

TOWN OF BRISTOL

PURCHASING POLICIES AND PROCEDURES

1. Introduction

The purpose of this document is to provide the policies and procedures necessary for the conduct of purchasing activities for the Town of Bristol. This policy is designed to:

- a) Encourage maximum competition through fair and equal opportunity to those qualified and interested bidders.
- b) Provide a uniform procedure for the procurement of material, equipment, supplies, and services.
- c) Ensure that the taxpayers are getting the "best overall value" for their dollars.
- d) Apply to all Town Departments under the authority of the Town Administrator and/or Select Board.

2. Purchasing Procedures

- a) All purchases require prior approval by the Department Head.
- b) All purchases and expenditures shall have an invoice or other acceptable documentation attached. The only exceptions are if the Finance Office has a written contract or agreement on file or a vendor requires a purchase order.
- c) Purchase Authorization shall be issued prior to purchase.
- d) See Grants & Donations Policy and Barter Policy for purchases acquired by these methods.
- e) Some of the factors considered when determining the "best overall value" are:
 - i. Price
 - ii. Quality
 - iii. Warranty
 - iv. Service
 - v. Availability
 - vi. Past Performance with Town of Bristol
 - vii. References

3. For Purchases

- a) **Up to \$1,500.00:** Department Heads shall have full authority to make departmental purchases of goods or services up to \$1,500.00 which are identified or anticipated within the department's annual budget. Employees are encouraged to do whatever is practical to secure competitive pricing from multiple sources.

- b) **Between \$1,501.00 and \$2,999.99:** Department Heads shall have full authority to make departmental purchases of goods or services up to \$2,999.99 for those items which are identified or anticipated in the Town's budget. Informal bids or quotes from at least three sources must be obtained. Telephone bids should be documented and/or written quotations from the vendors should be solicited. This documentation should be attached to payment invoices.

- c) **Between \$3,000.00 and \$9,999.99:** Subject to approval of the Town Administrator, Department Heads shall have full authority to make departmental purchases of goods or services up to \$9,999.99 for those items which are identified or anticipated in the Town's budget. Informal written bids or quotes from at least three sources must be obtained. Faxed or emailed quotations are acceptable. Purchases must be supported by written quotations from vendors. The Department Head shall present the required quotations to the Town Administrator, along with a recommendation, prior to purchase. The Town Administrator shall inform the Select Board of such a purchase at the next scheduled meeting of the Board.

- d) **Over \$10,000.00:** The formal sealed bid process is used for major purchases. An invitation to bid must be publicly advertised in a newspaper of general circulation at least ten (10) days prior to the date set for opening. Bid specifications require the approval of the Town Administrator. Formal bids must be received sealed and in writing by a posted deadline.

All bids shall be opened before the public at a date, time and place designated in the bid request. The Town Administrator or his/her designee and a Select Board member shall open all bids. Late bids will not be accepted. Award of purchase or contract requires the approval of the Town Administrator and the Select Board.

If at least three bids are not received the Town Administrator may require a re-bid.

4. Unanticipated Purchases

Purchases for goods and services in excess of \$3,000.00 not identified or anticipated within the current years approved operating budget shall require the approval of the Town Administrator and the review and approval of the Select Board, Exceptions for emergency purchases will be handled as outlined in section 10 of this policy.

5. Capital Item/Warrant Article Purchases

Purchases for goods and services that meet the definition of a Capital Item or Warrant Article will follow the path of all other purchases as defined in Section 3 of the Purchasing Policy.

6. Professional Service Contracts

Either the Request for Proposal (RFP) or the Request for Qualifications (RFQ) process (or a combination) may be used. The primary difference between the two processes is that in the RFP process a specific proposal is requested, received and evaluated. The proposal includes a scope of work and a cost proposal. In the RFQ process, Statements of Qualifications (SOQs) are requested, received and selection is made upon those qualifications. In this process, a mutually acceptable scope of work and contract amount is negotiated with the successful bidder.

