

A G E N D A

COMMITTEE OF THE WHOLE MEETING OF THE MAYOR AND BOARD OF TRUSTEES OF THE VILLAGE OF WILLOWBROOK TO BE HELD ON MONDAY, FEBRUARY 28, 2022, AT 5:30 P.M. 7760 QUINCY STREET, WILLOWBROOK, IL, DUPAGE COUNTY, ILLINOIS

DUE TO THE COVID 19 PANDEMIC, THE VILLAGE WILL BE UTILIZING A ZOOM WEBINAR. MEMBERS OF THE PUBLIC CAN ATTEND THE MEETING VIA ZOOM WEBINAR BY VIDEO OR AUDIO. IF A MEMBER IS USING ZOOM, PLEASE EITHER USE YOUR PHONE OR COMPUTER, NOT BOTH.

THE PUBLIC CAN UTILIZE THE FOLLOWING CALL-IN NUMBER:

Dial-in Phone Number: 312-626-6799

Meeting ID: 839 5363 0838

Written Public Comments Can Be Submitted By 5:15 P.M. on February 28, 2022, to shalloran@willowbrook.il.us

1. CALL TO ORDER
2. ROLL CALL
3. MOTION - MOTION TO ALLOW MAYOR TRILLA TO ATTEND THE MEETING REMOTELY. (PASS)
4. PLEDGE OF ALLEGIANCE
5. VISITORS' BUSINESS - Public Comment is Limited to Three Minutes Per Person
6. [DISCUSSION - DISCUSSION ON THE PROCUREMENT POLICY](#)
7. [DISCUSSION - PRESENTATION PERTAINING TO BONDING OPTIONS AS IT RELATES TO CAPITAL IMPROVEMENT PROJECTS AND ECONOMIC DEVELOPMENT.](#)
8. ADJOURNMENT

VILLAGE OF WILLOWBROOK

BOARD MEETING

AGENDA ITEM - HISTORY/COMMENTARY

ITEM TITLE:

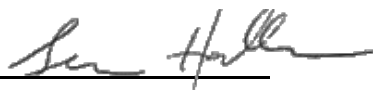
DISCUSSION ON THE PROCUREMENT POLICY

AGENDA NO. 6

AGENDA DATE: 02/28/22

STAFF REVIEW: Sean Halloran, Asst. Village Administrator

SIGNATURE:



LEGAL REVIEW: Thomas Bastian, Village Attorney

SIGNATURE:



RECOMMENDED BY: Brian Pabst, Village Administrator

SIGNATURE:

REVIEWED & APPROVED BY COMMITTEE: YES NO N/A **ITEM COMMENTARY (BACKGROUND, DISCUSSION, KEY POINTS, RECOMMENDATIONS, ETC.)**

In October 2021, at the Village Board of Trustees meeting, Sikich LLP provided the results of the Comprehensive Annual Financial Report. As part of their analysis, Sikich made recommendations to improve the Village's financial policies and procedures, which included an updated procurement policy. Since receiving this report, staff has been working internally and analyzing neighboring municipalities' procurement policies to determine the appropriate procedures for the Village.

The Village Board has not reviewed the procurement policy since 2018. On July 23, 2018, the Board of Trustees approved the increase of the Village Administrator's appropriation approval authority to \$10,000 with the Mayor's approval.

RECOMMENDATION HIGHLIGHTS:**Increasing the Village Administrator's Purchasing Authority to \$20,000**

In August of 2017, Section 65 ILCS 5/8-9-1 of the State Code regarding purchasing and public works contracts were amended to increase the competitive sealed bidding minimum from \$20,000 to \$25,000 for the construction of the work or other public improvements. Staff requests Board consideration that the Procurement Policy be updated from \$10,000 to \$20,000. This request would authorize the Village Administrator to execute contracts or purchase orders under \$20,000. If the Board chooses to adjust the Village Administrator Approval Authority down to \$20,000, the action will apply across all purchases, resulting in a Village Procurement Policy that is more restrictive than the state statute.

A survey conducted in January of this year found the following information:

Municipality	Department Directors	Village Administrator	Board of Trustees
Clarendon Hills	\$0 - \$2,499	\$2,500 - \$24,999	\$25,000 and above
Woodridge	\$0 - \$9,999	\$10,000 - \$24,999	\$25,000 and above
Villa Park	\$0 - \$2,500	\$2,501 - \$20,000	\$20,001 and above
Burr Ridge	-	\$0 - \$20,000	\$20,001 and above
Oak Brook	-	\$0 - \$20,000	\$20,001 and above
La Grange Park	-	\$0 - \$20,000	\$20,001 and above
Westmont	\$0 - \$2,499	\$2,500 - \$19,999	\$20,000 and above
Lisle	\$0 - \$9,999	\$10,000 - \$19,999	\$20,000 and above
Hinsdale	-	\$0 - \$19,999	\$20,000 and above
Darien	-	\$0 - \$5,000	\$5,001 and above
Willowbrook	-	\$0 - \$5,000 (\$0 - \$10,000 with Mayor's approval)	\$10,001 and above

Other Procedural Improvements

Change Orders

Section 3 on Change Orders guides staff on the definition of a change order, contract change order types, and the approval authority process to be followed.

Emergency Purchases

Section 4 on Emergency and Sole Source creates the guideline to notice the Board and the proper approval procedures for staff based on the purchase amount and when the emergency occurs (during regular business hours and after hours). Emergency purchases in excess of \$20,000 must later be ratified by the Board of Trustees at its next available meeting.

Contract Administration

Section 10 on Contract Administration creates a guiding document for staff on how to execute a contract and identifies the important criteria to include for a contract agreement.

Credit Card Procedures and Acceptable Use Guidelines

Section 12 on Credit Card Procedures proposes to add language requiring a detailed description of allowable uses for Village credit card purchases, as well as strict reporting guidelines for all purchases including a description of the item purchased, the specific training or event held or attended, the reason for the training or event, a list of all attendees (if applicable), and rationale for utilization of the credit card versus another form of payment. The Credit Card Payment Form has been revised to reflect these proposed changes. Staff will be trained regarding all approved changes to the procurement policies and procedures.

Mandated Qualification Based Selection

In 2017, IDOT mandated local governments to follow a Qualification Based Selection process when using federal grant funding to procure architectural, engineering, land surveying, and construction management services valued at over \$25,000. This includes Phase I preliminary engineering design, Phase II final engineering and bidding, and Phase III construction management. IDOT requires that each local agency have its QBS procedures in writing.

The proposed Procurement Policy adds the QBS procedures and meets the requirements of 23 CFR 172 and the Brooks Act. A QBS approach evaluates vendor responses on technical and firm qualifications among other factors and not price or location.

ACTION PROPOSED: Provide feedback.



PROCUREMENT

POLICIES

AND

PROCEDURES

January 2022

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SECTION 1: PURPOSE

I. RESPONSIBILITIES, PURPOSE, FUNCTION, & OBJECTIVES

The Procurement Policy and Procedures (the "Policy") contains procurement policies that are the guiding principles used to set purchasing direction for the Village and the procurement procedures, which are the consistent steps to be followed to accomplish purchasing tasks. **The Village Administrator has the authority to amend the procedures.**

Subject to the provisions of this policy, the Village Administrator's Office shall serve as the principal officer for the procurement of all goods and services required by the Village and the implementation and administration of this policy.

All changes to the policy components of this document (not procedures) require approval by the Village of Willowbrook Board of Trustees (the "Village Board"). This policy supersedes all previously adopted purchasing policies.

1.01 Purpose

This policy establishes a centralized purchasing system for the Village, the purpose of which is to:

- A. Provide authority for establishing rules governing purchasing by the Village;
- B. Promote public confidence in the integrity and transparency of the procedures followed to procure the goods and services required by the Village;
- C. Ensure fair treatment of all firms who participate in the purchasing system;
- D. Maximize purchasing activities and the purchasing value of Village funds to the fullest extent possible.

