

MONROE COUNTY WATER AUTHORITY

**CODE OF ETHICS POLICY
(READOPTED NOVEMBER 2024)**

**ARTICLE 1
PURPOSE**

As a public benefit corporation, the Monroe County Water Authority (the “Authority”) must conduct its operations in a manner that best serves the interests of its customers and the general public. The Authority expects all Members, officers and employees to observe high ethical standards of conduct in the performance of their duties, comply and cause the Authority to comply with all laws and regulations governing business transactions, and use and cause the Authority to use Authority funds and assets only for legal and appropriate public purposes.

This Code of Ethics governs the day-to-day actions of all Members, officers and employees of the Authority. To the extent that a matter falls within the scope of both this policy and the Authority’s Conflicts of Interest Policy or Whistleblower Policy, the provisions of the Conflicts of Interest Policy or the Whistleblower Policy, respectively, shall govern.

**ARTICLE 2
POLICIES**

1. Discharge of Duties

In the course of performing his or her duties, Members, officers and employees shall:

- (a) endeavor to perform the duties of their positions to the best of their ability in furtherance of the Authority’s public purposes;
- (b) uphold high standards of dedicated public service;
- (c) support and encourage fellow employees in the proper execution of their duties; and
- (d) when a question of conduct or regulation occurs, seek the advice of a supervisor, the Authority’s attorneys or the Authority’s independent Ethics Board (formed pursuant to Article 4 hereof).

2. Prohibited Conduct

In the course of performing his or her duties, Members, officers and employees shall not:

- (a) receive any compensation for or have an interest, financial or otherwise, direct or indirect, or incur any obligation that is in substantial conflict with the proper discharge of their duties to the Authority;
- (b) engage in other employment that might impair the independence of their judgment in the execution of their duties with the Authority;

(c) disclose confidential information acquired in the course of official duties nor use such confidential information to further their own personal financial interests;

(d) directly or indirectly solicit or accept any gifts, entertainment, discounts, services, loans or anything of value totaling \$75 or more in any calendar year from any supplier, significant commercial customer, or other persons with whom the Authority does business (gifts of \$75 or more in value must be returned to the donor with the explanation that Authority policy will not permit acceptance of the gift; the Authority will reimburse the employee for the expense of returning gifts); and

(e) engage in conduct prohibited under the Authority's Whistleblower Policy.

3. **Specifically Prohibited Actions**

Unless otherwise permitted by the Ethics Board, no Member, officer or employee shall engage in the following actions to the extent they create a conflict of interest with the Authority's interest:

(a) receipt by a family member of a Member, officer or employee (family being defined as related by blood or marriage) of gifts or other items described in Section 2(d) of this Article 2;

(b) speculating or dealing in equipment, supplies, or materials normally purchased by the Authority;

(c) borrowing money from the Authority, suppliers, significant commercial customers, individuals or firms with whom the Authority does business (loans or mortgages from banks or individuals doing business with the Authority are exempted if the terms are at current rates and the customary collateral for such transactions is provided);

(d) acquiring an interest in real estate in which it is known that the Authority also has a current or anticipated interest;

(e) misusing information to which the individual has access by reason of his or her position – such as by disclosing confidential information (of a technical, financial or business nature) to others outside or inside the business (whether or not a consideration is received), or using such information for his or her own or family's (as previously defined) benefit;

(f) soliciting funds or other items of value from Authority vendors, suppliers or consultants for oneself or to benefit any other organization, club or person, whether such other persons or entities are charitable, religious or profit-making;

(g) serving as an officer, director or manager with another company or business organization directly or indirectly related to the Authority without specific authorization from the Authority; and

(h) representing current or potential customers to submit applications, plans or other compliance information to the Authority for approval.

The foregoing list does not encompass every situation that may lead to a conflict.

4. **Duty to Disclose**

Each Member, officer and employee shall have the duty to report to the Ethics Board (as defined below) in writing any violation or possible violation of the terms of this Policy, including without limitation instances of conduct prohibited by this Article 2. The following describes some, but not all, situations that must be disclosed:

(a) engaging in activities as an individual or as the holder of more than a one percent financial interest, directly or indirectly (as an owner, stockholder, securities holder in a publicly owned corporation, partner, joint venturer, creditor, guarantor, director, trustee or beneficiary of a trust), in or with a firm that (i) provides services or supplies materials or equipment to the Authority or (ii) to which the Authority makes sales or provides services;

(b) serving as an employee, owner or consultant of another organization providing goods and/or services to the Authority or one or more of the Authority's significant commercial customers, or functioning individually and providing said services to the Authority or one or more of the Authority's significant commercial customers;

(c) membership on or employment with any entity where such employment, service or membership is incompatible with the proper discharge of official duties, or would impair independent judgment or action in the performance of official duties; and

(d) selling goods, services or other items of value to Authority vendors, suppliers or consultants for oneself or to benefit any other organization, club or person, whether such other persons or entities are charitable, religious or profit-making.

5. **Nepotism Policy**

(a) Any person living in the same household as a current Member, officer or employee and any person who is a direct descendant of a current Member, officer or employee's grandparents (e.g. siblings, parents, children, nieces, nephews, cousins, etc.) or the spouse of such descendant (individually and collectively, a "Relative") may be considered for a permanent position only if all of the following conditions are met:

- The Relative is an appointment from a Civil Service List.
- There will be no supervisory relationship between the Relative and the current Member, officer or employee.
- The Relative and the current Member, officer or employee will not work in the same department.
- The Executive Director, with the advice of the Department Heads, has approved the hiring of the Relative.

