

**CORTLAND COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
PROCUREMENT OF GOODS AND SERVICES POLICY  
DECEMBER 2019**

**SECTION 1. PURPOSE AND AUTHORITY.** The purpose of this document is to outline the procurement policy (the "Policy") of the Cortland County Industrial Development Agency (the "Agency") applicable to the procurement of goods and services paid for by the Agency for its own use and benefit. The law requires that goods and services must be procured by the Agency in such a manner so as to assure the prudent and economic use of public funds, 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.

**SECTION 2. SECURING GOODS AND SERVICES.** Each action taken in connection with each procurement must be supported by documentation. When an award is made to other than to the lowest responsible offer or, the determination to make the award must be supported by documentation that justifies the award and sets forth the reasons why the award furthers the purposes of this Policy and the provisions of Section 104-b of the New York General Municipal Law.

**SECTION 3. METHOD OF PURCHASE.** The following method of purchase will be used when required by this Policy in order to achieve the highest quality and lowest cost:

<u>Amount of Purchase</u>	<u>Method Required</u>
\$1,000 - \$5,000	Informal quotations will be obtained to achieve a reasonably competitive price. The Agency shall solicit such informal quotations utilizing sources most likely to identify the highest quality and lowest price of the particular good or service including, but certainly not limited to, newspaper and magazine advertisements, internet searches, catalogs, chamber of commerce recommendations and the prior experience of the Agency. The Agency shall create and maintain a written or digital record of the informal quotations solicited and received for such purchases.
More than \$5,000	At least 3 written quotations in response to a written request for proposals shall be required

Number of Proposals or Quotations. A good faith effort shall be made to obtain the required number of proposals or quotations. If the Agency is unable to obtain the required number of proposals or quotations, the Agency will document the attempt made at obtaining the proposals. In no event shall the failure to obtain the proposals be a bar to the procurement of the good or service.

Documentation. Documentation is required for each action taken in connection with each procurement. Documentation and an explanation are required whenever a contract is awarded to other than the lowest responsible offer.

#### **SECTION 4. CIRCUMSTANCES WHERE SOLICITATION OF ALTERNATIVE PROPOSALS AND QUOTATIONS ARE NOT IN THE BEST INTEREST OF THE AGENCY.**

Pursuant to Section 104-b(2)(f) of the General Municipal Law, this policy may contain circumstances when, or types of procurement for which, in the sole discretion of the Agency, the solicitation of alternative proposals or quotations will not be in the best interest of the Agency. In the following circumstances, it may not be in the best interests of the Agency to solicit quotations or document the basis for not accepting the lowest bid:

(A) Professional and Contracted Services. Professional services or services requiring special or technical skill, training or expertise. The individual, company or firm must be chosen based on accountability, reliability, responsibility, skill, conflict of interests, reputation, education and training, judgment, integrity, continuity of service and moral worth. Furthermore, certain professional services to be provided to the Agency, e.g., legal and accounting services, impact liability issues of the Agency and its members, including securities liability in circumstances where the Agency is issuing bonds. These qualifications and the concerns of the Agency regarding its liability and the liability of its members are not necessarily found or addressed in the individual, company or firm 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 Agency 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 and experience is a necessary prerequisite to the performance of the services. Professional or technical services shall include but not be limited to the following: services of an attorney (including bond counsel); 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 Agency-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. 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 public. This section does not preclude alternate proposals if time permits.

(C) Purchases of Secondhand Goods. Purchases of surplus and second-hand goods from any source. If alternate proposals were required, the Agency would be precluded from purchasing surplus and second-hand goods at auctions or through specific advertising 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 Agency or the taxpayer. In addition, is it not likely that such minimal contracts would be awarded based on favoritism.

(E) Buy Local. Reasonable preference will be given to making purchases locally and regionally.

**SECTION 5. POLICY REVIEW.** The law requires that this Policy be reviewed by the Agency annually and any amendments will be approved by the Agency.