

TOWN OF PERU
2023 PROCUREMENT POLICY

ADOPTED: 1.9.2023

WHEREAS, Section 104b of the General Municipal Law requires every town to adopt internal policies and procedures governing all procurement of goods and services not subject to the bidding requirements of the General Municipal Law or any other law; and the Town of Peru does hereby adopt the following procurement policies and procedures:

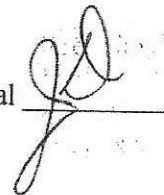
Section 1. Every prospective purchase of goods or services shall be evaluated to determine the applicability of General Municipal Law. Every town officer, department head or other personnel with the requisite purchasing authority (hereinafter Purchaser) shall estimate the cumulative amount of the items of supply or equipment needed in a given fiscal year. That estimate shall include the canvass of other town departments and past 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.

Section 2. All purchases of (a) supplies or equipment which exceed \$20,000.00, in the fiscal year, or (b) public works contracts over \$35,000.00 shall be formally bid pursuant to General Municipal Law Section 103.

Section 3. All estimated purchases of:

- Greater than \$10,000.00 but no more than \$20,000.00 requires a written or faxed quote from three (3) vendors.
- Greater than \$1,000.00 but no more than 10,000.00 requires a written or faxed quote from two (2) vendors.
- Any amount up to \$1,000.00 is left to the discretion of the Purchaser.

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A handwritten signature in black ink, appearing to be 'JD', written over a horizontal line.

All Estimated Public Works Contracts of:

- Greater than \$10,000.00 but no more than \$35,000.00 requires a written or faxed quote from three (3) contractors.
- Greater than \$5,000.00 but no more than \$10,000.00 requires a written or faxed quote from two (2) contractors.
- Any amount up to \$5,000.00 is to be left to the discretion of the Purchaser.

Any written request shall describe the desired goods, quantity and the particulars of deliver. The Purchaser shall compile a list of all vendors from whom written, or faxed quotes have been requested and the written, or faxed quotes.

All information gathered in complying with the procedures of this resolution shall be preserved and filed with the documentation supporting the subsequent purchase or public works contract.

Section 4. Notwithstanding the provisions of Section 2 herein, any 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 and sixty three of the state finance law, to a responsive and responsible bidder or offeror. Goods and services procured and awarded on the basis of best value are those that the Town Board determines will be of the highest quality while being the most cost efficient. The determination of quality and cost efficiency shall be based on objectively quantified and clearly described and documented criteria, which may include, but shall not be limited to, any or all of the following: cost of maintenance; proximity to the end user if distance or response time is a significant term; durability; availability of replacement parts or maintenance contractors; longer product life; product performance criteria and quality of craftsmanship.¹

Section 5. The Lowest responsible proposal or quote shall be awarded the purchase or public works contract unless the Purchaser prepares a written justification providing reasons why it is in the best interest of the Town and its taxpayers 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.

Section 6. A good faith effort shall be made to obtain the required number of proposals or quotations. If the Purchaser unable to obtain the required number of proposals or quotations, the Purchaser shall document the attempt(s) made at obtaining the proposals. In no event shall the inability to obtain the proposals or quotes be a bar to the procurement.

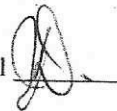
Section 7. Except when directed by the Town Board, no solicitation or written proposals or quotations shall be required under the following circumstances:

- (a) Acquisition of professional services;

¹ This "Best Value" section was added to the Procurement Policy after the Town Board enacted Local Law Number 2 of 2014 pursuant to section 103(1) of the General Municipal Law.

- (b) Emergencies (See Section 7);
- (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 other governmental agency;
- (g) Goods purchased at auctions;
- (h) Goods purchased for less than \$1,000.00; and
- (i) Public Works Contract for less than \$5,000.00

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Section 8. Items Not Subject to Competitive Bidding – For those items not subject to competitive bidding such as professional services, emergencies, purchases under State or County contracts or procurement from sole sources, documentation should include a memo to the files which details why the procurement is not subject to a competitive bidding and include

- A description of the facts giving rise to the emergency and that they meet the statutory criteria;
- A description of the professional services;
- Copies of state or county contracts;
- Opinions of municipal attorney;
- A description of sole source items and how such determinations were made.

Section 9. The definition of Town officer, department head or other personnel in this document is as follows.

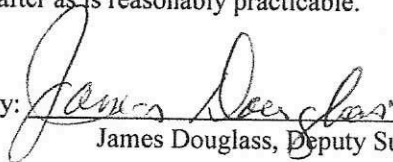
- Supervisor.
- Highway Superintendent.
- Water/Sewer Superintendent.
- Code Officer.
- Town Clerk.
- Recreation Director.
- Historian.
- Justices.

Department heads will use service contract agreements

Section 10. Purchases made pursuant to and under this policy shall not be made through the use of personal funds, including, but not limited to personal credit cards, personal checks, or cash unless said purchase is authorized in advance by the Town Supervisor in writing. A purchase made pursuant to this article in a manner not authorized by this article, specifically by the use of personal funds, may not be reimbursed by the Town to the purchaser.

Section 11. This policy shall be reviewed annually by the Town Board at its Organizational meeting or as soon thereafter as is reasonably practicable.

Town of Peru by:



James Douglass, Deputy Supervisor

Dated this 9th day of January 2023.

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