

Town of Riverhead
Local Law # _____

TOWN OF RIVERHEAD Procurement Policy

PURPOSE:

The purpose of this Procurement Policy is to ensure that sound business judgment is utilized in all procurement transactions and that supplies, equipment, contracts, and services are obtained efficiently and in compliance with applicable laws and to ensure that all procurement transactions will be conducted in a manner that provides full and open competition and prudent and economical use of public money. In addition, this Procurement Policy seeks to ensure that the same sound business judgment used for the purchase of personal property (i.e. supplies and equipment) is used for the evaluation of personal property and/or assets with respect to its usefulness to the Town now or in the foreseeable future and cost effective and efficient procedures for disposition of the personal property and/or assets deemed no longer of public use to the Town.

Guideline 1: Every prospective purchase of goods or services shall be evaluated to determine the applicability of General Municipal Law §103 inclusive of all future statutory amendments, deemed to be incorporated by reference, as if recited in its entirety herein. 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. The information gathered and conclusions reached shall be documented and kept with the file or other documentation supporting the purchase activity.

Guideline 2: All purchases of supplies or equipment which will exceed \$20,000 in the fiscal year or public works contracts over \$35,000 shall be formally bid pursuant to General Municipal Law §103 inclusive of all future statutory amendments, deemed to be incorporated by reference, as if recited in its entirety herein. In addition to compliance with General Municipal Law, public works contracts involving construction contracts, as defined in Labor Law section 816-b, in excess of \$250,000.00 and/or 100,000 square feet, whichever is less, shall require the bidder/contractor and subcontractors on such construction contracts to meet requirements set forth in Guideline 5.

Guideline 3:

1. All estimated purchases of less than \$20,000 but greater than \$3,000 shall require a written request for a proposal ("RFP") and written/fax quotes from at least three comparative vendors; less than \$3,000 but greater than \$1,000 require an oral request for proposal for the goods, equipment or supplies and oral/fax quotes from at least two vendors and purchaser shall maintain a record of responses whether

they are received by phone or in writing detailing date/time, name of individual offering quote, and remarks detailing quote; less than \$1,000 are left to the discretion of the purchaser.

2. All estimated public works contracts of less than \$35,000 but greater than \$10,000 require a written request for proposal and fax/proposals from at least three comparable contractors; less than \$10,000 but greater than \$1,000 require a written request for proposal and fax/proposals from at least two contractors and purchaser shall maintain a record of responses whether they are received by phone or in writing detailing date/time, name of individual offering quote, and remarks detailing quote; less than \$1,000 are left to the discretion of the purchaser.

3. All written RFP shall describe the desired goods, quantity and details regarding delivery, including mode of delivery and time parameters for 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.

4. 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. All responses to the RFP shall be kept confidential until such time as the contract for work or goods is awarded and thereafter all documents responsive to the RFP shall be subject to disclosure pursuant to the applicable provisions of the Public Officers Law.

Guideline 4: All purchasers shall make a good-faith effort 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.

Guideline 5: The lowest responsible proposal or quote shall be awarded the purchase or public works contract unless the purchaser prepares written justification providing reasons why it is in the best interest of the town and its taxpayers to make an award to other than the low bidder. If a bidder is not deemed responsible, facts supporting that judgment shall also be documented and filed with the record supporting the procurement. Notwithstanding the above, all public works projects involving construction contracts, as defined in Guideline 2, shall require a contractor and subcontractor(s) who is a party to, or working under, a construction contract, to be a participant in good standing of a Class "A" qualified apprenticeship program that is registered with and approved by the New York State Department of Labor or U.S. Department of Labor and to have apprenticeship agreements, as evidenced by valid Certificates of Completion which are specifically identified as pertaining to the trade(s) and/or job titles(s) called for within the construction contract and appropriate for the type and scope of work to be performed, as set forth and described in the bid specifications. In addition, all contractors and subcontractors must submit to the Town, Certificates of Completion showing that they, or their sponsor participate in a Class "A" qualified apprenticeship program; a Class "A" qualified apprenticeship program shall mean an apprenticeship

