



# TOWN OF GOFFSTOWN, NH

## Purchasing Policy

<b>Policy Type</b>	Town Financial Policy
<b>Adopted Date</b>	12/09/2024
<b>Adopted By</b>	Goffstown Select Board
<b>Effective Date</b>	12/09/2024
<b>Revision Date</b>	12/09/2024

### Table of Contents

<b>1.</b>	<b><i>GENERAL POLICIES</i></b> .....	<b>3</b>
<b>2.</b>	<b><i>PREPARATION AND PROCEDURE FOR PURCHASE ORDERS, QUOTATIONS &amp; BIDS</i></b>	<b>4</b>
2.1	Purchase Orders –	4
2.2	Purchase Requiring Quotations –	4
2.3	Sealed Bid and RFP –	5
2.4	Change Orders –	5
2.5	Exceptions to Procedure for Purchase Orders, Quotations & Bids –	6
a)	Critical Information Technology Infrastructure –	6
b)	Limited/Sole-Source Purchases –	6
c)	State Bid –	6
d)	Contractual Obligations –	7
e)	Agency Payments Approved via Warrant Articles or Tax-Rate Setting –	7
f)	Diagnostic Repairs –	8
g)	Emergency Purchases –	8
h)	Manufacturer-Restricted Service and Repair Requirements –	8
<b>3.</b>	<b><i>EMERGENCY PURCHASES</i></b> .....	<b>8</b>
3.1	General –	8
3.2	Emergency Purchase Procedure –	9
<b>4.</b>	<b><i>REQUEST FOR PROPOSALS</i></b> .....	<b>9</b>
4.1	General –	9
4.2	Competitive –	9
4.3	Selective –	10
4.4	Limited/Sole-Source –	10
4.5	Grant Programs –	10
<b>5.</b>	<b><i>BID GUIDELINES</i></b> .....	<b>11</b>
5.1	General –	11
5.2	Bid Advertisements and Invitations to Bid –	11
5.3	Instructions to Bidders –	11
5.4	General Conditions Pertinent to the Bid –	11



# TOWN OF GOFFSTOWN, NH

## Purchasing Policy

5.5	Special Bid Conditions –	12
5.6	Specifications –	12
5.7	Quantities and Price –	12
6.	<b>PREPARATION OF THE INVITATION TO BID.....</b>	<b>13</b>
6.1	Public Notice –	14
6.2	Acceptance of Bids –	15
6.3	Public Bid Opening –	15
6.4	Bid Corrections	15
6.5	Evaluation of Bids	15
6.6	State Contracts	16
6.7	Contract Award	16
7.	<b>USE OF VENDOR LISTS/PURCHASE CONTRACT PROCESS.....</b>	<b>16</b>
7.1	Requirement	16
7.2	Procedure	16
8.	<b>DISPOSAL OF SURPLUS PROPERTY (ADOPTED 2/14/2000) .....</b>	<b>17</b>
9.	<b>POLICY REVIEW AND AMENDMENTS .....</b>	<b>17</b>
10.	<b>EFFECTIVE DATE .....</b>	<b>18</b>
	<b>APPENDICES .....</b>	<b>19</b>
	<b>APPENDIX A - PURCHASE PROCEDURES REQUIRED .....</b>	<b>20</b>
	<b>VERBAL QUOTATION GUIDELINES</b>	<b>20</b>
	<b>APPENDIX B - INDEPENDENT CONTRACTOR (NON-EMPLOYEE) WORK AGREEMENT .....</b>	<b>21</b>
	<b>APPENDIX C - VERBAL QUOTE MEMORANDUM .....</b>	<b>23</b>
	<b>APPENDIX D – CRITICAL INFORMATION TECHNOLOGY BID MEMORANDUM .....</b>	<b>24</b>
	<b>APPENDIX E – LIMITED/SOLE-SOURCE MEMORANDUM.....</b>	<b>25</b>
	<b>APPENDIX F – STATE/PROCUREMENT AGENCY QUOTE/BID MEMORANDUM.....</b>	<b>26</b>
	<b>APPENDIX G – DIAGNOSTIC REPAIR MEMORANDUM.....</b>	<b>27</b>
	<b>APPENDIX H – EMERGENCY PURCHASE MEMORANDUM .....</b>	<b>28</b>
	<b>APPENDIX I – CONTRACTUAL MAINTENANCE AND REPAIR MEMORANDUM .....</b>	<b>29</b>
	<b>APPENDIX J – TECHNOLOGY SUBSCRIPTION RENEWAL MEMORANDUM.....</b>	<b>30</b>



# TOWN OF GOFFSTOWN, NH

---

## Purchasing Policy

### 1. GENERAL POLICIES

- 1.1 The Town of Goffstown will centralize the purchase of certain items based on the common usage by all six (6) departments. The Finance Office will oversee and coordinate centralized purchases and distribution of stock whenever possible.
- 1.2 Appendix A outlines spending levels required for written/verbal quotes and RFPs/Bids for each department. All purchases under Appendix A require a Purchase Order at the time of ordering.
- 1.3 All purchases over \$25,000 may only be made after certification by the Finance Director as to the availability of funds.
- 1.4 All purchases shall be of the quality deemed necessary to suit the intended purpose, suitable and beneficial to the municipality and totally in the municipality's best interest.
- 1.5 Where possible, the municipality will consider the use of a state and cooperative purchasing contracts for goods and services as such contracts and purchases may provide savings to the community.
- 1.6 Receipts of goods or services will be verified and approved by each Department Head or designee prior to payment of invoice.
- 1.7 The municipality allows for emergency purchases and shall be approved by the Select Board.
- 1.8 The Department Head, with the permission of the Select Board, may charge a reasonable fee for complex plans that are being put out for bid or for an RFP.
- 1.9 Purchases requiring purchase orders shall have documented record of verbal and/or written quotes, in accordance with Appendix A submitted to Finance with the request for the purchase order.
- 1.10 Local Advantage – The Town of Goffstown will make every effort to purchase from businesses located within Goffstown area if the purchase provided it best meets the needs for the community. The Town of Goffstown employees and officials have a responsibility to the taxpayers of the Town to ensure that bids are awarded to vendors offering products or services that best meet the needs of the Town.
- 1.11 Technology Enhancements – The procurement of technology equipment may be excluded from the purchasing policy provisions with the approval of Finance Director. Since hardware and software standardization is critical to the efficient operation of the Town's computer system(s), it is not in the Town's interest to intermingle different brands or styles of computer equipment. Documentation of such waiver shall be kept on file with the purchase order.
- 1.12 Technology Subscriptions – The renewal of technology and service subscriptions may exceed applicable thresholds for purchases requiring competitive quote or bid procedure. As the goal of these arrangements is continuation of previously approved services, such requirements shall not apply. Appendix J - Technology Subscription



