

# Office of Selectmen

Post Office Box 139  
Moultonborough, N.H. 03254  
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## STATEMENT OF POLICY No. 23

### COMPETITIVE BIDDING POLICY

- I. Reason. Article 10, Town Warrant, March 13, 1991, as amended.
- II. Purpose. To standardize the Town of Moultonborough procedures for the purchase of all goods and services in excess of five thousand dollars (\$5,000.00), the sale and disposal of municipal property, and the clarify the duties and responsibilities of the Selectmen or their designee and department heads relative to this regulation.
- III. Description. The Board of Selectmen or their designee shall act as coordinator for the solicitation of bids for services and purchases in excess of five thousand dollars (\$5,000.00) and the sale or disposal of municipal property.
- IV. Responsibility.
  - A. Department heads are responsible for timely determination of their purchasing needs and the amounts and types of materials, services and equipment required and for submission to the Board of Selectmen or their designee.
  - B. The Board of Selectmen or their designee will keep department heads advised of matters related to purchasing and coordinate the bid specifications.
  - C. Department heads should supply the Executive Secretary with a list of estimated annual requirements of frequently used supplies and services thereby fostering group purchasing where feasible.
- V. Applicability. This regulation shall apply to all departments and department heads of municipal government.
- VI. Purchasing
  - A. Definitions
    1. Bid. A "bid" is a request for a price for goods or services.
    2. Competitive Bid. The process of achieving that which is most advantageous for the service, material or equipment needed.
    3. Most Advantageous. That which, as construed to be in the best interest of the Town of Moultonborough after careful consideration of cost, quality and service

reputation of the vendor for the commodity requested. The “low bid” may not necessarily be the most advantageous.

4. **Emergency Purchase.** That which, as determined by the Board of Selectmen, construed to be detrimental to the Town if not promptly purchased or repaired.
5. **Group Purchase.** The coordinated purchase made by grouping two (2) or more department requirements.
6. **Informal Bids.** Quotations obtained from vendors in writing or by oral communication.
7. **Formal Bids.** Quotations from vendors submitted in sealed envelopes.
8. **Specifications.** The qualitative standards set to be utilized as a guide and measure of quality which successful vendors must achieve. Specifications shall not restrict purchases as to trade name or eliminate bids being submitted on items that have the same specifications but not as to a specific trade name.
9. **Purchasing.** “Purchasing” shall mean buying, renting, leasing or otherwise obtaining supplies, services or equipment.
10. **Supplies.** “Supplies” shall mean all supplies, materials or equipment.
11. **Invitation for Bids.** The complete assembly of information or related documents furnished prospective bidders for preparing bids.

B. **Procedure.** The Board of Selectmen or their designee in conjunction with the department head involved shall prepare the necessary material(s) for conducting the bidding process.

1. **Preparation.** The describing of requirements or specifications to describe clearly, accurately and completely the goods or service needed, avoiding unnecessarily restrictive specifications or requirements that would unduly limit the number of bidders.
2. **Publicizing.** The prepared materials shall be available at the Office of Selectmen. The Request for Bids to be posted at the Town Office and One (1) other public place within the Town of Moultonborough, advertised at least once in one local newspaper of general circulation with the last publication at least seven (7) days prior to the deadline for receiving such bids.
3. **Submission.** Bids shall be received at the Office of Selectmen until the deadline date. Bids received before the bidder may withdraw the deadline prior to the deadline. No bid shall be accepted after the deadline. No bid may be withdrawn after the deadline. A bid bond may be required and a non-refundable application fee for plans or specifications may be assessed. All fees collected shall be made payable to the town of Moultonborough and deposited by the Town Treasurer.
4. **Awarding.** Bids shall be opened in public meeting by the Board of Selectmen and recorded in the Minutes of the meeting. The Board of Selectmen may award

the contract after examination of all proposals, taking into account the cost, quality of materials, type and reputation of service of the vendor to determine which is construed to be most advantageous to the Town of Moultonborough.

5. Rebidding. The Board of Selectmen may direct a re-post for bids in the event no initial bids are received or bids received are, in the opinion of the Selectmen, not construed to be to the advantage of the Town.
- VII. Emergency. The Town Administrator, department head or a member of the Board of Selectmen, after attempting to reach the other Board members, shall permit an emergency purchase without the bidding process if in their judgment a delay would cause hardship to services provided by the Town to its citizens.
- VIII. Sale or Disposal. In the event municipal property becomes surplus to Town needs, the Board of Selectmen may dispose of the surplus item.
  - A. If such surplus item has an estimated value in excess of five thousand dollars (\$5,000.00), the item will be offered for competitive bidding as outlined in Section VI, B., above.
  - B. Items determined to have an estimated value of five thousand dollars (\$5,000.00) or less will be disposed of by majority vote of the Board of Selectmen to be construed as the best advantage to the Town of Moultonborough.
  - C. Municipal property considered for trade-in shall not be offered for bid.
- IX. Inter-governmental Purchases. The competitive bid process outlined above will not apply when purchases are made through the State of New Hampshire, at state bid price, or through other municipal agencies.
- X. Professional Services. All contracts involving professional services, to include but not be limited to, auditors, ambulance service, engineers, attorneys, physicians, architects or postage and utilities for the Town of Moultonborough may not, by majority vote of the Board of Selectmen, need to follow the bidding process outlined above.
- XI. The Board of Selectmen shall not be restricted from considering proposals for goods and services if in their wisdom it would be beneficial for the Town. Neither will they be denied the power to negotiate for the best advantage to the Town for either obtaining supplies or dispensing supplies.
- XII. This regulation may be changed or amended by a majority vote of the Board of Selectmen, as conditions may dictate.

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This policy shall be effective the 24<sup>th</sup> day of April, 1991.

Date of Adoption:  
April 18, 1991

Ernest E. Davis, Jr., Chairman  
Allen R. Wiggin  
Tina C. Borrin  
BOARD OF SELECTMEN

This Policy received review, revision and update on April 20, 2006.

Karel A. Crawford, Chairman  
Edward J. Charest  
Ernest E. Davis, Jr.  
James F. Gray  
Joel R. Mudgett

BOARD OF SELECTMEN