(b) If current Members, officers or employees marry, it may be necessary for the Authority to reassign one or both individuals, particularly in the case of close working, or direct supervisory relationships.

(c) A Relative may be considered for summer or temporary employment only if all of the following conditions are met:

- There will be no supervisory relationship between the Relative and the current Member, officer or employee.
- The Relative and the current Member, officer or employee will not work in the same department.

(d) In no event shall a current Member, officer, or employee participate in any decision to hire, promote, discipline, or discharge a Relative.

ARTICLE 3 DISCLOSURE STATEMENTS

On an annual basis, the Authority shall obtain a completed financial disclosure statement (in the form set forth as Exhibit A attached hereto, a “Disclosure Statement”) from each Member, the Executive Director, the Executive Staff, and any employees with authority to approve purchases of amounts greater than \$1,000.

ARTICLE 4 PROCEDURES

1. Ethics Board

The Authority shall establish an Ethics Board comprised of three persons not employed by the Authority. The Members of the Authority shall appoint the members of the Ethics Board on an annual basis. The Ethics Board shall interpret and make recommendations to the Authority regarding any question under or purported violation of this Policy and any statutory enacted ethics standards affecting Members, officers and employees.

Annually, the Ethics Board shall review the completed Disclosure Statements to identify businesses with direct or indirect ties to Members; officers and/or employees of the Authority. The Ethics Board shall determine whether any of these relationships warrant placing the business on a list of businesses that the Authority will not hire (the “Prohibited Contractors List”). In making its determination, the Ethics Board shall assess the nature of the relationship between a Member, officer or employee and an outside business. The Prohibited Contractors List shall include only those businesses where the relationship could lead to ethics problems (e.g., if a relative owns a business that could supply goods or services to the Authority). In contrast, the Prohibited Contractors List shall not include businesses where the potential for ethics problems is minimal (e.g., where a relative is a clerical, ministerial or low-level management employee at an existing or potential vendor, lacks the power to influence the relationship between the business and the Authority and did not obtain his or her position as a means to influence a Member, officer or employee of the Authority).

2. Powers of Ethics Board

At its discretion, the Ethics Board may recommend to the Authority appropriate disciplinary action, which may include, but is not limited to, a reprimand, suspension or termination of employment. Any such recommendation will only be final after any hearing required by Section 75 of the Civil Service Law or any applicable Collective Bargaining Agreement.

ARTICLE 5
ONE-YEAR MORATORIUM

No person who has served as a Member or officer of the Authority shall within a period of one year after the termination of such service or employment render services before the Authority or receive compensation for any such services rendered on behalf of any person, firm, corporation or association in relation to any case or transaction with respect to which such person was directly concerned, or participated in, during the period of his or her service with the Authority.

Notwithstanding the foregoing, the one-year moratorium shall not apply to (i) normal business issues arising as a result of the person's status as a water customer of the Authority and (ii) professional services provided by such person pursuant to a written agreement with the Authority, to the extent such agreement is otherwise consistent with this Code of Ethics.

ARTICLE 6
DISTRIBUTION OF THIS POLICY

This Code of Ethics shall be distributed to each Member, officer and employee of the Authority annually. It shall also be distributed to each new Member, officer and employee as soon as practicable following commencement of such position.

MONROE COUNTY WATER AUTHORITY
CONFLICTS OF INTEREST POLICY
READOPTED NOVEMBER 2024

ARTICLE 1
PURPOSE

The purpose of this Conflicts of Interest Policy is to protect the Authority's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a Member, officer or employee of the Authority. This policy is intended to supplement but not replace any applicable state laws governing conflicts of interest applicable to the Authority.

A conflict of interest is just one example of a violation of ethical conduct. This policy is intended to complement the Authority's Code of Ethics Policy by providing specific procedures to deal with conflicts of interest. To the extent that a matter falls within the scope of both this policy and the Authority's Code of Ethics Policy, the provisions of this Conflicts of Interest Policy shall govern.

ARTICLE 2
PROHIBITION AGAINST CONFLICTS

Section 1107 of the New York Public Authorities Law sets forth the following requirements with respect to conflicts of interest:

It shall be a misdemeanor for any of the members of the authority, or any officer, agent, servant or employee thereof, employed or appointed by them to be in any way or manner interested directly or indirectly in the furnishing of work, materials, supplies or labor, or in any contract therefore which the authority is empowered by this title to make.

In the event the Authority discovers a violation of the above provision, the Authority shall conduct an investigation and, if warranted, report the offense to the Inspector General of the State of New York.

This policy provides additional guidance regarding real or potential conflicts of interest, including circumstances not within the scope of Section 1107 of the New York Public Authorities Law.

ARTICLE 3
DEFINITIONS

As used herein, the following terms shall have the meanings set forth below:

1. Interested Person

This includes any Member, officer, employee or member of a committee with Member-delegated powers who has a direct or indirect Financial Interest, as defined below.

2. Financial Interest

A person has a Financial Interest if the person has, directly or indirectly, through business, investment or family:

- (a) an ownership or investment interest in, or employment with, any entity with which the Authority has a transaction or arrangement, or
- (b) a compensation arrangement with any entity or individual with which the Authority has a transaction or arrangement, or
- (c) a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Authority is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature.

A Financial Interest is not necessarily a conflict of interest. Under Article 4, Section 2, a person who has a Financial Interest may have a conflict of interest only if the appropriate body determines that a conflict of interest exists. As described in the Authority's Code of Ethics Policy, no conflict of interest exists where a Financial Interest arises solely from a relative that holds a clerical, ministerial or low-level management position with an existing or potential vendor, lacks the power to influence the relationship between the business and the Authority and did not obtain his or her position as a means to influence a Member, officer or employee of the Authority.

