



TOWN OF WEARE, NEW HAMPSHIRE

PURCHASING POLICY

SECTION I

PURPOSE:

These policies, known collectively as the purchasing policies of the Town of Weare, are adopted for the purpose of providing the best guarantees that tax money and public funds are spent in the most prudent fashion, as well as assuring the goods and services required by the departments of the Town are acquired in a timely manner and at the most economical price. This policy explicitly details the levels of authority granted to various governmental officials of the Town of Weare as well as providing for direction as to the steps involved in the procurement of goods and services for the Town.

SECTION II

OBJECTIVES:

- A) To provide, wherever appropriate, for the centralized function of purchasing as established in these policies.
- B) To seek competitive quotations based on the dollar limits outlined in these policies.
- C) To, wherever possible, consider the use of State contracts for goods and services, as such contracts may provide savings to the Town.
- D) To provide for a procedure for the disposal of surplus property as outlined in these policies.

SECTION III

DEFINITION:

A) "*Purchasing System*" means the process which authorizes a vendor to deliver goods or provide a service, and which assures that public funds for such goods or services will be encumbered for future payment. Any reference to a Department Head is also meant to include a Committee Chairperson (see general exception Sect. VI-I).

SECTION IV

AUTHORITY:

These policies are adopted by the Board of Selectmen in accordance with RSA 31:39 as it relates to their management of the Town's prudential affairs and their authority over expenditures.

SECTION V

CONFLICT OF INTEREST:

In accordance with RSA 95:1, no person holding a public office in the Town of Weare, either appointed or elected, shall, by contract or otherwise, except by open competitive bidding, buy real estate, sell or buy goods or services, commodities, or other personal property of a value in excess of \$200 at any one sale to or from the Town of Weare. This section shall also apply to all employees of the Town of Weare.

SECTION VI

PURCHASE ORDERS REQUIREMENTS:

Purchase orders shall be signed by the Department Head and/or other appropriate authorizing authority as outlined in this policy.

- A) All multi-year contracts and leases must be approved by the Board of Selectmen and may require an escape clause.
- B) All non-contractual and/or non-reoccurring purchases may require a numbered purchase order and the appropriate authorizing signatures as outlined in this policy.
- C) All purchases that are of a contractual nature or related to ongoing operational expenditures may be assigned an annual/term-of-contract blanket purchase order number to be used throughout the contract duration.

Vendors that fall under a blanket purchase order number shall use the specific number(s) on their invoices. The following ongoing obligations and/or purchases shall require, and are examples of, but not limited to, products and services that fall under this category.

- 1. Heating oil and propane Initial delivery after start of contract year, (all subsequent orders shall reference the initial [blanket] order).
- 2. Contracts for consulting or maintenance services, solid waste disposal services and lease/rental agreements shall require an initial purchase order at the beginning of the contract period, covering the period of performance.
- 3. Other ongoing product purchases expected to accumulate above the thresholds determined in Section VII.

D) The following obligations and/or purchases shall be exempt from purchase order requirements:

- 1. General ongoing operational activities such as electricity and telephone expenses.
- 2. Ongoing contracted employee agreements such as for snowplowing (subject to an approved list at the beginning of each season); Land Use department contracted employees; and legal services.
- 3. Certain Human Resources obligations, including payments made on behalf of employees as part of their job description/training such as expenses to attend workshops and conferences and to pay professional association membership dues.

E) If there are purchases for which it is not clear whether a purchase order is required, the Department Head shall consult with the Town Administrator for a final determination.

F) **DISTRIBUTION & RECORD KEEPING:** A copy of the purchase order shall be given to the vendor, and one shall be retained in both the Finance Department and the respective Department files.

