

ONEIDA COUNTY LOCAL DEVELOPMENT CORPORATION

PROCUREMENT POLICY

A. Introduction

1. Scope – In accordance with Article 18-A of the General Municipal Law (the “IDA Act”), Section 104-b of the General Municipal Law, and the Public Authorities Accountability Act of 2005, the Oneida County Local Development Corporation (the “Corporation”) is required to adopt procurement policies which will apply to the procurement of goods and services not subject to the competitive bidding requirements of Section 103 of the GML and paid for by the Corporation for its own use and account.

2. Purpose – Pursuant to Section 104-b of the GML, the primary objectives of this policy are to assure the prudent and economical use of public monies in the best interests of the taxpayers of the County of Oneida, to facilitate the acquisition of goods and services of maximum quality at the lowest possible cost under the circumstances and to guard against favoritism, improvidence, extravagance, fraud and corruption.

B. Methods of Procurement

1. The purchase of equipment, supplies, and non-professional services shall be authorized as follows:

- i. Where the estimated total cost does not exceed \$5,000, purchases shall be made upon verbal quotations that best meet the standards of efficiency, timeliness, practicality, and convenience at the discretion of Executive Director of the Corporation or authorized designee. Given these objectives, a price quote from a single vendor may be sufficient. To the extent that multiple quotations are received, in the event the purchase is made from a vendor not providing the lowest quote, a written explanation will be placed in the file.
- ii. Where the estimated total cost is over \$5,000 and does not exceed \$20,000, the purchase shall be made upon at least three (3) written quotations, if available, and shall be authorized by the Executive Director of the Corporation or authorized designee. In the event the purchase is made from a vendor not providing the lowest quote, a written explanation will be placed in the file.
- iii. Where the estimated cost is over \$20,000, the purchase shall be made based upon a competitive bidding process. The Corporation’s Board of Directors (the “Board”) shall authorize, or ratify, award of contracts for such purchases if the purchase was not anticipated in the Corporation’s adopted Annual Budget. In the event the purchase is made from a vendor not providing the lowest quote, a written explanation will be placed in the file and/or reflected in the Board’s meeting minutes.

- iv. Purchases may be made from a Federal, State, County, or other Municipal, State Authority, or Local Development Corporation contracts. Such purchases are not subject to the requirements specified in items 1(i)-1.(iii), above.
- v. All purchases of \$5,000 or more, or any purchases not anticipated in the Corporation's adopted Annual Budget, shall be reported to the Board on a semi-annual basis. In the event that the purchase is made from a vendor not providing the lowest cost, an explanation shall be included in this report.

2. Contracts for professional services involve the application of specialized expertise, the use of professional judgement, or a high degree of creativity. Professional services include services which require special education and/or training, license to practice or are creative in nature. Professional service agreements are not required to be awarded to the lowest responsible bidder but rather the Corporation may use a selection process to determine the most qualified proposal to perform the services. The purchase of professional services shall be authorized as follows:

- i. Where the estimated total cost does not exceed \$20,000, purchases shall be made upon a written proposal, quotation or statement of work at the discretion of the Executive Director of the Corporation or authorized designee.
- ii. Where the estimated total cost is over \$20,000, the purchase shall be made based upon a public bid request for proposals process. The Board shall authorize award of contracts for such purchases if the purchase was not anticipated in the Corporation's adopted Annual Budget.
- iii. Purchases may be made from a Federal, State, County, or other Municipal, State Authority, or Local Development Corporation contracts. Such purchases are not subject to the requirements specified in 2(i)-2(ii), above.
- iv. All purchases of \$5,000 or more, or any purchases not anticipated in the Corporation's adopted Annual Budget, shall be reported to the Board on a semi-annual basis.

C. Exceptions to Bidding – Alternative proposals or quotations shall not be required for procurements made through or with respect to:

1. Emergency Procurements – An emergency exists if the delay caused by soliciting quotes would endanger the health, welfare or property of the municipality or of the citizens. With approval by the Executive Director such emergency shall not be subject to competitive bidding or the procedures stated above. Where practicable, the Executive Director will endeavor to obtain, at a minimum, verbal quotations for the work or services necessary. Any and all emergency purchases in excess of \$5,000 shall be reported to the

Board as soon as practicable and for any such purchases in excess of \$10,000 the Board shall be notified electronically and/or telephonically prior to purchase if possible. In any event, said approval by the Executive Director shall be documented and shall also include a description of the facts giving rise to the emergency;

2. New York State or Oneida County Contracts – when the Corporation is able to procure commodities, equipment, goods or services through New York State or Oneida County contracts, it is unnecessary to obtain quotations or bids;

3. State Finance Law Section 175-b (from agencies for the blind or severely handicapped);

4. Correction Law Section 186 (articles manufactured in correctional institutions);

5. Sole Source Procurements – A “sole source” means a situation where (i) there is only one possible source from which to produce goods and/or services available in the marketplace; (ii) no other goods and/or services provide substantially equivalent or similar benefits; and (iii) considering the benefits, the cost to the Corporation is reasonable;

6. Utilities and Affiliate Transactions – The purchase of utilities and inter-affiliate transactions are excepted from alternative proposal/quotation requirements; and

7. Unavailability of three (3) vendors who are able or willing to provide a quote.

D. Basis for the Award of Contracts – Contracts will be awarded to the lowest responsible dollar offeror who meets the specifications therefor, except in circumstances that the Corporation determines justify an award to other than the lowest responsible dollar offeror. In making any such determination, the Corporation may consider relevant factors including, without limitation:

1. Delivery requirements;

2. Quality requirements;

3. Quantity requirements;

4. Past vendor performance and/or experience;

5. The unavailability of three or more vendors who are able or willing to quote on a procurement; and

6. Whether it is in the best interests of the Corporation to consider only one vendor who has previous expertise with respect to a particular procurement.

E. Documentation

1. A record of all solicitations for alternative proposals or quotations, the response (if applicable), and any determinations pursuant thereto shall be maintained in the procurement file.

2. For each procurement by the Corporation, the Executive Director of the Corporation or authorized designee shall set forth in writing the category of procurement that is being made and what method of procurement is specified.

3. Whenever an award is made to other than the lowest responsible dollar offeror the reasons for doing so shall be set forth in writing and maintained in the procurement file.

4. Whenever the specified number of quotations cannot or will not be secured, the reasons for this shall be indicated in writing and maintained in the procurement file.

F. Effect on Other Procurement Requirements – Where the procurement of a specified good or service is to be accomplished using funds other than the funds of the Corporation and such funding sources specify different or more restrictive procurement requirements than are provided for in this Policy, the procurement requirements of the funding source will supersede the requirements of this Policy. Toward this end, the Corporation will follow the procurement standards as set forth in 2 CFR Part 200 for any procurements utilizing federal funds unless otherwise superseded by the specific federal award agreement.

G. Annual Review – the Corporation shall annually review this Procurement Policy.

H. Unintentional Failure to Comply – The unintentional failure to comply with the provisions of Section 104-b of the GML shall not be grounds to void action taken or give rise to a cause of action against the Corporation or any officer thereof.