

SOUTH NASSAU WATER AUTHORITY

PROCUREMENT POLICY

**Adopted and approved by the
South Nassau Water Authority
Board of Commissioners on:
May 20, 2024**

INTRODUCTION

The South Nassau Water Authority District (“SNWA” or “Authority”) is a public benefit corporation created in February 2022 pursuant to New York State’s Public Authorities Law Chapter 43-A, Article 5, Title 5-a, § 1114 (the “Establishment Clause”) for the purpose of providing a healthy public water supply along with better drinking water service and lower costs for the benefit of the residents of the Town of Hempstead that are currently provided service by Liberty Utilities, a private company.

PURPOSE AND SCOPE

The establishing legislation granted the SNWA a wide range of powers which include, but are not limited to, the power to enter into contracts, execute all necessary and convenient instruments, and do all things necessary, convenient or desirable to further the SNWA’s purpose. This policy sets forth the policies and guidelines for the purchase of goods and services by the SNWA (**Public Authorities Law §2824(1)(e)**).

All purchases of goods and contracts for services and public works shall be made in accordance with the law and specifically the By-laws of the SNWA, Public Authorities Law §1114-P, General Municipal Law §103, and though not applicable to the SNWA, General Municipal Law §104-b.

With the exception of emergency situations, all contracts for public work involving expenditure of more than \$35,000.00 and all purchase contracts involving expenditures of more than \$20,000.00 shall be subject to the competitive bidding process (**Public Authorities Law §1114-P and New York General Municipal Law §103**).

Whereas goods and services which are not required by law to be procured pursuant to competitive bidding will then be procured in a manner so as to assure the prudent and economical use of public moneys in the best interest of the served residents, 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 (**New York General Municipal Law §104**).

I. PROCUREMENT OFFICER

The Procurement Officer and contact responsible for purchasing is the Chairperson, Robert York.

II. DETERMINING IF A PROCUREMENT IS SUBJECT TO COMPETITIVE BIDDING

Every contract for the purchase of goods or services must be initially reviewed by the Chairman to determine whether it is a purchase contract or a public works contract. Once the determination is made, a good faith effort will be undertaken to determine whether it is known or can reasonably be expected that the aggregate amount to be spent on the items or supply or service meets the competitive bidding threshold of GML §103 discussed above. If the threshold is met, then the requirements of GML §103 shall be followed. If the threshold is not met, then this policy shall apply.

The following items are not subject to competitive bidding pursuant to GML §103:

- Purchase contracts under \$20,000.00
- Public Works contracts under \$35,000.00
- Emergency Purchases
- Goods purchased from the agencies for the Blind or severely handicap pursuant to State Finance Law §175-b
- Goods purchased from correctional institutions pursuant to Correction Law §186
- Purchases under State or County contracts or any other governmental entity pursuant to General Municipal Law §103 (16)
- Surplus and secondhand purchases from another governmental entity
- Professional Services

The decision that the purchase is not subject to competitive bidding will be documented in writing by the individual making the purchase and approved by the Chairman. This documentation may include written or verbal quotes from vendors, a memo 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 in support of the decision that is appropriate.

III. EMERGENCY PURCHASES MADE PURSUANT TO GML §103(4).

If there is an emergency that affects the SNWA's normal operations this Policy shall be suspended for so long as the emergency exists. Purchases of an emergency nature occur when goods or services must be purchased immediately and any delay in order to seek alternate proposals may threaten life, health, safety or welfare of residents.

Within reasonable time after the emergency ends, the details of the purchase or rental of any goods or services of the same type or category (e.g., bottled water, pumping equipment) costing \$1,000.00 or more made during the emergency shall be presented to the Board for its review if not previously approved by the Board of Directors.

IV. PURCHASES UNDER STATE OR COUNTY CONTRACT OR ANY GOVERNMENTAL AGENCY PURSUANT TO GML §103(16)

Goods and services may be purchased by using ("Piggybacking" on) contracts let by the United States of America, or any agency thereof, any state or any other political subdivision or district therein if such contract was let to the lowest responsible bidder or on the basis of best value in a manner consistent with Public Authorities Law §103.

The SNWA specifically authorizes the use of the current County or State competitive procurement lists and/or piggybacking on existing contracts let by any governmental entity when making purchases of material, equipment, services or supplies that are below the competitive bidding threshold requirements of GML §103 in order to reduce administrative and product costs and increase efficiencies.

Any purchase made by piggybacking on a contract let by another governmental entity must be appropriately documented and approved by the Board of Directors.