1.02 Objectives

- A. To deal fairly and equitably with all vendors wishing to do business with the Village.
- B. Provide professional procurement services for all departments within the Village.
- C. Assure adherence to all laws, regulations, and procedures related to Village procurement.
- D. Maximize competition for all procurements of the Village.
- E. Obtain maximum savings through innovative buying and application of value analysis techniques.
- F. Purchase goods and services from capable vendors at the lowest price, consistent with the quality, performance, and delivery requirements of the Village.



SECTION 2: GENERAL GUIDELINES

I. GENERAL GUIDELINES

This section introduces the policy and general guidelines and/or rules for the procurement process. The policy shall have the force and effect of local municipal law as fully stated in the Village's Code upon approval and adoption by the Village Board. Additionally, the terms and provisions of the policy shall be deemed by operation of law to be a part of the terms and conditions of each procurement, engagement letter, and contract involving the Village as a party, except to the extent that an authorized official has expressly provided for a written exception to one or more of the requirements provided for in the policy concerning a particular procurement or contract. All purchases are required to follow the policy unless otherwise governed.

CATEGORY ONE: PURCHASES UP TO \$999.99

Purchases in this category require one verbal quote.

CATEGORY TWO: PURCHASES OF \$1,000.00 TO \$4,999.99

Purchases in this category require multiple quotes (verbal/written).

CATEGORY THREE: PURCHASES OF \$5,000.00 TO \$20,000.99

Purchases in this category require written quotes. Written quote packages shall be submitted to the Village Administrator's Office for compliance review before issuing the formal agreement.

CATEGORY FOUR: PURCHASES \$20,001.00 and OVER

Requires a formal solicitation through the Village Administrator's Office and Village Board approval.

The Village Board of Trustees, Village Administrator, or his/her designee may waive the formal bidding process when it is deemed in the best interest of the Village.

2.01 Approval Authority

- A. For procurements up to CATEGORY ONE adopted in the current budget, the approval authority is the Department Head or their designee.
- B. For procurements in CATEGORY TWO AND THREE, the approval authority is the Village Administrator or his/her designee.
- C. For procurements in CATEGORY FOUR, the approval authority is the Village Board, with the exception of any exclusions provided for in this policy.



APPROVAL AUTHORITY TABLE				
	CATEGORY ONE	CATEGORY TWO	CATEGORY THREE	CATEGORY FOUR
DOLLAR AMOUNT LIMIT	Purchases up to \$999.99	Purchases of \$1,000.00 to \$4,999.99	Purchases of \$5,000.00 to \$20,000.99	Purchases \$20,001.00 and over
QUOTES REQUIREMENT*	One verbal quote required	Multiple quotes (Verbal)	Multiple quotes (Written)	Formal solicitation by Village Administrator's Office and Approval by Board of Trustees
AGREEMENT REQUIREMENT	None	Requires an Engagement Letter	Requires an Engagement Letter	Requires a contract
APPROVAL LEVELS	Department Head	Village Administrator	Village Administrator	Board of Trustees

*When possible, staff should always attempt to get multiple quotes for purchase, whether required or not.

2.02 Exclusions to the competitive purchasing process

The following purchases are excluded from any of the competitive requirements:

- A. Agreements between the Village Board and non-profit organizations or governmental entities, including the procurement, transfer, sale, or exchange of goods and/or services.
- B. Procurement of dues and memberships in trade or professional organizations; subscriptions for periodicals; advertisements; postage; used equipment; abstracts of titles for real property; title insurance for real property; real property; water, sewer, electrical, utility services; copyrighted materials; patented materials; art and artistic services; employment agreements; medical services; service required by proprietary ownership such as CSX Railroad carrier, original equipment manufacturers (OEM) and fees and costs of job-related travel, seminars, tuition, registration, and training.
- C. Purchases from the State of IL and other contracts awarded by any local, state, or national government agency, cooperative purchasing organizations, or purchasing associations that have been competitively bid do not require separate, individual competitive purchasing requirements conducted by the Village.

The policy shall authorize such purchases, transactions, and expenditures listed above. Certain procurements within the above categories may be obtained via competitive means when it is determined that adequate sources for the goods or services required are available.



2.03 Miscellaneous Guidelines That Are Generally Applicable For All Procurement

These general guidelines are mandatory requirements imposed on all Village staff, consultants, vendors, and others involved with the Village in any matter involving procurement, purchasing, contracting, and purchase orders in which the Village is involved as a party or potentially involved as a party. The following additional requirements apply:

A. The requirements, rules, and procedures specified in this policy shall have the force of law. They shall be fully enforceable in the Circuit Court of DuPage County as the local law applicable in procurement involving the Village of Willowbrook.

B. In all instances in which the Village Administrator determines to waive a requirement under this policy for reasons of emergency, necessity, or other circumstances deemed to be in the best interest of the Village of Willowbrook, the Village Administrator's Office shall document and justify the reasons in writing and notify the Village Board at the next meeting. This requirement applies in the case of a decision to allow unbundling or disaggregation of purchases that will result in a lower threshold for bidding or competitive procurement and in the case where a decision is made to waive competitive procurement and any other waiver a requirement of this policy.

C. There shall be no manipulation or separation of items purchased separately to avoid a competitive procurement threshold. If, in the ordinary course of business, there will be no separation of those items into separate purchases to avoid a competitive procurement requirement. By way of illustration only and as examples not intended to be exclusive of all examples, the following examples are offered:

Public Works anticipates purchasing 20 hydrants at \$5,000 per unit during the fiscal year. Twenty units will exceed the Category Four threshold of \$25,000.00. It would be improper to avoid competitive procurement under Category Four by dividing the 20 units by 12 and procuring the requirements for the units every month. Similarly, it would be improper to purchase each unit separately in an effort to reduce the expenditure to less than a Category Four purchase. It is the responsibility of Public Works to report the complete quantity of product that will be required for use in the department for the fiscal year. The reduction of the anticipated quantity to avoid a competitive procurement threshold or category is improper and illegal per state statute.

Notwithstanding the above, for unique circumstances presented, the Village Administrator's Office may, by written memorandum to the Village Administrator, justify in the interest of the Village a reduction in the quantities proposed for purchase by the user department.

It is generally improper to unbundle an item or group of items that should be purchased together to accomplish a specific objective. It is always improper to unbundle the purchase of an item or take any other action where the primary motivating factor is to reduce the dollar value of the purchase to avoid a higher category level of competitive procurement.

2.04 Order Splitting Prohibited

Serial and fragmented purchasing is strictly prohibited. Serial purchasing is the practice of issuing a series of orders with a short period of time to the same vendor for the same or similar items or services to avoid the competitive bidding process. Order splitting is an inefficient practice, resulting in higher administrative costs to the Village and individual criminal liability for bidding improprieties.



2.05 Freight Charges – Shipping and Handling

When obtaining a quote, ask the vendor to quote FOB Destination (Free on Board Destination). FOB Destination is the Village's preferred shipping and handling method. Knowing shipping terminology can reduce freight charges and clarify who is responsible for loss and damage occurring in transit. The definitions regarding commonly used shipping terms are as follows:

FOB Destination definition: The vendor retains title to the goods until the Village receives the goods. The vendor pays the shipping costs and is responsible for claims against the carrier. Be sure to specify **inside delivery** if the item needs to be delivered indoors to an office building or worksite.

FOB Plant/Origin definition: The Village accepts title for the goods from the carrier's picked up. The Village pays shipping costs and is responsible for claims against the carrier. Occasionally a vendor may want to quote FOB Plant/Origin. FOB Destination should be quoted instead. Accepting a FOB Plant/Origin quote may result in a lower price but has financial consequences for the Village if the shipment is lost or damaged.

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SECTION 3: CHANGE ORDERS

I. CHANGE ORDERS

Certain conditions surrounding purchases may change during a procurement, requiring clarification or modification to the existing procurement document to fulfill legal requirements. A change order is a written request from the department to formally amend an existing contract/ engagement letter, change the quantity ordered, unit price, delivery, etc.

Change orders must be processed for all changes affecting the original engagement letter/contract, such as quantity increases or decreases that reflect a difference in the original unit price dollar value. Requests for changes in the funding source or vendor are unallowable. Change order requests submitted in an attempt to circumvent the bid process are prohibited. Source justification or competition may be required to approve a change order based on the requested increase amount.

