

## **TOWN OF COCHECTON PROCUREMENT POLICY**

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## TOWN OF COCHECTON PROCUREMENT POLICY

WHEREAS, section 104-b of the General Municipal Law (“GML”) requires every town to adopt internal policies and procedures governing all procurement of goods and services not subject to the bidding requirements of GML, section 103 or any other law; and

WHEREAS, except as set forth in paragraph 6, the Purchasers for the Town of Cochection are limited to the Town Board, Town Clerk, Highway Superintendent and the Sewer Plant Operator and

WHEREAS, comments have been solicited by the Town Board from all officers of the Town involved in the procurement process;

NOW, THEREFORE, BE IT RESOLVED: That the Town of Cochection does hereby adopt the following procurement policies and procedure:

1. Every prospective purchase of goods or services shall be evaluated to determine the applicability of and conformance with the GML, section 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. These files will be maintained by the Purchaser, with a copy of all documents furnished to the Town Clerk within 5 business days from transaction.

Every purchase to be made must be initially reviewed by the Town Board to determine whether it is a purchase contract or a public works contract. In emergency situations, the Town Supervisor will review the anticipated purchase and make the determination. He must report his or her actions to the Town Board at the next scheduled Town Board meeting. Except as set forth in section 6 of this policy, all purchases will be made as outlined herein.

2. All purchases of (a) supplies or equipment in the amount of \$10,000.00 or more in the fiscal year or (b) public works contracts in the amount of \$20,000.00 or more in the fiscal year shall be formally bid pursuant to GML, section 103.
3. All estimated purchases of commodities, equipment or goods:

<u>\$10,000.00 and up</u>	-	Bid in conformance with General Municipal Law, section 103
<u>Less than \$10,000.00 but Greater than \$3,000.00</u>	-	require a written request for a proposal (RFP) and written/fax quotes from 3 vendors
<u>Less than \$3,000.00 but Greater than \$1,000.00</u>	-	require an oral request for the goods and oral/fax quotes from 2 vendors <u>(documented by Purchaser)</u>
<u>Less than \$1,000.00 but</u>		

Greater than \$250.00 - are left to the discretion of the Purchaser, with documentation setting forth justification for the purchase

All estimated public works contracts of:

\$20,000.00 and up - Bid in conformance with General Municipal Law, section 103

Less than \$20,000.00 but Greater than \$10,000.00 - require a written RFP and fax/proposals from 3 contractors

Less than \$10,000.00 but Greater than \$3,000.00 - require a written RFP and fax/proposals from 2 contractors

Less than \$3,000.00 but Greater than \$500.00 - are left to the discretion of the Purchaser, with documentation setting forth justification for the purchase.

Any written request for a proposal (RFP) shall describe the desired goods, quantity and the particulars of 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.

All information gathered in complying with the procedures of this Guideline shall be preserved and filed by the Purchaser with the documentation supporting subsequent purchase or public works contract with complete copies forwarded to the Town Clerk within 5 business days from transaction.

4. 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 other than the low bidder. If a bidder is not deemed responsible, facts supporting that judgment shall also be documented and filed by the Purchaser with the record supporting the procurement. (Copies if all records to be forwarded to the Town Clerk within 5 business days from transaction.)
5. 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 at obtaining the proposals. In no event shall the inability to obtain the proposals or quotes be a bar to the procurement provided town board approval is received.
6. Except when directed by the town board, no solicitation of written proposals or quotations shall be required under the following circumstances:
  - a) Acquisition of professional services or services requiring special or technical skill, training or expertise (Section 104-b (2) (f), GML);
  - b) Emergencies (section 103 (4), GML (also memo from Purchaser detailing circumstances of emergency purchase);
  - c) Sole source situations;
  - d) Goods purchased from agencies for the blind or severely handicapped (section 175-b, State Finance Law);
  - e) Goods purchased from correctional facilities (section 186, Correction Law);
  - f) Goods purchased from or through another governmental agency section;
  - g) Goods purchased at auction (only within limitations as set out in paragraph 3 of this policy);

- h) Goods purchased for less than \$250.00 by Town Supervisor, Town Clerk and Sewer Plant Operator and \$2,000.00 by Highway Superintendent. All fuel purchases are permitted up to \$4,000.00;
- i) Goods valued at \$200.00 or less may be purchased by any other department head;
- j) The Supervisor, Town Clerk and Tax Collector are permitted to purchase stamps and stamped envelopes for town purposes. (Ref. meetings 2/12/1992 and 3/11/1992);
- k) Public works contracts for less than \$500.00.

**(Department Heads are responsible for initiating and proper completion of each purchase)**

- 7. Documentation is required of each action taken in connection with each procurement. All purchases of goods must be accompanied by a signed purchase order and all service invoices must include a signed voucher in a form approved by the Town Board.
- 8. The unintentional failure to fully comply with the provisions of this policy shall not be grounds to void action taken or give rise to a cause of action against the Town or any officer or employee thereof.
- 9. This policy shall be reviewed annually by the Town Board at its organizational meeting or as soon thereafter as is reasonably practicable.
- 10. All bills should include a description of the item or service purchased in sufficient detail for the Town Board to determine the item or service purchased and its intended use. Part Numbers are not sufficient.

**LEASE AGREEMENT (TRUE LEASES)**

**Source: Office of the State Comptroller Financial Management Guide:**

**Section: Procurement**

**Subsection: Procurement Policies and Procedures 12/93**

**“The courts have held that ‘true Lease’ agreements are neither purchases nor contracts for public work and, thus, are not subject to bidding under General Municipal Law, § 103” however, any equipment that is required to be leased by the Town of Cocheton shall be subject to the Town’s Procurement Policy as heretofore outlined.**