

WATER AUTHORITY OF GREAT NECK NORTH
PROCUREMENT POLICY & DESIGNATION OF CONTRACTING OFFICER

As Revised October 24, 2022
As Re-Adopted February 3, 2025

1. Every purchase to be made 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 or supply or service is not subject to competitive bidding pursuant to Section 103 of the General Municipal Law:

- a. Purchase contract not exceeding \$20,000, or the maximum permitted by said Section 103
- b. Public works contract not exceeding \$35,000; or the maximum permitted by said Section 103
- c. Emergency purchases;
- d. Purchases under State and county contracts, and
- e. Surplus and second-hand purchases from another government entity.

The decision that a purchase is not subject to competitive bidding will be documented in writing by the individual making the purchase. 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.

2. All goods and services will be secured by use of written requests for proposals, written quotations, verbal quotation, or any other method that assures that goods will be purchased at the lowest price and that favoritism will be avoided, except in the following circumstances:

- a. Purchase of contracts over \$20,000 or the maximum permitted by said Section 103
- b. Public works contracts over \$35,000 or the maximum permitted by said Section 103
- c. Goods purchased pursuant to the exemption provision of Article 11 of the State Finance Law
- d. Purchases under State contracts
- e. Purchases under county contracts pursuant to Section 103(3) of the General Municipal Law
- f. Purchases pursuant to subdivision 6 of this policy.

3. The following method of purchase will be used when required by this policy in order to achieve the highest savings:

ESTIMATED AMOUNT OF PURCHASE	METHOD
\$ 250 - \$2,999	Verbal quotations
\$3,000 - \$20,000	Written/fax quotations or written request for proposals

ESTIMATED AMOUNT OF
PUBLIC WORKS CONTRACT

METHOD

\$ 250 - \$ 2,999

Verbal quotations

\$3,000 - \$ 4,999

Written/fax quotations

\$5,000 - \$35,000

Written/fax quotations or written request for proposals

A good faith effort shall be made to obtain at least three (3) proposals or quotations. If the purchaser is unable to obtain the required number of proposals or quotations, the purchaser will document the attempt made at obtaining proposals. In no event shall the failure to obtain proposals be a bar to the procurement.

4. Documentation is required of each action taken in connection with each procurement.

5. Documentation and an explanation are required when a contract is awarded to other than the lowest offeror. This documentation will include an explanation of how the award will achieve savings or how the offeror was not responsible. A determination that the offeror is not responsible shall be made by the purchaser and may not be challenged under any circumstances. Any such determination shall be kept confidential so as not to stigmatize the offeror.

6. The following procedure shall be used when the solicitation of alternative proposals or quotations will not be in the best interest of the Authority. In the following circumstances it may not be in the best interests of the Authority to solicit quotations or document the basis for not accepting the lowest bid:

a. Professional services or services requiring special technical skill, training or expertise. The individual or company must be chosen based on accountability, reliability, responsibility, skill, education and training, judgment, integrity and satisfactory submission of Business Entity and Principal Questionnaire forms. 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. Therefore, the Authority may, when appropriate, evaluate competing firms for professional services by means of a request for proposal (RFP). The Authority however, upon making such an RFP shall not be required to accept the lowest responsible proposal.

In determining whether a service fits into this category the Superintendent 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 is a necessary prerequisite to the performance of the services; and c. whether the services fall into the professional service exception from the competitive bidding requirements, in that they involve the application of specialized expertise, the use of professional judgment, a high degree of creativity in the performance of the contract or involve a relationship of personal trust and confidence. Professional or technical services shall include but not be limited to the following: services of any attorney, 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 municipally owned property; and computer software or programming services for customized programs, or services involved in substantial modification and customizing or pre-packaged software.

b. Emergency purchases pursuant to Section 103(4) of the General Municipal Law. In the case of a public emergency arising out of an accident or other unforeseen occurrence or condition whereby circumstances affecting the Authority's buildings or property, or the life, health, safety or property of inhabitants of the area, require immediate action which cannot await competitive bidding, contracts for public work or the purchase of supplies, material or equipment may be let without regard to the requirements of competitive or multiple bids or lowest prices.

c. Purchases of surplus and second-hand goods from the federal government, the State of New York or from any political subdivision, district or public benefit corporation. If alternate proposals are required, the Authority would 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.

d. Goods or services under \$250. 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 ratepayer. In addition, it is not likely that such de minimis contracts would be awarded based on favoritism.