It is inappropriate to request a change order or approve one that materially alters the purchased initial goods or services. By way of example and illustration only, it would be inappropriate to bid carpet-flooring materials, award that bid, and then request a change order that would supply wood floors instead of carpeting.

3.01 Change Order to a Public Contract

Per IL statute, any change order or series of change orders which authorize or necessitate an increase or decrease in either the cost of a public contract by a total of \$10,000 or more or the time of completion by a total of 30 days or more must be in writing. Further, before such a change order is approved, there must be a written determination by an appropriate Village designee that 1) the circumstances said to necessitate the change in performance were not reasonably foreseeable at the time the contract was signed, or 2) the change is pertinent to the original contract assigned, or 3) the change order is in the best interest of the Village and authorized by law. Further, that written determination and the written change order resulting from that determination shall be preserved in the contract file and open to public inspection.

3.02 Change Order to a Public Works Contract

A Public Works Contract is subject to the Public Contract Change Order laws above. Additionally, a Public Works Contract is also subject to the Public Works Contract Change Order Act, which states, if there is a change order for a Village public works contract that authorizes or necessitates an increase in the contract price that is 50% or more of the original contract price or that authorizes or necessitates an increase in the price of a subcontract under the contract that is 50% or more of the original subcontract price. The contract's portion covered by the change order must be resubmitted for bidding in the same manner for which the original contract was bid.

3.03 Change Order Approval Authority

The approving authority is in accordance with the contract board approval limit.



SECTION 4: EMERGENCY AND SOLE SOURCE PURCHASES

I. **EMERGENCY PURCHASES**

An emergency purchase is the purchase of goods and/or services made with or without formal bid, proposal, or quote solicitation when such a purchase is necessary to remedy or lessen the harmful effects of any actual or threatened occurrence that may interfere with the normal conduct of business operations. It may also remedy or correct conditions that may pose an imminent or existing threat to the health, safety, or welfare of persons or property with the Village of Willowbrook. Departments shall strictly follow the procedure outlined below.

All emergency purchases of CATEGORY TWO and THREE must be approved by the Village Administrator or his/her designee in writing (memo, e-mail, or approved contract is acceptable). For emergency purchases of CATEGORY FOUR, the Village Administrator will notify the Mayor or his/her designated trustee of the emergency within 24 hours after the purchase for informational purposes. The Village Board must later ratify the purchase at its next available board meeting.

4.01 Procedure

For emergency purchases, departments must follow the procedure below:

Suppose an emergency occurs during regular Village business hours (M-F, 8:30 am to 4:30 pm). In that case, the Department Head or in his/her absence another department member shall immediately contact the Village Administrator or his/her designee to explain the nature of the emergency. The department will provide the Village Administrator and Village Administrator's Office a full written explanation of the emergency purchase signed by the Department Head as soon as practicable.

Suppose an emergency occurs at a time other than during regular Village business hours (M-F, 8:30 am to 4:30 pm). In that case, the department will attempt to contact the Village Administrator as described above and complete the remaining notification procedure the following business day.

4.02 General Information

Emergency purchases can be costly and should be kept within the definition above. When emergency purchases are made, the department will purchase at the best possible price. Lack of planning or funding does not constitute an emergency.

II. **SOLE SOURCE PURCHASES**

Sole source purchases are defined as purchases of supplies, equipment, and contractual services that generally meets **both** of the following criteria:

- A. The only item that will produce the desired results or possess a unique performance capability; and
- B. Available from only one source

By definition, a sole source is exclusive control of the supply of any commodity in a given market. If more than one manufacturer/source exists in a given market, a monopoly does not exist.



4.03 Procedure

Sole source and proprietary source purchases are exempt from competitive requirements upon communication to the Village Administrator stating the conditions and circumstances necessitating the purchase. This justification shall set forth the purpose and need and why the item is the only one that will produce the desired results.

For supplies and equipment, the department shall attempt to locate competition. If no other sources are found, departments must forward justification to the Village Administrator or his/her designee with a letter from the recommended vendor, signed and on company letterhead stating they are the sole supplier for the item.

For services, the department shall attempt to locate competition. If no other sources are found, departments must forward justification to the Village Administrator. Suppose the service has recently been competitively procured, and the vendor offers a unique service. In that case, departments do not need to seek other vendors and can forward justification to the Village Administrator or his/her designee and follow the normal award procedures.

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SECTION 5: COOPERATIVE AND JOINT PURCHASING

I. COOPERATIVE OR JOINT PURCHASING

The Village may participate in, sponsor, conduct, or administer a cooperative or joint procurement agreement with one or more public bodies or agencies to combine requirements to achieve economies of scale, increase efficiency or reduce administrative expenses.

This procedure applies to the acquisition and/or disposition of all goods and/or services by pooling common requirements, preparing common specifications, and purchasing supplies from contracts awarded by/available to other governmental entities.

5.01 Cooperative Purchasing Procedures

- A. The Village Administrator's Office shall be responsible for identifying requirements in common with other government agencies, standardizing/modifying requirements to meet common goals, and developing specifications suitable for solicitation and award of competitive, cooperative contracts.
- B. All purchasing should include standard Joint Purchasing language to limit the liability of the Village.

II. PIGGYBACK CONTRACTS

The Village may opt to fulfill its requirements by purchasing goods and services from contracts made available by Federal, State, or other governmental agencies. The types of governmental entities that may be used for piggyback contracts include, but are not limited to, state government, municipalities, counties, state agencies, agencies that facilitate governmental joint purchasing, and any agency of the United States government that were competitively bid. If it is in the best interest of the Village of Willowbrook as determined by the Village Administrator's Office or Village Administrator or his/her designee, a qualifying governmental entity from outside the State of Illinois may be used. Further, such purchases may be made without bidding, again, provided they are in the best interest of the Village.

- A. State Contracts – prior to requisitioning services or equipment using a state contract, the department must evaluate whether the contract includes all of their requirements. If all service requirements are not covered, the department must decide whether the entire purchase will be made on the open market or use the state contract for the covered items only.
- B. Piggyback purchases may also be made using contracts from other governmental entities provided they have been awarded through a competitive process, and the following criteria are met:
 - 1. The work/services/commodities must be specifically within the scope of the contract, and the contract must be **active**. A purchase cannot be made utilizing a contract that has expired.
 - 2. None of the material or substantive requirements, terms, and conditions may be modified from the original contract that is being piggybacked. Therefore, the product, price, and any other material term of the contract being piggybacked may not be changed. However, notwithstanding the foregoing, minor changes may be allowed on a case-by-case basis.
 - 3. The contract must include language that authorizes outside agencies to piggyback off the contract.



4. A bid tabulation, if solicited by an RFB, proof of award and a copy of the contract must be obtained and provided to the Village Administrator's Office for review.

Insurance and/or bonds, as applicable, in accordance with the Village's standard procedures and state law shall be obtained from the contractor for contracts involving professional and construction services performed at a Village facility or on Village property, or services performed for the Village in which liability may be an issue.

C. Piggyback Contract Procedure

1. Requesting department must obtain a complete hard copy of the contracting agency's bid document and fully executed contract, including awarded pricing. Upon receipt, a thorough review of both documents must ensure that the contract can fulfill the user department's requirements and meet the above criteria.
2. All requests to piggyback off a contract with a projected annual spend in excess of CATEGORY FOUR must be granted authorization by the Village Board. Requests to piggyback a contract with a projected annual spend under CATEGORY FOUR may be authorized by the Village Administrator or his/her designee.

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SECTION 6: REQUEST FOR QUOTATIONS (RFQ)

I. **REQUEST FOR QUOTATIONS**

The Village requires quotes for CATEGORY ONE, TWO, and THREE purchases. A quote is either an informal verbal or formal written estimated price for the good or service. An informal quote shall be sought by verbal or electronic submission when the department knows the product or service and does not require a specific scope of work. A formal quote shall be sought by a formal RFQ document when the department knows the product or service and requires a specific scope of work with terms and conditions that need to be met by the vendor. The Village Administrator's Office shall supply the department with an RFQ document.