G) **SCOPE OF INFORMATION:** The purchase order should, at a minimum, contain the following information:

- 1. The quantity and quality of material or service required.
- 2. Description of material or service required.
- 3. Vendor's name and location.
- 4. Reason for purchase.
- 5. Total cost, with all components of the sum itemized where at all possible.
- 6. Total amount of purchase and related budget amount (blanket P.O.'s).
- 7. Place and expected time of delivery.
- 8. Date the order is prepared.
- 9. Purchase order number.
- 10. Budget account which is to be charged
- 11. Approval of Department Head or other appropriate authority as outlined in this policy.

H) CAPITAL RESERVE FUNDS (CRF)

All expenditures from a CRF require completion and approval of the Capital Reserve Fund Expenditure Request Form, which must be signed and approved by the Board of Selectmen before any expenditure request is approved. Among other information, the requesting party must provide the current balance of the fund and documentation that the requested expenditure is strictly for the defined purpose of the CRF.

I) PURCHASES BEING REQUESTED BY COMMITTEES

In those cases where a committee has authority to make expenditures, all expenditure requests must be approved by a majority vote of the respective committee.

SECTION VII

CREDIT CARDS

For credit card purchases, refer to the Town's Credit Card Procurement Policy.

SECTION VIII

AUTHORIZED PURCHASERS AND PURCHASE LEVELS:

A) PURCHASES UP TO \$2,500: The Department Head shall have full authority to make departmental purchases of goods or services up to \$2,500 which are identified in and do not exceed the Department's annual adopted budget; however not to exceed \$3,000 for vehicle repairs.

B) PURCHASES BETWEEN \$2,501 AND \$5,000: The Town Administrator must approve departmental purchases of goods or services up to \$5,000 for those items which are identified in and do not exceed the annual adopted budget. The Department Head shall submit a purchase order to the Town Administrator for approval.

1) PURCHASES BETWEEN \$2,501 AND \$5,000: For purchases between \$2,501 and \$5,000, the Department Head shall contact as many vendors as necessary in order to obtain at least three (3) written quotations. The Department Head shall present these quotations to the Town Administrator, along with a recommendation, for their approval. In the event less than three (3) quotations are available; evidence of the attempt to obtain them should be attached to the purchase order.

C) PURCHASES ABOVE \$5,001(MAJOR PURCHASES): Purchases having an estimated cost in excess of \$5,001 shall be conducted pursuant to the competitive procurement guidelines within this policy under Section X.

D) MULTIPLE UNIT PURCHASES UNDER ONE PURCHASE ORDER: For situations where multiple units of the same equipment or item are to be acquired, it is expected that a purchase order be used if the total cost of the combined units is in excess of \$2,500. In no instance may the requirement of a purchase order be avoided by making multiple individual purchases in succession.

SECTION IX

BULK PURCHASING:

A) For purchases such as telephone service, heat, vehicle fuel, bottled water, and office supplies, which cross several departments, every effort should be made to use one vendor and purchase in bulk, in order to take advantage of discounts that may be offered. For specialized office supplies such as business cards and letterhead, a standardized format should be used across all departments. Bulk purchasing requests must be approved by the Town Administrator.

B) **SOLE SOURCE PROPOSALS:** The Town of Weare will not entertain the solicitation of a single source vendor for supplies and/or services unless the competitive bid requirements are explicitly waived by vote of the Board of Selectmen. Absent such vote, the Town will consider a vendor if they are the only bidder, provided that the procedural steps in soliciting bids has been followed and documented by the Town's soliciting authority.

SECTION X

TYPES OF COMPETITIVE PROCUREMENT:

A) **REQUEST FOR PROPOSALS:** Certain product or service needs for various reasons are not readily and easily definable with the specificity needed for the bid process, and/or are professional in nature such as architectural, engineering, auditing, and legal, for example. In such cases, a Request for Proposals (RFP) may be the best procurement method. When soliciting for RFPs, the specifications must contain at a minimum the following information: scope of services to be performed; timing; evaluation criteria; minimum qualifications of professional experience; and price.

