

# Jay Fire District

Jay, NY

Fire District Policy and Procedure

Policy Name: Procurement policy

Date Issued: February 14, 2012

Date Effective: February 15, 2012

Revised: March 12, 2013, January 2020 – format only

Review Date: January 2020

WHEREAS, Section 104-b of the General Municipal Law requires the governing body of every municipality in New York State to adopt a procurement policy for the purchase of all goods and services which are not required by law to be publicly bid, and

WHEREAS, comments have been solicited from all officers and officials of the Jay Fire District involved in the procurement process.

NOW THEREFORE, BE IT RESOLVED, that the Jay Fire District 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.

- A. Every purchase must be initially reviewed to determine whether it is a purchase contract or a public works contract. Once that determination is made, a good faith effort will be made to determine whether the purchase contract/public works contract is subject to competitive bidding, or whether the purchase contract/public works contract can reasonably be expected to become subject to competitive bidding because the aggregate total amount to be spent on the item of supply or service may exceed such limits. In making this determination the Board will consider past purchases and the aggregate amount to be spent in a one- year period.

The following items are not subject to competitive bidding pursuant to Section 103 of the General Municipal Law:

- 1) purchase contracts under \$20,000 and public works contracts under \$35,000
- 2) emergency purchases; certain municipal hospital purchases; acquisition of emergency good and services (purchases required based upon an unanticipated unforeseen emergency that arises); goods purchased from agencies for the blind or severely handicapped; goods purchased from correctional institutions
- 3) purchases under State and County contracts; purchases made under the piggybacking provisions of Section 103, subparagraph 16, of the General Municipal Law under contracts let by the United States of America or any agency thereof, any state or any other county or political subdivision or district therein if such contract was let in a

manner that constitutes competitive bidding consistent with state law and made available for use by such other governmental entity. The individual making a purchase will document the decision that a purchase is not subject to competitive bidding in writing. This documentation may include written or verbal quotes from vendors, a memo from the purchaser indicating the source which makes the item, or service is exempt, a memo from the purchaser detailing the circumstances which led to an emergency purchase, or any other written documentation that is appropriate.

B. All goods and services will be secured by the use of written request for proposals, written quotations, verbal quotations, or any other method that assures that goods will be purchased at the lowest responsible price and that favoritism will be avoided.

C. All proposals and quotations will be obtained by District personnel by contacting independent vendors directly, supplying the necessary request for proposal (RFP) information needed by the vendor to formulate a quote or proposal, and having the vendor supply a proposal in the proper form (verbal, written, fax, etc.). No vendors will be permitted to participate or be asked to participate in the process of securing quotes or proposals from other vendors. No vendor may solicit another vendor to submit a quote or proposal on a contract that it is submitting a quote or proposal on. If quotes or proposals are received on a proposed purchase contract and it is determined that the vendors submitting quotes or proposals are related in some manner that would raise a question as to possible collusion, all such quotes or proposals from the vendors involved will be disqualified and a new round of quotes and proposals shall be obtained.

D. Equipment and goods to be leased by the fire district will not be subject to this policy since a lease does not involve an actual purchase of goods. However, installment purchase contracts which involve an actual purchase will be subject to this policy, competitive bidding rules, and Section 109-b of the General Municipal Law.

E. The following method of purchase will be used when required by this policy in order to achieve the highest savings: 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.

<b>Estimated Amount of Purchase Contract</b>	<b>Method</b>
\$0.00 to \$2,000	One quote
\$2,001 to \$5,000	Two verbal quotes
\$5,001 to \$10,000	Two written/faxed quotes/ request for purchase
\$10,001 to \$20,000	Three written/faxed quotes/ request for purchase

<b>Estimated Amount of Public Works Contract</b>	<b>Method</b>
\$0.00 to \$3,000	One quote
\$3,001 to \$5,000	Two verbal quotes
\$5,001 to \$7,000	Two written/faxed quotes/ request for purchase
\$7,001 to \$35,000	Three written/faxed quotes/ request for purchase

F. A good faith effort shall be made to obtain the required number of proposals or quotations. If the District is unable to obtain the required number of proposals or quotations, the District will document the attempts made to obtain the proposals or quotes. In no event shall the failure to obtain the proposals be a bar to the procurement. Documentation is required of each action taken in relation to each procurement.