V. SURPLUS AND SECONDHAND PURCHASES FROM ANOTHER GOVERNMENTAL ENTITY

Surplus and second-hand goods may be purchased by the SNWA from the federal government, the State, the County or any other governmental entity without the requirement for competitive bidding.

VI. PROFESSIONAL SERVICES OR SERVICES REQUIRING SPECIAL OR TECHNICAL SKILL, TRAINING OR EXPERTISE

Professional or technical services shall include but not be limited to the following: services of an attorney, technical services of an engineer, services of a certified public accountant, management of property owned by the Authority, computer, software and IT services, insurance services.

The procurement of services requiring specialized skills or training (professional services or other services requiring technical expertise) shall be based upon 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 services fits into this category, The Board of Directors shall take into consideration the following guidelines:

- Whether the services are subject to State licensing or testing requirements;
- Whether substantial formal education or training is a necessary prerequisite to the performances of the services; and
- Whether the services require a personal relationship between individual and Authority.

VII. EXPENDITURES SUBJECT TO COMPETITIVE PROCUREMENT

All expenditures which do not meet the competitive bidding threshold of GML §103 and are not otherwise exempt from competitive bidding as discussed above, shall be procured as follows in order to achieve the highest savings:

A. METHODS OF PROCUREMENT

Estimated Amount of Purchase Contract Method

\$0 - \$249	Vendor may be selected by purchaser without competitive quote ¹
\$250 - \$2,999	2 Verbal Quotations
\$3,000 - \$4,999	2 Written Quotations
\$5,000 - \$20,000	3 Written Quotations or Written Requests for Proposal

Estimated Amount of Public Works Contract Method

\$0 - \$249	Vendor may be selected by purchaser without competitive quote ¹
\$250 - \$2,999	2 Verbal Quotations
\$3,000 - \$4,999	2 Written Quotations
\$5,000 - \$35,000	3 Written Quotations or Written Requests for Proposal

All actions taken in connection with each procurement shall be documented. A good faith effort shall be made to obtain the required number of 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 the proposal. In no event shall the failure to obtain the requisite proposals be a bar to the procurement.

The evaluation criteria for public bids submitted pursuant to §104-b will be followed as set out in the request for proposals (“RFP”). All contracts made pursuant to an RFP will be made in accordance with the evaluation criteria specified in the RFP, furthermore should it be found that the RFP’s methodology does not adequately reflect the importance of the cost consideration, the SNWA

¹ 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 immaterial contracts would be awarded based upon favoritism.

will reject all the proposals and start over with an RFP that better reflects the weight to be given to the cost.

B. AWARD TO OTHER THAN LOWEST OFFEROR

Documentation and an explanation is required whenever a contract is awarded to other than the lowest offeror and must be approved by the Board of Directors. 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 Board of Directors and may not be challenged under any circumstances.

VIII. SUPPORT OF MINORITY, WOMEN-OWNED, SMALL AND VETERAN-OWNED BUSINESSES

The SNWA supports contracts with minority, women-owned, small and veteran owned businesses when awarding contracts and encourages active participation by these groups in its procurement process. The SNWA will not discriminate against any person who is qualified and available to perform work or services by reason of race, color, creed, gender or national origin, and fully supports equal opportunity and fair treatment of all people in its procurement process.

IX. CONFLICT OF INTEREST

No purchase of goods or service shall be made from any vendor in which any member of the Board of Directors or the Authority's Administration hold a full or partial interest. Furthermore, all employees of SNWA are prohibited from providing private plumbing services that require SNWA inspection or approval to promote fair dealing and avoid any conflict of interest.

No member of the Board of Directors or officer or employee of the Authority shall have any interest in any contract, or take any action or otherwise involve himself or herself in any activity which, pursuant to Article 18 of the General Municipal Law would be deemed a conflict of interest for a

municipal officer or employee holding a position with a municipality similar to the position held by the member, officer or employee with the Authority.

X. COMMENTS CONCERNING PROCUREMENT POLICY & ANNUAL REVIEW

This policy shall take effect immediately and will be reviewed annually. The officers and management team of the SNWA shall make available all the information which supports the policies and procedures of the Authority. Recommendations for changes to this policy shall be made by the Board of Directors by the first meeting each year. Comments concerning the policies and procedures will be solicited from the Chairman of the Authority, the Treasurer of the Authority, and from any other officer of the Authority involved in the procurement process prior to the adoption and enactment of the policies and procedures each year. This policy may be amended by future Resolution of the Board of Directors.

X. COMPLIANCE

The unintentional failure to fully comply with the provision of General Municipal Law §104-b shall not be grounds to void action taken or give rise to a cause of action against the SNWA or officer or employee thereof.

