

Procurement Policy

WHEREAS, Section 104-b of the General Municipal Law (GML) requires every town to adopt internal policies and procedures governing all procurement of goods and services not subject to the bidding requirements of GML, Section 103 or any other law;

and

WHEREAS, comments have been solicited from those officers of the town involved with the procurement;

NOW, THEREFORE, be it RESOLVED: That the Town of New Lisbon does hereby adopt the following procurement policies and procedures:

Guideline 1. Every prospective purchase of goods or services shall be evaluated to determine the applicability of GML, Section 103. Every town officer, board, department head or other personnel with the requisite purchasing authority (hereinafter Purchaser) shall estimate the cumulative amount of the items of supply or equipment needed in a given fiscal year. A decision that a purchase is not subject to competitive bidding will be documented in writing by the Purchaser. 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 may be appropriate. The documentation shall be kept with the file or other documentation supporting the purchase activity.

Guideline 2. All purchases of (a) supplies or equipment which will exceed \$20,000.00 in the fiscal year or (b) public works contracts over \$35,000.00 shall be formally bid pursuant to GML Section 103.

Guideline 3. All estimated purchases of:

Less than or equal to \$20,000.00 but greater than \$5,000.00 require a written request for a proposal (RFP) and written/fax quotes from two vendors.

Less than or equal to \$5,000.00 but greater than \$1,000.00 require an oral request for the goods and oral/fax quotes from two vendors.

All estimated public works contracts of:

Less than or equal to \$35,000.00 but greater than \$20,000.00 require a written RFP and written/fax proposals from three contractors.

Less than or equal to \$20,000.00 but greater than \$3,000.00 require a written RFP and written/fax proposals from two contractors.

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

All information gathered in complying with the procedures of this Guideline shall be preserved and filed with the documentation supporting the subsequent purchase or public works contract.

Guideline 4. The lowest responsible proposal or quote shall be awarded the purchase or public works contract except as provided by Local Law No. 1-2014, entitled, "Best Value Procurement."

Guideline 5. 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 shall document the attempt made at obtaining the proposals. In no event shall the inability to obtain the proposals or quotes be a bar to the procurement.

Guidelines 6. Except when directed by the town board, no solicitation of written proposals or quotations shall be required under the following circumstances:

- (a) Acquisition of professional services;
- (b) Emergencies;
- (c) Sole source situations;
- (d) Good purchased from agencies for the blind or severely handicapped;
- (e) Goods purchased from correctional facilities;
- (f) Goods purchased at auction;
- (g) Goods purchased for less than \$1,000.00;
- (h) Public works contracts for less than \$3,000.00.

Guideline 7. Professional Services

This guideline pertains to purchases of professional services, which are excepted from Guidelines 1 through 5.

(a) Professional Services

Banking: Following evaluation of proposals received from Community Bank NA, NBT Bank, and Bank of Cooperstown (BOC) in 2020, the Town elected to keep the majority of its funds with Community Bank and to open an account at BOC. (Key Bank elected not to submit a proposal.) The Town will review these choices by requesting proposals from at least three banking institutions no later than 2025 and every five years thereafter.

Bookkeeping: The Town appointed Karen Kropp d/b/a By The Books, as its bookkeeper in 2018 and has reappointed her annually since then. If there becomes a need to replace her, the town board will advertise the position, have at least three candidates interviewed by the

Supervisor and the Deputy Supervisor, and then appoint a candidate if and when one is selected.

Engineering: All estimated purchases of engineering services of greater than \$20,000 require a written RFP and written/fax proposals from three providers; less than or equal to \$20,000.00 but greater than \$5,000.00 require a written RFP and written/fax proposals from two contractors.

Insurance - Liability: The Town's insurance carrier was switched from Hughson-Benson to Gates-Cole in 2017. Selection of an insurance agency is made at each Organizational Meeting in January of each year.

Insurance - Medical: The Town has been using Kaatirondack Benefit Planning Inc for many years. Selection of an employee benefits agency is made at each Organizational Meeting in January of each year.

Legal Services: The Town selected Michelle Kennedy of Whiteman Osterman & Hanna (WOH) as the Town Attorney in 2018 following discussions by the Town Supervisor with several other potential town attorneys. The Town Attorney provides answers to routine questions and requests for advice; Ms. Kennedy also handles the town's financing needs because that is an expertise of hers and because she handled the town's financing of a loader purchased in 2020 well and cost-efficiently. For other matters that are expected to cost the Town \$10,000 or more the Town will solicit proposals from at least three firms as matters arise. Appointment of a Town Attorney is made at each Organizational Meeting in January of each year.

Other: For all other professional services engagements that are expected to cost the Town \$10,000 or more, the Town will select a provider of the required professional services by requesting proposals from at least three providers. Otherwise, decisions to engage a provider of such services will be made by the Town Board.

(b) Selection of Providers: The Town may select providers of professional services at its discretion after taking into consideration all relevant factors including but not limited to cost, past experience, specific knowledge or expertise, reputation, best value, and other benefits to the community.

(c) Exceptions: The policies described above are not applicable in the following circumstances:

1. Emergencies;
2. Sole source situations.

Guideline 8. The individuals responsible for purchasing goods and services for the Town are as follows:

- (a) the Highway Superintendent is responsible for purchases of goods and services for Highway Department purposes not exceeding \$3,000.00 subject to audit and approval of invoices by the town board. For purchases of goods and services in excess of \$3,000.00, the Highway Superintendent must obtain the prior approval of the Town Board except in cases of emergency;
- (b) department heads other than the Highway Superintendent are responsible for purchases of goods and services not exceeding \$500.00 subject to audit and approval of invoices by the town board. For purchases of goods and services in excess of \$500.00, department heads must obtain the prior approval of the Town Board except in cases of emergency;
- (c) notwithstanding the above, the Supervisor is authorized to pay all utility (heating oil, electric, telephone, internet) bills, health insurance bills, justice court fees to the State Comptroller, payroll taxes, and the NYS Retirement System annual bill on or shortly prior to their due dates, without prior Board approval.

Guideline 9. As used herein, “emergency” means an emergency arising out of an accident or other unforeseen occurrence or condition whereby circumstances affecting public buildings, public property or the life, health, safety or property of the inhabitants of the town require immediate action which cannot await competitive bidding or competitive offering.

Guideline 10. This policy shall be reviewed annually by the town board at its organizational meeting or as soon thereafter as is reasonably practicable.