# TOWN OF GOFFSTOWN, NH

## Purchasing Policy

Renewal Memorandum, or an acceptable equivalent, shall be completed and included with the purchase order for approval.

- 1.13 The governing board shall be the Library Trustees in purchases involving the Library Department. The governing board shall be the Parks and Recreation Commission for the Parks and Recreation Department unless the Select Board specifically votes to exercise their right to final jurisdiction in a decision. The governing board shall be the Sewer Commission for the Sewer Department. In all other departments the governing board shall be the Select Board.
- 1.14 The Select Board designates the Finance Director the responsible official for approval of all exceptions explicitly written in this policy. All other exceptions to the purchasing policy shall be formally waived by the Select Board at a regular scheduled meeting prior to the purchase being executed. The Select Board may waive any and all provisions of this policy if the situation demands.
- 1.15 GRANTS: ALL purchases that are pre-funded by, or funded through reimbursement by, a grant shall be accompanied by a purchase order to ensure appropriate measures are taken to comply with federal and state grant requirements, including debarment testing prior to any purchase being made, regardless of the purchase amount.
- 1.16 Transactions with Elected Officials: Per RSA 95:1, no financial transaction to buy or sell goods, commodities, real estate, or other personal property in excess of \$200 shall occur without first conducting an open and competitive bid process.

## **2. PREPARATION AND PROCEDURE FOR PURCHASE ORDERS, QUOTATIONS & BIDS**

### **2.1 Purchase Orders –**

- a) All purchases made under Appendix A require Purchase Orders which are electronic forms in the finance software.
- b) Purchase Orders are completed by the Department Head or designee before placing an order.
- c) Approval is required of all Purchase Orders prior to placing the order. See Appendix A for additional details.
- d) All information on the Purchase Order shall be detailed and correct to avoid any misunderstandings.

### **2.2 Purchase Requiring Quotations –**

- a) The Department Head, per Appendix A, shall contact as many vendors as necessary in order to obtain at least three (3) written or verbal quotations for each different item being purchased. An “Inquiry (Requests) for Quotation” form (see Appendix A) may be used to obtain these written quotations. In the event that three quotations are not available, evidence of the attempt should be kept on file. If a state contract price or cooperative purchasing is available, no other quotations will be required.



# TOWN OF GOFFSTOWN, NH

## Purchasing Policy

- b) The Department Head will prepare the “Quantity” and “Description” columns and other applicable spaces on this form and send it out to the vendor who will prepare the rest and return it to the department.
- c) The Department Head shall select the appropriate vendor. If the lowest quotation is not recommended, prepare full documentation explaining the reason you selected a different vendor.
- d) Verbal quotations shall require effective documentation of vendor interaction per Appendix A. Responsible officials will complete Appendix C – Verbal Quotation Memorandum, or provide equivalent documentation, prior to consideration of quote.

### 2.3 Sealed Bid and RFP –

- a) The Department Head, per Appendix A, shall put out to bid or RFP all items over their appropriate level. The Department Head shall prepare specifications for bid or RFP items and shall obtain technical assistance, as needed interpreting certain specifications. If a state contract or cooperative purchasing is used, no sealed bid or RFP will be required.
- b) The Select Board must approve all bid specifications.
- c) After approval of the bid specifications by the Select Board, the Department Head shall invite all bids or RFPs through placement on the town’s web site and advertisement in at least one newspaper of general circulation in the municipality, such publication to be at least two weeks before the time of the bid or RFP opening. A typical bid or RFP invitation is shown below, details on next page:

#### PUBLIC NOTICE

The Town of Goffstown, NH invites bids (*or RFP*) for the supply of (*name of bid or RFP item*). Bid (*or RFP*) specifications are available from Town Hall Administrative Office, 16 Main Street, Goffstown, NH 03045 Tel. (603) 497-8990 x100. Sealed bids or RFPs will be received until (*time*) (*mo/day/year*) at which time bids or RFPs will be opened and publicly read. The Town reserves the right to reject and/or waive any bids or RFPs if deemed in the best interest of the Town.

- d) All bids or RFPs shall be opened and read in public at the date and time specified in the public notice. Bids or RFPs meeting the specifications shall be reviewed by the Select Board in consultation with the Department Head. The Department Head shall then make a bid award recommendation to the Select Board.
- e) At the direction of the Selectmen, the Department Head shall prepare a Notice of Award to be attached to the purchase order or contract.

### 2.4 Change Orders –

- a) when a change of any kind occurs on the original purchase order, a new purchase order with the updated information must be submitted by the Department Head, modifying the original purchase order.



