repurchase results in increased costs to the Town, a letter shall be sent to the delinquent contractor demanding payment of the excess costs. Until the excess repayment costs have been received, the contractor shall be removed from the Vendors List. If repayment has not been made by the end of the specified period of time, subsequent collection action shall be taken in accordance with the Town’s collections procedures.

Debarment. In addition to the above default procedures, concurrent action to have the defaulted contractor debarred shall be initiated by sending a letter to the Town Manager recommending debarment and providing all the pertinent facts to support that recommendation. Debarment means action taken by the Town Manager to exclude individuals or firms from contracting with the Town. Debarment does not relieve the contractor of responsibility for existing obligations.

X. Employee Responsibility

Employees shall follow the Town Procurement Policy as written. Violation of the Policy will subject an employee to disciplinary action up to and including termination, depending upon the severity and number of said violations.

Town of Berryville

General Terms and Conditions – Invitations for Bids

These General Terms and Conditions are required for use in written solicitations issued by the Town for procurements.

APPLICABLE LAWS AND COURTS: This solicitation and any resulting contract shall be governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect thereto shall be brought in the courts of the Commonwealth. The contractor shall comply with all applicable federal, state and local laws, rules and regulations.

ANTI-DISCRIMINATION: By submitting their bids, bidders certify to the Town of Berryville that they will conform to the provisions of the Federal Civil Rights Act of 1964, as amended, as well as the Virginia Fair Employment Contracting Act of 1975, as amended, where applicable, the Virginians With Disabilities Act, the Americans With Disabilities Act and § 2.2-4311 of the Virginia Public Procurement Act (VPPA).

Employment discrimination by contractor prohibited; required contract provisions. All public bodies shall include in every contract of more than \$10,000 the following provisions:

During the performance of this contract, the contractor agrees as follows:

a) The contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the contractor. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

b) The contractor, in all solicitations or advertisements for employees placed by or on behalf of the contractor, will state that such contractor is an equal opportunity employer.

c) Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.

The contractor will include the provisions of the foregoing paragraphs a, b and c in every subcontract or purchase order over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

EMPLOYMENT DISCRIMINATION PROHIBITED:

Employment discrimination by contractor prohibited; required contract provisions. All public bodies shall include in every contract of more than \$10,000 the following provisions:

During the performance of this contract, the contractor agrees as follows:

a) The contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or other basis prohibited by state

law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the contractor. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

b) The contractor, in all solicitations or advertisements for employees placed by or on behalf of the contractor, will state that such contractor is an equal opportunity employer.

c) Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.

The contractor will include the provisions of the foregoing paragraphs a, b and c in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

ETHICS IN PUBLIC CONTRACTING: By submitting their bids, bidders certify that their bids are made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other bidder, supplier, manufacturer or subcontractor in connection with their bid, and that they have not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged.

IMMIGRATION REFORM AND CONTROL ACT OF 1986: By submitting their bids, bidders certify that they do not and will not during the performance of this contract employ illegal alien workers or otherwise violate the provisions of the Federal Immigration Reform and Control Act of 1986.

DEBARMENT STATUS: By submitting their bids, bidders certify that they are not currently debarred by the Town of Berryville from submitting bids or proposals on contracts for the type of goods and/or services covered by this solicitation, nor are they an agent of any person or entity that is currently so debarred.

MANDATORY USE OF TOWN TERMS AND CONDITIONS FOR IFBs

Modification of or additions to any portion of the Invitation for Bids may be cause for rejection of the bid; however, the Town reserves the right to decide, on a case by case basis, in its sole discretion, whether to reject such a bid as nonresponsive. As a precondition to its acceptance, the Town may, in its sole discretion, request that the bidder withdraw or modify nonresponsive portions of a bid which do not affect quality, quantity, price, or delivery. No modification of or addition to the provisions of the contract shall be effective unless reduced to writing and signed by the parties.