6.01 Informal Competitive Quote Process

The department contacts the vendor with the request for a good or service. The vendor provides a price verbally or in writing. The lowest responsible and responsive quote is selected. Once the good or service has been agreed upon, the terms and conditions of the purchase are discussed with the vendor.

6.02 Formal Competitive Quote Process

The department works with the Village Administrator's Office to create an RFQ document. This document has specific terms and conditions that the vendor must meet. Vendor(s) then provide a price by responding to the RFQ document. The lowest responsible and responsive quote is selected.

6.03 Quote Documentation

Upon obtaining quotes, the department shall seek additional quotes if a price is not fair and reasonable. It is important to document the name and address of vendors contacted, item description or service offered, the price quoted, including shipping/freight, delivery dates, shipping point, names of persons giving and receiving the prices, and the date the information was obtained. Do not share quotes from one vendor with other vendors before the quote process is complete and all the quotes have been received. **When negotiating a quote, ask all responsible and responsive vendors for a best and final offer (BAFO).**



SECTION 7: REQUEST FOR BIDS (RFB)

I. **REQUESTS FOR BID**

Request for Bid (RFB), also known as sealed competitive bidding, is the preferred procuring a good or service. Award is made to the lowest responsive and responsible bidder and is based solely on the specifications without negotiation or discussion with the vendor.

7.01 Definitions

Responsive bidder: a contractor, business entity, or individual who has submitted a bid or proposal that fully conforms in all material respects (form and substance) to the RFB and all of its requirements.

Responsible bidder: A contractor, business entity, or individual who is fully capable of meeting all of the solicitation requirements and subsequent contract. The bidder must possess the full capability, including financial and technical, to perform as contractually required. The bidder must be able to document the ability to provide good faith performance fully.

7.02 Procedure

Village Administrator's Office shall request formal sealed bids on purchases CATEGORY FOUR. In cases where a purchase or contract may extend over multiple periods or years, the total cumulative amount to be paid over the contract term will determine the requirement for requesting formal sealed bids.

The Village Administrator's Office is responsible for publishing the legal notice on a public forum. Purchasing shall issue the RFB. The Village Administrator's Office will facilitate all contact with vendors during the bidding process. A pre-bid meeting may be held, which may or may not be mandatory. Prospective bidders will have an opportunity to request clarification and ask questions. Bids will be received by the Village Administrator's Office and shall be date/time stamped. Bids will be received until the date and time specified in the RFB document. Bids received after the deadline will be returned unopened and not considered for award. Bids will be awarded by the Village Administrator or his/her designee.

These same bidding requirements shall apply to all purchases, including leases and non-professional services.

7.03 Specifications

The preparation of technical specifications is the department's responsibility with review by the Village Administrator's Office. Specifications shall permit competition except on proprietary materials or services.

In general, specifications should define the level of performance required rather than a specific design or brand name. For the benefit of vendors and the division, specifications must be clear and concise. The Village Administrator's Office reserves the right to challenge specifications to allow open competition.

All bid documents should contain at least the following information:

- Cover Letter
- Notice of Bid
- Bid Pricing Sheet
- References
- Specifications of the item or service



Once the formal RFB has been issued, communication with a prospective bidder is prohibited, whether direct or indirect, regarding the subject matter or the specifications by any means whatsoever (whether oral or written), with any Village employee, elected official, selection committee member, or representative of the Village of Willowbrook, from the issuance of the specifications until the bid is awarded, aka "blackout period." Communications initiated by a bidder may be grounds for disqualifying the offending bidder from consideration for award of the bid or any future bid. The only exceptions to the preceding rule are as follows: (1) an invitation to give an oral presentation to the selection committee is received; or (2) any questions relative to interpretation of specifications or the formal solicitation process shall be addressed to the Village Administrator's Office, in writing as identified within the RFB. Questions submitted by the date outlined in the RFB will be answered.

The blackout period will not prohibit contact with Village staff where the vendor is doing business with the Village on another contract. The communication is regarding that contract that is already let, or where the vendor meets with staff in connection with other matters unrelated to the contract or procurement at issue.

The RFB will be deemed to be issued within the meaning of this provision at the earliest date and time upon its posting or electronic publication. The form of issuance is at the discretion of the Village Administrator's Office.

The provisions herein concerning the blackout period and related procedures shall be incorporated in the other sections of the policy related to other procurement methods, including requests for proposals.

7.04 Bid Invitations

Upon request, the Request for Bid is provided to prospective bidders. Public notice of bids shall be advertised in a public forum. The public forum advertising may include, without limitation, publications, trade journals, and websites.

7.05 Pre-Bid Meeting

A Pre-Bid Meeting shall be held whenever deemed appropriate by the Village Administrator's Office in coordination with the department. The meeting may be mandatory or non-mandatory based on the specific bid type and determined by the department and the Village Administrator's Office. In attendance shall be the Village Administrator's Office representative (who chairs the meeting unless delegated), a representative of the department (who shall be prepared to answer technical questions), staff with special expertise, and any other Village staff member as deemed appropriate.

7.06 Issuance of Addenda

An addendum is a revision or amendment to the bid documents. If a revision to the specification or solicitation documents is required to clarify questions raised by prospective bidders or other reasons, the revision is made in a written addendum. Verbal changes shall not be made, and potential bidders shall not make verbal interpretations of a material consequence. Any such prohibited verbal changes or interpretations will not be considered valid.

Bidders must acknowledge receipt of all addenda in their bid response at the designated time, date, and location. Bids may be rejected due to the failure of vendors to acknowledge receipt of addenda. However, the Village Administrator's Office has the discretion not to consider an addendum material to a bid process. It may consider a bid responsive without an addendum acknowledgment when circumstances warrant.



7.07 Disposition of Bids

Bids shall be opened in public at the time and place stated in the public notice. No bids shall be accepted after the designated due date and time. Bids received after the specified date and time will be returned to the vendor unopened.

Offers by telephone, fax, or e-mail shall not be accepted. Bidders are responsible for the delivery of bid documents directly to the Village of Willowbrook. If the bid is delivered by an express mail carrier or any other means, the bidder's responsibility is to ensure delivery to the required address.

7.08 Site Visits

It may be a requirement for bidders to inspect the proposed work location before bidding. The department will be available to direct bidders to the general work areas by appointment. Bidders are required to contact the Village Administrator's Office and set up a site visit for each location listed if afforded this opportunity in the bid documents.

7.09 Award of Bids

The Village shall consider other factors, in addition to price, when determining the lowest responsive and responsible bidder. These factors include but are not limited to:

1. The ability, capacity, equipment, and skill of the bidder to perform the contract;
2. Whether the bidder can perform the contract within the time specified, without delay or interference;
3. The character, integrity, reputation, judgment, experience, and efficiency of the bidder;
4. The quality of performance on previous contracts, as described by the bidder's references and/or the Village's own experience with the bidder or by any other means;
5. The previous and existing compliance by the bidder with laws and ordinances relating to the contract;
6. The sufficiency of the bidder's financial resources to perform the contract or to provide the service;
7. The quality, availability, and adaptability of the supplies or contractual services to the particular use required;
8. The ability of the bidder to provide future maintenance and service and the financial impact upon the Village to receive such future maintenance and service; and
9. The number and scope of conditions are attached to the bid.
10. The bidder has not been barred from bidding on the contract under applicable law.

The RFB award is to the lowest-priced, responsive, and responsible bidder. The Village Administrator's Office coordinates with the department to determine if the lowest-priced bidder is responsive and responsible. A bid review is required to determine if it conforms to the requirements stated in the RFB. Suppose the lowest-priced bidder is found non-responsive and/or not responsible. In that case, the next low bidder will be evaluated until a responsive and responsible bidder is found.



In conjunction with the department, the Village Administrator shall have the right to cancel a CATEGORY FOUR or below RFB and/or reject all bids and authorize the entire project to be rebid.

An award shall not be final until the issuance of a contract.

7.10 Tie Bids

Award of all tie bids under the Village Board's approval limit of CATEGORY FOUR shall be made by the Village Administrator or his/her designee.