# TOWN OF GOFFSTOWN, NH

## Purchasing Policy

---

### 2.5 Exceptions to Procedure for Purchase Orders, Quotations & Bids –

#### a) Critical Information Technology Infrastructure –

1. In addition to those provisions as noted in 1.11 Technology Enhancements, information technology infrastructure may require quotes be obtained in order to assess cost, resulting in the inherent undermining of the RFP process if cost exceeds the specified threshold. As a countermeasure, information technology infrastructure deemed critical by the Board or their designee may be exempt from the RFP and bid requirements, instead only requiring an appropriate amount of quotes, subject to various qualifying exceptions below.
2. Effective documentation for use of exceptions shall be required. Appendix D – Critical Information Technology Bid Memorandum may be completed prior to the purchase and following acquisition of quotes if cost of request exceeds bid threshold. The memorandum, or equivalent documentation, shall be maintained with purchase and quote documentation.
3. In accordance with 2.2 Purchase Requiring Quotations, the Department Head, per Appendix A, shall contact as many vendors as necessary to obtain at least three (3) written or verbal quotations, subject to various qualifying exceptions below.

#### b) Limited/Sole-Source Purchases –

1. Certain departmental purchases or purchases otherwise specific or specialized within governmental organizations may be limited to vendors that deal specifically with governmental organizations or departments of a certain nature. Where instances of this restriction are identified and properly communicated by Department Heads, an exception to the numerical quote requirement and/or bid procedure may be granted.
2. Effective documentation for use of exceptions shall be required. Appendix E – Limited/Sole-Source Memorandum may be completed prior to the purchase. Memorandum should effectively document research performed or industry knowledge present in assessment of source limitation and be accompanied with quotes from limited- or sole-sources. The memorandum, or equivalent documentation, shall be maintained with purchase and quote documentation.

#### c) State Bid –

1. Purchases where the State of New Hampshire, or equivalent national procurement agency, performs a formal bid process to acquire the best price for value on behalf of its constituents may be used as a benchmark for purchases of equal value in place of quote and bid requirements as defined under 2.2 Purchase Requiring Quotations and 2.3 Sealed Bid and RFP.



# TOWN OF GOFFSTOWN, NH

## Purchasing Policy

2. Intended purchase must be of the same specification, or a one-for-one equivalent of applicable State (or equivalent procurement agency) bid and be of equal or lesser value to qualify for exception.
  3. Purchases providing for a lesser specification included in the overall package or a lesser product do not qualify for the exception, unless the reductions can be itemized and the value of the reduction shown on the quotation.
  4. Purchases exceeding what is included in the State (or equivalent procurement agency) bid that are at cost equal to or less than the nearest equivalent State (or equivalent procurement agency) bid item may be eligible for the exception.
  5. Effective documentation for use of exceptions shall be required. Appendix F – State/Procurement Agency Quote/Bid Memorandum may be completed prior to the purchase. Memorandum should effectively document reference bids and quotes obtained. The memorandum, or equivalent documentation, shall be maintained with purchase and quote documentation.
  6. The Board has established precedent that vendors providing services or products of equal value at less cost than the applicable State (or equivalent procurement agency) may be exempt from bid and quote procedures. Evidence and documentation must be presented with purchase orders to substantiate this claim. Refer also to Appendix F for documentation.
- d) Contractual Obligations –
1. Purchases with an initial quote or bid procedure resulting in a multi-year contractual obligation for vendor-specific maintenance or subscription fees, or contracts inclusive of costs agreed upon at inception are exempt from purchase order, quote and bid requirements as defined under 2.1 Purchase Orders, 2.2 Purchase Requiring Quotations and 2.3 Sealed Bid and RFP, unless purchase orders are otherwise required by administration for budgetary tracking.
  2. Purchases associated with satisfying ongoing contractual obligations should be effectively documented with the contract provisions attached to purchase documentation.
- e) Agency Payments Approved via Warrant Articles or Tax-Rate Setting –
1. Payments where the Town is obligated to pay on a regular schedule approved via warrant articles at Town Meeting or through the tax-rate setting process are exempt from purchase order, quote and bid requirements as defined under 2.1 Purchase Orders, 2.2 Purchase Requiring Quotations and 2.3 Sealed Bid and RFP, unless purchase orders are otherwise required by administration for budgetary tracking.
  2. These include, but not be limited to, payments to the Goffstown School District, payments to the Hillsborough County, payment of bond or lease



# TOWN OF GOFFSTOWN, NH

## Purchasing Policy

obligations, payments to agencies approved via warrant article, and transfers to the Trustees of Trust Funds approved via warrant article.

f) Diagnostic Repairs –

1. For damages done to Town property or assets, diagnostics may be required to identify necessary repairs. Where diagnostics are required to assess the damage and the vendor chosen performs work necessary to diagnose and assess cost but would otherwise require duplication of work to have done elsewhere resulting from the formal quote and bidding procedures, an exception from 2.2 Purchase Requiring Quotations and 2.3 Sealed Bid and RFP may be granted.
2. Effective documentation for use of exceptions shall be required. Appendix G – Diagnostic Repair Memorandum may be completed prior to the purchase. Memorandum should effectively document cause for diagnostics and work performed to assess damages that would otherwise require duplication of work elsewhere. The memorandum, or equivalent documentation, shall be maintained with purchase and quote documentation.

g) Emergency Purchases –

1. See provisions below at 3.1 General and 3.2 Emergency Purchase Procedure.
2. Effective documentation for use of exceptions shall be required. Appendix H – Emergency Purchase Memorandum may be completed prior to the purchase. Memorandum should effectively document the need for purchase and the nature of the emergency. The memorandum, or equivalent documentation, shall be maintained with purchase and quote documentation.

h) Manufacturer-Restricted Service and Repair Requirements –

1. For service and repairs to certain specialized equipment, where use of service and repair vendors is explicitly restricted by the manufacturer, an exception from 2.2 Purchase Requiring Quotations and 2.3 Sealed Bid and RFP may be granted.
2. Effective documentation for use of exceptions shall be required. Appendix I – Contractual Maintenance and Repair Memorandum may be completed prior to the purchase. Memorandum should effectively document the terms of the contractual obligation. The memorandum, or equivalent documentation, shall be maintained with purchase and quote documentation.

