

# CITY OF AUBURN, NEW YORK

## PROCUREMENT POLICY

1. Every purchase to be made must be initially reviewed to determine whether it is a purchase contract or public work contract. Once that determination is made, a good faith effort will be made to determine whether it is now 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 §103 of the General Municipal Law: purchase contracts under \$20,000 and public work 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 individual making the purchase will document the decision that a purchase is not subject to competitive bidding in writing. 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 quotations, verbal quotations, or any other method that assures that goods will be purchased at the lowest price and that favorites will be avoided, except in the following circumstances: purchase contracts \$20,000 and over, and public work contracts \$35,000 and over; goods purchased from agencies for the blind or severely handicapped pursuant to § 175-b of the State Finance Law; goods purchased from correctional institutions pursuant to § 186 of the Correction Law; purchases under State Contracts pursuant to §104 of the General Municipal Law; purchases under county contracts pursuant to §103 (3) of the General Municipal Law; or purchases pursuant to subdivision 6 of this policy.

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

<u>Estimated Amount of Purchase Contract</u>	<u>Method</u>
\$500.00 - \$1,499.99	Verbal Quotations
\$1,500.00 - \$19,999.99	Written/Faxed Quotations or Written Request for Proposals

<u>Estimated Amount of Public Work Contract</u>	<u>Method</u>
\$500.00 - \$1,499.99	Verbal Quotations
\$1,500.00 - \$9,999.99	Written/Faxed Quotations
\$10,000.00 - \$34,999.99	Written/Faxed Quotations or Written Request for Proposals

A good faith effort shall be made to obtain three (3) 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. In no event shall the failure to obtain the proposals be a bar to the procurement.

Large vehicle and truck repairs shall be exempt from the requirement to obtain three (3) proposals or quotations. However, a good faith effort shall be made to obtain at least two (2) proposals or quotations where feasible, taking into consideration the size of the vehicle, the difficulty (if applicable) in transporting the vehicle to obtain a proposal or quotation and the number of service providers within the City of Auburn and/or Cayuga County.

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 receive 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 §104-b(2)(f), the procurement policy may contain circumstances when, or types of procurement 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 City of Auburn 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, 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 into this category, the City Council 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 a 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 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 municipality owned property; and computer software or programming services for customized programs, or services involved in substantial modifications and customizing of pre-packaged software.

b. Emergency purchases pursuant to § 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 City of Auburn 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 \$500.00. 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 interests of the taxpayer. In addition, it is not likely that such diminished contracts would be awarded based on favoritism.

e. Service contracts entered into through the New York State Office of General Services. In these instances, the State has already investigated and secured the lowest possible price for the municipality.

f. GML 103 subdivision 16, "Piggybacking law" – This addition authorizes political subdivisions and districts therein to purchase apparatus, materials, equipment and supplies, and related installation, repair and maintenance of those items through the use of contracts let by the United States or any agency thereof, any state or any other political subdivision or district there in given the contract was made available for use by other governmental entities. To use this exception to GML 103 three prerequisites must be met:

- The contract must have been let by the United States or any agency thereof, any state or any other political subdivision or district therein.
- The contract must have been made available for use by other governmental entities
- The contract must have been let to the lowest responsible bidder on the basis of best value in a manner consistent with this section.

7. This policy shall conform to all current and future laws enacted by New York State in relation to the procurement of goods and services.

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