

TOWN OF WARNER, NEW HAMPSHIRE

PURCHASING POLICY

Section A - Purchasing Regulations Established

The Selectmen, with the input and assistance from Department Heads, will be responsible for implementation of the Town of Warner's process for acquisition of all supplies, materials, services and equipment, as approved by the Board of Selectmen. Nothing within this policy shall be interpreted in a manner that prevents the Selectmen from purchasing products or services for the Town of Warner according to the manner, policy, or procedure that in their judgment at the time they authorize a purchase, is in the best interest of the Town.

Section B - Definitions

For the purpose of this policy the following terms, phrases and words are defined as follows:

1. **Purchasing**: Purchasing means renting, leasing and otherwise obtaining supplies or services either by negotiation or by bid.
2. **Supplies**: Supplies means all materials and equipment.
3. **Services**: Services means all telephone, gas, water, electrical and power service, laundry and cleaning services, insurance, leases, all rentals, repairs to equipment or real property and, professional services.
4. **Negotiation**: Negotiation, when applied to the making of purchases, means any methods of purchasing other than by formal bid process.
5. **Quotations**: Quotations, quotes and proposals are informal replies (written, telephone, wire, oral, fax, etc.) to price queries made during the course of a negotiated purchase, or in the seeking of general price/budget information by the Town.
6. **Bid Process**: Bid process means purchasing through the use of bids.
7. **Bids**: Bids mean responses to invitations to bids issued under formal advertising procedures.
8. **State Authorized Vendor List**: The State of New Hampshire through the Dept. of Plant and Property produces an authorized vendor list at least twice a year. The Town of Warner is authorized to use state contracts in lieu of requesting bids from vendors when it is the economic advantage of the Town of Warner.

Section C – Bid Process or Negotiations

The Town of Warner reserves the right to reject any or all bids or any part thereof, to waive any informalities in the bidding and to accept the bid considered to be in the interest of the Town. Proposals submitted by facsimile will not be accepted.

1. Purchasing by Bid:

When to Bid: All purchases with an ESTIMATED total cost of \$5,000.00 or more must use the formal bid process unless authority is given otherwise by the Board of Selectmen. Formal bids for less than \$5,000 may be requested by the Selectmen as they deem necessary.

Record of Bids: The Selectmen shall keep a record of all bids submitted and such records will be open to proper inspection by any interested persons.

Awarding of Contract: purchasing by competitive bid and award involving the following basic steps:

Preparation of the invitation for bids, describing the requirement of the Town clearly, accurately and completely, but avoiding unnecessary restrictive specification or requirements which might unduly limit the number of bidders.

Publicizing the invitations for bids through distribution to prospective bidders, posting in public places, distribution to pre-screened vendors as may be appropriate, advertising in local news media and magazines, and/or such means as may be appropriate at least ten (10) business days prior to the time set for submittal of sealed bids.

Submission of sealed bids, that have been date and time stamped upon receipt, by prospective contractors and vendors, and

Awarding the contracts, after the bids are publicly opened in the presence of impartial witness, to that responsible bidder whose bid conforms to the invitation for bids, will be most advantageous to the Town. Price and other factors are considered by the Board of Selectmen

2. Purchasing by Negotiation: Purchases may be negotiated when one of the following circumstances is present:

- a) *The \$5,000 Limit:* All purchases with an estimated total cost not to exceed \$5,000.00 may be made by negotiation.

- b) Sole Source Constraint: When it has been determined by a reasonable investigation that the item or service can be obtained from only one source even though the cost exceeds \$5,000.00.
- c) Emergencies: When a situation arises that requires an immediate response that would be significantly delayed if adhering to the bid process even if the purchase exceeds \$5,000.00. In such emergencies, the Department Head after consultation with the Selectmen and Town Administrator may initiate an immediate negotiated purchase of supplies or services necessary to protect the best interest of the municipality. The Chairman of the Board of Selectmen and Town Administrator must be informed within 48 hours of such purchases.
- d) Negotiate but be Competitive: Whenever supplies or services are procured by negotiating, price quotations or other evidence of reasonable prices and other vital matters deemed necessary by the Selectmen shall be solicited from at least three of qualified sources of supplies or services consistent with the nature of and requirements for the supplies and services purchased.
- e) End of the Year Purchases: In the month of December, purchases must be made through a purchase order system and must be signed by the Department Head and passed into the Town Office within 72 hours for recording and accounting purposes.

Section D – General Provisions

1. Contract Review – Purchases of \$5,000 or greater

- Contract review and approval will be scheduled as an explicit item on a Selectmen's meeting agenda.
- The Selectmen will review the contract in terms of the purchasing policy so that any bids, quotes, or other reasons for awarding the contract are documented within the meeting minutes.
- A person knowledgeable about the details of the contract should be available to answer any questions the Board and/or public may have about the purchase.
- Contracts with a price of \$5,000 or greater made under the emergency provisions above will be on the agenda for the next scheduled Selectmen's meeting.

2. **Purchases less than \$5,000**: Any purchase which was budgeted for as approved by Town Meeting may be made by the Department Head with the approval of the Town Administrator. Prior approval by the Board of Selectmen is required before the purchase of supplies or services not provided for in the budget approved by an annual or special town meeting.

3. **Unauthorized Purchases:** Town employees who purchase any supplies or services other than in accordance with this policy may be subject to disciplinary action.

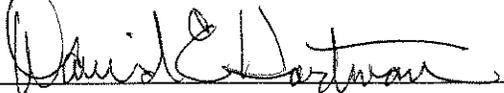
4. **Conflict of Interest:** No person authorized to act on behalf of the Town of Warner shall purchase any supplies or services from any individual, firm, corporation or organization in which said person has a financial or vested interest.

Section E - Effective Date

This policy shall become effective upon approval by the Board of Selectmen and shall remain in effect until rescinded by the Board of Selectmen.

Amended this 27th day of April 2010

BOARD OF SELECTMEN



David E. Hartman, Chairman

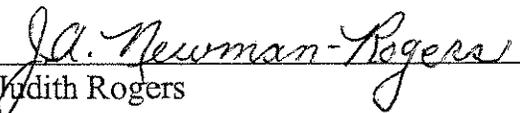


David Karrick, Jr.



Clyde Carson

Recorded with the Town Clerk on May 11, 2010:



Judith Rogers
Town Clerk

Adopted August 1, 2006

Amended April 27, 2010