### 3. EMERGENCY PURCHASES

#### 3.1 General –

- a) Although the occasion for emergency purchases will arise, this practice should be kept to a minimum by anticipating the department's needs well in advance and using the regular purchasing guidelines.



# TOWN OF GOFFSTOWN, NH

## Purchasing Policy

- b) The competitive procurement provisions can only be waived by the Select Board or their designee for a purchase over the Sealed Bid/ or RFP limits when there exists a special emergency involving the health or safety of the people or their property.
- c) When an emergency purchase is made, the Department Head doing so will attempt to make the purchase at the most competitive price.
- d) An emergency purchase may be made by the Department only when the normal operation of the department is in jeopardy.
- e) An emergency ~~generally~~ related to needed repairs to equipment or facilities qualifies when equipment or facilities must be kept operating to protect the health and/or safety of persons, or property.

### 3.2 Emergency Purchase Procedure –

- a) If the need for any emergency purchase arises, the following procedure should be followed:
- b) The Department Head should prepare a purchase order and give a clear explanation of the nature of the emergency in the “remarks” section. The purchase order should then be marked “Emergency”. Every effort shall be made to inform the Select Board of the need for the purchase and obtain competitive quotes, if possible.
- c) This purchase order should be promptly forwarded to the Finance Office, regardless of dollar value. In the event that the emergency should occur when the Finance Office is closed, the purchase may be made and the emergency purchase order submitted to the Finance Office as soon thereafter as possible.
- d) Where the purchase price exceeds the unencumbered balance in the department’s budget account, the department shall immediately notify the Select Board of the need. No purchase shall be completed prior to such notification and approval by the Select Board or their designee.

## 4. REQUEST FOR PROPOSALS

### 4.1 General –

- a) The Department Head may issue a request for proposals if it is determined that the selection of the most advantageous offer requires consideration of factors in addition to price, and specifies the reasons for such determination.
- b) Generally, professional services fall into the category of a request for proposals. These services include architectural and engineering, auditing, banking and other similar professional categories. These proposals can be solicited in several ways.

### 4.2 Competitive –

- a) A competitive process may be used to solicit proposals, substantially along the lines described in Section 5 of this manual.



# TOWN OF GOFFSTOWN, NH

---

## Purchasing Policy

- b) Preparation of proposal specifications which outlines the scope of services to be performed, evaluation criteria to be used in judging proposals, minimum qualifications of professional experience, and other standards, including price, can all be incorporated into the Request for Proposals.

### 4.3 Selective –

- a) Selected vendors may be invited to submit statements of qualifications about the extent and comparable nature of experience for certain work of a professional nature.
- b) The community may wish to use a selection committee to review the credentials of suppliers of the professional service. Preferably, a list of three possible vendors should be invited to propose for services.
- c) In the event that there is no definitive scope of services, the vendor may be selected on qualifications, prior to a negotiation of price for services.
- d) A priority ranking of three vendors may be designated. If price negotiations are not successful with the first vendor of choice by the community, then negotiations can be pursued with the next vendor of services.
- e) Avoid cost-plus, or percent of cost contracts.

### 4.4 Limited/Sole-Source –

- a) Limited- or sole-source of supply, service or item may be warranted in certain limited circumstances.
- b) Such procurement by limited- or sole-source should only be authorized by the Department Head and by the designee of the Select Board and should be based on the needs of the community, not as a means of avoiding competitive proposals or bids. Vendor relations, as well as prioritizing local advantage, may be considered as acceptable limited-source justification.
- c) The reasons for such limited- or sole-source activity should be well documented.
- d) See also allowable exception at 2.5.b. Limited-Sole Source.

### 4.5 Grant Programs –

- a) Special note should be taken that federal or other grant programs may require special conditions, which are more stringent than local procedures.
- b) Grant agreements associated with intended use of funds should be reviewed prior to purchase order, quote and bid/RFP procedures to ensure all grant requirements will be met.



# TOWN OF GOFFSTOWN, NH

## Purchasing Policy

### 5. BID GUIDELINES

#### 5.1 General –

- a) The purchase of materials, goods and supplies and all construction work costing in excess of the threshold amount (Appendix A) must be made through a competitive bid process.
- b) The municipality's bidding procedure should be consistent and thorough. The following guidelines will assist in this effort. Again, it is emphasized that federal or other grant conditions may require more stringent or alternative restrictions.

#### 5.2 Bid Advertisements and Invitations to Bid –

When preparing bid advertisements and invitations to bid, be sure to consider the following:

- a) Combine bids into single advertisements as much as possible, as an economy measure.
- b) Use the same publication sources for each bid process with additional newspapers or trade journals, as necessary.
- c) Send specifications to a reasonable number of known qualified suppliers.
- d) Develop a bidders' file containing the names of vendors with proven products and services.
- e) Conduct bid openings in a consistent fashion (i.e., day of the week, hour and location).

#### 5.3 Instructions to Bidders –

When developing bidders' instructions, be sure to:

- a) Insist that all bidders identify the product or service on which they are bidding on all envelopes (e.g., "Bid for Police Cruiser").
- b) Where justified, ask that samples be submitted with the bid. Be sure to return all samples when the final award is made. Samples should be offered without charge to the municipality.
- c) Always include the Employer I.D. Number, or Tax Exemption Number of the municipality, on the bid.

#### 5.4 General Conditions Pertinent to the Bid –

The following general conditions should be considered in any invitation to bid:

- a) Reserve the right to indicate whether equivalents (i.e., items of comparable quality) will be considered and under what conditions. Require documentation for all substitutions.
- b) Specify the terms of the contract (i.e., effective dates, extensions of contract).
- c) At certain times a bidder may be required to provide bonding.



# TOWN OF GOFFSTOWN, NH

## Purchasing Policy

- d) Outline how you want the purchase serviced or commodity to be delivered. If applicable, specify who pays for the freight, how damaged goods will be returned, what guarantees exist on the product or work to be performed.
- e) All shipments should be F.O.B. (Free on Board) the municipal destination. Any other F.O.B. terms should be considered exceptions in making the award.

