

SUPPORT SERVICES COMMITTEE AGENDA
PURCHASING DEPARTMENT
APRIL 29, 2010

1. OLD BUSINESS:

None

2. NEW BUSINESS:

A. Ratifying actions of the Purchasing Agent and supporting the transmission of a letter to Assemblywoman Teresa Sayward regarding Purchasing Law Reform. The details of the changes are outlined in a letter attached to the Resolution Request Form. The proposed reforms will allow for increased efficiency in government purchasing and ultimately result in saving taxpayer dollars.

B. Requesting amendments to the 2010 Warren County Purchasing Policy.

- i. Allowing an exemption for repairs to equipment for which quotes cannot be obtained unless the equipment is dismantled.

Amending Section II(C)(1) adding letter "f" as follows:

"f. Public works *services* where, *upon determination by the Department Head*, it is not feasible to determine the amount to be spent for repairs to vehicles, equipment or machinery, (outside of standard repairs to be handled by County employees), until the item is inspected and/or dismantled and a cost for inspection or diagnosis has already been incurred and for which it would not be practical to transport the equipment or machinery for multiple quotes."

- ii. Setting a minimum dollar threshold whereby RFP's must be released for leases.

Amending Section II(C)(3)(a) to add the following sentence:

"Where a lease will not exceed a total of \$2,000.00 annually, no RFP shall be required. Quotes must be obtained and the Purchasing Agent shall sign the lease as indicated in Section II(C)(3)(e) below. "

3. PENDING ITEMS:

None

RESOLUTION REQUEST FORM NO. 20

MISCELLANEOUS

**Please List All Other Requests Not Covered by Previous Resolution Request Forms Here.
Please attach any backup information available and be as detailed as possible.*

DEPARTMENT NAME: PURCHASING

DATE: APRIL 16, 2010

- (a) Purpose of Request: Ratifying actions of the Purchasing Agent and supporting the transmission of a letter to Assemblywoman Teresa Sayward regarding Purchasing Law Reform.

- (b) Details: Draft letter is attached as provided to County Purchasing Agents by the New York State Association of Municipal Purchasing Agents.

- (c) Previous Resolution Number: N/A

- (d) Where are the Funds (if required)? List Budget Code, Object Code, Full Title* and Amount: N/A

Sample: A.8021 470 Planning & Community Development – Contract

* as listed in budget and LOGOS

Pacyna, Julie

From: info@nysampo.org
Sent: Tuesday, March 30, 2010 11:47 AM
To: Pacyna, Julie
Subject: Legislative Update!

SAMPO Members,

Please contact your Assemblymember as soon as possible and make sure that your voice is heard. Below is a sample along with an update!

Dear Assemblymember,

I am writing to you as a local government procurement official, a member of the New York State Association of Municipal Purchasing Officials and as a taxpayer of New York State. I have to express my disappointment, once again, that the New York State Assembly has failed to include proposed local government procurement reforms in their 2010-2011 budget bills.

The past three New York State Governors have proposed needed local government procurement reforms that will save money for New York Taxpayers, yet the New York State Assembly has failed to act, either through the budget process or the committee process. The New York State Senate has agreed to support these needed reforms over the past three years.

It appears that a small number of Assemblymembers are blocking this needed legislation. Why? one must ask. During this severe economic crisis, local governments at all levels are fighting everyday to reduce expenses for our taxpayers. It is now quite evident that the New York State Assembly is not addressing the needs of local governments in relation to the public procurement process.

While our state association has been advised the Assembly is supporting an increase in the Competitive Bidding limit for commodities from \$10,000 to \$17,500; most of the other proposed local government procurement reforms have been left out of the Assembly's budget bill. These include:

1. Allow Reverse Auctions: Enable local government to hold reverse auctions, in which vendors bid against one another for lower prices.

The Reverse Auction process has proven to be more effective in obtaining the lowest price for certain commodities as compared to sealed competitive bidding. Currently state agencies are authorized to conduct Reverse Auctions; however this authority was never extended to local governments. Many County governments have invested hundreds of thousands of dollars in Financial systems that utilize this sourcing technology, which cannot be used.