The RFP/RFQ must be approved by the Town Administrator, must be in writing and must be posted in the Town's official posting place, and publicly advertised in a newspaper of general circulation at least ten (10) days prior to the date set for opening. Proposals or SOQs must be submitted to the Town in a sealed envelope marked with the name of the request as indicated in the instructions.

Proposals shall be opened before the public at a date, time and place designated in the RFP. All proposals shall be opened by the Town Administrator (or his/her designee) and other pertinent Town employees or officials. The proposals shall be analyzed (based upon the "best overall value" to the Town) and documented including staff recommendation. Award, including approval of contracts, shall be made by the Select Board upon review and recommendation by the Town Administrator.

If at least three submissions are not received the Town Administrator or Board of Selectmen may require a new solicitation process.

7. Major Construction Projects

In the case of contracts for the construction, repair or rebuilding of public buildings, public highways, bridges or other public works where the estimated cost of the project is \$35,000 or more, a determination of responsibility of interested contractors shall precede the issuance of invitations to bid. Invitations to bid shall be issued only to firms which have, in the Town's sole determination, been pre-qualified.

Prequalification of firms shall be based on:

- i. The ability, capacity and skill of the bidder to perform the contract or service
- ii. How promptly can the service be provided – can it be done within the specified timeframe
- iii. The character, integrity, reputation, judgment, experience and efficiency of the bidder
- iv. The quality of performance of previous contracts or services
- v. The sufficiency of financial resources of the bidder
- vi. The ability of the bidder to perform warranty or future maintenance
- vii. Others as required

For such projects valued at \$35,000 or more, the Town shall obtain as a condition precedent to the execution of any contract, sufficient security as provided for under RSA 447:16.

8. Public Auction

With the approval of the Town Administrator, purchases may be made through public auction. The Department must provide to the Town Administrator in writing, quotes from like products in order to provide a realistic price comparison. Additional authorizations may apply based on estimated dollar amount (see purchase levels in section 3). Additionally, upon receiving this information, and verifying budget availability, written authorization by the Town Administrator and/or Select Board indicating the amount "not to exceed" may be granted allowing the Department Head or their designee to attend the auction and bid on that particular product.

If a purchase is made through a public auction, all documentation must be retained and submitted to the Finance Department.

9. Cases Not Requiring Bidding Procedure

The Town Administrator may approve a purchase without a bid under the following conditions: (Levels of review cited in Section 3 still apply.)

- a) Item is to be purchased under State or Federal Bid lists;
- b) Only one known source of purchase, and there is no comparable substitute product or service; Written documentation supporting the sole source must be provided;
- c) Specific type or brand of supply or part necessary for acceptable operation of a machine or device, or as required by warranty or contract on the machine or device; written documentation supporting the purchase of a specific brand or part necessary for acceptable operation of a machine or device must be provided;
- d) An item or service that is required on an emergency basis; If any such emergency purchase is \$10,000 or more, written notification to the Town Administrator and Board of Selectmen shall be given within 72 hours (including weekends and holidays) of the purchase.

10. Emergency Procurements

Emergency Procurements Definition: Emergency procurements may be made when a threat to public health, welfare or safety exists, provided that such emergency procurement shall be made with such competition as is practical under the circumstances.

In case of an emergency requiring immediate purchase of materials, supplies, equipment or services, the Town Administrator hereby authorizes the Department Heads to approve such emergency purchase if the situation permits up to \$10,000. The Town Administrator shall be notified as soon as possible as to the emergency and the associated purchases. A written determination for the basis of the emergency and for the selection of the particular contractor or vendor shall accompany purchase request. As soon as is practicable, standard purchasing procedures will be reinstated.

11. Artificial Division Prohibited

Purchases shall not be artificially divided so as to create lower purchase amounts and therefore avoid some or any requirements of this policy. Whether or not a proposed purchase constitutes artificial division shall be determined by the Town Administrator and/or Select Board.

12. Exceptions

Exceptions to the policy will be determined on a case-by-case basis by the Select Board.