The RFP process should follow the same basic intent as that of bidding with respect to providing initially the exact same information and terms to all the potential qualified vendors. The Town shall solicit proposals from at least three (3) vendors providing the product or service. Selection should be made by utilizing at a minimum the following criteria: thorough proposal review; determination of the proposal(s) that best suits the needs and provides the best overall value for the Town; if needed, interview with the firms(s); reference checks, including site visits if applicable.

B) THE COMPETITIVE BID PROCESS:

Bidding should be used when the product or service required is clear-cut and specifically definable and/or professional detailed specifications have been prepared.

I. **BID SPECIFICATIONS:** The Department Head shall prepare or have professionally prepared as clear and as detailed specifications as possible for bid items, and shall submit the final specifications to the Town Administrator for approval prior to solicitation of bids. As a part of the specifications, the Department Head should always include the following minimum items or requirements where applicable and practicable:

- a) Bidders must clearly identify the product or service on which they are bidding on all envelopes.
- b) Bidders shall provide samples with the bid (when applicable and practicable).
- c) The terms of the contract, including effective dates, extension terms, termination clauses, and other applicable terminology.
- d) Bidders must provide complete and clear pricing, with both a clear and easily identifiable total sum as well as a complete itemization.
- e) Performance bonds will be required and shall always be required, as specified by RSA 447:16, for construction projects with a value greater than \$25,000.
- f) A statement which reserves the Town's right to consider substitution of equivalent items and under what conditions. The specifications shall include a statement which requires the bidder to submit documentation for all substitutions and exceptions.
- g) A statement which reserves the Town's right to reject any and all bids, negotiate any contracts and waive any informalities in the bid process.
- h) Where applicable, the Town will hold a bidders conference to acquaint the bidders with the process, and to address any special concerns, questions or request for exceptions that may arise.
- i) Minimum quantity and quality requirements. These requirements should be specific enough to ensure the desired level of quality, but also must be flexible enough to elicit multiple bids.
- j) The following non-collusion clause shall be part of every bid specification package.
- k) A bidder must sign this statement in order for the bid to be valid

"The undersigned certifies under penalties of perjury that this bid is in all respects bonafide, fair and made without collusion or fraud with any other person. As used in this section the word "person" means any natural person, joint venture, partnership, corporation or other business or legal entity. "

2. PUBLIC NOTICE: The Town Administrator shall invite all bids by advertisement on the Town website and in at least one (1) newspaper of general circulation in the Town of Weare, such publication to be at least ten (10) days before the time of the bid opening. All bid notices must remain posted in at least two public places, one of which must be at the Town Office building, for a period of not less than two weeks (14 days).

The Invitation to Bid shall include at a minimum the following information:

- a) Deadline--time and date of receipt of bids
- b) Address to which the bid is to be delivered and/or acceptable means of submitting bids
- c) A general description of the good or service being purchased (detail dependent upon whether specifications are to be obtained)
- d) Any and all contractual terms and conditions applicable to the purchase (detail dependent upon whether specifications are to be obtained)
- e) Indicate where and when bids will be opened
- f) A statement which reserves the Town's right to reject any and all bids, negotiate any contracts and waive any informalities in the bid process.

3. AVAILABILITY OF SPECIFICATIONS: The Town Administrator shall inform those firms/vendors listed in the Town's contract files with the same solicitation as is sent/given to respondents to the advertisements and postings. Town Administrator reserves the right to charge for copies according to size and complexity (i.e. construction drawings, etc.)

4. SAMPLE BID PUBLIC NOTICE: "The Town of Weare, New Hampshire, is currently accepting bids for the (name of bid item). Bid specifications are available from the Selectmen's Office, 15 Flanders Memorial Road, Weare, New Hampshire, 03281, (603) 529-7525. Sealed bids will be received until 2:00 p.m., Oct. 23, xxxx. Bids will be publicly opened and read at that time. The Town of Weare reserves the right to reject any and all bids if deemed in the best interest of the Town."