7. Notwithstanding anything to the contrary in this Procurement Policy, pursuant to Section 162(4) of the State Finance Law, priority shall be accorded to preferred sources.

a. When commodities are available, in the form, function and utility required by the Authority, said commodities must be purchased first from the correctional industries program of the department of corrections and community supervision.

b. If there comes a time when the Authority has its own purchasing agency, then and in that event this policy shall be revised to implement the additional provision of said Section 162(4) with regard to authorities that have their own purchasing agency.

8. The Procurement Officer and the Contact Person is Superintendent Gregory C. Graziano.

9. Only the following officers of the Authority are authorized to approve purchase orders to the maximum limits set forth after their respective names:

a.	Assistant Superintendent:	Board Approved Budget
b.	Civil Engineer:	Board Approved Budget
c.	Supervisor of Water Plant:	\$10,000.00 per Purchase Order
d.	Secretary:	\$10,000.00 per Purchase Order

10. All checks for amounts less than \$7,500.00 must have two signatures. The only authorized signers for checks in amounts less than \$7,500.00 are the Chairperson, the Deputy Chairperson, the Superintendent, and the Treasurer.

11. All checks for amounts equal to or greater than \$7,500.00 must have two signatures. The only authorized signers for checks in amounts equal to or greater than \$7,500.00 are the Chairperson, the Deputy Chairperson, and the Superintendent.

12. This policy went into effect January 1, 1994, and, since that time, has been amended from time to time and will be reviewed annually.

Uniform Guidance Purchasing Policy Addendum As Adopted October 24, 2022

The entity will follow the procedures for all federal purchases as required by the Code of Federal Regulations (CFR) Sections 200.320 to 200.327. This includes federally funded projects that are passed through the State of New York.

The objective of the policy is to ensure that:

- Oversight must be maintained to ensure contractors perform in accordance with terms/conditions/specifications of contracts
- Contracts are awarded only to responsible contractors
- Records must be sufficiently maintained to detail the history of procurement
- Transactions are conducted in a manner providing full and open competition
- Potential bidders are not being precluded from qualifying during the solicitation period (including local preference policies)
- Avoid acquisition of unnecessary or duplicative items

In addition, the entities' purchasing procedures will include the following requirements in accordance with the CFR:

CFR Section	Requirement		Procedures
200.321	Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms.		The non-Federal entity must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible, including:
		1	Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
		2	Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
		3	Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
		4	Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
		5	Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
		6	Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (b)(1) through (5) of this section.

CFR Section	Requirement	Procedures
200.322	Domestic preferences for procurements.	As appropriate and to the extent consistent with law, the non-Federal entity should, to the greatest extent practicable under a Federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this section must be included in all sub awards including contracts and purchase orders for work or products under this award.
200.323	Procurement of Recovered Materials	State Requirement
200.324	Contract cost and price	The non-Federal entity must perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, the non-Federal entity must make independent estimates before receiving bids or proposals.
		The non-Federal entity must negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit, consideration must be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.
		Costs or prices based on estimated costs for contracts under the Federal award are allowable only to the extent that costs incurred or cost estimates included in negotiated prices would be allowable for the non-Federal entity under subpart E of this part. The non-Federal entity may reference its own cost principles that comply with the Federal cost principles.
		The cost plus a percentage of cost and percentage of construction cost methods of contracting must not be used.

CFR Section	Requirement	Procedures
200.325	Federal awarding agency or pass-through entity review	The non-Federal entity must make available, upon request of the Federal awarding agency or pass-through entity, technical specifications on proposed procurements where the Federal awarding agency or pass-through entity believes such review is needed to ensure that the item or service specified is the one being proposed for acquisition. This review generally will take place prior to the time the specification is incorporated into a solicitation document. However, if the non-Federal entity desires to have the review accomplished after a solicitation has been developed, the Federal awarding agency or pass-through entity may still review the specifications, with such review usually limited to the technical aspects of the proposed purchase.
		The non-Federal entity must make available upon request, for the Federal awarding agency or pass-through entity pre-procurement review, procurement documents, such as requests for proposals or invitations for bids, or independent cost estimates
200.326	Bonding requirements.	For construction or facility improvement contracts or subcontracts exceeding the Simplified Acquisition Threshold, the Federal awarding agency or pass-through entity may accept the bonding policy and requirements of the non-Federal entity provided that the Federal awarding agency or pass-through entity has made a determination that the Federal interest is adequately protected. If such a determination has not been made, the minimum requirements must be as follows:
		a A bid guarantee from each bidder equivalent to five percent of the bid price. The "bid guarantee" must consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of the bid, execute such contractual documents as may be required within the time specified.
		b A performance bond on the part of the contractor for 100 percent of the contract price. A "performance bond" is one executed in connection with a contract to secure fulfillment of all the contractor's requirements under such contract.

