

RESOLUTION

At a regular meeting of the Town Board of the Town of Hornby held at the Hornby Town Hall on the 12th day of March, 2012,

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 now required by law to be publicly bid; and

WHEREAS, comments have been solicited from all officers of the Town of Hornby involved with procurement, now therefore be it

RESOLVED, that the Town of Hornby does hereby adopt the following procurement policy which is intended to apply to all goods and services which are now required by law to be publicly bid.

Procurement Policy for the Town of Hornby

The Highway Superintendent or his/her designee shall be authorized to execute purchase and public works contract expenditures as they pertain to the Fiscal Budget Highway Fund. The Supervisor or his/her designee shall be authorized to execute purchases and public works contracts as they pertain to expenditures from the Fiscal Budget General Fund.

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 expended annually, or for a specific one-time project on the item of supply, or service is not subject to competitive bidding; taking account past purchases and the aggregate to be spent in a year. The following items are not subject to competitive bidding, pursuant to Section 103 of the General Municipal Law:

- a. Purchase contracts under \$20,000 and public works contracts under \$35,000
- b. Emergency purchases
- c. Goods purchased from agencies for the blind or severely handicapped
- e. Goods purchased from correctional institutions
- f. Purchases under State and County contracts
- g. Surplus and second-hand purchases from another government agency

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:

- h. written or verbal quotes from vendors, a memo from the purchaser indicating how the decision was arrived at

- i. a copy of the contract indicating the source which makes the item or service exempt
 - j. a memo from the purchaser detailing the circumstances which led to an emergency purchase
 - k. any other written documentation that is appropriate
- 2. All goods and services will be secured by use of written requests for proposal, 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:
 - a. Purchase contracts over \$20,000 and public works contracts over \$35,000
 - b. goods purchased from the agencies for the blind or severely handicapped, pursuant to Section 175 of the State Finance Law
 - c. Goods purchased for Correctional Institutions, pursuant to Section 186 of the Correction Law
 - d. Purchases under State contract pursuant to Section 104 of the General Municipal Law
 - e. Purchases under County contracts pursuant to Section 103 (3) of the General Municipal Law
 - f. Purchases made 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:

Procurement	Verbal Quotes*	Written/FAX Quotes*
Purchase Contracts Below \$20,000		
\$1,000-\$9,999	two	
\$10,000-\$19,999		three
Contracts for Public Works Below \$35,000		
\$1,000-\$14,999	three	
\$15,000-\$34,999		three
*see sample at Appendix A		

Note: Purchase contracts over \$20,000, and all contracts for public works of \$35,000 or more be must be awarded in accordance with GML Section 103.

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 to obtain the proposals. In the event written/Fax quotations or requests cannot be obtained, the purchaser will document the attempts to obtain such proposals and the reasons why such proposals could not be obtained.

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 offeror. 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 either the Town Supervisor or the Highway Superintendent.
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 Town of Hornby.

In the following circumstances, it may not be in the best interest of the Town of Hornby 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 on accountability, reliability 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 purchaser shall take into consideration the following guidelines: (1) whether the services are subject to State licensing or testing requirements, (2) whether substantial formal education or training is a necessary prerequisite to the performance of services, (3) whether the service requires a personal relationship between the individual and municipal officials. professional or technical services shall include, but 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 the nature of this exception, these foods or services must be purchased immediately; and, a delay in order to seek alternate proposals may threaten the life, health, 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 are required, the Town of Hornby 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 \$1,000. 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 Town of Hornby. In addition, it is not likely that such de minimis contracts would be awarded on favoritism.
7. This policy shall be reviewed annually by the Hornby Town Board at its organizational meeting or as soon thereafter as is practicable.