

COUNTIES OF WARREN AND WASHINGTON
CIVIC DEVELOPMENT CORPORATION

PROCUREMENT POLICY

ARTICLE I. **SCOPE AND PURPOSE.**

Pursuant to Section 2824 of the Public Authorities Law, The Counties of Warren and Washington Industrial Development Agency (the "Agency") is required to establish and adopt a procurement policy which will apply to the procurement for goods and services not subject to the competitive bidding requirements set forth in General Municipal Law section 103 and which goods and services are paid for and used by the Agency. The primary objectives of this Procurement Policy (the "Policy") are to assure the prudent and economical use of public monies in the best interests of the taxpayers of the Counties of Warren and Washington, to facilitate the acquisition of goods and services of maximum quality at the lowest possible cost under the circumstances, and to guard against favoritism, improvidence, extravagance, fraud and corruption.

ARTICLE II. **PROCUREMENT PROCEDURE.**

1. Procurement Subject to Competitive Bidding. In order to determine if the procurement of goods or services is subject to competitive bidding, the Chairman or an authorized designee shall:

a. Make an initial determination as to whether the expenditure will be above the limits set forth in Section 103 of the General Municipal Law.

b. Review the purchase request against prior years' expenditures and shall make a good faith effort to determine whether it is known or can reasonably be expected that the aggregate purchases of a similar nature will exceed the dollar amounts set forth in paragraph (a) of this Section. If so, the procurement will be subject to competitive bidding.

2. Determination. If the procurement is not subject to competitive bidding, as determined in section (1) above, then prior to commencing any procurement of goods and services, the Chairman or an authorized designee shall prepare a written statement setting forth a determination that (a) competitive bidding is not required for such procurement, and, if applicable, (b) such procurement is not subject to the requirements of this Policy. Such written statements shall be maintained in a specially designated file at the Agency offices and shall also be filed with the purchase order or contract of the goods or services.

3. Procedures for the Purchase of Goods under \$10,000.

- a. \$0.01 - \$500 May be purchased at the discretion of the Chairman or the authorized designee.
- b. \$501 - \$3,000 Upon Agency approval, may be purchased from the vendor providing the lowest quote after receiving and documenting at least three (3) verbal quotes.
- c. \$3,001 - \$19,999 Upon Agency approval, may be purchased from the vendor providing the lowest quote after receiving at least three (3) written, faxed, or e-mailed quotes.

3.1 Procedures for the Purchase of Goods over \$20,000:

- a. Upon Agency approval, the purchase of goods over \$20,000 shall be competitively bid pursuant to General Municipal Law Section 103.

4. Procedures for contracts for Public Works or Services under \$35,000.

- a. \$0.01 - \$1,000 May be purchased at the discretion of the Chairman or the authorized designee.
- b. \$1,001 - \$5,000 Upon Agency approval, may be purchased after receiving and documenting at least three (3) verbal quotes.
- c. \$5,001 - \$34,999 Upon Agency approval, may be purchased after receiving at least three (3) written, faxed, or e-mailed quotes.

4.1 Procedures for contracts for Public Works or Services over \$35,000:

- a. Upon Agency approval, contracts for public works or services in excess of \$35,000 shall be competitively bid pursuant to General Municipal Law Section 103.

5. a. Verbal Quote. The documentation of a verbal quote shall include, at a minimum, the date, item or service desired, price quoted, name of vendor, name of vendor's representative, if any, delivery or service date.

b. Written Quote. The vendor should provide, at a minimum, the date, description of item or details of service, price quoted, name of vendor, contact information, delivery or service date.

c. Award of Contract. Contracts shall be awarded to the lowest responsible vendor whose goods and/or services meet the specifications.

6. Circumstances Justifying an Award to other than Lowest Quote.

- a. Delivery or service requirements.
- b. Specification requirements.
- c. Quality.
- d. Past vendor performance.
- e. Unavailability of three (3) or more vendors who are able to provide a quote.
- f. It is in the best interests of the Agency to consider only one vendor who has previous expertise with respect to the particular procurement.

When an award is made to a vendor who did not provide the lowest quote, the reason why it is in the best interests of the Agency must be set forth and justified in writing, by the Chairman or an authorized designee, and maintained in a specially designated file at the Agency offices and shall also be filed with the purchase order or contract of the goods or services.

ARTICLE III. EXCEPTIONS FROM BIDDING.

1. Emergency. An emergency exists if the delay caused by soliciting quotes would endanger the health, welfare or property of the municipality or of the citizens. With approval of the Chairman, such emergency shall not be subject to competitive bidding or the procedures stated herein. The Chairman shall obtain a verbal quote, at a minimum, which shall be documented and such documentation shall also include a description of the facts giving rise to the emergency and that it meets the criteria set forth herein. Said documentation may also include the opinions of Counsel regarding the exception from bidding.

2. Professional Services. This category includes services which require special education and/or training, license to practice or are creative in nature. Examples include: lawyers, doctors, accountants, engineers, artists, etc. The Agency may seek Requests for Proposals for such services. In its selection, the Agency should consider

cost, experience, expertise, reputation, staffing, location and suitability for the needs of the Agency. The Chairman shall prepare, in writing, the basis for the selection and the description of the professional service. Said documentation may also include the opinions of Counsel regarding the exception from bidding.

3. Sole Sources. In this situation, there is only one possible source from which to procure goods and/or services and it is shown that the item needed has unique benefits compared to other goods and/or services available in the marketplace; no other item provides substantially equivalent or similar benefits; and considering the benefits the cost is reasonable. The Agency should adopt a resolution describing the goods and/or services and waiving the bidding requirements prior to procurement and should provide evidence that, as a matter of fact, there is no competition available. Said documentation may also include the opinions of Counsel regarding the exception from bidding.

4. True Lease. The Chairman shall obtain written quotes and shall prepare a cost benefit analysis of leasing versus purchasing. Said documentation may also include the opinions of Counsel regarding the exception from bidding.

5. Insurance. The Chairman shall, at a minimum, obtain several verbal quotes, as defined herein. An analysis regarding why a particular selection was made should be prepared and documented. Said documentation may also include the opinions of Counsel regarding the exception from bidding.

ARTICLE IV. MISCELLANEOUS.

1. The Agency shall annually review this Policy.

2. The unintentional failure to comply with the provisions of this Policy and the applicable law shall not be grounds to void action taken or give rise to a cause of action against the Agency or any director, officer, member or employee thereof.

This Policy was duly adopted by the Members of the Counties of Warren and Washington Industrial Development Agency on September 25, 2006.