

PROCUREMENT AND PURCHASING POLICY -- VILLAGE OF MAMARONECK
(Updated 3/10/2014)

WHEREAS, Section 104-b of the Gen. Mun. Law requires each municipal governing body to adopt a procurement policy for all goods and services which are not required by law to be publicly bid, and

WHEREAS, this procedure is intended to introduce standard procedures and effect more stringent cost controls; and

WHEREAS, comments have been solicited from all officers in the Village involved in the procurement process and it has been recommended to add a provision for the issuance of credit cards, now, therefore, be it.

RESOLVED, that the Village of Mamaroneck 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.

PROCUREMENT POLICY FOR THE VILLAGE OF MAMARONECK

1. Every purchase to be made must be initially reviewed to determine whether it is a purchase contract or a public works or service 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 total 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 Fiscal Year. The following items are not subject to competitive bidding pursuant to Section 103 of the NY State General Municipal Law:

- a. purchase contracts under \$20,000, or as may be further amended pursuant to GML §103 and
- b. public works contracts under \$35,000 (state law changed by Chapter 494 of 2009), or as may be further amended pursuant to GML §103;
- c. emergency purchases;
- d. certain municipal hospital purchases;
- e. goods purchased from agencies for the blind or severely handicapped;
- f. goods purchased from correctional institutions;
- g. purchases under New York State and Westchester County contracts;
- h. purchases under contracts from other political subdivisions within the United States if such contract was let in a matter that constituted public bidding and made available for use by other governmental entities
- i. and surplus and second-hand purchases from another governmental entity.

(*Note: purchases over \$20,000 of used, surplus or second-hand materials and equipment should

be subject to public bid and advertised as such)

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 quotes from vendors, a memo from the purchaser explaining the decision, 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 with documentation, or any other method that assures 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, or as may be further amended by GML §103;
- b. goods purchased from agencies for the blind or severely handicapped pursuant to Section 175-b of the State Finance Law;
- c. goods purchased from correctional institutions pursuant to Sec. 186 of the Correction Law;

- d. purchases under State contracts 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 under contracts from other political subdivisions within the United States pursuant to Section 103(16) of the General Municipal Law.
- g. 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:

Note: Total aggregate purchases over the course of a Fiscal Year should be considered when determining whether an item requires verbal quotes, written quotes, or be subject to public bid.

Estimated Amount of Purchase Contract

Method

\$500 - \$2,999

At least 2-3 verbal or written quotes; memo or price quotes attached to purchase order for documentation if written quotes not submitted.

\$3,000 - \$19,999

At least 3 written/faxed/e-mailed or otherwise documented quotes are required. Purchase Order must be signed by the Village Manager, prior to the order being made.

\$20,000 and above

Subject to publicly advertised bid or RFP. Must be circulated to at least 3 companies. Contract must be approved by the Mayor and Board of Trustees. A purchase order and/or contract must be signed by the Village Manager after Board approval is granted, prior to order being made.

Estimated Amount of Public Works Contract

Method

\$500 - \$2,999

At least 2-3 verbal or written quotes; memo or price quotes attached to purchase order.

\$3,000 - \$34,999

At least 3 written/faxed/e-mailed quotations. Purchase Order must be signed by the Village Manager, prior to the order being made.

\$35,000 and above

Subject to publicly advertised Bid or RFP. Must be circulated to at least 3 companies. Contract must be approved by the Mayor and Board of Trustees. An award letter must be issued and formal contract must be signed by the Village Manager after Board approval is granted.

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 quotes, purchaser will document such attempts. In no event shall failure to obtain the proposals 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 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 the purchaser and may not be challenged under any circumstances.

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 municipality. In the following circumstances it may not be in the best interests of the Village of Mamaroneck 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 qualifications showing 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 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 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 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 purchases 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. Emergency situation must be documented.

c. Purchases of surplus and second-hand goods from any source. If alternate proposals are required, the Village 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. Individual goods or services under \$500. 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 de minimus contracts would be awarded based on favoritism. However, it is recommended whenever possible that the Village try to obtain three (3) comparison bids/prices, or purchase off of State or County contracts to realize the best price.

7. Authorized Officials responsible for the use of the Village of Mamaroneck credit card purchases will accept responsibility that purchases are made in accordance with the Village of Mamaroneck Procurement Policy and Procedures.

a. The Village Manager may authorize the certain officials/employees of the Village of Mamaroneck be issued individual credit cards, under a Village master credit card account, for purpose of facilitating departmental purchases. These credit cards are administered under the provisions of the Village's Procurement Policy. No purchases of personal items shall be made on Village credit cards, even if the intent is to reimburse the Village. No department shall request a "store" credit card account under the Village of Mamaroneck unless previously authorized by the Village Manager. No additional bank credit lines or accounts will be established without authorization of the Village Manager. This section does not pertain to vendor accounts established for

the purpose of “buying on account” with an invoice subsequently sent to the Village for payment. These accounts are established on an as needed basis through the Clerk – Treasurer’s office.

8. This policy shall go into effect immediately upon adoption by the Board of Trustees and will be reviewed annually.