

Town of Wright Fire District Policies

Policy Name: **1.0 Procurement Policy**

Date Adopted: 3/26/1997

Effective: 3/26/1997

Revised: January 11, 2010, 7/10/2017, 11/13/17

Reviewed: *Annually*

Whereas, Section 104-B of the General Municipal law requires the governing body of every municipality to adopt a procurement policy for all goods and services which are not required by law to be bid; and

Whereas, comments have been solicited from all officers in the Town of Wright Fire District involved in the procurement process, now, therefore, be it

Resolved, that the Town of Wright Fire District does hereby adopt the following procurement policy which is intended to apply to all goods and services which are not required by law to be publicly bid.

PROCUREMENT POLICIES AND PROCEDURES

1. Every purchase to be made must be initially reviewed to determine whether it is a purchase contract of a public works contract. Once that determination is made, a good faith effort will be made to determine whether it is known or can reasonable be expected that the aggregated amount to be spent on the item of supply or service is not subject to competitive bidding, taking into account past purchases and the aggregated amount to be spent in a year. The following items are not subject to competitive bidding pursuant to section 103 of the General municipal law: Purchase contracts under \$10,000.00 and public works contracts under \$20,000.00; emergency purchases; certain municipal hospital purchases; goods purchased from agencies for the blind or severely handicapped; goods purchased from correctional institution; purchases under state land county contracts; and surplus and second-hand purchases from another governmental entity.

The decision that a purchase is not subject to competitive bidding will be documented in writing by the individual making the purchase. This documentation may include written or verbal quotes from vendors, a memo from the purchaser indicating how the decision was arrived at, a copy of the contract indicating the source which makes the item or service exempt, a memo from the purchaser detailing the circumstances which led to an emergency purchase, or any other written documentation that is appropriate.

2. All goods and services will be secured by use of written requests for proposals, written quotation, verbal quotations, or any other method that assures that goods will be purchased at the lowest price and that favoritism will be avoided, except in the following circumstances: purchase contracts over \$10,000.00 and public works contracts over \$20,000.00; goods purchased from agencies for the blind or severely handicapped pursuant to section 175-B of the State Finance Law: Goods purchased from correctional institutions pursuant to Section 186 of the Correction Law; purchases under state contracts pursuant to section 104 of the General Municipal; purchases under county contracts pursuant to section 103(3) of the General Municipal Law.

3. The following method of purchases will be used when required by this policy in order to achieve the highest savings:

<u>ESTIMATED AMOUNT PURCHASE CONTRACTS BELOW \$10,000</u>	<u>METHOD</u>
<u>Under \$250.00</u>	<u>None</u>
<u>\$250 - \$999</u>	<u>2 Verbal Quotations</u>
<u>\$1,000 - \$4,999</u>	<u>2 Written requests for proposals</u>
<u>\$5,000 - \$10,000</u>	<u>3 Written requests for proposals</u>

<u>ESTIMATED AMOUNT FOR PUBLIC WORK BELOW \$20,000</u>	<u>METHOD</u>
<u>Under \$250</u>	<u>None</u>
<u>\$250 - \$1,999</u>	<u>2 Verbal Quotations</u>
<u>\$2,000 - \$4,999</u>	<u>2 Written Proposals</u>
<u>\$5,000 - \$20,000</u>	<u>3 Written Proposals</u>

A good faith effort shall be made to obtain the required number of proposals or quotations, the purchaser will document the attempt made at obtaining the proposals, but in no event shall the failure to obtain the proposals be a bar to the procurement.

4. Documentation is required of each action taken in connection with each procurement.
5. Documentation and an explanation are required whenever a contract is awarded to other than the lowest responsible offer. This documentation will include an explanation of how the award will achieve savings or how the offer was not responsible. A determination that the offeror is not responsible shall be made by the purchaser and may not be challenged under any circumstance.
6. Pursuant to General Municipal Law Section 104-B (2) (F), the procurement policy may contain circumstances when, or types of procurements for which, in the sole discretion of the governing body, the solicitation of alternative proposals or quotations will not be in the best interest of the municipality. In the following circumstances it may not be in the best interests of the Fire District to solicit quotations of document the basis for not accepting the lowest bid:

A. Professional services or services requiring special or technical skills, training or expertise. The individual or company must be chosen based on accountability, reliability, responsibility, skill, education and training, judgment, integrity, and moral worth. These qualifications are not necessarily found in the individual or company that offers the lowest price and the nature of these services are such that they do not readily lend themselves to competitive procurement procedures.