ARTICLE 4
PROCEDURES

1. Duty to Disclose

An Interested Person must disclose the existence of his or her Financial Interest and all material facts surrounding the Financial Interest to the Executive Director, the Chairperson of the Authority or the independent Ethics Board formed pursuant to Article 4 of the Authority's Code of Ethics Policy.

2. Determining Whether a Conflict of Interest Exists

After disclosure of the Financial Interest and all material facts, and after any discussion with the Interested Person, the recipient shall consult with counsel and either render a written decision or refer the matter to the independent Ethics Board.

3. Procedures for Addressing a Conflict of Interest

(a) An Interested Person may make a presentation to the Executive Director, the Chairperson of the Authority or the Ethics Board.

(b) The ruling person or body shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

(c) After exercising due diligence, the ruling person or body shall determine whether the Authority can obtain an equal or more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.

(d) If an equal or more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the ruling person or body shall refer the matter to the independent Ethics Board to determine whether the transaction or arrangement should proceed or be terminated. A ruling to proceed shall include a determination that the transaction or arrangement is in the Authority's best interest, is done for its own benefit and is fair and reasonable to the Authority.

(e) Notwithstanding the foregoing, the provisions of Article 2 hereof shall govern any violations of Section 1107 of the New York Public Authorities Law.

4. Violations of the Conflicts of Interest Policy

(a) If the ruling person or body has reasonable cause to believe that an Interested Person has failed to disclose actual or possible conflicts of interest, it shall inform the Interested Person of the basis for such belief and afford him or her an opportunity to explain the alleged failure to disclose.

(b) If, after hearing the response of the Interested Person and making such further investigation as may be warranted in the circumstances, the ruling person or body determines that the Interested Person has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

ARTICLE 5 RECORDS OF PROCEEDINGS

The ruling person or body shall keep records of all proceedings, including:

1. the names of the persons who disclosed or otherwise were found to have a Financial Interest in connection with an actual or possible conflict of interest, the nature of the Financial

Interest, any action taken to determine whether a conflict of interest was present, and the ruling person or body's decision as to whether a conflict of interest in fact existed.

2. the names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken or written rulings made in connection therewith.

ARTICLE 6 ANNUAL STATEMENTS

Each Member and officer shall annually sign a statement affirming that such person has:

- (a) received a copy of the conflicts of interest policy,
- (b) read and understands the policy, and
- (c) agreed to comply with the policy.

The Authority shall furnish all other employees with a copy of this Conflicts of Interest Policy on an annual basis.

**MONROE COUNTY WATER AUTHORITY
SOFTWARE CODE OF ETHICS POLICY
(READOPTED NOVEMBER 2024)**

**ARTICLE 1
PURPOSE**

At the Monroe County Water Authority (the “Authority”), we utilize information technology necessary for the Authority’s operations, including software. As part of the Authority’s information systems, we acquire and license software from select third party software publishers and trade associations (collectively, the “Software Vendors”). All employees and personnel of the Authority are required to respect the copyrights, software licensing rights, and property rights held by the Software Vendors, in accordance with applicable federal and State copyright laws. To that end, all employees and personnel that utilize software in the course of performing his or her duties must comply with the terms and conditions of this Software Code of Ethics Policy (the “Policy”).

**ARTICLE 2
POLICIES**

1. General Software Ethics Policy.

The Authority adopts the following as its general statement of its software ethics policies:

Unauthorized duplication of copyrighted software violates the law and is contrary to our organization’s standards of conduct. We disapprove of such copying and recognize the following principles as a basis for preventing its occurrences:

- We will neither engage in nor tolerate the making or using of unauthorized software copies under any circumstances.
- We will provide legally acquired software to meet the legitimate software needs in a timely fashion and in sufficient quantities for all our electronic devices.
- We will comply with all license or purchase terms regulating the use of any software we acquire or use.
- We will enforce strong internal controls to prevent the making or using of unauthorized software copies, including effective measures to verify compliance with these standards and appropriate disciplinary measures for violation of these standards.

2. Specific Terms and Conditions.

In the course of performing their duties, all employees and personnel shall observe the following policies:

- We must use software in accordance with the provisions of all applicable software contracts and/or license agreements between the Authority and the Software Vendors.
- We must use software in compliance with all applicable State and federal copyright laws.

- We may not make unauthorized copies of the Authority’s software. Any duplication of copyrighted software, except for back up and archival purposes, is prohibited.
- We may not use or copy any illegal software onto any of the Authority’s electronic devices.
- Any employee or personnel who is unsure of the scope of a given software license or software agreement must contact the Authority’s Information Technology Department to inquire about copyright compliance.

3. Compliance by Authority Employees and Personnel.

All employees and personnel shall sign the acknowledgement set forth below stating that he or she has received a copy of and agrees to comply with this Policy. Each signed acknowledgement will be filed with the Authority’s Human Resources Department.

Any violation of this Policy by an employee or personnel, including, but not limited to, illegally copying or using software, may result in disciplinary action, up to and including termination of employment, as determined in the Authority’s sole discretion.

**ARTICLE 3
DISTRIBUTION OF THIS POLICY**

This Policy will be distributed to each employee and personnel of the Authority annually. It will also be distributed to each new employee and personnel as soon as practicable following commencement of such position.

