



PURCHASING POLICIES TOWN OF NEW DURHAM

SECTION I: PURPOSE

These policies, known collectively as the “purchasing policies” of the Town of New Durham, are adopted:

- (i) For 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.
- (ii) This policy explicitly details the levels of authority granted to various governmental officials of the Town of New Durham as well as providing direction for to the steps involved in the procurement of goods and services for the Town.

SECTION II: DEFINITION

“*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.

“*Department Head*” Any reference to a Department Head is also meant to include elected Committee/Board Chairperson.

“*Second In Command*” appointed by the Department Head to serve as backup PO and/or invoice approver in the absence of the Department Head. If department does not have a second in command, Finance Manager will serve as backup.

SECTION III: 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 IV: CONFLICT OF INTEREST

In accordance with RSA 95:1, no person holding a public office in the Town of New Durham, 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 New Durham.

The above section shall also apply to all employees of the Town of New Durham.

It shall be unethical for any Department Head involved in making procurement decisions to have personal (including immediate family members) and/or including any investments in any business entity that will create a substantial conflict between their private interests and their public duties.

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It shall be unethical for any person to offer, give, or agree to give any Town of New Durham employee/ board-committee member or for any Town of New Durham employee/ board-committee member 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, paperweights, cups, candy, calendars etc. are not considered articles of value or gifts in relation to these policies.

SECTION V: 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 VI: PURCHASE ORDERS

All purchases of more than \$1,500 shall require a purchase order signed by the Department Head and any other individual or groups as required by these policies and as outlined in Section VII: Purchase Levels. **Purchase Order must be approved and issued within the purchasing system prior to the commitment of or acquisition of goods, services, or equipment.** If cost estimate is unknown at the time of the Purchase Order creation, Purchase Order can be issued using a price range not to exceed a specific dollar value.

- a. All purchases that are of a contractual nature or related to ongoing operational expenditures shall be assigned an annual blanket purchase order number. 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 an initial purchase order executed as referenced below:
 1. **VEHICLE FUEL**: Initial delivery after start of contract year, (all subsequent orders shall reference the initial [blanket] order).
 2. **CONTRACTS**: 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. **SERVICE CONTRACTS**: Contracts like snow plowing, subject to an approved list at the beginning of each season or similar.
 4. **OTHER**: Ongoing product purchases expected to accumulate above the thresholds determined in Section VII.
- b. All non-contractual or non-reoccurring operational purchases shall require a purchase order number and the appropriate authorizing signatures in accordance with Section VII.
- c. The following obligations and/or purchases shall be exempt from purchase order requirements:
 1. **UTILITIES**: Including building heat (oil, gas, etc.), electricity and telephone expenses.

2. **SERVICE/CONTRACTUAL AGREEMENTS**: Including ongoing equipment, services, and software service agreements with a list of such agreements maintained by the Town Clerk; ongoing contracted employee, Planning & Development department contracted employees; and legal services.
 3. **HUMAN SERVICES Welfare**: Including payments made on behalf of employees as part of their job description/training and human service contributions/ payments.
- d. 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.
 - e. **DISTRIBUTION**: One copy of the purchase order shall be given to the vendor, one to Finance Department, and one maintained in the department files.
 - f. **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. The unit costs.
 6. Any extra charges such as freight, insurance, etc.
 7. Total amount of purchase and related budget amount (blanket P.O.'s).
 8. Place and expected time of delivery.
 9. Date the order is prepared.
 10. Purchase order number.
 11. Budget account which to charge the purchase.