BILL PAYMENT POLICY

The Town Treasurer shall make payment in full (unless an alternate payment plan has been agreed upon) for all goods delivered or services rendered within thirty days of receipt of the bill.

No goods or services shall be deemed received until such goods are completely delivered and found acceptable by the Department Head. For purposes of determining whether or not payment was made in accordance with this policy, payment in full shall be considered to be made on the date the check for payment was mailed or otherwise transmitted.

When a bill submitted to the Town of Berryville is incorrect or when there is a defect or impropriety in a bill submitted, the respective Department Head shall notify the creditor in writing prior to the date on

which payment in full is due. The notice shall contain a description of the defect or impropriety and any other additional information to enable the creditor to correct the bill. Upon receiving a corrected bill, the Town of Berryville shall make payment in full on or before the thirtieth calendar day after receipt of the corrected bill.

SUBCONTRACTORS

All Offerors shall include a list of all subcontractors with their proposal. The Town reserves the right to reject the successful Offeror's selection of subcontractors for good cause. If a subcontractor is rejected, the Offeror may replace that subcontractor with another subcontractor subject to the approval of the Town. Any such replacement shall be at no additional expense to the Town nor shall it result in an extension of time without the City's approval.

To Subcontractors:

A contractor awarded a contract under this solicitation is hereby obligated:

To pay the subcontractor(s) within seven (7) days of the contractor's receipt of payment from the Town for the proportionate share of the payment received for work performed by the subcontractor(s) under the contract; or

To notify the Town and the subcontractor(s), in writing, of the contractor's intention to withhold payment and the reason.

PRECEDENCE OF TERMS: In the event there is a conflict between any of the other General Terms and Conditions and any Special Terms and Conditions in this solicitation, the Special Terms and Conditions shall apply.

QUALIFICATIONS OF BIDDERS: The Town may make such reasonable investigations as deemed proper and necessary to determine the ability of the bidder to perform the services/furnish the goods and the bidder shall furnish to the Town all such information and data for this purpose as may be requested. The Town reserves the right to inspect bidder's physical facilities prior to award to satisfy questions regarding the bidder's capabilities. The Town further reserves the right to reject any bid if the evidence submitted by, or investigations of, such bidder fails to satisfy the Town that such bidder is properly qualified to carry out the obligations of the contract and to provide the services and/or furnish the goods contemplated therein.

TESTING AND INSPECTION: The Town reserves the right to conduct any test/inspection it may deem advisable to assure goods and services conform to the specifications.

ASSIGNMENT OF CONTRACT: A contract shall not be assignable by the contractor in whole or in part without the written consent of the Town.

CHANGES TO THE CONTRACT: Changes can be made to the contract in any of the following ways:

The parties may agree in writing to modify the scope of the contract. An increase or decrease in the price of the contract resulting from such modification shall be agreed to by the parties as a part of their written agreement to modify the scope of the contract.

The Town may order changes within the general scope of the contract at any time by written notice to the contractor. Changes within the scope of the contract include, but are not limited to, things such as services to be performed, the method of packing or shipment, and the place of delivery or installation. The contractor shall comply with the notice upon receipt. The contractor shall be compensated for any additional costs incurred as the result of such order and shall give the Town a credit for any savings. Said compensation shall be determined by one of the following methods:

1. By mutual agreement between the parties in writing; or
2. By agreeing upon a unit price or using a unit price set forth in the contract, if the work to be done can be expressed in units, and the contractor accounts for the number of units of work performed, subject to the Town's right to audit the contractor's records and/or to determine the correct number of units independently; or
3. By ordering the contractor to proceed with the work and keep a record of all costs incurred and savings realized. A markup for overhead and profit may be allowed if provided by the contract. The same markup shall be used for determining a decrease in price as the result of savings realized. The contractor shall present the Town with all vouchers and records of expenses incurred and savings realized. The Town shall have the right to audit the records of the contractor as it deems necessary to determine costs or savings. Any claim for an adjustment in price under this provision must be asserted by written notice to the Town within thirty (30) days from the date of receipt of the written order from the Town. If the parties fail to agree on an amount of adjustment, the question of an increase or decrease in the contract price or time for performance shall be resolved in accordance with the procedures for resolving disputes provided by the Disputes Clause of this contract. Neither the existence of a claim nor a dispute resolution process, litigation or any other provision of this contract shall excuse the contractor from promptly complying with the changes ordered by the Town or with the performance of the contract generally.