**ARTICLE 4
ACKNOWLEDGEMENT BY EMPLOYEES AND PERSONNEL**

I acknowledge the receipt of the Authority’s Software Code of Ethics Policy. I further acknowledge that I have read the Policy and agree to abide by its terms and conditions. I understand that the Authority may, in its discretion, monitor my use of software and that any violation of this Policy will be investigated by the Authority and may result in disciplinary action, including, but not limited to, termination of my employment. I understand that certain violations of this Policy may also subject me to civil or criminal prosecution in accordance with State and federal copyright laws.

By signing below, I understand that my use of software is subject to certain federal and State copyright laws as well as the Authority’s Policy, which prohibit the unauthorized copying and use of software programs. I agree to comply with such laws and Policy.

Name: _____
(Please Print)

Signature: _____

Date: _____

**MONROE COUNTY WATER AUTHORITY
WHISTLEBLOWER POLICY
READOPTED NOVEMBER 2024**

The Monroe County Water Authority (the “Authority”) provides whistleblower protection that complies with Section 75-b of the New York Civil Service Law and the recommendations of the New York State Authorities Budget Office.

**ARTICLE 1
DEFINITIONS**

These terms have the meanings set forth below:

1. Authority employee

Any Member, officer and employee employed at the Authority, whether full-time, part-time, employed pursuant to contract, employees on probation and temporary employees.

2. Ethical violation

Any instance of conduct prohibited under the Authority’s Code of Ethics Policy or other misconduct, malfeasance, or inappropriate behavior by an Authority employee.

3. Good faith

Information concerning potential wrongdoing is disclosed in “good faith” when the Authority employee making the disclosure reasonably believes such information to be true and reasonably believes that it indicates potential wrongdoing.

4. Personnel action

Any action affecting compensation, appointment, promotion, transfer, assignment, reassignment, reinstatement or evaluation of performance.

5. Whistleblower

Any Authority employee who in good faith discloses information to the Authority or another governmental body concerning wrongdoing by another Authority employee, or concerning the business of the Authority itself.

6. Wrongdoing

Any alleged corruption, fraud, criminal or unethical activity, misconduct, waste, conflict of interest, intentional reporting of false or misleading information, or abuse of authority engaged in by an Authority employee that relates to the Authority.

ARTICLE 2
REPORTING WRONGDOING

All Authority employees who discover or know about potential wrongdoing concerning: (i) another Authority employee; (ii) a person having business dealings with the Authority; or (iii) the Authority, and who seek to disclose such information must do so in accordance with the following procedures:

1. An Authority employee seeking to disclose wrongdoing must disclose any information concerning such wrongdoing either orally or in a written report to a supervisor, the Authority's independent Ethics Board, the Authority's attorneys or a human resources representative. If an Authority employee believes in good faith that disclosing information concerning wrongdoing within the Authority would be wholly ineffective or lead to an adverse personnel action, he or she may instead disclose such information to the New York State Authorities Budget Office (toll free number 1-800-560-1770) or, if applicable, a law enforcement agency.
2. All Authority employees who discover or know about wrongdoing will report such wrongdoing in a prompt and timely manner.
3. To the greatest extent possible, the Authority will keep confidential the identity of the whistleblower and the substance of his or her allegations.
4. Authority personnel and advisors who receive reports of wrongdoing will investigate and handle the claim in a timely and reasonable manner, which may include referring such information to the Authorities Budget Office or, if applicable, a law enforcement agency.

ARTICLE 3
NO RETALIATION OR INTERFERENCE

1. No Authority employee will retaliate against any whistleblower for disclosing potential wrongdoing, whether by threat, coercion, or abuse of authority.
2. No Authority employee will interfere with the right of any other Authority employee by any improper means aimed at deterring disclosure of potential wrongdoing.
3. No whistleblower will suffer harassment, retaliation or adverse personnel action. Any attempts at retaliation or interference against a whistleblower are strictly prohibited.
4. The Authority or other appropriate body will thoroughly investigate all allegations of retaliation against or interference with a whistleblower seeking to disclose potential wrongdoing.
5. Any Authority employee who retaliates against a whistleblower or attempts to interfere with a whistleblower's attempted disclosure will be subject to discipline by the Authority, which may include termination of employment.

6. Irrespective of the outcome of the initial complaint, the Authority will treat any allegation of retaliation or interference by an Authority employee as a separate matter to be taken and treated seriously.

**ARTICLE 4
OTHER LEGAL RIGHTS NOT IMPAIRED**

This Whistleblower Policy is not intended to limit, diminish or impair any other rights or remedies that an Authority employee may have under the law regarding disclosing potential wrongdoing free from retaliation or adverse personnel action, including but not limited to: Section 75-b of the New York Civil Service Law, Section 740 of the New York Labor Law, Section 191 of the New York State Finance Law, and Section 55(1) of the New York Executive Law.

Regarding any rights or remedies that an Authority employee may have under Section 75-b of the New York Civil Service Law or Section 740 of the New York Labor Law, any Authority employee who wishes to preserve such rights must (prior to disclosing information to the Authority or other government body) have made a good faith effort to provide the “appointing authority” (as defined in Section 2(9) of the New York Civil Service Law) or his or her designee the information to be disclosed, and must provide the appointing authority or designee a reasonable time to take appropriate action unless there is imminent and serious danger to public health or safety.

**ARTICLE 5
DISTRIBUTION OF THIS POLICY**

The Authority will distribute this Whistleblower Policy annually to each Member, officer and employee and to each new Member, officer and employee as soon as practicable following commencement of such position.

