

# **Town of Butternuts**

## **Procurement Policy & Procedures**

**Adopted as amended, March 8, 2023**

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 bidding requirements of GML section 103 or any other law: and

WHEREAS, comments have been solicited from those officers of the town involved with procurement; NOW, THEREFORE, be it

RESOLVED: That the Town of Butternuts does hereby adopt the following procurement policies and procedures:

Guideline 1. Every prospective purchase of goods or services shall be evaluated to determine the applicability of 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 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.

Guideline 2. All purchases of a) supplies or equipment which will exceed \$20,000 in the fiscal year or b) public works contracts over \$35,000 shall be formally bid pursuant to GML, section 103.

Guideline 3. **All estimated purchases of**

- Less than \$20,000 but greater than \$10,000 require written request for a proposal (RFP) and written/fax quotes from 3 vendors.
- Less than \$10,000 but greater than \$500 require 3 written quotes from 3 vendors. These written quotes shall be submitted on Form GML3 and attached to a purchase order for review by the Board before payment.
- Less than \$500 are left to the discretion of the purchaser.
- All invoices shall be signed by the purchasers and attached to the voucher for review by the Board before payment.

### **All estimated public works contracts of**

- Less than \$35,000 but greater than \$15,000 require a written RFP and written /fax proposals from 3 contractors.
- Less than \$15,000 but greater than \$8,000 require a written RFP and oral/fax proposals from 2 contractors.
- Less than \$8,000 are left to the discretion of the purchaser.

Any written RFPs 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 quote 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 with the documentation supporting the subsequent purchase or public works contract.

Guideline 4. The lowest responsible proposal or quote shall be awarded the purchase or public works contract. However, the Purchaser may prepare a written justification providing reasons why it is in the town's and its taxpayers' interest 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.

Guideline 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.

Guideline 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 (e.g., legal and engineering);
- b) Emergencies, defined as an accident or other unforeseen occurrence or condition whereby circumstances affecting public buildings, property or the life, health, or safety of any person in the Town of Butternuts, require immediate action. Expenses for goods and services necessary for immediate remediation are exempt from normal procedures. All efforts to obtain goods and services shall be documented.
- c) Sole source situations.
- d) Goods purchased from agencies for the blind or severely handicapped;
- e) Goods purchased from correctional facilities;
- f) Goods purchased from another governmental agency;
- g) Goods purchased through "piggybacking" on other government contracts in accordance with the prerequisites of GML, section 103;
- h) Goods purchased at auction;

- i) Goods purchased for less than \$3,000;
- j) Public works contracts for less than \$8,000.

Guideline 7. If it is determined to be in the Town's best interest, cooperative purchasing arrangements with other localities may be entered into in order to procure goods/services.

Guideline 8. Purchases of commodities, services, or technology shall not be artificially divided for the purpose of satisfying the discretionary thresholds established by the Town Board.

Guideline 9. The unintentional failure to comply fully with the provision of General Municipal Law, section 104-b shall not be grounds to void action taken or give rise to a cause of action against the Town of Butternuts or any officer or employee thereof.

Guideline 10. Department heads are responsible for purchases of goods and services not exceeding \$500.00 subject to audit and approval of invoices by the town board. For purchases of goods and services in excess of \$500.00, department heads must obtain the prior approval of the Town Board except in cases of emergency.

Guideline 11. No purchases shall be made on behalf of the town using personal credit cards or credit accounts except in the case of an emergency situation.