5. LIST OF BIDDERS

The Town shall maintain a contractors / vendor file, preferably in digital format, according to type of goods or service provided, which will be used to send bid invitations to appropriate and qualified vendors, in addition to those who respond to the advertisements and public notices. Ideally, this list will consist of vendors that have inquired to be placed on the Town's listing as well as firms with which the Town has done business in the past and was pleased with the services and value provided.

6. RECORDS RETENTION

Each department shall maintain contract and bid history files in accordance with the State of NH's record retention rules. Each file shall contain the following, minimum information for the retention period, as appropriate:

- a) Bid specifications, public notice of bid solicitation and other relevant pre-solicitation documents;
- b) Records of recommendations, justifications, and approvals;
- c) Lists of those vendors/individuals sent the bid specifications;
- d) Copy of each offer or quotations and any records or documentation. Any unsuccessful offers will be maintained in the contract file;

- e) Record of any required approvals;
- f) Notice of bid award;
- g) The original of the signed contract or bid award, all contract modifications, and other change orders or amendments;
- h) Bid, performance, or other bond documents or a reference thereto.

7. **ACCEPTANCE OF BIDS:** The Town Administrator shall accept all bids up to the time specified for receipt of bids in the Public Notice. All bids will be dated and time stamped by the Selectmen's Office. Any late bids will be rejected. A bidder may correct, modify, or withdraw a bid by written notice received in the Selectmen's Office before the time and date set for the bid opening.

- a) Electronic submissions (such as facsimile or email) will be considered or accepted unless prohibited by the solicitation.
- b) Bids must be submitted in accordance with the bid solicitation. If a bidder chooses to use its own bid form or a letter to submit a bid, the bid will be considered only if the bidder explicitly, in written form, accepts all the terms and conditions of the invitation and further that the award of the bid would result in a binding contract under the terms and conditions of the solicitations and other terms and conditions contained in the submitted bid which do not conflict with those in the solicitation.

8. **BID OPENING:** All bids will be opened by the Town Administrator and/or his designee and at least one other Town Official at the time and date specified in the Public Notice. The names and quotes of all bidders shall be listed at the time of opening and witnessed and recorded in the presence of the two Town Officials and made available for public inspection. The Town Administrator shall notify all bidders of any changes in the opening time and/or date.

9. **BID CORRECTIONS:** After the bid opening, the bidder may not amend, correct, modify, or change in any fashion a bid which would be contradictory to the interests of the Town of Weare or fair competition. The Town Administrator may waive minor informalities, or allow the bidder to make corrections, as long as the intent of the bid is not disturbed.

10. **BID AWARD:** Bids meeting the specifications shall be reviewed by the Department Head in consultation with the Town Administrator and others as needed. A recommendation shall be made to the Board of Selectmen for approval.

The Town Administrator shall award the contract to the successful bidder, in accordance with the vote of the Selectmen, and be responsible for preparing Notice of Bid Awards and submitting same to the successful bidder as well as all other bidders.

11. **BIDDER/CONTRACTOR QUALIFICATIONS:** To be determined responsible, a prospective contractor must:

- a) Have adequate financial resources to perform the contract, or the ability to obtain them;
- b) Be able to comply with the required or proposed delivery or performance schedules;
- c) Have a satisfactory performance record;
- d) Have a proven record of integrity and business ethics;
- e) Have the necessary organization, experience, technical skills, and support staff;
- f) Have the necessary production, construction, and repair equipment and parts required to fulfill the contract requirements.
- g) Provide at least two references and phone numbers if requested.
- h) Has fulfilled all the requirements of the bidding process and specifications

12. **CONTRACT FOR SERVICES:** Once the RFP or bid is awarded, the chosen contractor must

agree to and sign the Town's Contract For Services, which will further codify the work to be performed and/or detail the product to be provided as well as specify all the documentation of insurances, and bonding if required. No work is to begin until proof of insurance, and of bonding if applicable, is received and approved by the Town.