The Village Board shall award all tie bids in excess of the Village Administrator's approval limit. At the discretion of the Village Administrator or his/her designee, preference may be given to the firm closest in proximity to the Village.

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SECTION 8: REQUEST FOR INFORMATION

I. REQUESTS FOR INFORMATION

An RFI is a process used to determine details about a specific good or service when the department does not have sufficient expertise or obtain detailed technical specifications about the sought good or service. This process can be conducted and used as a source to develop an RFP. This process can also qualify vendors to participate in the RFP. The Village Administrator's Office will work with the department to develop an RFI.

The RFI shall be advertised and may be sent to vendors or other responsible prospective suppliers whose names and addresses are obtained from publications and various other sources. The RFI requests information on the specific goods or services sought or the project's desired results if the specific process has not been determined. Minimum qualifications for proposers may be included in the RFI along with a general timeline or other pertinent information. Additionally, requests for "estimated" pricing elements may be included in the RFI. However, the vendors must be advised that the solicitation is for "informational purposes only," and no contract will be awarded due to their participation.

The RFI process should be considered if any or all of the following statements are true:

1. Time is not an issue;
2. The overall cost of the project warrants the additional time and expense of the RFI;
3. The department does not have sufficient information to develop definite specifications for the RFP.

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SECTION 9: REQUEST FOR PROPOSALS (RFP)

I. REQUESTS FOR PROPOSALS

An RFP is utilized when professional services are sought, such as engineering, legal, audit, or consulting services for purchases CATEGORY FOUR and higher. The RFP process emphasizes defining the work or service needed and evaluating those vendors interested in performing the service based on the established evaluation criteria stated in the RFP. The RFP process also considers the potential need for presentations, discussions, or negotiations. It uses evaluation factors and price to determine what is in the best interest of the Village. The RFP process differs from the RFB process as negotiations and discussions can be conducted with all proposers, or minor changes can be made to the scope. To finalize these negotiations and clarifications, a Best and Final Offer (BAFO) request may be issued to all proposers remaining in the competitive range instead of selecting the lowest responsive and responsible bid.

9.01 Specifications

The department shall develop the specifications and/or scope of work for the RFP. The department shall submit the specifications and/or scope of work and draft pricing sheet to be completed by the proposer. The Village Administrator's Office will work with the department to finalize the document.

Once the formal solicitation has been issued, communication with a prospective proposer is prohibited, whether direct or indirect, regarding the subject matter or the specifications by any means whatsoever (whether oral or written), with any Village employee, elected official, selection committee member, or representative of the Village of Willowbrook, from the issuance of the specifications until the proposal is awarded, aka "blackout period." Communications initiated by a proposer may be grounds for disqualifying the offending bidder from consideration for award of the proposal or potentially any future proposal. The only exceptions to the foregoing rule are as follows: (1) an invitation to give an oral presentation to the selection committee is received; or (2) any questions relative to interpretation of specifications or the formal solicitation process shall be addressed to the Village Administrator's Office, in writing as identified within the solicitation. Questions submitted by the date outlined in the RFP will be answered.

9.02 Procedure

Once the RFP document is complete, then the Village Administrator's Office will issue the formal solicitation.

A pre-proposal meeting may or may not be mandatory, and it shall be specified within the RFP document. At the pre-proposal meeting, prospective bidders will have an opportunity to request clarifications and ask questions. Answers to inquiries will be compiled in the form of an addendum. The Village Administrator's Office will receive proposals and date/time stamped in until the date and time specified in the RFP document. Proposals received after the deadline will be returned unopened and not considered for further evaluation.

After the public proposal opening, the Village Administrator's Office and the department will review the responses to ensure compliance with the requirements detailed within the RFP document. Responsive proposals will be distributed to each of the selection committee members. The members of a selection committee can include representatives from the department, other department (s) involved, and any other individual(s) with specialized expertise.



With the approval of the Village Administrator or their designee, the Village Administrator's Office shall have the right to cancel a solicitation and/or reject all proposals and authorize the entire transaction to be re-solicited.

In any procurement that involves an interview, the person conducting the interview will request the interviewee and other staff to identify any contact after the blackout period commenced. The Village Administrator may waive disqualification, in writing, for any communication that was inadvertent and was otherwise immaterial and resulted in no prejudice to another bidder.

9.03 Evaluation Criteria

Evaluation criteria can include without limitation, past projects of comparable size, number of years in the profession, number of qualified and/or licensed staff on the project team, references of past clients, cost of services, financial position, ability to complete the project in a timely manner, oral presentation (if applicable), and Village staff site visits or hosted site tours.

9.04 Oral Presentations

Oral presentations may be included as part of the evaluation process. Once the shortlisted vendors have been identified, the Village Administrator's Office will ensure compliance with the following process, if applicable:

- a. Notify the vendors of the Village's invitation for an interview. The notification shall include details of the oral presentations, including but not limited to the following:
 - i. Date and time of the oral presentations
 - ii. Location of the meeting
 - iii. Time allotted for each vendor
 - iv. Additional information if requested by the selection committee
- b. The Village Administrator's Office will coordinate the schedule of the oral presentations with the selection committee and confirm the attendance of members.
- c. Once the oral presentations are completed, the Selection Committee will conduct a post-presentation ranking and determine the overall top-ranked vendor.
- d. The Selection Committee can also recommend rejecting all proposals and/or reissuing the formal solicitation with revised specifications after the appropriate rejection/approval process has been followed.

9.05 Award Recommendation

The department shall draft a recommendation for an award and present it to the Village Administrator, or Village Board based on the purchase CATEGORY. The award shall not be final until execution of an agreement/contract and all required documentation (certificate of insurance, bonds, etc.) has been received by the Village Administrator's Office.



SECTION 10: CONTRACT ADMINISTRATION

A. CONTRACTS/AGREEMENTS

The terms contracts and agreements are interchangeable in this policy.

10.01 Purpose

The purpose of this section is to provide procedures for the proper review and approval of contracts entered into by the Village. Contract administration includes negotiation between the parties, preparation of contracts and other written documents, review and comment by various departments and public officials, proper approval and execution of contracts, distribution and filing of contracts, and implementation and monitoring of contracts. Good contract administration minimizes duplicity of effort and provides for the proper coordination and participation of those who are necessarily involved in the contract process.

A short-form contract should be used as the contract when goods are purchased, and the limited terms and conditions on the purchase order are satisfactory. A letter of engagement is an example of a short-form contract. A contract should be entered into when detailed or specialized terms and conditions are needed to agree to the procurement. Staff should work with the Village Administrator's Office to write a contract agreeable to both parties involved.

Terms and conditions that should be included in a contract but are not limited to are the following:

- A. Description of the goods and/or services being provided by the vendor;
- B. The price of the goods and/or services, including all costs of the procurement;
- C. The term of the contract;
- D. A termination clause;
- E. Jurisdiction of law clause;
- F. Delivery/due dates that are agreed upon;
- G. Hold harmless/indemnification clause;
- H. Insurance requirement language;
- I. Payment terms – Local Government Prompt Payment Act;

10.02 Contract Development, Approval, and Execution

- A. Contract Development - Subsequent to the receipt of bids, proposals, and quotes and prior to the approval of the recommended vendor, a written contract shall be prepared by the Village Administrator's Office in conjunction with the department and Village Attorney as needed.
- B. Contract Approval – The Village Administrator or his/her designee may execute all contracts within his/her signing authority.

All contracts that exceed the signing authority of the Village Administrator shall be presented to the Village Board for its approval and subsequent authorization of the Mayor or his/her designee to execute the contract.

- C. Contract Execution - Upon obtaining approval of the contract by the appropriate authority, the execution of the contract shall adhere to the following:
 1. The Village Administrator's Office or department shall forward the contract to the vendor for signature.



2. The vendor shall return the executed contract to the Village to countersign with all documentation required by the contract.

Upon complete execution of the contract, one copy shall be forwarded to the vendor and the department by the Village Administrator's Office. The Village Administrator's Office shall retain an original copy for the bid file and ensure that the document is filed in the Village document management system.