SECTION VII: PURCHASE LEVELS

- A) PURCHASES UP TO \$3,000**: The Department Head or Second in Command shall have full authority to make departmental purchases of goods or services up to \$3,000, which are identified within the department's annual budget. Items that are not identified for operating expenses are to be reviewed by the Finance Manager with the collaboration with the Town Administrator and recommended to the Board for approval. This will also hold true for end-of-year expenditures.
- B) PURCHASES BETWEEN \$3,001 AND \$10,000**: The Town Administrator shall have full authority to approve departmental purchases of goods or services up to \$10,000 for those items which are identified in the department's annual budget. The Department Head or Second in Command shall submit a purchase order to the Town Administrator for approval. In the absence of the Town Administrator, Finance Manager will serve as backup approver. Items that are not identified for operating expenses are to be reviewed by the Finance Manager with the collaboration with the Town Administrator and recommended to the Board for approval. This will also hold true for end-of-year expenditures.
- C) PURCHASES BETWEEN \$10,001 AND \$30,000**: For purchases between \$10,001 and \$30,000 the Department Head or Second in Command shall contact as many vendors as necessary to obtain at least three (3) written or verbal quotations, when feasible. The Department Head or Second in Command shall present any and all quotations to the Town Administrator, along with a recommendation, for the board of selectmen's 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.

D) PURCHASES ABOVE \$30,001: Purchases having an estimated cost more than \$30,001 shall be bid pursuant to the competitive procurement guidelines established in these policies under Section IX.

E) 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 more than \$3,000. In no instance may the requirement of a purchase order be avoided by making multiple individual purchases in succession.

F) Operational budget items identified as included typically include daily, monthly and annually break-fixes, repairs, etc.

NOTE: The above thresholds do not include shipping/freight costs.

SECTION VIII: BULK PURCHASING

For purchases such as telephone, 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.

SECTION IX: TYPES OF COMPETITIVE PROCUREMENT

REQUEST FOR PROPOSALS: Certain professional services, such as architectural, engineering, and auditing, are more appropriately solicited through a Request for Proposals (RFP). This is due to the need to consider factors other than price, such as professional qualifications, previous experience in related projects, and review of support staff's backgrounds.

When soliciting for RFP's the specifications must contain the following information: scope of services to be performed; timing; evaluation criteria; minimum qualifications of professional experience; and price.

The Town shall solicit proposals from at least three (3) vendors, when feasible, providing the professional service. Selection should be made by utilizing the following criteria:

- a. proposal review.
- b. interview of vendor.
- c. reference checks, including site visits if applicable.

THE COMPETITIVE BID PROCESS

The Town Clerk shall maintain contract 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.

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- 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.
- 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.

BID SPECIFICATIONS: The Department Head shall prepare specifications 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:

- 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. All samples will be returned to the vendors after the bid completion.
- c. The Town's Tax-Exempt Number: 02-6000596
- d. The terms of the contract, including effective dates, extension terms, termination clauses, and other applicable terminology.
- e. The party responsible for the freight and insurance charges, as well as how damaged goods will be returned and the extent of guarantees.
- f. Where applicable, performance bonds will be required and shall always be required, as specified by RSA 447:16, for construction projects with a value of \$75,000 in behalf of the state or \$125,000 in behalf of a political subdivision, and may if it involves an expenditure of less amount, obtain as a condition precedent to the execution of the contract.
- 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. 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.
- i. 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.
- j. 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.
- k. The following non-collusion clause shall be part of every bid specification package. A bidder must sign this statement for the bid to be valid.

“The undersigned certifies under penalties of perjury that this bid is in all respects bona fide, 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)

(Date)

(Company)

PUBLIC NOTICE: The Town Administrator shall invite all bids by advertisement in at least one (1) post to New Hampshire Municipal Association, such publication to be at least fourteen (14) 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 Hall, for a period of not less than two weeks (14 days).

The Invitation to Bid shall include the following information:

- a. time and date of receipt of bids
- b. address to which the bid is to be delivered
- c. date by which the Town may accept the bid and contract with the vendor
- d. a general description of the good or service being purchased
- e. any, and all contractual terms and conditions applicable to the purchase
- f. indicate where and when an Invitation to Bid may be obtained
- g. indicate where and by what date bids must be submitted
- h. indicate where and when bids will be opened, and by whom
- i. provide a description of the good or service requested
- j. reserve the Town’s right to reject any, and all bids.