### 5.5 Special Bid Conditions –

If warranted, the following special bid conditions should be included:

- a) Always require a bid and/or performance bond when the project warrants. (RSA 447:16 also requires a payment bond for construction contracts greater than \$125,000 value to ensure payments to contractors and subcontractors.) A performance bond is an amount of money, or insurance bond, provided to the municipality by the bidder, to ensure that a specified service or item is provided in accordance with contract provisions. Although the cost of the bond will be included in the price, it is often the best assurance that the contractor will perform. This is especially important in annual contracts and purchases of major significance.
- b) Always reserve the right to reject all bids, renegotiate any contract and waive any informalities, which do not compromise the actual bid.
- c) If the project to be bid warrants it, hold a bidders' meeting to acquaint the bidders with any special conditions that may affect their bids.

### 5.6 Specifications –

When specifying the goods or services, which will be procured, make sure to:

- a) Clearly define the minimum quality requirements. The bid specifications should be specific enough to ensure the desired level of quality, but also flexible enough to elicit multiple bids.
- b) Consider performance specifications, which allow the bidders' relative freedom in terms of design while ensuring the desired results.
- c) Avoid using brand names, except in special circumstances (e.g., treatment plant pumps).

### 5.7 Quantities and Price –

When specifying quantities and price, be sure to:

- a) Require unit prices extended to total prices including discounts where applicable.
- b) Require that bidders detail reasons for price adjustments in annual contracts.

#### NOTE

**Bidding does not guarantee competitive prices unless the specifications are clear and comprehensive. Too often cities and towns rely upon prospective bidders or advertisement and technical data on single items to prepare specifications.**



# TOWN OF GOFFSTOWN, NH

## Purchasing Policy

When local expertise is lacking, it is best to obtain assistance in preparing specifications. This is especially true in buying specialized equipment that carries high price tags. It is less expensive to get professional assistance than to pay top dollar for items that do not perform up to expectations.

### 6. PREPARATION OF THE INVITATION TO BID

Using the above guidelines, the municipality shall use the following procedure for all bid invitations. The Department Head shall prepare an invitation to bid specifying:

- Time and date for receipt of bids, the address to which bids are to be delivered and the date by which the municipality may select a bid and contract with a vendor.
- Supplies or services being purchased.

#### NOTE

**Specifications should always be written to encourage the maximum possible competition. In most cases, specifications should be written to describe the requirements to be met without having the effect of requiring a proprietary supply or service, or procurement from a sole source. However, a specification may include proprietary descriptions if the Department Head determines that no other manner of description suffices and explains the basis for that determination in writing. If a proprietary description is used, the specification should state that any equivalent product or service meeting the minimum needs of the municipality may be bid and that it is the responsibility of the offeror to demonstrate equivalency of any alternate.**

- All evaluation criteria, standards and performance measures by which the Department Head will determine acceptability as to quality, workmanship, results of inspections and tests, suitability for a particular purpose and any other measures of acceptability.
- All contractual terms and conditions applicable to the procurement.
- That each bidder shall certify on the bid as follows:

**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.**

\_\_\_\_\_  
(Name of person signing bid)



# TOWN OF GOFFSTOWN, NH

## Purchasing Policy

(Date)

(Company)

The Invitation to Bid may incorporate documents by reference, provided that it specifies where prospective vendors may obtain the documents. If the proposed contract period exceeds one year, the Invitation to Bid shall state:

- The amount of supplies or services required for the proposed contract period and whether such amount is the actual amount required, or an estimate.
- That the Department Head shall cancel the contract if funds are not appropriated or otherwise made available to support continuation of performance in any fiscal year.
- That the bidder shall give a unit price for each supply or service.
- Whether a unit price must be quoted for the duration of contract, must be quoted for each fiscal year of the contract, or must be quoted for the first fiscal year and will be adjusted thereafter and what method of adjustment will be used, if any.
- How the award will be determined including how prices will be compared if contractors submit prices for each fiscal year of the contract.
- Specific insurance and bonding requirements. Vendors are required to show proof of liability insurance in the amount of \$1,000,000 with the town named as an additional insured, and workers compensation insurance or in the case of a sole proprietor an Independent Contractor Work Agreement (see Appendix B)

If the proposed contract is to contain an option for renewal or extension, the Invitation to Bid shall contain a notice of provision.

### 6.1 Public Notice –

- a) The Department Head shall make copies of the Invitation to Bid available on an equal basis.
- b) The Department Head shall also give public notice of the Invitation to Bid for a reasonable time prior to the date for the opening of bids. The notice shall:
  1. Indicate where and when an Invitation to Bid may be obtained, where and by what date bids must be submitted, and where and when bids will be opened.
  2. Describe the product or service desired.
  3. Reserve the municipality's right to reject any bids.
  4. Remain posted for at least two weeks in a conspicuous place on or near the purchasing department's office until the time specified in the Invitation to Bid, or receipt of bids.
  5. Be published at least once, not less than one week prior to the time specified in the Invitation to Bid for receipt of bids, on the town's web site and in a newspaper of general circulation within the local region/area.
- c) Be published at least once, not less than one week prior to the time specified in the Invitation to Bid for receipt of bids, on the town's web site and in a newspaper of general circulation within the local region/area.



# TOWN OF GOFFSTOWN, NH

---

## Purchasing Policy

### 6.2 Acceptance of Bids –

- a) The Department Head shall accept bids submitted up to the time specified for receipt of bids in the Invitation to Bid.
- b) All late bids shall remain unopened and shall be rejected unless it is determined by the Select Board or designee that a late bid submission was due to extenuating circumstances at which time the Board or designee may choose to accept the late bid submission.
- c) A bidder may correct, modify or withdraw a bid by written notice received in the office designated in the Invitation to Bid before the time and date set for the bid opening.