DEFAULT: In case of failure to deliver goods or services in accordance with the contract terms and conditions, the Town, after due oral or written notice, may procure them from other sources and hold the contractor responsible for any resulting additional purchase and administrative costs. This remedy shall be in addition to any other remedies which the Town may have.

TAXES: Sales to the Town are normally exempt from State sales tax. State sales and use tax certificates of exemption will be issued upon request.

(NOT NORMALLY REQUIRED FOR SERVICE CONTRACTS)

USE OF BRAND NAMES: Unless otherwise provided in this solicitation, Unless otherwise provided in the Invitation for Bid, the name of a certain brand does not restrict bidders to a specific brand, make or manufacturer's name, but conveys the general style, type, character and quality of the article desired. Any article that the Town, in its sole discretion determines to be the equal of that specified, considering quality, workmanship, economy of operation and suitability for the purpose intended shall be acceptable.

(NOT NORMALLY REQUIRED FOR SERVICE CONTRACTS)

TRANSPORTATION AND PACKAGING: By submitting their bids, all bidders certify and warrant that the price offered for FOB destination includes only the actual freight rate costs at the lowest and best rate and is based upon the actual weight of the goods to be shipped. Except as otherwise specified herein, standard commercial packaging, packing and shipping containers shall be used.

(NOT NORMALLY REQUIRED FOR SERVICE CONTRACTS)

INSURANCE: By signing and submitting a bid or proposal under this solicitation, the bidder or offeror certifies that if awarded the contract, it will have the following insurance coverage at the time the contract is awarded as well as any other insurance requirements laid out in the request for bid or proposal. The Town requires minimum insurance amounts as recommended by the Virginia Municipal League. For construction contracts, if any subcontractors are involved, the subcontractor will have workers' compensation insurance in accordance with §§ 2.2-4332 and 65.2-800 et seq. of the Code of Virginia. The bidder or offeror further certifies that the contractor and any subcontractors will maintain these insurance coverage during the entire term of the contract and that all insurance coverage will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission. The Town Manager is authorized to amend coverages and limits as required. Such amendments shall be provided in writing and specifically state that established coverages and limits differ from those provided in the Town's General Terms and Conditions.

MINIMUM INSURANCE COVERAGES AND LIMITS REQUIRED FOR MOST CONTRACTS:

General services contracts or leases:

Commercial General Liability

- \$1 million Each Occurrence (Bodily Injury and Property Damage)
- \$2 million General Aggregate that applies on a per project basis
- \$2 million Products/Completed Operations Aggregate
- \$1 million Per Person or Organization (Personal and Advertising Injury)

Owned and/or Non-Owned Automobile Liability-\$1,000,000 each accident

Workers Compensation Insurance -\$100,000 Bodily Injury each accident/\$100,000 Bodily Injury Disease Each Employee /\$500,000 Bodily Injury Disease policy limit (unless sole proprietor)

Excess Liability-\$1,000,000 each (CGL/AL/EL) occurrence/\$2,000,000 Annual Policy Aggregate

Minor Construction Contracts (\$99,999.99 or less):

Commercial General Liability

- \$1 million Each Occurrence (Bodily Injury and Property Damage)
- \$2 million General Aggregate that applies on a per project basis
- \$2 million Products/Completed Operations Aggregate
- \$1 million Per Person or Organization (Personal and Advertising Injury)

Owned and/or Non-Owned Automobile Liability-\$1,000,000 each accident

Employers Liability-\$100,000 Bodily Injury each accident/\$100,000 Bodily Injury Disease Each Employee /\$500,000 Bodily Injury Disease policy limit

Professional Liability (Errors and Omissions)-\$2,000,000 each wrongful act/\$3,000,000 annual policy claims aggregate (effective date same as contract date with one-three year extended reporting period (only if consulting or designing is involved).