MONROE COUNTY WATER AUTHORITY
DISPOSAL GUIDELINES
READOPTED NOVEMBER 2024

The Monroe County Water Authority (the “Authority”), a New York public benefit corporation, in compliance with the New York State Public Authorities Law, has established these Guidelines for the Disposal of Property (the “Guidelines”).

These Guidelines shall apply to the disposal of real property and personal property throughout the year following their adoption and until such time as the Authority adopts new or revised Guidelines. The Members of the Authority shall review and approve of these Guidelines, with any necessary modifications and revisions, on a no less than annual basis.

1. Designation of Contracting Officer

The Authority hereby designates Larry Magguilli as the Authority’s Contracting Officer, in compliance with the provisions of New York State Public Authorities Law. The Contracting Officer shall hold this position until the Members of the Authority designate a new Contracting Officer or until such time as the Members adopt new Disposal Guidelines.

The Contracting Officer shall be responsible for the administration and implementation of these Guidelines. The Contracting Officer shall cause these Guidelines to be posted on the Authority’s website so that they are available to the general public.

2. Application of Guidelines

The procedures outlined in these Guidelines shall apply to the Authority’s disposal from time to time of all personal property having a fair market value at the time of disposal of more than five thousand dollars (\$5,000.00) and all interests in real property. In addition, these Guidelines contain procedures governing the disposal of property for less than fair market value. As used in these Guidelines, “property” shall include personal and real property. Personal and real property are distinguished from each other as appropriate in some Sections of these Guidelines.

The Authority shall dispose of personal property with a fair market value at the time of disposal of five thousand dollars (\$5,000.00) or less under the terms of the Authority’s Policy for Tracking and Disposal of Fixed Assets.

3. Purpose

The Authority has adopted these Guidelines to comply with the provisions of NYS Public Authorities Law and to realize a favorable return on the disposal of Authority property.

4. Fair Market Value

Before disposing of property, the Contracting Officer shall take reasonable measures to determine the fair market value of the property to be disposed. The fair market value of property that (i) is unique in nature, or (ii) due to unique circumstances of the proposed transaction, is not readily valued by reference to an active market for similar property, shall be determined through an appraisal by a qualified professional. Prior to its disposal, the fair market value of all real property shall be established by an appraisal conducted by a qualified professional.

5. Advertised Bid

All disposals of Authority property shall be made after public advertisement for bids for the purchase of Authority property. The Contracting Officer shall order the advertising for bids in such a manner and in such publications as the Contracting Officer deems reasonably necessary to permit full and fair competition for the property consistent with the fair market value and nature of the property.

All advertisements for soliciting bids on Authority property shall state the method, place and deadline for the submission of bids, and request any other information the Contracting Officer deems necessary to evaluate bids being solicited.

All advertisements and announcements soliciting bids shall state the place and time at which the content of all bids received for the property advertised shall be publicly disclosed. The content of all bids received shall be publicly disclosed as announced in the solicitation for bids.

6. Award of Property Subject to Bid

Award of the property for which bids have been solicited shall be made within a timeframe reasonable for the evaluation of the bids received. The Contracting Officer shall evaluate the bids and select the bid most advantageous to the Authority based upon (a) conformance with the invitation for bids, (b) the terms, including but not limited to the price offered, and (c) any other factors that warrant consideration.

Notwithstanding the foregoing, the Authority may reject as inadequate all bids received in response to a particular solicitation for bids if the Contracting Officer deems that it is in the best interest of the Authority to reject all bids.

7. Notification of Successful Bid

The Authority shall notify the successful bidder in writing of the Authority's acceptance of the bid. This notice shall contain a description of the property, the amount of the successful bid and any other material terms of the bid. The bidder shall be required to make payment to the Authority Treasurer in a form and on terms acceptable to the Authority before taking possession of the property.

The Authority shall gather the following information regarding any successful bidder: name, address, phone number.

The Authority shall provide to the successful bidder a deed, bill of sale, lease or other appropriate instrument adequate to transfer to the successful bidder the interest in the property.

8. Contracts to Dispose of Property

The Authority may solicit bids for contracts to dispose of the Authority property covered by these Guidelines. In the event that the Authority determines that the services of a company are necessary to assist the Authority in disposing of certain of its property, the Authority shall follow the same procedures in selecting an organization to dispose of property as the Authority follows under these Guidelines for disposal of property through advertised bid.

9. Disposal of Property by Negotiation

The Authority may dispose of property through negotiation or by public auction without regard to the above described procedures if the Contracting Officer determines that any of the following conditions exist:

- (a) introduction into the market of the personal property to be disposed of would adversely affect the state or local market for that kind of property due to the property's artistic qualities, antiquity, historical significance, rarity, or other quality (separate from the property's utilitarian purpose), and a fair market price and other terms for the sale of the personal property can be obtained through negotiation;
- (b) the fair market value of the property does not exceed fifteen thousand dollars (\$15,000);
- (c) prices for the property that were obtained by advertised bid were not reasonable or the bid process did not generate open competition;
- (d) disposal of the property to the state or any political subdivision at fair market value can be arranged through negotiation;
- (e) the property is being disposed of for less than fair market value under the circumstances set forth in Section 11 of these Guidelines; or
- (f) such action is otherwise authorized by law.

10. Documentation of Disposal by Negotiation

The Contracting Officer shall cause to be prepared an explanation of the circumstances of the disposal when property is disposed of through the negotiation process described in Section 9, and any of the following are true:

- (a) personal property disposed of has an estimated fair market value in excess of fifteen thousand dollars (\$15,000);
- (b) real property sold has an appraised value in excess of one hundred thousand dollars (\$100,000.00);
- (c) real property leased has an estimated annual fair market rent over the term of the lease in excess of fifteen thousand dollars (\$15,000.00);
- (d) the personal or real property has been disposed of by exchange; or
- (e) any part of the consideration for the property disposed of consists of real property.