### 6.3 Public Bid Opening –

The Select Board or designee shall open all bids publicly, at the time and place designated in the Invitation to Bid, in the following way:

- a) In the presence of at least one witness the Select Board/designee and witness(es) shall sign a statement,
- b) List the names of all bidders and the amounts of their bids;
- c) Close the public bid opening and declare that the list is complete and accurate;
- d) Forward bid documents to respective Department Heads for review for specification compliance and recommendation of bid award to Select Board.

### 6.4 Bid Corrections

- a) After bid opening, a bidder may not change the price or any other bid provision in a manner prejudicial to the interests of the municipality or fair competition.
- b) The department head may waive informalities or allow the bidder to correct them. If a clerical or administrative mistake is made, and the intended bid is clearly evident on the face of the bid document, the Department Head may correct the mistake to reflect the intended correct bid and notify the bidder in writing of the correction. For example, if a bid proposes a unit price, but the extension of such price contains an arithmetic error and the intent of the bid is clear, such an informality may be waived.
- c) A bidder may not withdraw a bid unless a mistake is clearly evident on the face of the bid document and the intended correct bid is not similarly evident.

### 6.5 Evaluation of Bids

The Department Head shall evaluate and compare bids solely with respect to requirements and criteria set forth in the Invitation to Bid.



# TOWN OF GOFFSTOWN, NH

---

## Purchasing Policy

### 6.6 State Contracts

The Department Head may compare prices and terms contained in submitted bids with those available through State and cooperative purchasing contracts. State of New Hampshire contracts are available through the Department of Administration Services at:

<https://das.nh.gov/purchasing>

If a state contract or cooperative purchasing is used, the bidding process can be dropped for this purchase. See also exceptions listed at 2.5 Exceptions to Procedure for Purchase Orders, Quotations & Bids.

### 6.7 Contract Award

- a) The Department Head shall recommend to the Select Board the award of the contract to the lowest responsible and responsive bidder or State contract vendor which best meets the needs of the community.
- b) The Select Board reserves the right to accept or reject any and/or all bids and to waive any specification and/or informality that they deem in the best interest of the Town.
- c) The contract shall be awarded by written notice to the selected vendor by the date specified in the Invitation to Bid for bid selection and contract award, by a later mutually agreed-upon date by the Department Head and the vendor, or by statute where applicable.

## 7. USE OF VENDOR LISTS/PURCHASE CONTRACT PROCESS

### 7.1 Requirement

- a) The use of a vendor list shall be approved by the Select Board on a department-by-department basis.
- b) Failure to adhere to provisions within this policy over use of vendor lists may result in the Board rescinding this decision. The Board reserves the right to approve the use of vendor lists by department and rescind those approvals in consideration of the needs of the Town.
- c) Departments without formal approval of a vendor list shall adhere to the Town's RFP/Sealed bid requirements per 2.3 Sealed Bid and RFP.

### 7.2 Procedure

- a) Department Heads shall obtain approval from the Select Board for use of a vendor list prior to advertisement of vendor list bids.
- b) Services eligible for vendor list bids shall be advertised at least once per year with published notice in the local newspaper at least once; no less than 13 days before the due date of vendor bids.



# TOWN OF GOFFSTOWN, NH

## Purchasing Policy

- c) Department Heads should obtain at least three (3) bids for services requested in the upcoming fiscal year (or other assigned period) to ensure a competitive environment is maintained.
- d) Rates for services requested shall be included in bids obtained. Section 5.7 Quantities and Price shall apply to vendor list bid procedures.
- e) Vendor lists and applicable vendors with documented bids including rates shall be presented to the Board for approval.
- f) Upon need for services as previously approved in the vendor list, the Department Head shall contact all vendors approved for bids of interest. The first vendor response to quote requests may be selected to provide such services in the place of formal sealed bidding procedure requirement under 2.3 Sealed Bid and RFP.
- g) Rates provided in quotes provided for services shall be compared to approved rates under vendor list bids. Variances from approved bid rates shall be questioned with the vendor prior to purchase to ensure the most efficient use of municipal funds.

### **8. DISPOSAL OF SURPLUS PROPERTY (ADOPTED 2/14/2000)**

The Finance Director shall be empowered to take the following measures concerning items deemed obsolete or excess property (excluding real estate and vehicles) by the Department Heads:

- a) Transfer property from one department to another.
- b) Include surplus equipment as trades on replacement equipment.
- c) Sell property by public auction or sealed bid. Said auction or sealed bid to be advertised seven days in advance or posted online for at least 7 days of bidding.
- d) Sell for salvage or dispose of in an appropriate manner, any items that are unsaleable or unwanted.
- e) The Select Board may waive the requirements of this policy if Town interests are better served through other negotiations or processes.

The Finance Director will be responsible for tracking the disposal of surplus property.

### **9. POLICY REVIEW AND AMENDMENTS**

This policy shall be reviewed and re-affirmed on a regular basis, no less often than every five (5) years, to ensure the accuracy and applicability of best practices in procurement procedures applied by the Town.



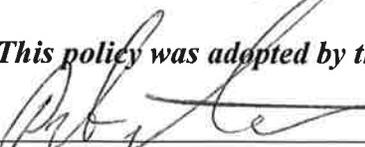
# TOWN OF GOFFSTOWN, NH

## Purchasing Policy

### 10. EFFECTIVE DATE

This policy shall be effective upon a vote of the Select Board and shall replace any and all purchasing policies previously enacted by the Town.

*This policy was adopted by the Goffstown Select Board on the* 12/09/24.