10.03 Contract Monitoring/Administration

A. Department – The department will:

1. Determine the expected quality or performance level required.
2. Establish schedules for the duration and completion of contracts.
3. Assign a Project Manager or contact person.
4. Monitor performance.
5. Document contract performance deficiencies and provide a full document trail to the Village Administrator's Office for the bid file.
6. Prepare closeout and other final payment reports.

B. Village Administrator's Office – the Village Administrator's Office will assist the department in monitoring and administering contracts. The Village Administrator's Office will assist in ensuring:

1. Full conformance to the specifications by the contractor.
2. Ensure the correct legal name is contained in the contract documents and further confirm the status of the legal entity.
3. Hold contractor responsible for damages suffered by the Village resulting from the contractor's failure to perform as agreed.
4. Work with the department to ensure that the Village does not fail to perform its obligations, thereby relieving the contractor of performance responsibilities.
5. Preclude the issuance of unnecessary or excessively priced change orders.
6. Maintain standard clauses for contractual terms and conditions, which promote the best interest of the Village.
7. Initiate "cure" process to ensure vendor cures contract deficiencies within a reasonable period of time.
8. Maintain records of the following information:
 - a. Contract
 - b. Bonds and certificates of insurance
9. Maintain records of vendor performance



SECTION 11: PROTEST PROCEDURES

I. PROTEST PROCEDURES

The Village encourages prompt and fair handling of all complaints and disputes with the business community. In order to resolve disputed matters in an equitable manner without fear of retribution on the part of a vendor or person, the following protest procedures are adopted:

All purchasing notices of intended decisions concerning contract awards, suspensions, and debarments, shall set forth the following statement:

"FAILURE TO FOLLOW THE PURCHASING PROTEST PROCEDURE REQUIREMENTS WITHIN THE TIME FRAMES PRESCRIBED HEREIN AS ESTABLISHED BY VILLAGE OF WILLOWBROOK, ILLINOIS, SHALL CONSTITUTE A WAIVER OF YOUR PROTEST AND ANY RESULTING CLAIMS. "

11.01 Right to Protest

Any actual or prospective bidder, proposer, vendor, or person who is allegedly aggrieved in connection with a contract award, suspension, or debarment may protest to the Village Administrator's Office.

Any person adversely affected by an intended decision or action concerning the award of any formal solicitation, suspension, debarment, or any other procurement issues shall file with the Village Administrator's Office a written notice of protest within three (3) business days of the Village's award. Such protest shall be in writing, shall state the particular grounds on which it is based, shall include all pertinent documents and evidence, and shall be accompanied by a cashier's check in the amount of five percent (5%) of the contract award amount, made payable to the Village of Willowbrook, (subject to the procedures and conditions hereinafter stated). The purpose of this protest bond shall be to reimburse the Village for all administrative costs associated with the appeal process.

Failure to submit a protest bond that is compliant with this provision with the bid protest shall be deemed a waiver of the bid protest and is a jurisdictional deficiency in the protest that will forfeit the right of the bidder to maintain the protest.

Any grounds not stated shall be deemed waived. The formal written protest shall contain the following:

- Village formal solicitation number and title;
- Name and address of the department, division, or agency affected;
- The name and address of the affected party, and the title or position of the person submitting the protest;
- A statement of disputed issues of material fact. If there are no disputed material facts, the written letter must indicate so;
- Concise statement of the facts alleged and of the rules, regulations, statutes, ordinances, and constitutional provisions entitling the affected party to the relief requested;



- The statement shall indicate the relief to which the affected party deems himself/herself entitled; and
 - Such other information as the affected party deems to be material to the issue.
- A. **PROTEST MEETING:** The Village Administrator's Office will notify and schedule a bid protest meeting. The meeting shall be scheduled with the protesting party within five (5) business days (excluding Saturdays, Sundays, and legal Village holidays) of receipt of the formal written protest. The purpose of the protest meeting is:
- To question and review the basis of the protest;
 - To evaluate the facts and merits of the protest;
 - If possible, to reach a solution of the protest that is acceptable to the affected parties; and
 - If possible, to satisfy the protestor to the extent that the protest might be withdrawn.

In the event that the protest cannot be resolved by mutual agreement, the Village Administrator's Office shall refer the protest to the Village Administrator or his/her within five (5) business days after the protest meeting with a recommendation, in writing, for resolution of the protest. The Village Administrator may conduct an evidentiary hearing at his or her sole option and may designate a representative to preside at such hearing. The Village Administrator will conduct a review and make an attempt to resolve the issue in a manner amicable to all parties within ten (10) business days after receipt of the recommendation, date of the hearing, or the review, whichever is later.

- B. **STAY OF PROCUREMENTS DURING PROTEST:** In the event of a protest, all work related to procurement, contract award, or project will be stopped until the protest has been resolved.



SECTION 12: CREDIT CARD POLICY AND PROCEDURES

I. CREDIT CARD POLICY

Village-issued credit cards ("Credit Cards") are issued to designated employees of the Village to support specific and limited types of Village purchasing. Credit Cards are used as a supplement to other acceptable procurement methods and should only be used when other approved procurement methods are not available.

The Village strongly encourages the use of other approved methods of procurement when possible. All purchases made with Credit Cards are subject to the requirements and restrictions outlined in the Village's Policy, as well as the Credit Card Procedures and Acceptable Use Guidelines. Purchases made with Credit Cards are subject to public disclosure under the Freedom of Information Act (the "FOIA").

II. CREDIT CARD PROCEDURES

The Credit Card Procedures and Acceptable Use Guidelines ("Credit Card Procedures") govern the use of credit cards (the "Credit Cards") issued to designated employees of the Village to support specific and limited types of Village purchasing. The Credit Card Procedures are intended to guide employees on appropriate use and protect employees and the Village from inappropriate use of the Credit Cards. Purchasing with a Credit Card must follow the Village Policy, including but not limited to the competitive purchasing process.

The Credit Cards are Village property. If a Credit Card is lost or stolen, immediately report the lost or stolen Credit Card to the Village Administrator.

12.01 Acceptable Use Guidelines

A. General Information

1. As a supplement to other purchasing methods, the Village uses Credit Cards as a form of payment in limited circumstances to provide an efficient electronic payment method. Credit Cards should be used only in circumstances when ordinary procurement methods are not available. The use of a Credit Card is not intended to replace effective procurement planning.
2. All purchases made with a Credit Card must conform with the Village's Procurement Policy, including, but not limited to the following:
 - a) Avoiding unauthorized purchases;
 - b) Ensure purchase is provided for and within budget limits;
 - c) Compliance with Federal, State, and Village statutes, ordinances, rules policies, and procedures;
 - d) Ensuring that credit card purchases are not split in a manner that violates the Village's Procurement Policy;
 - e) Ensuring that purchases do not include any taxes, such as sales tax, from which the Village is exempt.



3. Annually, the Chief Financial Officer, or his/her designee, shall conduct a review of all Credit Cards, including a use analysis to determine if the Credit Card holders' current position or duties warrant a continued need for the Credit Card.

12.02 Card Restrictions

- A. The following uses of Credit Cards are prohibited unless authorized by the Village Administrator or his/her designee:
 1. Cash advances
 2. Purchases from vendors that already work within the Village that can/will issue an invoice.
 3. Purchases for personal benefit.
 4. Purchases of food or beverage, with the following exceptions as approved by the Village Administrator:
 - a. Refreshments related to a Village hosted meeting or event,
 - b. Employee or official recognition events;
 - c. Emergencies that require employees to work through their normal meal break;
 - d. Other situations as approved by the Village Administrator.

12.03 Cardholder Eligibility Criteria

Subject to the approval of the Village Administrator, the Village will consider the issuance of a Credit Card to certain positions based on the operational needs of the Village.

Before receipt, all persons issued a Credit Card shall acknowledge, in writing, their receipt of and agreement to comply with this policy and their limitation on purchases made with the Credit Card within a single billing period.

All recipients of a Credit Card shall no longer be eligible to hold such Credit Card and shall immediately return the credit card to the Village Administrator or his or her designee upon the occurrence of any of the following:

- A. Demand by the Village Administrator or his or her designee;
- B. Separation of employment from the Village;
- C. Being found to have violated this policy; or
- D. Can no longer demonstrate a need for the Credit Card

12.04 Process for Obtaining a Credit Card

- A. Complete the bank's application and obtain any required Village approvals.
- B. Review this policy in its entirety and ensure all questions are addressed.