Not less than ninety (90) days prior to the scheduled date of any transaction under Section 9 and 10 of these Guidelines, the Contracting Officer shall provide the following information to the members of the Authority (the "Members"), the Office of the State Comptroller, the New York State Director of the Budget, the New York State Commissioner of General Services, the New York State Authorities Budget Office, and the New York State Legislature c/o the Speaker of the House and the Senate Majority Leader:

- (a) description of the parties involved in the property transaction;
- (b) justification for disposing of the property by negotiation;
- (c) identification of property, including its location;
- (d) estimated fair market value of the property;

- (e) proposed sale price of the property;
- (f) size of the property; and
- (g) expected date of sale of the property.

11. Disposal of Property for Less than Fair Market Value (Effective March 1, 2010)

The Authority may sell, lease or otherwise alienate an asset owned, leased or otherwise in the Authority's control for less than fair market value only if the Contracting Officer determines that any of the following conditions exist:

- (a) the transferee is a government or other public entity, and the terms and conditions of the transfer require that the ownership and use of the asset will remain with the government or any other public entity;
- (b) the purpose of the transfer is within the purpose, mission or governing statute of the Authority; or
- (c) the Authority seeks to transfer the asset to a non-governmental entity, the disposal is not consistent with the Authority's mission, purpose or governing statutes, and the Authority either:
 - i. provides written notification to the Governor, the Speaker of the Assembly, and the temporary President of the Senate, and all such recipients fail to deny the proposed transfer within the applicable time period as set forth in Section 2897 of the Public Authorities Law; or
 - ii. the transfer is of property obtained by the Authority from a political subdivision where the Authority resides and is approved in accordance with Section 2897(7)(iii) of the Public Authorities Law.

For each proposed transfer of an asset below fair market value, the Contracting Officer shall provide the following information to the Members and to the public:

- (a) a full description of the asset;
- (b) an appraisal of the fair market value of the asset and any other information establishing the fair market value requested by the Members;
- (c) a description of the purpose of the proposed transfer and a reasonable statement of the kind and amount of the benefit to the public resulting from the transfer, including, without limitation:
 - i. the kind, number, location, wages or salaries of jobs created or preserved that are required by the transfer; and
 - ii. the benefits, if any, to the communities in which the asset is situated that are required by the transfer;
- (d) a statement of the value to be received compared to the fair market value;
- (e) the names of any private parties participating in the transfer and a statement of the value to the private party; and
- (f) the names of other private parties who have made an offer for such asset, the value offered, and the purpose for which the asset was sought to be used.

The Members shall consider the foregoing information before approving the disposal of any property for less than fair market value. The Members shall also make a written determination that there is no reasonable alternative to the proposed below-market transfer that would achieve the same purpose. The reporting requirement of this Section 11 is in addition to the reporting requirements of Section 9 and 10 of these Guidelines, as applicable.

12. Yearly Property Report

Each year the Contracting Officer shall publish a report listing all of the real property of the Authority to the extent permitted under applicable laws and regulations governing homeland security. The report will list and fully describe all real and personal property disposed of by the Authority during the previous twelve-month period.

The report shall contain a full description of each item of property disposed of, the price received by the Authority and the name of the individual(s) or entity that purchased the property.

The Contracting Officer shall cause the report to be delivered to the Office of the State Comptroller, the New York State Director of the Budget, the New York State Commissioner of General Services, the New York State Authorities Budget Office and the New York State Legislature c/o the Speaker of the House and the Senate Majority Leader.

The Contracting Officer shall publish the report on the Authority's website.

13. Annual Report to the New York State Authorities Budget Office

The Authority will include in its Annual Report, in addition to providing the information contained in the Yearly Property Report described above, a listing and description of all real property disposed of by the Authority during such year having an estimated fair market value in excess of Fifteen Thousand and No/100 Dollars (\$15,000.00). The Annual Report must include, at a minimum, the price received by the Authority and the name of the purchaser for all property sold. The Annual Report shall also contain a description of all assets, services or both assets and services that are sold by the Authority without competitive bidding, which description shall include the following:

- (a) the nature of those assets and/or services;
- (b) the names of the counterparties; and
- (c) where the contract price for assets that are sold by the Authority is less than fair market value, then a detailed explanation of the justification for making such sale without competitive bidding will be provided along with a certification by the Executive Director and Director of Finance and Business Services stating that they have reviewed the terms of the sale and determined that it complies with the applicable law and the Authority's procurement guidelines.

The Authority shall cause its Annual Report to be delivered to the County Executive, the Chief Financial Officer, the President of the Monroe County Legislature and the Authorities Budget Office within ninety (90) days after the end of the Authority's fiscal year.

The Authority shall publish its Annual Report on the Authority's website.



