

## Chapter 50. Procurement Policy

[HISTORY: Adopted by the Town Board of the Town of Van Buren 8-26-1996. Amendments noted where applicable.]

### GENERAL REFERENCES

Investment policy — See Ch. 36

Personnel policies — See Ch. 45.

050a Requested Quote Sheet 

## Article I. Policy

### § 50-1. Evaluation of purchase.

Every prospective purchase of goods or services shall be evaluated to determine the applicability of General Municipal Law § 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. That estimate shall include the canvass of other town departments and past history to determine the likely yearly value of the commodity to be acquired. The information gathered and conclusions reached shall be documented and kept with the file or other documentation supporting the purchase activity.

### § 50-2. Purchases to be formally bid.

[Amended 10-19-2010 by L.L. No. 5-2010; 8-2-2011 by L.L. No. 5-2011]

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.

### § 50-3. Estimated purchases requiring quotes or proposals.

A. All estimated purchases of equipment or supplies (including maintenance and repairs) for:

- (1) Less than \$499.99 shall be left to the discretion of purchaser.
- (2) Five hundred dollars to \$999.99 shall require two verbal quotes which shall be recorded on the requested quote sheet<sup>[1]</sup> and attached to the purchase order.

[1] *Editor's Note: The requested quote sheet is located at the end of this chapter.*

- (3) One thousand dollars to \$19,999.99 shall require a written request for a proposal (RFP) and written/fax from three vendors.

[Amended 8-2-2011 by L.L. No. 5-2011]

- (4) Twenty thousand dollars and over shall require solicitation of bids as per General Municipal Law § 103.

[Amended 8-2-2011 by L.L. No. 5-2011]

B. All public works contracts for:

- (1) Less than \$499.99 shall be left to the discretion of the purchaser.

- (2) Five hundred dollars to \$999.99 shall require two verbal quotes which shall be recorded on the requested quote sheet and attached to the purchase order.
  - (3) One thousand dollars to \$34,999.99 shall require a written request for a proposal (RFP) and written/fax from three vendors.  
[Amended 8-2-2011 by L.L. No. 5-2011]
  - (4) Thirty-five thousand dollars or over shall require solicitation of bids through advertisement in a Town-approved publication as per General Municipal Law § 103.  
[Amended 10-19-2010 by L.L. No. 5-2010]
- C. The above guidelines apply to aggregate amounts spent on same/like items through the fiscal year (i.e.: if the total number of water meters for year is projected to exceed \$10,000, advertised solicitations of bids is required unless an exemption applies).
- D. Any written request for purchase (RFP) shall describe the desired goods, quantity and the particulars of delivery. The purchaser shall compile a list of 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 chapter shall be preserved and filed with the documentation supporting the subsequent purchase or public works contract and also attached to vouchers submitted for payment.

## § 50-4. Award of purchase or contract.

The lowest responsible proposal or quote shall be awarded the purchase or public works contract unless the purchaser prepares a written justification providing reasons why it is in the best interest of the Town and its taxpayers to make an award to someone other than the low bidder (for example, the second low bidder is a business in town paying Town property taxes, and their quote was within 5% of the low bidder which is an out-of-state business or supplier). If a bidder is not deemed responsible, facts supporting that judgment shall also be documented and filed with the records supporting the procurement.

## § 50-5. Good faith effort.

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 in obtaining the proposals. In no event shall the inability to obtain the proposals or quotes be a bar to the procurement.

## § 50-6. Exceptions from solicitation of quotes or proposals.

- A. Except when directed by the Town Board, no solicitation of written proposals or quotations shall be required under the following circumstances:
- (1) Acquisition of professional services.
  - (2) Emergencies (as declared by the Town).
  - (3) Sole source situations.
  - (4) Goods purchased from agencies for the blind or severely handicapped.
  - (5) Goods purchased from correctional facilities.
  - (6) Goods purchased from another governmental agency.
  - (7) Goods purchased at auction.
  - (8) Good purchased through state or county contracts.

- B. Supporting documentation explaining the above must accompany the purchase (i.e.: a copy of relevant state or county contracts).