G. Documentation and an explanation are required whenever a contract is awarded to other than the lowest responsible quote or proposal. This documentation will include an explanation of how the award will achieve savings or how the entity submitting the quote or proposal was not responsible, or how the quote or proposal was not responsive (did not meet specifications, etc.). A determination that the quote or proposal is not responsible shall be made by the District and may not be challenged under any circumstances.

H. Pursuant to General Municipal Law Section 104-b [2] [f], in its sole discretion, the Board of Fire Commissioners reserves the right to determine when the solicitation of alternative proposals or quotations will not be in the best interest of the Fire District for a particular type of purchase or procurement, and in such cases will direct that purchase or procurement be conducted in the appropriate manner. In the following circumstances it may not be in the best interest of the Fire District to solicit quotations or further document the basis for not accepting the lowest

1. Professional services requiring special or technical skill, training, or expertise (except external accounting services now covered under a statutory request for proposal process as more fully described below). The individual/firm must be chosen based on accountability, reliability, responsibility, skill, education and training, judgment, integrity, and moral worth. These qualifications are not necessarily found in the individual or firm that offers the lowest price. Additionally, the nature of these services may be such that they do not readily lend themselves to competitive procurement procedures. In determining whether a service fits into this category, the Board of Fire Commissioners shall take into consideration the following guidelines: whether the services are subject to State licensing and testing requirements; whether substantial formal education or training is necessary prerequisite to the performance of the services; and whether the services require a personal or confidential relationship between the individual and municipal officials. Professional or technical services are defined as services of an attorney; services of a physician; technical services of an engineer or architect 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 services of

municipally owned property; public relations services; and computer software or programming services for customizing computer programs., or services involving a substantial modification and customizing of prepackaged software, and services of a computer or other expert to assist in the design of a computer and/or communications network. Under this policy, the Board will procure professional services without soliciting multiple quotations. However, the Board reserves the right to nevertheless obtain proposals for such work in order to make certain that it is obtaining a fair market rate for such services and/or if it is not confident that current practices provide for obtaining a fair price for such services. In this process the Board will be guided by the best interest of the fire district and its taxpayers.

2. The Board will make certain that all contracts let in accordance with the preceding paragraph are let based upon a written contract or retainer agreement.

3. 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 because seeking alternate proposals may threaten the life, health, safety, or welfare of the residents. This section does not preclude alternate proposals if time permits.

4. Purchases of surplus and second-hand goods from any source. If alternate proposals were required, the Fire District could be prevented from purchasing surplus and second-hand goods at auctions or through specified advertised sources where the best prices are usually obtained. It is also difficult to try to compare prices of used goods since a lower price may indicate an older product or a product of less suitable condition.

5. Standardized Items. In the event that the Board of Fire Commissioners adopts a resolution to standardize on a particular type and manufacturer of equipment in accordance with the authority granted by Section 103 of the General Municipal Law, and the purchase provide for the product will be less than \$20,000.00, the Fire District will purchase the item or items directly from the manufacturer or from an authorized representative of the manufacturer. If the manufacturer has granted exclusive rights to a particular vendor in the area of the Fire District, the District will not be required to solicit additional quotations. This rule will also apply in the case of direct purchases from the manufacturer of a standardized product.

6. Purchases made under the piggybacking provisions of Section 103, subparagraph 16, of the General Municipal Law under contracts let by the United States of America or any agency thereof, any state or any other county or political subdivision or district therein if such contract was let in a manner that constitutes competitive bidding consistent with state law and made available for use by such other governmental entities. Prices will have already been determined by a permissible method of obtaining multiple bids making it unnecessary to secure quotes.

7. Goods under \$2,000.00 and public works services under \$3,000.00. The time and documentation required to purchase such goods or services would likely be more costly than the item itself and would therefore not be in the best interest of the taxpayer. In addition, it is not likely that such de minimis contracts would be awarded based on favoritism.

I. This policy shall go into effect February 15, 2012 and will be reviewed annually.

District staff will provide proof of compliance with these procurement and purchasing guidelines with claims submitted for audit to the Board of Fire Commissioners. District staff will provide proof of receipt of goods and services with claims submitted for audit to the Board of Fire Commissioners.

By Order of Board of Fire Commissioners - Jay Fire District

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Chairman Board of Fire Commissioners