PURCHASING & PROCUREMENT GUIDELINES

Laurie Neff
Purchasing Manager

Revised ~~December 2023~~November 2024

TABLE OF CONTENTS

PAGE

SECTION 1: INTRODUCTION; PURPOSE.....	<u>11</u>
SECTION 2: DEFINITIONS.....	<u>2</u>
SECTION 3: RESPONSIBILITIES	<u>77</u>
SECTION 4: OVERVIEW & GENERAL RULES APPLICABLE TO PROCUREMENT OF GOODS AND SERVICES.....	<u>99</u>
A) Purchase Approvals	<u>99</u>
i. Authorized Approvals	<u>99</u>
ii. Minimum approvals:	<u>99</u>
iii. Construction Change Orders.....	<u>99</u>
B) Petty Cash - \$50 Limit	<u>99</u>
C) Small Purchase Orders	<u>1010</u>
D) Purchase Orders	<u>1010</u>
i. Regular Purchase Orders.....	<u>1010</u>
ii. Special Purchase Orders & Equipment Leasing.....	<u>1010</u>
E) Specifications	<u>1111</u>
i. Purpose.....	<u>1111</u>
ii. Level of Quality	<u>1111</u>
iii. Adequate Specifications	<u>1111</u>
iv. Changes in Specifications	<u>1212</u>
v. Responsibilities.....	<u>1212</u>
vi. Pre-Bid Meetings.....	<u>1212</u>
F) Addendum.....	<u>1212</u>
G) Public Bids.....	<u>1212</u>
i. Requirement.....	<u>1212</u>
ii. Low, Responsive, Responsible	<u>1212</u>
H) Requests for Qualifications/Proposals	<u>1313</u>
I) Professional Services.....	<u>1414</u>
J) Sole Source of Supply	<u>1414</u>
K) Standardization (Goods and Services).....	<u>1414</u>
i. Appropriate Circumstances	<u>1414</u>
L) Other General Information.....	<u>1414</u>
SECTION 5: PROCEDURES	<u>1616</u>
A) Purchases Less Than \$50	<u>1616</u>
i. Petty Cash Procedure	<u>1616</u>

TABLE OF CONTENTS

PAGE

B)	Purchases Less Than \$1,000	<u>1616</u>
	i. Through Operating Departments.....	<u>1616</u>
	ii. Through Purchasing	<u>1616</u>
C)	Quotation Purchases: Purchases <\$15,000 and Construction<\$5,000	<u>1616</u>
	i. Requests for Quotations.....	<u>1616</u>
	ii. Award.....	<u>1616</u>
D)	Publicly Bid Contracts	<u>1616</u>
	i. Formal (\$15,000 and up) and Construction Contracts \$5,000 and up.....	<u>1616</u>
E)	When to Requisition.....	<u>1818</u>
	i. Goods and Services	<u>1818</u>
	ii. In Advance	<u>1818</u>
F)	How to Requisition	<u>1818</u>
	i. Complete Information.....	<u>1818</u>
G)	Processing of Requisitions	<u>2020</u>
	i. Review	<u>2020</u>
	ii. Preferred Vendors	<u>2020</u>
	iii. \$1,000 to \$15,000	<u>2020</u>
	iv. Receipt of Quotations.....	<u>2020</u>
	v. Substitution	<u>2021</u>
	vi. Vendor Selection	<u>2021</u>
	vii. Purchase Order	<u>2021</u>
H)	Purchase Orders for Purchases Under \$15,000 and Construction Contracts under \$5,000	<u>2121</u>
	i. Purchase Requisitions	<u>2121</u>
	ii. Completion of Forms.....	<u>2121</u>
	iii. Ordered by Purchasing.....	<u>2121</u>
	iv. Vendor Selection	<u>2121</u>
I)	Bidding Process (Purchases Over \$15,000 and Construction Contracts Over \$5,000)...	<u>2121</u>
	i. Competitive Bid.....	<u>2121</u>
	ii. Public Notice - Single Purchase.....	<u>2121</u>
	iii. Public Notice - Several Purchases.....	<u>2121</u>
	iv. Specifications	<u>2122</u>
	v. Preparation.....	<u>2122</u>
	vi. Escalation Clause.....	<u>2222</u>

TABLE OF CONTENTS

PAGE

vii.	Central Location of Bid Documents.....	<u>2222</u>
viii.	Location of Opening	<u>2222</u>
ix.	Verification of Bid Prices	<u>2222</u>
J)	Change Orders.....	<u>2222</u>
i.	Change Order Form.....	<u>2222</u>
K)	Receiving – Purchase Orders for Supplies, Equipment, Materials, Etc.	<u>2222</u>
i.	Delivery Receipts.....	<u>2223</u>
ii.	F.O.B. Destination	<u>2223</u>
iii.	Partial Delivery	<u>2323</u>
iv.	Prompt Payment.....	<u>2323</u>
v.	Shortages	<u>2323</u>
vi.	Tracing	<u>2323</u>
L)	Payment of Invoices – Purchase Orders for Supplies, Equipment, Materials, Etc.	<u>2323</u>
i.	Vendor Mail	<u>2323</u>
ii.	One Purchase Order	<u>2323</u>
iii.	Contents	<u>2323</u>
iv.	Review	<u>2323</u>
v.	Papers on File	<u>2324</u>
vi.	Paperwork Discrepancies	<u>2324</u>
M)	Return of Merchandise.....	<u>2324</u>
i.	Credit Memo Received From Vendor -	<u>2424</u>
N)	Vendor Preference	<u>2424</u>
i.	Suggestions.....	<u>2424</u>
ii.	Preference	<u>2424</u>
iii.	Local Vendors.....	<u>2424</u>
	SECTION 6: OTHER PURCHASING ITEMS.....	<u>2525</u>
A)	Professional Services.....	<u>2525</u>
B)	Sole Source of Supply	<u>2525</u>
C)	Blanket Purchase Orders.....	<u>2526</u>
D)	Commodity Purchase Orders.....	<u>2626</u>
E)	Emergency Purchase Orders.....	<u>2626</u>
F)	State, County, and Other Political Subdivision/District.....	<u>2727</u>
i.	Eliminates Need to Bid	<u>2727</u>