Excess Liability-\$3,000,000 each (CGL/AL/EL) occurrence/\$3,000,000 Annual Policy Aggregate

Major Construction (more than \$100,000) or Hazardous contracts:

Commercial General Liability

- \$1 million Each Occurrence (Bodily Injury and Property Damage)
- \$2 million General Aggregate that applies on a per project basis
- \$2 million Products/Completed Operations Aggregate
- \$1 million Per Person or Organization (Personal and Advertising Injury)

Owned and/or Non-Owned Automobile Liability-\$1,000,000 each accident

Employers Liability-\$100,000 Bodily Injury each accident/\$100,000 Bodily Injury Disease Each Employee /\$500,000 Bodily Injury Disease policy limit

Professional Liability (Errors and Omissions)-Refer to Risk Manager-\$2,000,000 each wrongful act/\$3,000,000 annual policy claims aggregate (effective date same as contract date with one-three year extended reporting period. Important if designing or consulting is performed).

Excess Liability- Refer to Risk Manager-\$5,000,000 each (CGL/AL/EL) occurrence/\$5,000,000 Annual Policy Aggregate

Professional services contracts:

Commercial General Liability

- \$1 million Each Occurrence (Bodily Injury and Property Damage)
- \$2 million General Aggregate that applies on a per project basis
- \$2 million Products/Completed Operations Aggregate
- \$1 million Per Person or Organization (Personal and Advertising Injury)

Owned and/or Non-Owned Automobile Liability-\$1,000,000 each accident

Employers Liability-\$100,000 Bodily Injury each accident/\$100,000 Bodily Injury Disease Each Employee /\$500,000 Bodily Injury Disease policy limit

Professional Liability (Errors and Omissions)-\$2,000,000 each wrongful act/\$3,000,000 annual policy claims aggregate (effective date same as contract date with one-three year extended reporting period.

Cyber or Identity Breach liability-\$1,000,000 each identity breach

Excess Liability-\$2,000,000 each (CGL/AL/EL) occurrence/\$2,000,000 Annual Policy Aggregate

Design Professional Services and Surveyors contracts:

Commercial General Liability

- \$1 million Each Occurrence (Bodily Injury and Property Damage)
- \$2 million General Aggregate that applies on a per project basis
- \$2 million Products/Completed Operations Aggregate
- \$1 million Per Person or Organization (Personal and Advertising Injury)

Owned and/or Non-Owned Automobile Liability-\$1,000,000 each accident

Employers Liability-\$100,000 Bodily Injury each accident/\$100,000 Bodily Injury Disease Each Employee /\$500,000 Bodily Injury Disease policy limit

Professional Liability (Errors and Omissions)-\$2,000,000 each wrongful act/\$3,000,000 annual policy claims aggregate (effective date same as contract date with one-three year extended reporting period.

Excess Liability-\$2,000,000 each (CGL/AL/EL) occurrence/\$2,000,000 Annual Policy Aggregate

The Town shall be a named as an additional insured on any policy obtained by Contractor/ Subcontractor/Vendor/Lessee pursuant to this paragraph. Contractor shall furnish the Town with all Certificates of Insurance that indicate(s) adequate insurance coverage has been obtained. Contractor shall furnish the Town with an additional insured endorsement.

HOLD HARMLESS AGREEMENT

Contractor shall attach to each liability insurance policy, with the exception of Worker's Compensation, the following endorsement: "Contractor and all subcontractors shall save Town harmless from any and all claims, damages, liabilities, expenses of litigation, including attorney's fees, and losses arising out of injury to, or death of, any of Contractor's employees or any other person while on or about Town's premises or job site in connection with any matters relating to or arising out of the performance of this Contract. It is understood an agreed that the Contractor is at all times acting as an independent contractor."