## § 50-6.1. Piggybacking.

[Added 5-3-2016 by L.L. No. 4-2016]

- A. Notwithstanding the provisions of this Chapter 50 ("Procurement Policy"), the Town of Van Buren may, for purposes of public purchases, utilize the provisions of New York General Municipal Law § 103 with regard to so-called "piggybacking" of purchases. Pursuant to New York General Municipal Law § 103, the Town of Van Buren may purchase through the bids solicited by the United States government, New York State and/or any other state or political subdivision (counties, towns, school districts, etc.), provided that those contracts clearly state that they are available for use by other governmental entities within the requirements of New York General Municipal Law § 103(16). Prior to such purchase, the Town of Van Buren will ensure that a piggyback purchase qualifies as follows:
- (1) The contract must have been let by the United States or any agency thereof, any state or any other political subdivision or district therein.
  - (2) The contract involved must have been available for use by other governmental entities through the bid solicitation process. In such case, the Town of Van Buren should determine that there is contained within the bidding political subdivision's bid package a provision that the bid is open to and can be used by either the Town of Van Buren or other municipalities. This determination should be made on a case-by-case basis.
  - (3) The specific contract must have been let to the lowest responsible or on the basis of best value and in accordance with or in a manner consistent with the provisions of New York General Municipal Law § 103.

## § 50-6.2. Purchasing based on best value.

[Added 5-3-2016 by L.L. No. 4-2016]

- A. New York General Municipal Law § 103 requires competitive bidding for purchase contracts and public works contracts and has historically required that such bids be awarded to the lowest responsible bidder whose bid meets the requirements of the specifications for the project. Section 103 was amended to provide that by enacting a local law so providing, municipalities may award purchase contracts which would otherwise be subject to the "lowest bidder" rule on the basis of best value, as defined in State Finance Law § 163, to a responsive and responsible bidder or offeror.
- B. Notwithstanding the provisions of this Chapter 50 ("Procurement Policy"), the Town of Van Buren Town Board hereby determines that it is in the best interest of the Town of Van Buren and its residents for the Town of Van Buren to have the authority to award purchase contracts on the basis of best value. Factors that may be used to enact the "best value" option, where cost efficiency over time to award the good(s) or service(s) to other than the lowest bidder include but are not limited to:
- (1) Lowest cost of maintenance for good(s) or service(s);
  - (2) Durability of good(s) or service(s);
  - (3) Higher quality of good(s) or service(s); or
  - (4) Longer product life of good(s) or service(s).
- C. The Town of Van Buren may award purchase contracts, including contracts for service work related to the installation, maintenance or repair of apparatus, equipment and supplies, but excluding any purchase contracts necessary for the completion of a public works contract pursuant to Labor Law Article 8, on the basis of best value, as defined in State Finance Law § 163, to a responsive and responsible bidder or offeror.

- (1) Where the basis for award is the best value offer, the Town of Van Buren shall document, in the procurement record and in advance of the initial receipt of offers, the determination of the evaluation criteria, which whenever possible shall be quantifiable, and the process to be used in the determination of best value and the manner in which the evaluation process and selection shall be conducted.
- (2) Where appropriate, the solicitation shall identify the relative importance and/or weight of cost and the overall technical criterion to be considered by the Town of Van Buren in its determination of best value.
- (3) The election to award any such contract on the basis of best value shall be made by the Town Board. In the event that no such election is made, purchase contracts will continue to be awarded to the lowest responsible bidder furnishing any required security in accordance with this chapter.

## § 50-7. Miscellaneous provisions.

- A. This policy is intended to be a guideline for Town personnel involved in the purchase of goods and services, and no unintentional violation of this policy shall be deemed to create a claim or cause of action or form the basis of any claim or a cause of action against the Town personnel.
- B. This policy does not supersede those instances (i.e.: conferences, meetings, etc.) where prior Town Board approval is required before Town funds can be committed. Interpretations of the applicability of this policy to a specific situation will be made by the Town Comptroller's office in conjunction with the Town Supervisor's office.
- C. Purchase orders will be issued when funds are committed and budgeted amounts encumbered when acquisitions are made under the policy. All purchase orders are to be submitted to the comptroller's office when written and sent to a supplier.
- D. This policy shall go into effect immediately and will be reviewed annually.