  
Peter Georgantas, Chair

  
Collis Adams

  
Kelly Boyer, Vice Chair

\_\_\_\_\_  
Jim Craig

\_\_\_\_\_  
Mark T. Lemay

<b>Policy Type</b>	Town Financial Policy
<b>Adopted Date</b>	12/09/2024
<b>Adopted By</b>	Goffstown Select Board
<b>Effective Date</b>	12/09/2024
<b>Revision Date</b>	12/09/2024



# TOWN OF GOFFSTOWN, NH

---

## Purchasing Policy

### APPENDICES



# TOWN OF GOFFSTOWN, NH

## Purchasing Policy

### APPENDIX A - PURCHASE PROCEDURES REQUIRED

Purchasing Compliance Quick Reference			
Total Amount of Request	Compliance Requirement	Responsible Party	Approvals Required
\$0.01 up to \$9,999.99	Compare pricing and quality to obtain the best value for the Town	Department purchasing staff	Department Head
\$10,000 to \$24,999.99	Purchase Order. At least 3 written or verbal quotes based on like products or proof of purchasing co-op pricing	Department purchasing staff and Department Head	Department Head, Finance Director or Town Administrator
Goods Valued at \$25,000 or more	Purchase Order and RFP. Competitive bids opened publicly.	Department Head	Governing Body
Contracts Valued at \$25,000 or more	Purchase Order and RFP. Competitive bids opened publicly.	Department Head	Governing Body

*All bids, quotes and/or purchasing co-op pricing must be obtained PRIOR to purchase.*

*NOTE: "Contracts" and "Goods" is defined as the total amount of related purchases and/or the total term value of a contract, rather than an individual invoice.*

### VERBAL QUOTATION GUIDELINES

A minimum of 3 vendors shall be contacted for quotation. Verbal quotations shall include the following information as included on Appendix C:

- Name of the vendor AND the vendor representative that provided the quote.
- Date the vendor was contacted.
- The quoted amount.
- Description of any variances or substitutions provided as part of the quote.
- Name of the Goffstown staff member who obtained the quote.

Note: If the vendor declined to quote, the above information should be provided as evidence the attempt was made and will be kept on file with the PO.

Completion of Appendix C – Verbal Quote Memorandum is required for all verbal quotations.



# TOWN OF GOFFSTOWN, NH

## Purchasing Policy

### APPENDIX B - INDEPENDENT CONTRACTOR (NON-EMPLOYEE) WORK AGREEMENT

**FOR SERVICES BETWEEN:**

**Town of Goffstown:** \_\_\_\_\_

Address: \_\_\_\_\_

*and*

Independent Contractor: \_\_\_\_\_

Address: \_\_\_\_\_

Dates of Service: \_\_\_\_\_

Work to be performed "Service": \_\_\_\_\_

I, the undersigned sole proprietor or partner/owner of an unincorporated business named above, agree that I am an Independent Contractor as outlined in the *NH Department of Labor (DOL) Criteria to Establish an Employee or Independent Contractor (revision 05/2022)* with respect to the Services to be performed and all such Services I provide shall be performed in accordance with each of the criteria outlined below. I further agree not to enter into any agreements and/or contracts with any other contractors, sub-contractors, individuals or entities to assist with any of the Services for this project without the prior, written consent of the **Town of Goffstown**.

#### **NH Criteria to Establish an Employee or Independent Contractor**

- a) The person possesses or has applied for a federal employer identification number or social security number, or in the alternative, has agreed in writing to carry out the responsibilities imposed on employers under this chapter.
- b) The person has control and discretion over the means and manner of performance of the work, in that the result of the work, rather than the means or manner by which the work is performed, is the primary element bargained for by the employer.
- c) The person has control over the time when the work is performed, and the time of performance is not dictated by the employer. However, this shall not prohibit the employer from reaching an agreement with the person as to completion schedule, range of work hours, and maximum number of work hours to be provided by the person, and in the case of entertainment, the time such entertainment is to be presented.



# TOWN OF GOFFSTOWN, NH

## Purchasing Policy

- d) The person hires and pays the person's assistants, if any, and to the extent such assistants are employees, supervises the details of the assistants' work.
- e) The person holds himself or herself out to be in business for himself or herself or is registered with the state as a business and the person has continuing or recurring business liabilities or obligations.
- f) The person is responsible for satisfactory completion of work and may be held contractually responsible for failure to complete the work.
- g) The person is not required to work exclusively for the employer.

I hereby certify that I am aware of my right to purchase Workers' Compensation insurance.

- I, the undersigned, hereby attest that I have procured workers' compensation insurance from:

Carrier: \_\_\_\_\_

Effective dates: \_\_\_\_\_ to \_\_\_\_\_

Limits of liability: \_\_\_\_\_ **and** *I am attaching a valid Certificate of Insurance from my workers' compensation insurance carrier.*

- I have elected not to purchase workers' compensation insurance.

In the event that I get hurt or injured on the job, I agree that I will not file any claim for Workers' Compensation benefits pursuant to RSA 281:A against the **Town of Goffstown** or any of its public officials, employees, or assigns. I understand that any loss of wages and medical expenses that may be incurred as a direct or indirect result of an accident while on the job or while contracting for the **Town of Goffstown** are my sole responsibility.

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

Witness Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

**NOTE:** *Digital appendices will be made available to departments for use upon approval of policy.*



# TOWN OF GOFFSTOWN, NH

## Purchasing Policy

### APPENDIX C - VERBAL QUOTE MEMORANDUM

**Name of Vendor:** \_\_\_\_\_

**Vendor Representative:** \_\_\_\_\_

**Date of Contact:** \_\_\_\_\_

Declined to Quote?    Yes    No

**Description of Services Quoted:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Amount of Quote:** \_\_\_\_\_

**Description of Variances/Substitutions Provided as Part of the Quote:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Staff Responsible for Obtaining Quote:** \_\_\_\_\_