12.05 Credit Card Usage Procedures

Procedures before Purchase

1. Ensure that sufficient funds are available in your department budget before making a purchase.
2. Purchase the least expensive item that meets the immediate need.
3. Ensure that the purchase does not include sales tax. Sales tax



exemption forms may be obtained from the Village Administrator's Office.

4. Obtain a receipt for your purchase. You will need to turn in the original receipt to the Village Administrator's Office when you receive your monthly statement. If the receipt is e-mailed to you, a printout of that e-mail is sufficient.

B. Procedures after Purchase

1. When you receive your itemized monthly Statement of Account, you will do the following:
 - a) Sign-off on the monthly statement
 - b) Forward the completed monthly statement with the original receipts to the Village Administrator's Office within five business days of receipt.
 - c) Charges without receipts may be invoiced to the Credit Cardholder personally. Repeated failures to provide receipts will result in loss of Credit Card privileges.

C. Miscellaneous Issues

1. Disputed Charges

Follow the Credit Card issuer's policy for disputing charges

2. Forward a copy of your written dispute to the Village Administrator's Office together with the monthly statement of account to be paid.

D. Lost or Stolen Credit Cards

1. You must immediately report the lost/stolen Credit Card to Willowbrook State Bank and the Village Administrator's Office.

E. Separation of Employment

1. Upon separation, the employee shall relinquish the Credit Card to the Village Administrator or his or her designee.

F. Accidental Use and Reimbursement

1. In the case of an accidental personal charge being made to the credit card, the credit card holder must submit in writing a letter stating that the charge was not a Village charge, a copy of the receipt, and provide for immediate reimbursement to the Village.



SECTION 13: PETTY CASH POLICY AND PROCEDURES

a. PETTY CASH POLICY

Petty Cash is used to make small purchases as a supplement to other methods of purchasing. Petty Cash should only be used for small incidental purchases for which there is an immediate need. Petty Cash should not be used to reimburse expenses that can be processed through other approved payment methods.

The Village strongly encourages the use of other approved methods when possible. All purchases made with Petty Cash are subject to the requirements and restrictions outlined in the Village's Policy, as well as the Petty Cash Procedures and Acceptable Use Guidelines. Petty Cash transactions are subject to public disclosure under the Freedom of Information Act (the "FOIA").

I. PETTY CASH PROCEDURES AND ACCEPTABLE USE GUIDELINES

13.01 Acceptable Use Guidelines

All Petty Cash purchases must conform with the Village's Policy, including, but not limited to, the following:

- A. Purchasing only items necessary to meet an immediate need.
- B. Avoid unauthorized purchases.
- C. Keeping purchases within budget limits.
- D. Compliance with Federal, State, and Village statutes, ordinances, rules, policies, and procedures.
- E. Ensuring that Petty Cash payments are not split in a manner that violates the Village's Procurement Policy.
- F. Ensuring that purchases do not include any taxes, such as sales tax, from which the Village is exempt.
- G. All transactions made with Petty Cash are subject to disclosure pursuant to the Illinois Freedom of Information Act.

13.02 Petty Cash Limits

The Petty Cash limit per transaction is \$100. Any purchase exceeding the limit cannot be made with petty cash.

13.03 Restrictions

The following payments from Petty Cash are prohibited:

- A. Cash advances
- B. Unapproved purchases of a personal nature
- C. Reimbursements exceeding the Petty Cash per transactional limit.



13.04 Procedures

A. Petty Cash Disbursement Procedures:

1. Procedures *before* Purchase:

- a. Ensure that sufficient funds are available in your department budget before making a purchase.
- b. Purchase the most economical item that meets the immediate need.
- c. Ensure that the purchase does not include sales tax. Illinois Department of Revenue "IDOR" sales tax exemption certificate may be obtained from the Chief Financial Officer.
- d. Obtain a receipt for your purchase. You will need to turn in the original receipt to the Chief Financial Officer.

2. Procedures *after* Purchase:

- a. Complete the "Petty Cash Request Form". The following must be included on the form:
 - i. Date of purchase;
 - ii. Amount requested;
 - iii. Requestor department;
 - iv. Account code and the following information:
 - v. Description of purchase and purpose;
 - vi. Requestor name and signature;
 - vii. Approver name and signature;



SECTION 14: Qualifications Based Selection (QBS) Policy - Federally Funded Consultant Services

The Village of Willowbrook has adopted a Qualifications Based Selection Policy. The following policy will be used when the Village has to procure, through a Request for Proposal (RFP), architectural, engineering, land surveying, and construction management services in an amount greater than \$25,000 that is federally funded. QBS is not required for state funded projects because IDOT allows for home rule exemption.

The Village of Willowbrook (the "Village") receives federal funds, which may be used to fund the architectural, engineering, land surveying, and construction management services of specific projects. For any phase of a project utilizing federal funding or funding from an agency with a mandated QBS policy, this section of the Policy must be followed. The Village's written policies and procedures as described herein for QBS meet the requirements of 23 CFR 172 and the Brooks Act.

1. Initial Administration:

The Village QBS policy assigns responsibilities to the following staff members: the Village Administrator's designee, Director of Community Development, and Civil Engineers/Project Managers for the procurement, management, and administration for consultant services.

2. Written Policy

The Village's adopted QBS written policies and procedures substantially follow Section 5-5 of the BLRS Manual and specifically Section 5-5.06(e); therefore, approval from IDOT is not required.

3. Project Description

The Village will use the following five (5) items when developing the project description and may include additional items when unique circumstances exist:

- a) Describe in general terms the need, purpose, and objective of the project;
- b) Identify the various project components;
- c) Establish the desired timetable;
- d) Identify any expected or potential issues or unusual components;
- e) Minimum qualifications
- f) If available, determine the total project budget.

4. Public Notice:

The Village will post an announcement on the Village's website or publish an ad in a newspaper with appropriate circulation. The item will be advertised for at least 14 days prior to the acceptance of proposals, and at least twice in the newspaper or on continuous display on our website.

5. Conflict of Interest:

The Village will require consultants to submit a disclosure statement with their procedures. The Village requires the use of the IDOT BDE DISC 2 Template as their conflict of interest form.

6. Suspension and Debarment:

The Village will use SAM Exclusions and IDOT's CPO's website to verify suspensions and debarments actions to ensure the eligibility of firms short listed and selected for projects.



7. Evaluation Factors:

The Village allows the staff to set the evaluation factors for each project, but must include a minimum of four criterion and stay within the established weighting range. Project specific evaluation factors will be included at a minimum in the Request for Proposals.

Criteria and weighting per the City's QBS procedures:

- a. Technical Project Approach (10-30%)
- b. Firm Experience (10-30%)
- c. Specialized Expertise (10-30%)
- d. Staff Capabilities (Prime/Sub) (10-30%)
- e. Work Load Capacity (10-30%)
- f. Past Performance (10-30%)

The following shall not be used as a factor in the evaluation, ranking and selection:

- a) All pricing and cost-related items including: cost proposals, direct salaries/wage rates, indirect costs (overhead), and other direct costs
- b) Local presence.

8. Selection Process:

- a. The Village will require a selection committee made up of no less than three (3) persons. The selection committee members may include members of the Community Development Department, Public Works Department, and Village Administrator's Office, as selected by the department directors. The selection committee members must certify that they do not have a conflict of interest. The selection committee will determine the criteria and weighting for the evaluation before the proposals are opened. The Village requires each member of the selection committee to provide an independent score for each proposal using a form substantially similar to that shown below prior to the selection committee meeting.

Criteria	Weighting	Points	Firm A	Firm B
Total				

The selection committee members' scores are averaged for a committee score, which is used to establish a short list of up to three (3) firms. The committee score is adjusted by the committee based on group discussion and information gained from presentations and interviews, if conducted, to develop a final ranking.

9. Independent Estimate:

The Village will prepare an independent in-house estimate for the project prior to contract negotiation. The estimate is to be used in the negotiation process.