ADDITIONAL REQUIREMENTS

During the performance of the Work described in the Contract Documents, the Contractor agrees to:

- Employment discrimination by contractor prohibited; required contract provisions (see § 2.2-4311 of the Code of Virginia)
- Compliance with federal, state, and local laws and federal immigration law; required contract provisions (see § 2.2-4311.1 of the Code of Virginia)
- Compliance with state law; foreign and domestic businesses authorized to transact business in the Commonwealth (see § 2.2-4311.2 of the Code of Virginia)
- Drug-free workplace to be maintained by contractor; required contract provisions (see § 2.2-4312 of the Code of Virginia)
- Post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition
- Include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

Town of Berryville

General Terms and Conditions – Requests for Proposals

These General Terms and Conditions are required for use in written solicitations issued by the Town for procurements.

APPLICABLE LAWS AND COURTS: This solicitation and any resulting contract shall be governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect thereto shall be brought in the courts of the Commonwealth. The contractor shall comply with all applicable federal, state and local laws, rules and regulations.

ANTI-DISCRIMINATION: By submitting their proposals, offerors certify to the Town of Berryville that they will conform to the provisions of the Federal Civil Rights Act of 1964, as amended, as well as the Virginia Fair Employment Contracting Act of 1975, as amended, where applicable, the Virginians With Disabilities Act, the Americans With Disabilities Act and § 2.2-4311 of the Virginia Public Procurement Act (VPPA).

Employment discrimination by contractor prohibited; required contract provisions. All public bodies shall include in every contract of more than \$10,000 the following provisions:

During the performance of this contract, the contractor agrees as follows:

a) The contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the contractor. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

b) The contractor, in all solicitations or advertisements for employees placed by or on behalf of the contractor, will state that such contractor is an equal opportunity employer.

c) Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.

The contractor will include the provisions of the foregoing paragraphs a, b and c in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

EMPLOYMENT DISCRIMINATION PROHIBITED:

Employment discrimination by contractor prohibited; required contract provisions. All public bodies shall include in every contract of more than \$10,000 the following provisions:

During the performance of this contract, the contractor agrees as follows:

- a) The contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the contractor. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
- b) The contractor, in all solicitations or advertisements for employees placed by or on behalf of the contractor, will state that such contractor is an equal opportunity employer.
- c) Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.

The contractor will include the provisions of the foregoing paragraphs a, b and c in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

ETHICS IN PUBLIC CONTRACTING: By submitting their proposals, offerors certify that their proposals are made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other offeror, supplier, manufacturer or subcontractor in connection with their proposal, and that they have not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged.

IMMIGRATION REFORM AND CONTROL ACT OF 1986: By submitting their proposals, offerors certify that they do not and will not during the performance of this contract employ illegal alien workers or otherwise violate the provisions of the federal Immigration Reform and Control Act of 1986.

DEBARMENT STATUS: By submitting their proposals, offerors certify that they are not currently debarred by the Town of Berryville from submitting bids or proposals on contracts for the type of goods and/or services covered by this solicitation, nor are they an agent of any person or entity that is currently so debarred.

MANDATORY USE OF TOWN TERMS AND CONDITIONS FOR RFPs : Modification of or additions to the General Terms and Conditions of the solicitation may be cause for rejection of the proposal; however, the Town reserves the right to decide, on a case by case basis, in its sole discretion, whether to reject such a proposal.

BILL PAYMENT POLICY

The Town Treasurer shall make payment in full (unless an alternate payment plan has been agreed upon) for all goods delivered or services rendered within thirty days of receipt of the bill.

No goods or services shall be deemed received until such goods are completely delivered and found acceptable by the department head. For purposes of determining whether or not payment was made in accordance with this policy, payment in full shall be considered to be made on the date the check for payment was mailed or otherwise transmitted.