CFR Section	Requirement		Procedures
		c	A payment bond on the part of the contractor for 100 percent of the contract price. A "payment bond" is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.
200.327	Contract provisions		The non-Federal entity's contracts must contain the applicable provisions described in appendix II to this part.
		A	Contracts for more than the simplified acquisition threshold, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.
		B	All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.
		C	Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b)
		D	Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction").

CFR Section	Requirement		Procedures
		E	Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5).
200.327	Contract provisions	F	Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.
		G	Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). V
		H	Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." S

		I	<p>Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.</p>
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Uniform Guidance Purchasing Policy Addendum

Uniform Guidance defines 5 methods of procurement and the requirements for each type. This schedule has been adjusted to reflect the requirements from NYS GML. The entities' policy is to follow the procedures as required and as described in the following table:

	Dollar		
Procurement Type	Threshold		Procedures
Micro-purchase	\$250 or less		No bid or quote required if price is considered to be reasonable. Reasonableness could be determined by comparing the price to past purchases or other published prices and/or requesting prices from more than one vendor.
			When possible, purchases will be distributed equitably among a range of qualified vendors
Small purchases- Not Public Work Related	\$251 - \$20,000		Price or rate quotes must be obtained from at least 2 sources
Small purchases- Not Public Work Related	\$251- \$35,000		
			Price quotes, including phone quotes must be formally documented and retained. Phone quotes are for items \$250 – \$2,999. Amounts above that range must be written and sent by fax or email.
			Price does not need to be deciding factor
Sealed bid - Purchase Contracts	\$20,000 and greater		Bids must be formally solicited from an adequate number of vendors (2 or more)
Sealed bid - Public Work Contracts	\$35,000 and greater		Bids must be publicly advertised
			Bids/RFP package will provide sufficient response time
			The request for bid or proposal will clearly define details and scope of the project, the items or services requested from the bidder including the timeline
			Bids will be opened publicly
			Bids will be awarded based upon firm fixed price contract made in writing to the lowest responsive and responsible bidder
			Any or all bids may be rejected by the District for based upon cancellation of the project, change in needs or any other valid reason. The reason for rejecting all bid must be formally documented

Uniform Guidance Purchasing Policy Addendum

	Dollar	
Procurement Type	Threshold	Procedures
Competitive proposal - Purchase Contracts	\$20,000 and greater	Bids must be publicized and identify all evaluation factors and their relative importance
Competitive proposal - Public Work Contracts	\$35,000 and greater	Bids must be solicited from an adequate number of qualified sources
		The award will be based upon a written method for conducting technical evaluations of the proposals and selecting recipients
		Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered

Noncompetitive proposal (sole source)		May be used only when the item is available only from a single source, the public exigency or emergency will not permit a delay resulting from competitive solicitation, federal awarding agency or pass-through entity expressly authorizes its use in response to a written request, or after solicitation of a number of sources competition is determined inadequate
		Justification of the use of noncompetitive proposal must be documented
		Research on availability from multiple sources must be documented
		Documentation of authorization must be retained
		Any initial solicitations from multiple sources which are concluded to be inadequate, and such reasoning, must be documented

This policy was developed based upon the online CFR requirements as of April 21, 2021, and the requirements listed under section 103 and 104-B of General Municipal Law of New York State.

Also note the following form the Office of the New York State Comptroller's Office for additional guidance.

<https://www.osc.state.ny.us/files/local-government/publications/pdf/seekingcompetition.pdf>

On motion of Director Levy, seconded by Director Frank, be it so resolved. [Res.# 22-10-07]


Secretary of the Authority