

# **PROCUREMENT POLICY FOR THE ARLINGTON FIRE DISTRICT**

AMENDED AND BOFC APPROVED: March 21, 2016

1. Every purchase to be made by the Arlington Fire District ("District") 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 (required based upon an unanticipated unforeseen emergency that arises); goods purchased from agencies for the blind or severely handicapped; goods purchased from correction institutions; purchases under State and County contracts; and surplus and second-hand purchases from another governmental entity. The Account Clerk of the District will document in writing the decision that a purchase is not subject to competitive bidding. In the absence of the Account Clerk, Fire Chief of the District shall be responsible for ensuring compliance with this policy. 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 in accordance with the guidelines set forth herein. The Account Clerk or the Fire Chief in the absence of the Account Clerk shall review and sign off on all purchase orders made by or for the District.
  
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 the 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; Emergency purchases in accordance with Section 103 (4) of the General Municipal 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; goods purchased from

agencies for the blind or severely handicapped pursuant to State Finance Law, Section 175-b; goods purchased from correction institutions pursuant to Correction Law, Section 186; surplus and secondhand purchases for another governmental entity pursuant to General Municipal Law Section 103(6); the use of a contract awarded by any other political subdivision or district if such contract was awarded to the lowest responsible bidder or on the basis of best value in a manner consistent with General Municipal Law Section 103 and made available for use by other governmental entities; and/or purchases pursuant to subdivision 6 of this policy.

3. Equipment and goods to be leased by the 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.
4. 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 - \$4,999	3 written/fax quotations or written requests for proposals
\$5,000 - \$20,000	>3 written/fax quotations or written requests for proposals

<u>Estimated Amount of Public Works Contract</u>	<u>Method</u>
\$1,000 - \$2,999	2 verbal quotations
\$3,000 - \$4,999	2 written/fax quotations
\$5,000 - \$9,999	3 written/fax quotations or written requests for proposals

Estimated Amount of Public Works Contract

Method

\$10,000 - \$35,000

>3 written/fax  
quotations or  
written requests  
for proposals

A good faith effort shall be made to obtain the required number of proposals or quotations. If the Account Clerk or Fire Chief in the absence of the Account Clerk is unable to obtain the required number of proposals or quotations, he/she will document the attempt made at obtaining the proposals or quotes. In no event shall the unintentional failure to obtain the proposals void the action taken and/or give rise to a cause of action against the District or any of its officers, employees or staff.

5. Documentation is required of each action taken in connection with each procurement. 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.) directly to the Account Clerk or the Fire Chief in the absence of the Account Clerk. 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.
6. Documentation and an explanation are required whenever a competitively bid ("bid") contract is awarded to other than the lowest responsible bidder. This documentation will at a minimum include an explanation of how the award will achieve savings and/or how the bidder was not responsible, and/or how the quote or proposal was not responsive to the bid (did not meet specifications, etc.). A determination that a bidder was not responsible shall be made by the

Account Clerk. The Account Clerk's decision that the bidder is not responsible may be appealed to the Board of Fire Commissioners ("Board"), but only by the bidder who is deemed not responsible. The appeal to the Board and supporting documentation must be filed with the Fire Chief in seven (7) days of the Account Clerk's decision. If no appeal is filed during this time frame, the bidder waives the right to challenge the decision of the Account Clerk. If an appeal is filed, the Board will issue its decision in ten (10) days of the date of the filing. In addition, the Board on its own election may override the determination of the Account Clerk. Any review of the Account Clerk's decision will be based on the information gathered by the Account Clerk, the information noted in this paragraph and any other relevant information. All documentation gathered shall be maintained as part of the bid file.

7. Purchase contracts, including contracts for service work, but excluding any purchase contracts necessary for the completion of a public works contract pursuant to article eight of the labor law may be awarded on the basis of best value, as defined in section one hundred sixty-three of the state finance law, to a responsive and responsible bidder or offerer in the manner provided by this policy. Documentation and an explanation are required whenever a contract is awarded on the basis of best value. A contract awarded based on best value which is defined in the State Finance Law Section 163 as a basis for awarding a contract to the offeror which optimizes quality, cost and efficiency among responsive and responsible offerors, reflecting whenever possible, objective and quantifiable analysis. This means that the District can consider non-price criteria, such as the reliability of the product, the ease of maintenance, or efficiency of operation. The District shall maintain documentation showing the cost-benefit analysis it undertook before awarding a contract based on best value.
8. Pursuant to General Municipal Law Section 104-b (2) (g), the procurement policy may contain circumstances when, or types of procurements for which, in the sole discretion of the Board, the solicitation of alternative proposals or quotations will not be in the best interest of the District for a particular type of purchase or procurement, and in such cases will direct the appropriate manner that the purchase or procurement will be made. In the following circumstances it may not be in the best interests of the District 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 except for external accounting services now covered under a statutory request for proposal process as more fully described below. 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 shall take into consideration the following guidelines:

- (1) Whether the services are subject to State licensing or testing requirements,
- (2) Whether substantial formal education or training is a necessary prerequisite to the performance of the services; and
- (3) Whether the services require a personal or confidential relationship between the individual and District' officials. Professional or technical services shall include, but not be limited to the following: 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 (see paragraphs 4 and 5 below); investment management services; printing services involving extensive writing, editing or art work; management of municipally owned property; public relations services and/or computer software or programming services for customized programs, or services involved in substantial modification and customizing of pre-packaged software and services of a computer expert 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 District and its taxpayers.

- 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 were required, the District may be 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 or a product in a less suitable condition.
- d. Sole source vendors. Where the Board determines that items are available only through one source and that no possibility of competition exists and that: (i)it is in the public interest; (ii)no other item provides substantially equivalent or similar benefits; and (iii)the cost is reasonable compared to other products in the market place.
- e. Goods or services and public work contracts 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 interest of the taxpayer. In addition, it is not likely that such de minimis contracts would be awarded based on favoritism.
- f. Standardized Items. In the event that 2/3 of the Board adopts a resolution to standardize a particular type and manufacturer of equipment in accordance with Section 103 of the General Municipal Law, and the purchase price for the product will be less than \$20,000.00, the 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 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.

4. Accounting services for conducting the annual external audit will be purchased through a request for proposal procedure detailed under Section 181-b of the Town Law and the rules, regulations and forms adopted by the Office of the State Comptroller for the procurement of such services.
  5. Accounting services for providing internal accounting assistance to the Board and District Treasurer and in order to maintain proper internal financial controls will be procured in accordance with procedures for procuring other professional services.
  6. The Board will make certain that all contracts let in accordance with the preceding paragraphs are let based upon a written contract or retainer agreement.
9. Every response to competitive bidding shall contain the following statement subscribed by the bidder and affirmed by such bidder as true under the penalties of perjury under the Iranian Divestment Act:
- a. "By submission of this bid, each bidder and each person signing on behalf of any bidder certifies, and in the case of a joint bid each party thereto certifies as to its own organization, under penalty of perjury, that to the best of its knowledge and belief that each bidder is not on the list created pursuant to paragraph (b) of subdivision 3 of [Section 165-a of the State Finance Law](#) regarding the Iranian Divestment Act."
  - b. A bid may be considered for award when the bidder cannot make the foregoing certification, pursuant to General Municipal Law Section 103-g.

This policy shall go into effect March 21, 2016, and will be reviewed biennially.