When a bill submitted to the Town of Berryville is incorrect or when there is a defect or impropriety in a bill submitted, the respective department head shall notify the creditor in writing prior to the date on which

payment in full is due. The notice shall contain a description of the defect or impropriety and any other additional information to enable the creditor to correct the bill. Upon receiving a corrected bill, the Town of Berryville shall make payment in full on or before the thirtieth calendar day after receipt of the corrected bill.

SUBCONTRACTORS

All Offerors shall include a list of all subcontractors with their proposal. The Town reserves the right to reject the successful Offeror's selection of subcontractors for good cause. If a subcontractor is rejected, the Offeror may replace that subcontractor with another subcontractor subject to the approval of the Town. Any such replacement shall be at no additional expense to the Town nor shall it result in an extension of time without the City's approval.

To Subcontractors:

A contractor awarded a contract under this solicitation is hereby obligated:

To pay the subcontractor(s) within seven (7) days of the contractor's receipt of payment from the Town for the proportionate share of the payment received for work performed by the subcontractor(s) under the contract; or

To notify the Town and the subcontractor(s), in writing, of the contractor's intention to withhold payment and the reason.

PRECEDENCE OF TERMS: In the event there is a conflict between any of the other General Terms and Conditions and any Special Terms and Conditions in this solicitation, the Special Terms and Conditions shall apply.

QUALIFICATIONS OF OFFERORS: The Town may make such reasonable investigations as deemed proper and necessary to determine the ability of the offeror to perform the services/furnish the goods and the offeror shall furnish to the Town all such information and data for this purpose as may be requested. The Town reserves the right to inspect offeror's physical facilities prior to award to satisfy questions regarding the offeror's capabilities. The Town further reserves the right to reject any proposal if the evidence submitted by, or investigations of, such offeror fails to satisfy the Town that such offeror is properly qualified to carry out the obligations of the contract and to provide the services and/or furnish the goods contemplated therein.

TESTING AND INSPECTION: The Town reserves the right to conduct any test/inspection it may deem advisable to assure goods and services conform to the specifications.

ASSIGNMENT OF CONTRACT: A contract shall not be assignable by the contractor in whole or in part without the written consent of the Town.

CHANGES TO THE CONTRACT: Changes can be made to the contract in any of the following ways:

The parties may agree in writing to modify the scope of the contract. An increase or decrease in the price of the contract resulting from such modification shall be agreed to by the parties as a part of their written agreement to modify the scope of the contract.

The Town may order changes within the general scope of the contract at any time by written notice to the contractor. Changes within the scope of the contract include, but are not limited to, things such as services to be performed, the method of packing or shipment, and the place of delivery or installation. The contractor shall comply with the notice upon receipt. The contractor shall be compensated for any additional costs incurred as the result of such order and shall give the Town a credit for any savings. Said compensation shall be determined by one of the following methods:

1. By mutual agreement between the parties in writing; or
2. By agreeing upon a unit price or using a unit price set forth in the contract, if the work to be done can be expressed in units, and the contractor accounts for the number of units of work performed, subject to the Town's right to audit the contractor's records and/or to determine the correct number of units independently; or
3. By ordering the contractor to proceed with the work and keep a record of all costs incurred and savings realized. A markup for overhead and profit may be allowed if provided by the contract. The same markup shall be used for determining a decrease in price as the result of savings realized. The contractor shall present the Town with all vouchers and records of expenses incurred and savings realized. The Town shall have the right to audit the records of the contractor as it deems necessary to determine costs or savings. Any claim for an adjustment in price under this provision must be asserted by written notice to the Town within thirty (30) days from the date of receipt of the written order from the Town. If the parties fail to agree on an amount of adjustment, the question of an increase or decrease in the contract price or time for performance shall be resolved in accordance with the procedures for resolving disputes provided by the Disputes Clause of this contract. Neither the existence of a claim nor a dispute resolution process, litigation or any other provision of this contract shall excuse the contractor from promptly complying with the changes ordered by the Town or with the performance of the contract generally.

