

Tilton-Northfield Fire & EMS Special Commissioners' Meeting Purchasing Policy

Meeting called by:	Commissioners	Date, Time:	February 11, 2008 at 17:30 to 19:45
Note taker:	Janine Vary	Place:	Center Street Station

Attendees: Comm. Bob Watson, Comm. Kevin Waldron, Chief Steve Carrier, and Clerk Janine Vary. Absent: Comm Gallant

Comm. Watson called meeting to order at 5:50, opened meeting. Comm. Watson put together the notes from previous meeting regarding purchasing policy. Last time visited in November. Mike asked intent of 3rd paragraph re: creative invoicing. Chief said intent so that you cannot make a purchase over the limit by splitting up an invoices. Mike said in his business we have back orders everyday. If you are approved for \$10,000 and buy \$9800 and then a separate invoice for \$500, you would be over the line limit. Chief said if we buy 6 axes on one invoice and another buys 6 hoods, will be separate orders. Mike said you could end up with multiple invoices when dealing with backorders on a single purchase request of several items. Kevin said if you need 2 tires, and together they are over the limit, and you ask for several billings to keep the amount below the \$500 amount before requiring the 3 quotes. Should it be "purchases" and not invoices? Mike asked if it was realistic to get quotes on every item purchased. Chief said no. Kevin asked about Tilton having a dump, it doesn't have one. Mike recommended Kevin speak with Dennis Allen who runs that.

Chief has questions: creative invoicing a statement that says we are not trusted, so it is put in writing. It really should have definitions, what is multiple invoicing, etc.

Automatic renewal of leases, etc. Chief felt would hurt the department. We have been purchasing protective clothing from Bergeron. To try to search out and find someone to supply that, we might have to be aware of territories, etc. In that case in particular, we should be able to request from the commissioners to get a waiver to get our protective clothing from a specific vendor. He can see it being done on other things as well. Auto parts, do we need to justify, etc. Request for proposals: seems to be a huge blanket statement anytime there is more than one vendor, then our jobs, office staff, etc. have completely turned into chasing down prices. Anyone expects RFP's on large items, but if on everything the vendors will not give the RFP if not getting the business. From a taxpayer point of view, the vendor won't work hard for us either. Same as RFQ's, if they had more definition or a higher level of dollar on them it may be more practical.

30 days to quote something out, he thinks it is customary. A large item, like a vehicle, maybe longer. Maybe have the option to go longer if needed. Not less than 30 days.

All parties shall be notified on disposition of quote. If 35 quotes, do we do 35 letters? Chief said we don't usually get 30 but will be doing a whole lot more. It will be a lot more work and advertising them a lot more. Kevin, said if you call someone and ask for a price, they can fax that to you. Chief said we need to find the contact person. Couple of days later they call back, a lot of time. Mike said big items like a fire truck get a written letter. Kevin said you need to get just 3. Chief said if you send out an RFP, you would get any number. Chief asked how much time and effort in specking out a truck. Months of work and a lot of money on it. When we are happy with the bunker gear, what happens when 10 vendors with different types of gear respond. Bergeron's is in Barnstead who sell for Globe. Kevin said if he was approached and told the preference is Globe, then he's all set for Globe. This vendor is very good to us also, prompt response and good service. Kevin said Globe is high quality and local. There may be brand loyalty but it does depend on product and service. However, if we could get the same product from another vendor for less money, would be better. Chief said the terminology doesn't really say that unless the commissioners see it that way. Kevin felt that the wording may get misunderstood with a different board of commissioners. Bob said we might find something that doesn't work at all and take it out. Chief asked for a sole source approval that would allow him to come before the commissioners and he could request the product from a certain vendor. Bob said everybody has preferred vendors. Kevin asked if the last line on page one would cover that. Chief said it may if it is interpreted that way. Kevin said two things could happen, either it is accepted or quotes could be requested anyway.

Chief said working with Duane, could we go with another mechanic. Kevin said Duane also allows us to buy the parts which saves us the markup. Bob said you can call him anytime, weekends or evenings. Chief said that is the best reason for sole source approval. He could do it every January for Bergeron's, Harbour's, etc. then the commissioners could approve it at the beginning of the year. For vehicle repairs up to \$3000 before quotes. Chief asked about commissioners only being able to open quotes, then that means that the commissioners have to convene a meeting to do so. Are these specifically the quotes for large purchases? Is it the intent of the commissioners to open all quotes? Chief could open them and report back to the commissioners. Realistically there are not a lot of times you would get quotes. He cannot see the intent, is it to tie our hands, for commissioners to see everything first or to see that we do right by the taxpayers?

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The last paragraph regarding gifts and gratuities, Kevin said it means that whoever we buy vehicles from we shouldn't be "gifts" from. Kevin said we can't put every type of potential opportunity in the description. Chief said but it isn't defined. What if a vendor gives us hats and coffee mugs, is that prohibited. Kevin said no, everything in moderation is OK. Chief asked but what if someday a commissioner is upset with him, then that commissioner could go and question a lot of things. Mike said there are some who take it to the limit. The guys have that type of problem when vendors who want to thank with food or gift certificates. It is receiving a gift. If Brad Ober takes the food and he is doing an inspection there 6 months later, could he be seen as taking a bribe? Mike understands what Chief is saying. Chief thinks there should be a dollar amount, a low one, attached in this paragraph. Chief said what about you go to view a truck and then they bring you out to dinner. This says that is wrong. Kevin said he wouldn't be swayed if one bought him steak and the other chicken. Kevin feels you could put any amount, could put in as \$25 or even \$100. Mike also sees the "lunch out" a way of spending 45 minutes of their time to be able to talk. Bob said that there is public perception that you have to be aware of. Chief doesn't feel fair to him as an employee who is trying to follow the rules when the written statement is ambiguous. Kevin asked if having a figure in there would make him feel better. Chief said he has to explain this to the other officers, also. Chief said that maybe 4 or 5 of the employees do the research, make the contact and do the purchases. All approved internally but they make the contacts and purchases. If Bob Bousquet needs gloves, Chief will not tell him no, he needs gloves. Kevin said his feeling on gear and protective clothing items are you have to get what you need. Insert this after "kickback" on the third paragraph of page 2. "that is intended to sway a decision on the purchase of a product or services". Last sentence would stay the same.