C) INSTRUCTIONS TO PROPOSAL RESPONDERS AND BIDDERS: Although every effort should be made when creating the initial bidding instructions and specifications so as to avoid the necessity to add additional information due to prospective bidder questions, occasionally this situation will arise. When it does, all statements and information made in addition to the published advertisement and specifications and made before the closing date of RFP or bid submission shall be in writing and distributed in equal fashion to all bidders and proposal responders at the same time; in addition the addendum of changes will be posted in at least two public places and on the Town Website.

SECTION XI

EXCEPTIONS TO REQUIREMENT TO BID/RFP

A) EMERGENCY PURCHASES: An emergency purchase may be made by a Department Head only if the normal operations of the department are in jeopardy. This shall generally mean or relate to emergency repairs to equipment or facilities which must be kept operating to protect the health and/or safety of persons, or property.

A purchase order shall be prepared and marked as EMERGENCY. The order shall then be given to the individual authorized to approve the request within the limits outlined in Section VI.

B) OTHER EXCEPTIONS

1. Purchases and services made through the State's contactor list which is available to municipalities to obtain State obtained prices.
2. Purchases and services procured through cooperative intergovernmental purchase agreements with or from other government entities or school jurisdictions.
3. Only one known source of product or service, and there is no comparable substitute product or service; Written documentation supporting the sole source must be provided
4. Specific types or brands of supplies or part necessary for acceptable operation of a machine or device, or as required by warranty or contract on a machine or device
5. Sole-source procurements, where the proposed purchase is manufactured by only one company;
6. Purchases from a sole manufacturer, where it is determined to be more efficient and economical to reduce costs of maintenance of additional repair parts, supplies or services;
7. Purchases which have been preceded by competitive sealed bidding or RFP, where no responsible vendor has responded.

The Board of Selectmen retains full authority to, at their discretion, waive any and all requirements herein when in the Board's judgment it is deemed in best interest of the Town.

SECTION XII

CHANGE ORDERS

Whenever a change to the terms of an original agreed to contract for products or services is required or prudent, a change order must be submitted by the Department Head and approved by the Town Administrator. If the change order is vendor initiated, the vendor must submit a formal request with justification to the Town for approval as well.

SECTION XIII

DISPOSAL OF SURPLUS PROPERTY:

Any property which is considered to be surplus and valued at over \$200 must be presented to the Board of Selectmen by the Department Head with a recommended method of disposition for approval.

Various possible disposition means are the sealed bid or auction process, State surplus auction, trade in usage, retained for usage as parts, or transfer to another Town Department.

Any surplus items with a value of less than \$200 may be disposed of by the Department Head as they deem appropriate, given the concurrence of the Town Administrator. If the means of disposition is either the sealed bid or auction, the Town Administrator shall be responsible for publishing the necessary public notices to comply as closely as possible with the intent as set forth in Section X-B-2

SECTION XIV

AMENDMENTS:

This policy may from time to time be amended by the vote of the Board of Selectmen at any properly scheduled and noticed Selectmen's Meeting.

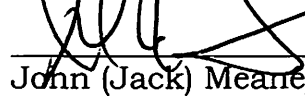
SECTION XV

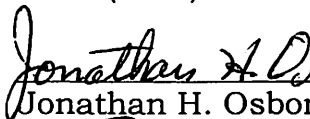
EFFECTIVE DATE:


These policies shall be effective upon a vote of the Board of Selectmen and shall replace any and all bid procedures or policies previously enacted by the Town.


The Board of Selectmen

 4-16-18
Frederick W. Hippler, Chairman

 16 April 18
John (Jack) Meaney, Vice Chairman

 4-16-18
Jonathan H. Osborne, Selectman

 4/16/18
Janet M. Snyder, Selectman

 4-16-18
Sherry M. Burdick, Selectman

Adopted this 2nd day of June in the year 2008

Amended 10-30-2017

Amended 4-9-2018

Amended 4-16-2018

Amended 12-9-2019

Certified seal of the Town Clerk