

## VILLAGE OF EAST NASSAU

### PURCHASING AND PROCUREMENT POLICY

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 publicly bid, and

WHEREAS, comments have been solicited from all officers and employees in the Village of East Nassau involved in the procurement process.

NOW, THEREFORE, be it resolved that the Board of Trustees of the Village of East Nassau 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.

1. Every purchase to be made must be initially reviewed to determine whether it is a purchase contract or a public works contract. Once that determination is made, a good faith effort will be made to determine whether it is known or can reasonably be expected that the aggregate amount to be spent on the item of supply or service is not subject to competitive bidding, taking into account past purchases and the aggregate 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 contract under \$20,000 and public works contracts under \$35,000, emergency purchases, certain municipal hospital purchases, goods purchased from agencies for the blind or severely handicapped, goods purchased from correctional institutions, purchases under State and 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 sources 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 quotations, 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 \$20,000.00 and public works contracts over \$35,000.00, 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 Correctional Law, purchases under State contracts pursuant to Section 104 of the General Municipal Law, purchases under county contracts pursuant to Section 103(3) of the General Municipal Law or purchases pursuant to subdivision 6 of this policy.

- a. The following method of purchase will be used when required by this policy in order to achieve the highest savings;

All estimated purchases of:

Less than \$20,000 but greater than \$10,000 require a written proposal and written quotes from a minimum of three vendors.

Less than \$10,000 but greater than \$2,500 require an oral request for the goods and oral/fax quotes from a minimum of two vendors.

Less than \$2,500 are left to discretion of the Purchaser.

All estimated public works contracts of:

Less than \$35,000 but greater than \$10,000 require a written proposal and written quotes from a minimum of three contractors and approval of the Village Board of Trustees.

Less than \$10,000 but greater than \$3,000 require a written proposal and written quotes from a minimum of two contractors.

Less than \$3,000 are left to the discretion of the Purchaser.

Any written proposal shall describe the desired goods, quantity and the particulars of delivery. The Purchaser shall compile a list of all vendors from whom written or oral quotes have been requested and the written or oral quotes offered.

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

4. Documentation is required of each action taken in connection with each procurement.

5. Documentation and an explanation is 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 offeror was not responsible. A determination that the offeror is not responsible shall be made by the purchaser and may not be challenged under any circumstances.

6. Pursuant to General Municipal Law Section 104-b(2)(o), the procurement policy may contain circumstances when, or types of procurement for which, in the sole discretion of the Board of Trustees, the solicitation of alternative proposals or quotations will not be in the best interest of the Village. In the following circumstances it may not be in the best interest of the Village of East Nassau to solicit quotations or document the basis for not accepting the lowest bid:

- a. Professional services or services requiring special or technical skill, training or expertise. The individual or company must be chosen based on accountability, reliability, responsibility, skill, education and training, judgement, integrity and moral worth. These qualifications are not necessarily found in the individual or company that offers the lowest prices 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 into this category, the Board of Trustees shall take into consideration the following guidelines; (a) whether the services are subject to State licensing or testing requirements, (b) whether substantial formal education or training is necessary prerequisite to the performance of the services and (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 loans, maps, and estimates, securing insurance coverage and/or services of an insurance broker, services of 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 of pre-packaged software.

- b. Emergency purchase pursuant to Section 103(4) of the General Municipal Law. Due to the nature of this exception, these goods or services must be purchased immediately and a delay in order to seek alternate proposals may threaten the life, health, safety or welfare of the residents. This section does not preclude alternate proposals if time permits.
- c. Purchase of surplus and second-hand goods from any source. If alternate proposals are required, the Village of East Nassau is 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 \$250.00. 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 contracts would be awarded based on favoritism.

7. This Policy shall go into effect September 11, 2019 and will be reviewed from time to time as may be appropriate.

END OF POLICY