Purchasing procedure section, Chief would like to see the minimum limit higher than \$500. He sees that it is on the vehicle repairs section. No additions to TNFD inventory on hand as of the effective date of this policy can be purchased in this category. Mike said if we wanted to add something to the department's inventory then we would have to go to commissioners. Chief said from 1 cent to \$500, any purchase is added to an inventory. What is inventory? If we have 3 cell phones when the policy is signed, to add more you would have to go through this process. Kevin stated, if you don't own it now, you don't buy it. Chief asked what "inventory" are the commissioners looking for. Kevin said if this was in effect when the blackberries were purchased, you couldn't have purchased. Chief asked if we want to replace a reciprocating saw with another, then he would not have to get commissioner approval first. Whether it is tools, we buy a lot of stuff. Bob asked about the red tags used when Harold was Chief. Chief said that we still use them on pagers, radios, etc. Kevin said Chief could buy his bulletin board with the 0 to \$500 limit. Buying pagers is different. If we have 50 of something, why would we need another? We have never had parameters. Chief gave an example. Greg needs to buy some new pagers to upgrade to a newer model, older ones are not serviceable. Chief would have to write a memo that qualifies why we would have 42 pagers rather than the 40. Kevin cares the group purchase of what is bought on 4000 on 10 pagers. Chief said if the word inventory wasn't there, he would understand the concept. He would be going to commissioners before increasing purchases. Chief asked what inventories do we have, who will want to see them, etc. Kevin said two months ago there was talk of replacing one computer and then two were purchased. That wouldn't happen with this policy. Bob said he felt you still have to have trust in a person. Kevin said he didn't know the need, it was never brought to his attention until after the purchase. He didn't feel the money was wasted. He actually did find other quotes for that purchase, but the process was turned around. Chief said he is the one who wanted a purchasing policy. Kevin said he doesn't want a bunch of rules that keep you from processing things but just some definition. Kevin agrees that you could get a board that won't allow anything or a board that says go for what you want. Bob reminded Kevin that we are confined to the total budget amount. Mike had made a comment at the white farm at state surplus. Kevin said someone said "all vehicle acquisitions must be approved ..." wouldn't let us buy any vehicles from White Farm or other used vehicles. Kevin said he wouldn't mind anyone going down there to purchase a used pickup. But it is still a vehicle. Perception and interpretation. Chief said it wouldn't hinder us because we wouldn't buy vehicles like that. Unless it was an emergency situation, then the commissioners would have to have an emergency meeting.

Discussion on the papers to put ads in. Bob asked about the Union leader. Kevin said a vendor farther away may look at the Union Leader. Chief recommended that he would send the purchasing policy to our current vendors so that they are aware of how we will be doing purchases from this point forward. Sometimes you don't know who supplies it. Mike said if you are really out there looking, Monitor or Union Leader are better. But if just posting for announcement, then use local. Mike felt it needs more fine tuning. All quotes being sealed. Kevin said that in Meredith there was a problem with internal controls. Mike said it should be clarified that it is only the quotes and bids that are going through the formal process. Chief asked if getting the quotes will apply to training, conferences, etc. more than \$500. If the cost of the class is below \$500 but then you have to add their time as well, which could easily go over the \$500. Again, he is looking at the intent. Kevin said Chief's contract covers the trips/conferences, so payment cannot be denied, but he would want to know cost before he goes. Chief said typically he pays for air tickets himself and submits for reimbursement after he returns. Same policy for TNFD members, we don't reimburse until they get certificate.

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Kevin said Chief shouldn't put on a credit card of his own. Kevin feels a credit card would help with other purchases that need to be made available here for Chief's approved expenses as well as electronic payments that need to be made. He shouldn't be using his personal credit cards. Kevin is in agreement that the department should have a cc. Mike said if he understands this, if it is odd, new or expensive, the commissioners would like to know about it. Kevin said yes, if we are buying gear that is double a and it is half the price, then we want to know more about this. Mike said to keep aware of market price. Kevin said value for the dollar. You can't put a dollar value on service, though. Bob said it could work with a few tweaks. You can read into anything. Mike said we want to be smart consumers and purchasers. He is assuming that the 3 comm. Wouldn't mind be contacted for an emergency bill, like an excavator. Kevin said if we can bill for the ambulance service, why can't we get reimbursed from ins companies for structure fires. Chief said it isn't the industry standard. Mike thinks if we were private, chief doesn't know the real answer is. Chief asked who puts the value on the disposal of property. Kevin said common sense.

Bob motioned to adjourn at 7:45pm and Kevin seconded. Meeting adjourned at 7:45pm. Janine to email a copy of the proposed purchasing policy.