program that has graduated at least one apprentice from a New York State Department of Labor or U.S. Department of Labor approved and registered apprenticeship program, in the trade and/or job title called for within the construction contract, within a 24 month time period immediately preceding the bid date of such project. The contractor and/or subcontractor must submit to the Town (i) a letter certifying that it currently operates a Class "A" qualified apprenticeship program as a sponsor, (ii) a letter from the Class "A" qualified apprenticeship program's sponsor certifying the contractor and/or subcontractor are signatory to the sponsor and that the program is a Class "A" qualified apprenticeship program as defined herein, or (iii) if the contractor or subcontractor participates in a recently formed apprenticeship program, it may satisfy the requirement of this certification by providing documentation showing that the Class "A" qualified apprenticeship program in which it participates: (a) has been established within the past five years; (b) is currently registered with and approved by the U.S. Department of Labor or a state apprenticeship agency; and (c) provides bona fide apprenticeship training to participants and is in compliance with the standards and requirements applicable to registered apprenticeship programs under 29 C.F.R. 29, including the requirement under these rules to maintain as at least one registered apprentice in accordance with the guidelines of 29 C.F.R. 29.6(a). It shall be a contractor's and/or subcontractor's responsibility to submit the required Certificates of Completion as part of any bid submitted in connection with a construction contract. The failure of the contractor and/or subcontractor to provide the required Certificates/Certifications shall disqualify the contractor being awarded, or performing the construction contract or from the subcontractor being approved as a subcontractor on the construction contract. Note, it shall be the responsibility of the department administering a construction contract to verify that a contractor or subcontractor meets these requirements and has included the required apprenticeship documentation in his/her bid.

Guideline 6: A request for proposal and/or quotation shall not be required under the following circumstances:

(1) Contract for professional services subject to resolution of the Town Board.

(2)(a) Purchase of goods, equipment or supplies or contract for services through qualifying contracts let by other New York State political subdivisions provided that (i) the contract must have been let by the United States or any agency thereof, any state or any other political subdivision or district therein; (ii) the contract must have been made available for use by other governmental entities, i.e. inclusion in the contract let by the other entity of a clause extending the terms and conditions of the contract to other governmental entities; and (iii) the contract must have been let to the lowest responsible bidder or on the basis of best value in a manner consistent with General Municipal Law § 103 and related case law. This provision is intended to include all future statutory amendments of General Municipal Law (16) and same are deemed to be incorporated by reference, as if recited in its entirety herein. (*Note, GML 103 (16) was originally scheduled to expire on August 1, 2017 and has been extended to July 31, 2019).

(2)(b) Purchase of goods, equipment or supplies or contract for services through qualifying contracts let by the County of Suffolk or through any county within the State of New York subject to County Law 408(a).

(3) Public emergency arising out of an accident or unforeseen occurrence or condition affecting public buildings, public property or life, health, safety or property of the inhabitants of the Town. Unless exigent circumstances exist such that time is of the essence, Purchaser shall seek to obtain approval of the Town Board prior to purchase or contract.

(4) Sole-source situations (purchaser must obtain written verification from vendor)

(5) Surplus and second-hand supplies, material or equipment from federal government, State of New York, or other political subdivisions, districts, or public benefit corporation.

(6) Purchase of goods, equipment and supplies under State contracts through the Office of General Services and subject to rules promulgated by the Office of General Services.

Guideline 7: The purchase of goods or services must be accompanied by a duly signed and completed purchase order or contract except a purchase order shall not be required prior to purchase/procurement under those circumstances identified in Guideline 6 and purchases or public works project less than \$1000.00. The above guideline is not intended to eliminate the requirement for a purchase order. Note, all Department Heads shall be responsible to verify the existence of a bid or contract award for the same or similar goods or services and shall be limited to purchase from such vendor/contractor.

Guideline 8: The Town Department responsible for personal property and/or asset(s) it wishes to have declared surplus shall complete a "Plant Asset/Office Equipment Disposal Form" including a description of the item, serial/tag #, location, condition, estimated surplus value, and reason for disposal. The Plant Asset/Office Equipment Disposal Form must be signed by the supervisor/manager of the department and filed with the Office of the Financial Administrator. Town Departments may transfer assets and equipment provided that a Plant Asset/Office Equipment Disposal Form records the transfer and same is filed with the Financial Administrator. Finally, the Office of the Financial Administrator, with the assistance of Department Heads, shall evaluate estimated surplus value of all assets and equipment disposed on a bi-annual basis and make recommendation to the Town Board regarding disposal or sale, subject to all applicable laws and procedures regarding disposition of surplus asset/equipment, including but not limited to bid procedures set forth in General Municipal Law § 103, and receipt of an "As-Is" Statement and/or Liability Waiver. Note, all Town logos or other markings identifying the property as Town property shall be removed prior to sale. This policy shall not in any way limit or prohibit the Town Board from donating an item of personal property and/or asset as permitted under the law.

For Purposes of Guideline 8: Surplus shall be defined as any Town personal property and/or asset that is no longer needed now or in the foreseeable future or that is no

longer of value or use to the Town and Estimated Surplus Value shall be defined as the estimated amount of money an interested party will be willing to pay the Town for the property. This can be determined through an estimate, an appraisal, Kelly blue book value or other sources available to the responsible Department or Office of the Financial Administrator.

Guideline 9: This policy shall be reviewed annually by the Town Board.