DEFAULT: In case of failure to deliver goods or services in accordance with the contract terms and conditions, the Town, after due oral or written notice, may procure them from other sources and hold the contractor responsible for any resulting additional purchase and administrative costs. This remedy shall be in addition to any other remedies which the Town may have.

TAXES: Sales to the Town are normally exempt from State sales tax. State sales and use tax certificates of exemption will be issued upon request.

(NOT NORMALLY REQUIRED FOR SERVICE CONTRACTS)

INSURANCE: By signing and submitting a bid or proposal under this solicitation, the bidder or offeror certifies that if awarded the contract, it will have the following insurance coverage at the time the contract is awarded as well as any other insurance requirements laid out in the request for bid or proposal. The Town requires minimum insurance amounts as recommended by the Virginia Municipal League. For construction contracts, if any subcontractors are involved, the subcontractor will have workers' compensation insurance in accordance with §§ 2.2-4332 and 65.2-800 et seq. of the Code of Virginia. The bidder or offeror further certifies that the contractor and any subcontractors will maintain these insurance coverage during the entire term of the contract and that all insurance coverage will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission. The Town Manager is authorized to amend coverages and limits as required. Such amendments shall be provided in writing and specifically state that established coverages and limits differ from those provided in the Town's General Terms and Conditions.

MINIMUM INSURANCE COVERAGES AND LIMITS REQUIRED FOR MOST CONTRACTS:

General services contracts or leases:

Commercial General Liability

- \$1 million Each Occurrence (Bodily Injury and Property Damage)
- \$2 million General Aggregate that applies on a per project basis
- \$2 million Products/Completed Operations Aggregate
- \$1 million Per Person or Organization (Personal and Advertising Injury)

Owned and/or Non-Owned Automobile Liability-\$1,000,000 each accident

Workers Compensation Insurance -\$100,000 Bodily Injury each accident/\$100,000 Bodily Injury Disease Each Employee /\$500,000 Bodily Injury Disease policy limit (unless sole proprietor)

Excess Liability-\$1,000,000 each (CGL/AL/EL) occurrence/\$2,000,000 Annual Policy Aggregate

Minor Construction Contracts (\$99,999.99 or less):

Commercial General Liability

- \$1 million Each Occurrence (Bodily Injury and Property Damage)
- \$2 million General Aggregate that applies on a per project basis
- \$2 million Products/Completed Operations Aggregate
- \$1 million Per Person or Organization (Personal and Advertising Injury)

Owned and/or Non-Owned Automobile Liability-\$1,000,000 each accident

Employers Liability-\$100,000 Bodily Injury each accident/\$100,000 Bodily Injury Disease Each Employee /\$500,000 Bodily Injury Disease policy limit

Professional Liability (Errors and Omissions)-\$2,000,000 each wrongful act/\$3,000,000 annual policy claims aggregate (effective date same as contract date with one-three year extended reporting period (only if consulting or designing is involved).

Excess Liability-\$3,000,000 each (CGL/AL/EL) occurrence/\$3,000,000 Annual Policy Aggregate

Major Construction (more than \$100,000) or Hazardous contracts:

Commercial General Liability

- \$1 million Each Occurrence (Bodily Injury and Property Damage)
- \$2 million General Aggregate that applies on a per project basis
- \$2 million Products/Completed Operations Aggregate
- \$1 million Per Person or Organization (Personal and Advertising Injury)

Owned and/or Non-Owned Automobile Liability-\$1,000,000 each accident

Employers Liability-\$100,000 Bodily Injury each accident/\$100,000 Bodily Injury Disease Each Employee /\$500,000 Bodily Injury Disease policy limit

Professional Liability (Errors and Omissions)-Refer to Risk Manager-\$2,000,000 each wrongful act/\$3,000,000 annual policy claims aggregate (effective date same as contract date with one-three year extended reporting period. Important if designing or consulting is performed).

