

Procurement Policy

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

WHEREAS, In addition to General Municipal Law, this policy incorporates federal procurement standards required under 2 CFR Part 200, Subpart D (sections 200.318 through 200.326), applicable to all procurements funded in whole or in part with federal funds, including Community Development Block Grant (CDBG) funds administered by the New York State Office of Community Renewal (OCR), and

WHEREAS, comments have been solicited from all officers in the Village involved in the procurement process, now, therefore, be it

RESOLVED, that the Village of Scotia 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 SCOTIA

1. Every purchase to be made 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 it is known or can reasonably be expected that the 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 year. The following items are not subject to competitive bidding pursuant to Section 103 of the General Municipal Law: purchase contracts under \$20,000*** and public works contracts under \$35,000**; emergency purchases; certain municipal hospital purchases; goods purchased from agencies for the blind or severely handicapped; goods purchased from correctional institutions; purchases under State and county contracts; and surplus and second-hand purchases from another governmental entity.

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 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 is appropriate.

2. All goods and services will be secured by use of written requests for proposals, written quotations, verbal quotations, or any other method that assures that goods will be purchased at the lowest price and that favoritism will be avoided, except in the following circumstances: purchase contracts over \$20,000*** and public works contracts over \$35,000**; goods purchased from agencies for the blind or severely handicapped pursuant to Section 175-b of the State Finance Law; goods purchased from correctional institutions pursuant to Section 186 of the Correction Law; purchases under State contracts pursuant to Section 104 of the General Municipal Law; purchases under county contracts

pursuant to Section 103(3) of the General Municipal Law; 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:

<u>Estimated Amount of Purchase Contract</u>	<u>Method</u>
\$1,000 - \$2,999	2 verbal quotations
\$3,000 - \$19,999	3 written/fax quotations or written request for proposals
<u>Estimated Amount of Public Works Contract</u>	<u>Method</u>
\$1,000 - \$2,999	2 verbal quotations
\$3,000 - \$4,999	3-written/fax quotations
\$5,000 - \$34,999**	3 written/fax quotations or written request for proposals

Federal Micro-Purchase and Small Purchase Thresholds (This provision should be applied when federal funds are used.

Purchase Type Federal Thresholds (2 CFR 200.320)

Micro-purchase ≤ \$10,000 – No quotes required, but price must be reasonable

Small purchase \$10,001–\$250,000 – Must obtain price or rate quotes from multiple qualified sources

Sealed bid / Competitive

proposal > \$250,000 – Must use formal procurement (IFB or RFP) with public advertisement

When there is a discrepancy between state and federal rules the most restrictive threshold (state or federal) shall be used.

4. Documentation is required of each action taken in connection with each procurement.

For all federally funded procurements, the Village shall verify that vendors, contractors, and subcontractors are not listed on the federal System for Award Management (SAM.gov) as debarred, suspended, or otherwise ineligible.

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 Scotia 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 on 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 any 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.

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. Goods or services under \$1,000*. 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 minimis contracts would be awarded based on favoritism.

7. Procurement Where CDBG/HOME Funds Are Used

A. Include Required Federal Contract Clauses (2 CFR 200 Appendix II)

Add a clause requiring inclusion of federal provisions in covered contracts:

“Contracts funded with federal assistance shall include all contract provisions required by 2 CFR Part 200, Appendix II, including clauses related to termination, Equal Employment Opportunity, Davis-Bacon Act, Contract Work Hours and Safety Standards, Clean Air Act, Byrd Anti-Lobbying Amendment, and others as applicable.”

B. Affirmative MWBE / Section 3 Outreach pursuant to (2 CFR 200.321)

For federally funded contracts, the Village shall take affirmative steps to ensure that minority-owned, women-owned, and Section 3 businesses are given opportunities to participate. These steps shall include:

- Placing qualified small and minority businesses and women’s business enterprises on solicitation lists;
- Assuring that such businesses are solicited whenever they are potential sources;
- Dividing total requirements into smaller tasks or quantities when economically feasible;
- Establishing delivery schedules that encourage participation; and
- Using the services of organizations such as the NYS MWBE Directory, Section 3 Business Registry, and community workforce agencies.

C. Conflict of Interest and Ethical Standards pursuant to (2 CFR 200.318(c))

No employee, officer, or agent of the Village may participate in the selection, award, or administration of a contract supported by federal funds if they have a real or apparent conflict of interest. The Village shall maintain written standards of conduct governing employee behavior in procurement matters.

D. Recordkeeping pursuant to (2 CFR 200.318(i))

Procurement records shall include the rationale for the method of procurement, selection of contractor, basis for contract type, and contract price. These records shall be retained for at least five years and made available for federal or state review upon request.

8. This policy shall go into effect July 1, 2025 and will be reviewed annually.