10. Contract Negotiation:

The Village requires a one- or two-person team to negotiate with the top-ranked firm. The team consists of the Purchasing Division and/or the Community Development Director or his/her designee(s).

If an agreement is reached on the scope of services, fee, and schedule, the Community Development Department shall present a recommendation to the Village Board for consideration and approval. After Village Board approval, the consultant will receive a notice to proceed following the submittal of the necessary agreements to IDOT for review.

If agreement cannot be reached on the scope of services, fee, and schedule with the top-ranked firm, the Village may terminate negotiations and continue the process with the second-ranked firm, and if required, the third-ranked firm. If an agreement cannot be reached with any of the firms, staff will reevaluate the scope of services and solicit new proposals for a revised scope of work.

11. Acceptable Costs:

The Village requires the Village Administrator's Office or a designated engineer to review the contract costs and the indirect cost rates to ensure they are compliant with Federal cost principles prior to submission to IDOT.

12. Invoice Processing:

The Village requires the Project Manager assigned to any project using federal funds to review and approve all invoices prior to payment and submission to IDOT for reimbursement.

13. Project Administration:

The Village requires the assigned Project Manager to monitor work on the project in accordance with the contract and to file reports with the Village Engineer/Village Administrator's Office. The Village procedures require an evaluation of the firm's work at the end of each project and maintain the files. The Village follows IDOT's requirements and will submit BLRS Form 05613 to the IDOT at contract close-out along with the final invoice.



VILLAGE OF WILLOWBROOK

COMMITTEE OF THE WHOLE

AGENDA ITEM - HISTORY/COMMENTARY

ITEM TITLE:

Presentation pertaining to bonding options as it relates to Capital Improvement Projects and Economic Development.

AGENDA NO. 7.

AGENDA DATE: 02/28/22

STAFF REVIEW: Brian Pabst, Village Administrator.

SIGNATURE:

B. Pabst

LEGAL REVIEW: Thomas Bastian, Village Attorney

SIGNATURE:

Tom Bastian / cm

RECOMMENDED BY: Brian Pabst, Village Administrator

SIGNATURE:

B. Pabst

REVIEWED & APPROVED BY COMMITTEE: YES NO N/A

ITEM HISTORY (PREVIOUS VILLAGE BOARD REVIEWS, ACTIONS RELATED TO THIS ITEM, OTHER PERTINENT HISTORY)

At the January 27, 2020 and the February 24, 2020 Municipal Service Committees, staff highlighted the findings of the Executive Plaza Drainage Master Plan and reviewed the most feasible design option which is to elevate the roadway and construct underground stormwater storage. This concept would provide a 100-year level of protection, while making the roadway passable to car traffic. The project cost is estimated at +/- \$3.9 million plus the required engineering design cost.

At the May 26, 2020 Board of Trustees meeting, staff briefed the Board of Trustees on the basics of a Tax Increment Financing District (TIF). At that meeting, staff discussed opportunities to relieve the flooding in the Executive Drive area. The Village does not currently have a funding mechanism in place for the proposed improvements. The Village has worked with Kane, McKenna and Associates, Inc. to evaluate the use of a Special Service Area (SSA) option for a review of a \$3.9 million project. It was determined by the Committee that the SSA option would not be financially palatable to the property owners. At that time, staff was then directed to explore the possibility of creating a Tax Increment Financing (TIF) District for the area as an alternative funding option for the public improvements, environmental cleanup, and redevelopment costs within the area.

As the Board is aware, the Village is in the process of developing a TIF. If approved by the Board, the TIF would go into effect by May 2022, but will not collect revenue until 2023/2024 at the earliest. Since the receivables of the TIF won't occur right away, staff has researched financing options that can assist with the development of the TIF. An option that staff has looked at is a bond, which is the Village's way of borrowing money to finance public projects. Bonds are issued with specific project goals. After those goals are fulfilled with Bond Proceeds, remaining funds can be used to payback debt service or for "any other legal purpose." Since the TIF will not receive any significant amount of revenue for a couple of years, any proposed bond would have to be tied to the General Fund, but would eventually be reimbursed by the TIF district for eligible expenses when funds are available.

The Power Point presentation is intended to be an overview of the Village's outstanding general obligation debt, current market conditions, and potential borrowing options, both related to capital projects and the Village's police pension fund. First, a summary of the Village's outstanding general obligation debt is included, which consists of a single issuance from 2015, along with an update on the process for issuing bonds

for the Village now that it is a home rule unit. Second, the presentation provides sample debt service schedules and related statistics, in current market conditions, for bond issues of \$5 million, \$10 million, and \$15 million, paid off over 10-20 year periods. Third, an update on recent market conditions and trends in the municipal bond market, followed by a forecast for interest rates in 2022. Last, the presentation provides some background on pension funding bonds, an analysis of the Village's police pension fund and potential benefits related to a bond issue to bring the police pension fund up to 100% funded.

Two options as it pertains to the bond:

Option 1:

Option 2:

FYE	\$5 Million Project Fund			\$10 Million Project Fund		
	10 Year	15 Year	20 Year	10 Year	15 Year	20 Year
4/30/2023	559,973	399,880	320,440	1,114,853	794,760	640,787
4/30/2024	560,500	400,150	323,450	1,116,000	795,450	641,750
4/30/2025	557,600	397,200	322,900	1,115,350	799,700	645,800
4/30/2026	559,400	399,100	322,200	1,118,950	798,350	644,400
4/30/2027	560,750	400,700	321,350	1,116,650	796,550	642,700
4/30/2028	556,650	397,000	320,350	1,118,600	799,300	645,700
4/30/2029	557,250	398,150	324,200	1,119,650	796,450	643,250
4/30/2030	557,400	399,000	322,750	1,114,800	798,150	645,500
4/30/2031	557,100	399,550	321,150	1,119,200	799,250	642,300
4/30/2032	561,350	399,800	324,400	1,117,550	799,750	643,800
4/30/2033		399,750	322,350		799,650	644,850
4/30/2034		399,400	320,150		798,950	645,450
4/30/2035		398,750	322,800		797,650	645,600
4/30/2036		397,800	320,150		795,750	645,300
4/30/2037		396,550	322,350		798,250	644,550
4/30/2038			324,250			643,350
4/30/2039			320,850			641,700
4/30/2040			322,300			644,600
4/30/2041			323,450			641,900
4/30/2042			319,300			643,750
Total DS	5,587,973	5,982,780	6,441,140	11,171,603	11,967,960	12,877,037
Par Amount	\$4,820,000	\$4,815,000	\$4,845,000	\$9,635,000	\$9,630,000	\$9,685,000
Total Interest	\$767,973	\$1,167,780	\$1,596,140	\$1,536,603	\$2,337,960	\$3,192,037
TIC	1.832%	2.187%	2.430%	1.832%	2.187%	2.430%

These options will assist the Village in completing the priority projects within the TIF over the next 5 years. The difference in amounts is based on the ongoing capital needs within the TIF and potential economic development projects over the next 20 years.

Proposed Budget for Option 1 (\$5,000,000):

Description	One-Time Cost/Ongoing Cost	Estimated Amount
Executive Drive Water Main Replacement	One-Time Cost	\$4,000,000
Economic* Development Partnership	Ongoing Cost	\$250,000
I-55 Pipe Replacement	One-time cost	\$750,000

*After 3-4 years of receivables from the TIF, the Economic Development Partnership will be funded from the TIF, not bond proceeds.

Proposed Budget for Option 2 (\$10,000,000):

Description	One-Time Cost/Ongoing Cost	Estimated Amount
Executive Drive Water Main Replacement	One-Time Cost	\$4,000,000
Economic* Development Partnership	Ongoing Cost	*\$250,000
I-55 Pipe Replacement	One-time cost	\$750,000
Infrastructure (Road reconstruction, additional stormwater maintenance)	One-time cost	\$5,000,000

*After 3-4 years of receivables from the TIF, the Economic Development Partnership will be funded from the TIF, not bond proceeds. All eligible TIF expenses realized can be reimbursed from TIF funds.

ACTION PROPOSED: Provide feedback.