## Article II. Procedures

### § 50-8. Determination.

The purchaser, when deciding to begin the purchasing process shall make the initial determination whether competitive bidding is needed. This includes determining if this is a single purchase or a part of a multi-purchase spread out over the year (i.e., road salt, water meters, etc.); if Town Board approval is required before a commitment can be made; if it is a proper Town charge; if it is a necessary and reasonable expenditure; and if it is provided for in the annual budget. In summary, the purchaser must be able to provide the legal authority to make the expenditure.

### § 50-9. Purchase order.

Once it is determined that the expenditure can be made, a purchase order shall be completed after quotes/bids are obtained (if required). Included on the purchase order shall be:

- A. Purchase order date.
- B. Suppliers name and address.
- C. Payment terms.
- D. Quantity and price of product (extended).
- E. Shipping charges (if any).
- F. Appropriation line charged.

## § 50-10. Attachments to purchase order.

All solicitation bids, verbal or written; copies of state/county contracts; or other information supporting the purchase shall be attached to the purchase order. If the purchase requires advertising bids, a copy of the advertisement and winning bid should also be attached or a statement included where the documentation is located. A statement on where nonwinning bids are on file should also be included, if not attached. If authorization to purchase was received from the Town Board, the resolution number and date or copy thereof should be attached.

## § 50-11. Signing of order.

The purchaser shall sign the purchase order signifying it is correct, true and adheres to these guidelines.

## § 50-12. Distribution of purchase order.

Purchase orders shall be distributed as follows:

- A. White copy: sent to the supplier.
- B. Light yellow: to the Comptroller's office (duplicate).
- C. Pink (triplicate): kept by the department head. When the product is received, this copy shall become the receiving copy to verify quantities received. It shall also be attached to the invoice/voucher and submitted to the Comptroller's office. If multiple receiving against the purchase order is anticipated, a photo copy shall be submitted until the final receiving is received.
- D. Dark yellow, file copy: kept by the department head.

## § 50-13. Submission of order to Comptroller; recordkeeping.

- A. Purchase orders shall be submitted to the Comptroller's office for processing when the department makes the commitment to purchase.
- B. The Comptroller's office shall date stamp all purchase orders upon receipt.
- C. The Comptroller shall review the purchase order for adherence to bid procedures, if required, appropriation lines being charged for correctness and whether the purchase order is complete.
- D. Open purchase orders shall be entered into the computer, monthly or at year end encumbering the funds.
- E. When the goods are received, the department head shall compare the purchase order to the receiving documents to the invoice for correctness. If the purchase order is complete, the pink copy shall be attached to the invoice and submitted to the Comptroller's office. If the order is not complete, the copy shall be attached to the voucher.
- F. Comptroller's office shall date stamp the vouchers and number them in sequence when received.
- G. The voucher shall be verified to supporting documentation for completeness. If a significant problem exists, the voucher shall be returned to the department for correction.
- H. The voucher shall be entered into the computer for payment.

PROCUREMENT POLICY

50 Attachment 1

TOWN OF VAN BUREN

Requested Quote Sheet

Date: \_\_\_\_\_

Item: \_\_\_\_\_ Quantity: \_\_\_\_\_

Description (if needed): \_\_\_\_\_  
\_\_\_\_\_

1.      \_\_\_\_\_  
          Company                                      Phone                                      Quote  
  
          \_\_\_\_\_  
          Representative
  
2.      \_\_\_\_\_  
          Company                                      Phone                                      Quote  
  
          \_\_\_\_\_  
          Representative
  
3.      \_\_\_\_\_  
          Company                                      Phone                                      Quote  
  
          \_\_\_\_\_  
          Representative
  
4.      \_\_\_\_\_  
          Company                                      Phone                                      Quote  
  
          \_\_\_\_\_  
          Representative

\_\_\_\_\_  
Signature of person preparing form