Excess Liability- Refer to Risk Manager-\$5,000,000 each (CGL/AL/EL) occurrence/\$5,000,000 Annual Policy Aggregate

Professional services contracts:

Commercial General Liability

- \$1 million Each Occurrence (Bodily Injury and Property Damage)
- \$2 million General Aggregate that applies on a per project basis
- \$2 million Products/Completed Operations Aggregate
- \$1 million Per Person or Organization (Personal and Advertising Injury)

Owned and/or Non-Owned Automobile Liability-\$1,000,000 each accident

Employers Liability-\$100,000 Bodily Injury each accident/\$100,000 Bodily Injury Disease Each Employee /\$500,000 Bodily Injury Disease policy limit

Professional Liability (Errors and Omissions)-\$2,000,000 each wrongful act/\$3,000,000 annual policy claims aggregate (effective date same as contract date with one-three year extended reporting period).

Cyber or Identity Breach liability-\$1,000,000 each identity breach
Excess Liability-\$2,000,000 each (CGL/AL/EL) occurrence/\$2,000,000 Annual Policy Aggregate

Design Professional Services and Surveyors contracts:

Commercial General Liability

- \$1 million Each Occurrence (Bodily Injury and Property Damage)
- \$2 million General Aggregate that applies on a per project basis
- \$2 million Products/Completed Operations Aggregate
- \$1 million Per Person or Organization (Personal and Advertising Injury)

Owned and/or Non-Owned Automobile Liability-\$1,000,000 each accident

Employers Liability-\$100,000 Bodily Injury each accident/\$100,000 Bodily Injury Disease Each Employee /\$500,000 Bodily Injury Disease policy limit

Professional Liability (Errors and Omissions)-\$2,000,000 each wrongful act/\$3,000,000 annual policy claims aggregate (effective date same as contract date with one-three year extended reporting period.

Excess Liability-\$2,000,000 each (CGL/AL/EL) occurrence/\$2,000,000 Annual Policy Aggregate

The Town shall be a named as an additional insured on any policy obtained by Contractor/ Subcontractor/Vendor/Lessee pursuant to this paragraph. Contractor shall furnish the Town with all Certificates of Insurance that indicate(s) adequate insurance coverage has been obtained. Contractor shall furnish the Town with an additional insured endorsement (see Hold Harmless Agreement). Additional insured coverage shall include both work in process and completed work. Said coverage shall be maintained for a minimum of 90 days or as specified in the contract after the Town has determined the work is complete.

HOLD HARMLESS AGREEMENT

Contractor shall attach to each liability insurance policy, with the exception of Worker’s Compensation, the following endorsement: “Contractor shall save Town harmless from any and all claims, damages, liabilities, expenses of litigation, including attorney’s fees, and losses arising out of injury to, or death of, any of Contractor’s employees or any other person while on or about Town’s premises or job site in connection with any matters relating to or arising out of the performance of this Contract. It is understood an agreed that the Contractor is at all times acting as an independent contractor.”

ADDITIONAL REQUIREMENTS

During the performance of the Work described in the Contract Documents, the Contractor agrees to:

- Employment discrimination by contractor prohibited; required contract provisions (see § 2.2-4311 of the Code of Virginia)
- Compliance with federal, state, and local laws and federal immigration law; required contract provisions (see § 2.2-4311.1 of the Code of Virginia)
- Compliance with state law; foreign and domestic businesses authorized to transact business in the Commonwealth (see § 2.2-4311.2 of the Code of Virginia)
- Drug-free workplace to be maintained by contractor; required contract provisions (see § 2.2-4312 of the Code of Virginia)
- Post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the Contractor’s workplace and specifying the actions that will be taken against employees for violations of such prohibition
- Include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

The Virginia Public Procurement Act, Code of Virginia

§ 2.2-4300 through § 2.2-4377, is available online at:

<https://dgs.virginia.gov/globalassets/business-units/dps/documents/vppa/virginia-public-procurement-act.pdf>

Town of Berryville
Procurement Forms