*Print Name*

Reviewed by: \_\_\_\_\_

*Department Head Signature*

Reviewed by: \_\_\_\_\_

*Finance Director Signature*



# TOWN OF GOFFSTOWN, NH

## Purchasing Policy

### APPENDIX D – CRITICAL INFORMATION TECHNOLOGY BID MEMORANDUM

**Description of Purchase Requested:**

---

---

**Nature of Critical Information Technology: Hardware / Software / Infrastructure**

**Cause for Immediate Need:**

---

---

---

**Historical Cost of Replacement Equipment or Infrastructure (if applicable): \$ \_\_\_\_\_**

**Requesting Exemption from:**

- Purchase Order Procedure (unless required by vendor)
- Bid Procedure

Reviewed by: \_\_\_\_\_  
*Department Head Signature*

Reviewed by: \_\_\_\_\_  
*Finance Director Signature*



# TOWN OF GOFFSTOWN, NH

## Purchasing Policy

### APPENDIX E – LIMITED/SOLE-SOURCE MEMORANDUM

**Competitive Sourcing Limitation Requested:**

- Limited-Source (Numerical quote requirement may be waived)
- Sole-Source (Bid and quote requirement may be waived)

**Description of Purchase Requested:**

---



---

**Explanation for Limit to Competitive Sourcing:**

---



---



---

**Historical Sourcing (if applicable):**

Vendor: \_\_\_\_\_ Last Sourcing Period (Year): \_\_\_\_\_

Vendor: \_\_\_\_\_ Last Sourcing Period (Year): \_\_\_\_\_

Vendor: \_\_\_\_\_ Last Sourcing Period (Year): \_\_\_\_\_

*REMINDER: A **limit** to competitive sourcing does not constitute waiver of proper competitive bid or quote procedures in their entirety, only the extent to which those procedures are exercised. The extent to which the policy is waived is at the discretion of the Board or their designee.*

Reviewed by: \_\_\_\_\_  
*Department Head Signature*

Reviewed by: \_\_\_\_\_  
*Finance Director Signature*

**Approval Determination (document extent of exception):**

---



---



---



# TOWN OF GOFFSTOWN, NH

## Purchasing Policy

### APPENDIX F – STATE/PROCUREMENT AGENCY QUOTE/BID MEMORANDUM

**Description of Purchase Requested:**

---

---

**Procurement Agency:** \_\_\_\_\_

***REMINDER:** Attach procurement agency bid documentation and any support to substantiate election to choose alternative vendor for cost savings.*

Cost per Procurement Agency: \$ \_\_\_\_\_ (*Attach breakdown, if applicable*)

Cost per Alternative Vendor: \$ \_\_\_\_\_ (*Attach breakdown, if applicable*)

Cost Budgeted (if applicable): \$ \_\_\_\_\_

**Additional Equipment Required for Upfit:**

---

---

**Included in Agency Bid?**  Yes  No

Estimated Cost: \$ \_\_\_\_\_

Cost Budgeted (if applicable): \$ \_\_\_\_\_

***NOTE:** This exception does **not** apply to upfit costs not included in the bid(s) established by the procurement agency. This section is for budgetary planning purposes that may impact the outcome of approval.*

**Reviewed by:** \_\_\_\_\_

*Department Head Signature*

**Reviewed by:** \_\_\_\_\_

*Finance Director Signature*



# TOWN OF GOFFSTOWN, NH

## Purchasing Policy

### APPENDIX G – DIAGNOSTIC REPAIR MEMORANDUM

**Description of Purchase/Service Requested:**

---

---

**Equipment/Vehicle Being Diagnosed/Repaired:** \_\_\_\_\_

**Shop/Vendor to be Utilized for Diagnostics:** \_\_\_\_\_

**Specific Reason Vendor will be Utilized (if any):**

---

---

*NOTE: This exception should be completed **prior** to diagnostic work being performed but may be submitted for approval after vehicle/equipment is delivered to intended vendor (especially if said equipment was towed to this location) and the extent of damages are unknown at the time they are incurred.*

**Reviewed by:** \_\_\_\_\_

*Department Head Signature*

**Reviewed by:** \_\_\_\_\_

*Finance Director Signature*



# TOWN OF GOFFSTOWN, NH

## Purchasing Policy

### APPENDIX H – EMERGENCY PURCHASE MEMORANDUM

**Description of Purchase(s)/Service(s) Requested:**

---

---

*NOTE: In place of duplication, attach effectively documented purchase order per 3.2 Emergency Purchase Procedure.*

**Cause for Emergency:**

---

---

**Estimated Cost (if known):** \$ \_\_\_\_\_

Reviewed by: \_\_\_\_\_  
*Department Head Signature*

Reviewed by: \_\_\_\_\_  
*Finance Director Signature*



# TOWN OF GOFFSTOWN, NH

## Purchasing Policy

### APPENDIX I – CONTRACTUAL MAINTENANCE AND REPAIR MEMORANDUM

**Description of Purchase/Service Requested:**

---

---

**Vendor Permissible under Contract/Service Agreement:** \_\_\_\_\_

**Conditions of Contract Applicable to Purchase/Service:**

---

---

---

*NOTE: Attach applicable contract (or section with specific language) in place of verbatim explanation above. Please note page numbers.*

**Does the Intended Purchase Exceed Services Covered under Contract?**  Yes  No

Reviewed by: \_\_\_\_\_  
*Department Head Signature*

Reviewed by: \_\_\_\_\_  
*Finance Director Signature*



# TOWN OF GOFFSTOWN, NH

## Purchasing Policy

### APPENDIX J – TECHNOLOGY SUBSCRIPTION RENEWAL MEMORANDUM

**Description of Purchase/Service Requested for Wavier:**

---

---

**Vendor Permissible under Contract/Service Agreement:** \_\_\_\_\_

**Conditions of Contract Applicable to Purchase/Service:**

---

---

---

*NOTE: Attach applicable contract (or section with specific language) in place of verbatim explanation above. Please note page numbers.*

**Does the Intended Purchase Exceed Services Covered under Contract?**  Yes  No

Reviewed by: \_\_\_\_\_  
*Department Head Signature*

Reviewed by: \_\_\_\_\_  
*Finance Director Signature*