13. Local Advantage

The Town of Bristol will make every effort to purchase from businesses located within the Bristol area if the purchase fits into the category of "best overall value." It must be noted that The Town of Bristol employees and officials have a responsibility to the taxpayers of the Town to ensure that bids are awarded to vendors offering their products or services at the "best overall value" to the Town.

14. Cancellation and Rejection of Bids

An invitation to bid, request for proposal, or other solicitation may be canceled, or any or all bids or proposals may be rejected, in whole or part, as may be specified in the solicitation when it is in the best interest of the Town. The reasons shall be made part of the formal bid file.

15. Pre-qualifications of Suppliers

Prospective suppliers may be pre-qualified for particular types of supplies and technical and construction services.

A "Request for Qualifications" will be solicited and advertised in order to establish a pre-qualified vendors list. Upon establishment of a pre-qualified vendors list, requests for proposals or requests for quotations may be submitted to individuals or companies on the list.

16. Disqualification of Bidders

The Select Board shall have the authority to disqualify bidders who default on their bids, quotations, or contracts from receiving further awards from the Town. Such decisions will be subject to the right of the disqualified bidder to appeal to the Select Board for a reversal.

17. Suppliers Source List

Prospective suppliers may be pre-qualified for particular types of supplies and technical and construction services. A list of these shared sources will be maintained in each Department's Office and will be made available to Town employees when they are looking for vendor sources from which to solicit bids.

18. Bulk Purchasing

For purchases such as office supplies, telephone, electricity, heating fuel, vehicle fuel, technology, facility or vehicle repairs, which can be used for several departments, every effort should be made to use one vendor and/or 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, with the Town Administrator's office coordinating these purchases.

19. Ethics in Public Purchasing and Contracting

It shall be unethical for any Town employee or official involved in making procurement decisions to have personal investments in any business entity that will create a substantial conflict between their private interests and their public duties.

All related-party transactions shall be documented in writing and submitted to the Finance Office for inclusion in the annual independent audit. All related-party transactions shall be listed separately and will include the relationship and amount paid.

It shall be unethical for any person to offer, give, or agree to give any Town of Bristol employee, or for any Town of Bristol employee or official to solicit, demand, accept, or agree to accept from any vendor or business, a gift or gratuity in any amount in connection with any decision, approval, disapproval, or recommendation concerning a solicitation.

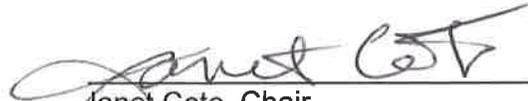
Inexpensive advertising items, bearing the name of a vendor, such as pens, pencils, paper weights, cups, candy, calendars, etc., are not considered articles of value or gifts in relation to this policy.

Failure to comply with the provisions of this policy will result in disciplinary action.

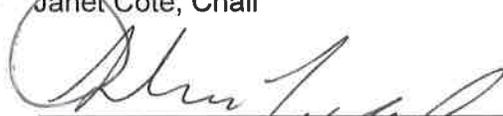
20. Authority

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

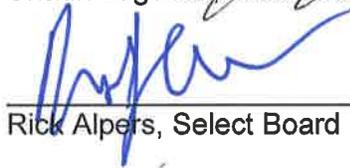
This Town of Bristol Purchasing Policies and Procedures has been revised and adopted by the Select Board effective September 10, 2015.



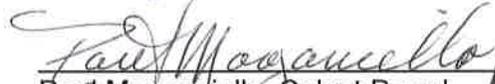
Janet Cote, Chair



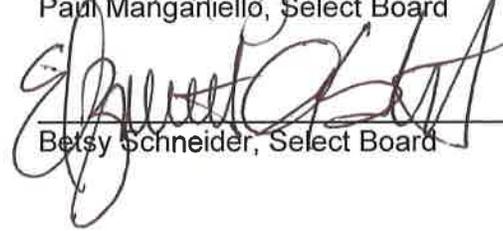
Shaun Lagueux, Vice Chair



Rick Alpers, Select Board



Paul Manganiello, Select Board



Betsy Schneider, Select Board