2. Permit Piggybacking on Other State and Local Government Contracts: Allow for local governments to piggyback on other state and local government contracts.

Currently, Towns, Villages, School Districts, BOCES, and other political subdivisions are authorized to make purchases from County Contracts. Counties however, cannot purchase off of a City contract or an Authority contract. In addition, the authority to purchase off of County contracts only applies to

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counties in New York. This legislation would allow local governments to purchase off a contract awarded through competitive bidding by any state or local government.

3. Permit Piggybacking on Other Certain Federal General Services Administration (GSA) Contracts: Allow for piggybacking on Federal GSA Schedule 70 IT, Federal e-government, and national defense authorization act contracts.

The Federal Government opened up their centralized contracts for IT and Homeland Security goods and services to local governments over 5 years ago. New York State local governments cannot take advantage of these contracts as there is no exception for this in General Municipal Law.

4. Award on Best Value: Allow for service and technology contracts to be awarded by "best value" - a power the State already has.

Currently local governments in New York must award all competitive BIDS to the lowest responsible bidder. State Agencies however award their BIDs by Best Value which is the standard throughout much of the Country. This allows a local government to take into account other evaluation factors besides price. These other evaluation factors would be required to be defined in the Bid specifications.

5. Provide Alternative Publication Options: Provide local governments with the option of publishing procurement notices in the Contract Reporter instead of publishing in newspapers.

Currently local governments are required to publish a Notice to Bidders for each competitive bid in their official Newspaper. This results in each local governments spending tens of thousands of dollars annually with little result. Technology has changed dramatically since this requirement was implemented. Today most vendors and suppliers do not rely on a newspaper advertisement to find out about local government bidding opportunities. Most local governments either post their bid opportunities on-line or through an electronic distribution service. This initiative would allow local governments to eliminate the costs of advertising competitive BIDs if they post them on a statewide bid notification system.

I hope you had the opportunity to review the New York State Association of Municipal Purchasing Official's Special Report on Local Government Procurement Reform distributed in the Legislative Gazette last week. The reasons why these reforms are needed are discussed in detail. Please review the report if you have not already done so.

Assemblymembers must start questioning their leadership as to why the Assembly continues to ignore these needed local government procurement reforms year after year. The voices of the public procurement professionals who spend our taxpayers' dollars are not being heard. Assemblymembers must begin asking "who is blocking this needed legislation and why?".

It is time the Assembly addresses the reforms needed in the local government procurement process. We urge you to speak with the Assembly leadership immediately on these issues. As a constituent, I would also like to know where you stand regarding support of these local government procurement reforms.

Sincerely,

4/16/2010

RESOLUTION REQUEST FORM NO. 20

MISCELLANEOUS

**Please List All Other Requests Not Covered by Previous Resolution Request Forms Here.
Please attach any backup information available and be as detailed as possible.*

DEPARTMENT NAME: PURCHASING

DATE: APRIL 29, 2010

- (a) Purpose of Request: Authorizing Amendments to the 2010 Purchasing Policy

- (b) Details: See attached page.

- (c) Previous Resolution Number: Resolution No. 142 of 2010 adopted the 2010 Policy

- (d) Where are the Funds (if required)? List Budget Code, Object Code, Full Title* and Amount:

Sample: A.8021 470 Planning & Community Development – Contract

* as listed in budget and LOGOS

PROPOSED AMENDMENTS TO THE 2010 PURCHASING POLICY

1. Amending Section II(C)(1) adding letter (f) as follows:

"f. Public works services where, upon determination by the Department Head, it is not feasible to determine the amount to be spent for repairs to vehicles, equipment or machinery (outside of standard repairs to be handled by County employees), until the item is inspected and/or dismantled and a cost for inspection or diagnosis has already been incurred and for which it would not be practical to transport the equipment or machinery for multiple quotes."

2. Amending Section II(C)(3)(a) to add the following sentence:

"Where a lease will not exceed a total of \$2,000.00 annually, no RFP shall be required. Quotes must be obtained and the Purchasing Agent shall sign the lease as indicated in Section II(C)(3)(e) below."