In determining whether a service fits in to this category the Board of Commissioners shall take into consideration the following guidelines: (A) Whether the services are subject to state licensing or testing requirement; (B) Whether substantial formal education or training is necessary prerequisite to the performance of the services; (C) Whether the services require a personal relationship between the individual and municipal officials. Professional or technical services shall include but not be limited to the following: services of an attorney; services of a

physician; technical services of an engineer engaged to prepare plans, maps and estimates; securing insurance coverage and/or services of an insurance broker; services of a certified public accountant; investment management services; printing services involving extensive writing, editing or art work; management of municipally owned property; and computer software or programming services for customized programs or services involved in substantial modification and customizing or prepackaged software.

B. Emergency purchases pursuant to Section 103(4) of the General Municipal Law. Due to this nature of this exception, these goods or services must be purchased immediately and a delay in order to seek alternative proposals may threaten the life, health, safety or welfare of the residents. This section does not preclude alternate proposals if time permits.

C. Purchases of surplus and second-hand goods from any source. If alternate proposals were required, the Fire District may be precluded from purchasing surplus and second-hand goods at auctions or through specific advertised sources where the best prices are usually obtained. It is also difficult to try to compare prices of used goods and a lower price may indicate an older product.

D. Goods or services under \$250. The time and documentation required to purchase through this policy may be more costly than the item itself and would therefore, not be in the best interest of the taxpayer. In addition, it is not likely that such *de minimis* contracts would be awarded based on favoritism.

7. WHEREAS, New York State General Municipal Law requires a resolution adopted by the Board of Fire Commissioners to authorize the use of a Best Value contract award methodology, in the competitive bidding process for purchase contracts (including contracts for service work, but excluding any purchase contracts necessary for the completion of a public works contract pursuant to Article Eight of the Labor Law) which may be awarded on the basis of low bid or Best Value, as authorized in Section 103 of the General Municipal Law and as defined in Section 163 of the State Finance Law, and

WHEREAS, the enactment of this resolution provides additional procurement options to the Wright Fire District in ways that may expedite the procurement process and result in cost savings, and

WHEREAS, the “Best Value” standard for selecting goods and services vendors, including janitorial and security contracts, is critical to efforts to use strategic sourcing principles to modernize the supply chain and ensure that taxpayers obtain the highest quality goods and services at the lowest potential cost, while also ensuring fairness to all competitors, and

WHEREAS, the Board believes taxpayers are not well served when a public procurement results in low unit costs at the outset, but ultimately engenders cost escalations due to factors such as inferior quality, poor reliability and difficulty of maintenance, and

WHEREAS, Best Value procurement links the procurement process directly to the fire district’s performance requirements, incorporating selection factors such as useful lifespan, quality and options and incentives for more timely performance and/or additional services, and

WHEREAS, “Best Value” means the basis for awarding contracts for services to the offeror which optimizes quality, cost and efficiency, among responsive and responsible offerors, and

WHEREAS, such basis shall reflect, wherever possible, objective and quantifiable analysis; and

WHEREAS, the Fire District shall follow the bidding requirements of Section 103 of the General Municipal Law and the Fire District’s Procurement Policy when utilizing the Best Value award methodology, and

WHEREAS, in addition, when the Best Value methodology is to be used for a purchase the bid documents shall provide a basis to evaluate the bids under the best value requirements, and

WHEREAS, the Best Value methodology shall be included in the Wright Fire District’s Purchasing and Procurement Policy, and

NOW, THEREFORE, BE IT RESOLVED, that the Board of Fire Commissioners of the Wright Fire District hereby authorizes the use of a Best Value award methodology, in the competitive bidding process, where appropriate, including piggyback bids under Section 103 subdivision 16 of the General Municipal Law, for purchase contracts (including contracts for service work, but excluding any purchase contracts necessary for the completion of a public works contract pursuant to Article Eight of the Labor Law) which may now be awarded on the basis of low bid or Best Value, as authorized in Section 103 of the General Municipal Law and as defined in Section 163 of the State Finance Law, and

BE IT FURTHER RESOLVED, that the Fire District’s Purchasing and Procurement Policy is hereby deemed amended to the extent that this resolution shall be deemed a part thereof and incorporated therein.

8. This policy shall go into effect immediately and will be reviewed annually.