AVAILABILITY OF SPECIFICATIONS: The Town Administrator shall mail copies of these specifications to those firms/vendors as listed if requested, as well as additional firms who may request a copy. The Town Administrator reserves the right to charge for copies according to size and complexity (i.e., construction drawings, etc.)

EXAMPLE OF BID PUBLIC NOTICE: “The Town of New Durham , New Hampshire is currently accepting bids for the (name of bid item). Bid specifications are available from the *Town Hall, 4 Main St, New Durham, New Hampshire, 03855-0207, Tel: (603) 859-2091.*

Sealed bids will be received until 4:00 PM, month, date, and year. Bids will be publicly opened and read at that time and approved at the next Selectmen’s Meeting at 6:00 PM. The Town of New Durham reserves the right to reject any, and all bids if deemed in the best interest of the Town.”

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 Town Clerk or Town Administrator. Any late bids will be rejected. A bidder may correct, modify, or withdraw a bid by written notice received in the Town Administrator's Office before the time and date set for the bid opening.

Telegraphic bids (meaning by telegram, mailgram, or by facsimile) will be considered or accepted unless prohibited by the solicitation.

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

BID OPENING: All bids will be opened by the Town Administrator at the time and date specified in the Public Notice. The names and quotes for all bidders shall be listed in the recorded minutes of the Selectmen's minutes and made available for public inspection. The Town Administrator may authorize a designee to open the bids. The Town Administrator shall notify all bidders of any changes in the opening time and/or date.

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 New Durham or fair competition.

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.

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, or the ability to obtain them.
- 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.

SECTION X: MISCELLANEOUS PROVISIONS

- a. **SOLE SOURCE PROPOSALS:** The Town of New Durham 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 have been followed and documented by the Town's soliciting authority.

- b. **STATE, FEDERAL AND MULTI-JURUSDIRECTIONAL CONTRACTS:** The Town of New Durham may whenever possible, utilize preexisting State, Federal and recognized Multi-jurisdictional contracts. These contracts have been awarded through a public bidding process and administered in accordance with State and Federal competitive bidding laws and guidelines. The agencies which are recognized are: State of New Hampshire, Department of Administrative Services, Division of Procurement and Support Services, Bureau of Purchase and Property, Sourcewell (Former NJPA), and other multi-jurisdictional contracts (i.e., Multi-Town, State, County, or consortium of government entities.)

- c. **CHANGE ORDERS:** Whenever a change of a monetary kind occurs on the original purchase order, a new order with the updated information must be submitted by the Department Head, modifying the purchase order. The modified order will be re-routed for approval with the notation "Modifying or Changing Purchase Order No. ."

- d. **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, or their designee in accordance with the limits outlined in Section VII.

For purposes of this paragraph only, the competitive procurement provisions of these policies may only be waived by the Chairman of the Board of Selectmen or his/her designee. This waiver shall only be considered when there exists a special emergency involving the health and safety of the people or their property.

SECTION XI: DISPOSAL OF SURPLUS PROPERTY

Any property, which is considered to be surplus and valued at over \$100 must be presented to the Town Administrator 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 \$100 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 IX.

SECTION XII: AMENDMENTS

These policies may from time to time be amended by the vote of the Board of Selectmen at a properly scheduled Selectmen's Meeting.

SECTION XIII: 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.

Amended by the Board of Selectmen: April 14, 2026

Revised and reapproved May 12, 2026



Rudy Rostello, Chairman



Ken Ross-Raymond, Vice Chair



Dorothy Veisel, Member

Public Hearing Date Adoption: October 15th, 2007

Amend April 2, 2012

Amend July 11, 2016

Amend March 20, 2017

Amend March 25, 2019

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