TABLE OF CONTENTS

PAGE

ii. On File	2727
iii. Best Interest	2727
iv. Terms.....	2727
G) Contracts, Agreements for Services, and Prevailing Wage	2727
i. Types of Services	2727
ii. Prevailing Wage Rates	2728
iii. Certificate of Insurance	2828
H) Credit/Purchasing Cards	2828
I) MBE/WBE	3080

EXHIBIT 1 - Purchase Requisition - Front	3131
EXHIBIT 2 - Purchase Order – Front	3434
EXHIBIT 3 - Petty Cash Disbursement Receipt	3636
EXHIBIT 4 – Emergency PO Department Certification	3737
EXHIBIT 5 – Credit Card Pre-Approval Form.....	3839
EXHIBIT 6 – Credit Card Transaction Detail	4042
EXHIBIT 7 – Change Order Form	4143
EXHIBIT 8 – Prevailing Wage Payroll Certification	4143

APPENDICES

Appendix A - Minority and Women Business Enterprises Procedures

Appendix B – Public Authorities Law/Section 1108 Contracts

Appendix C – Purchases Not Subject to Competitive Bidding or Request for Qualifications/Proposal (RFQ/P)

Appendix D – Procurement Disclosure Policy

Appendix E – Professional Services Policy & Procedures

MONROE COUNTY WATER AUTHORITY
SECTION 1: INTRODUCTION; PURPOSE

The Monroe County Water Authority (“MCWA”) Purchasing and Procurement Guidelines (the “Guidelines”) detail the operative policy and instructions regarding the use, awarding, monitoring and reporting of certain MCWA purchasing and procurement contracts. These Guidelines are intended to comply with applicable federal and New York State laws (including MCWA’s enabling legislation), as well as MCWA’s internal governance documents. To the extent the Guidelines are inconsistent with applicable laws, any such inconsistent provisions shall be superseded by the applicable law.

The terms “purchasing” and “procurement” describe the method by which MCWA acquires the goods and services necessary to fulfill its mission. These Guidelines provide comprehensive guidance to MCWA employees regarding the purchasing and procurement process. MCWA intends to acquire necessary goods and services in the most cost-effective manner by promoting full and open competition among potential vendors.

Certain specific objectives of these Guidelines are as follows:

1. To be a reference guide.
2. To specify general and specific procedures.
3. To define roles and responsibilities.
4. To document compliance with applicable laws and internal policies and procedures.

State Procurement Requirements: MCWA adopted a Procurement Disclosure Policy effective January 1, 2006 (annually reviewed and approved) that implements certain New York State Finance Law provisions. This policy governs most procurement transactions involving an estimated annualized expenditure of \$15,000 or more for any commodity, service, technology, public works, construction, reverse contract or the purchase, sale or loss of property. The policy governs the interaction between MCWA employees and potential vendors to set forth specific requirements regarding communications during the procurement process to provide for an open, transparent and fair procurement process. This policy is included as Appendix D.

SECTION 2: DEFINITIONS

As used in these Guidelines, the following terms shall be given the following meanings (unless the context indicates otherwise):

Acceptance - An agreement to the terms of an Offer. An Offer must be accepted without changing or qualifying the terms of the Offer.

Best Value ~ The Best Value option may be used if it is more cost efficient over time to award the goods or service to other than the lowest responsive, responsible bidder or offerer if factors such as lower cost of maintenance, durability, high quality, and longer product life can be documented.

Bidder - Contractor, supplier, or vendor who responds to a competitive bid.

Commodity Orders - A type of Purchase Order that is used for items for which the price has been established by a request for Quotation or public bid for a period of one year. Commodity Orders in which prices are obtained by a quote can be extended for an additional two one-year terms. Commodity Orders in which prices are obtained by public bid can be extended for up to an additional four one-year terms. The purpose of the Commodity Order is to achieve cost savings on the purchase of high-volume, regularly used, low and high priced items; reduce paperwork; and facilitate a smooth work flow in the day-to-day operations of MCWA.

Blanket Purchase Orders - A type of Purchase Order that is used to make repetitive, low cost, low volume purchases or a number of single purchases that will cover a period of time.

Change Order - A formal notification and agreement between a buyer and a supplier that reflects changes to an existing Purchase Order or Contract.

Competitive Bid - A situation where any qualified supplier may submit a sealed bid to MCWA to supply goods and/or services at a firm price for a period set by the terms and conditions of the Contract. These bids are publicly advertised and awarded to the lowest responsive, responsible Bidder offering the same quality or better, meeting all terms and specifications, and submitting a sealed bid at the time, date and location listed in the bid.

- A) **Lowest Bidder** - The Bidder that offers the lowest net price for the item specified and can deliver according to schedules set forth in the formal bid document.
- B) **Responsive Bidder** - The Bidder has responded in accordance with the terms, conditions, and technical requirements of the bid and has signed all documents. Compliance is subject to the discretion of Purchasing or the department head.
- C) **Responsible Bidder** - Any Bidder who has proven historically that such person or company can meet all the terms and conditions of the bid Proposal.

Confirming Order - When a supplier or vendor is given authorization to proceed with an order prior to the issuance of a Purchase Order. It should be used as an exception to expedite

shipment for the start of work when time is of the essence or an emergency exists.

Conflict of Interest - MCWA employees involved in the purchase of goods or services shall abstain from any transactions with vendors that may be considered a conflict of interest. See MCWA's Code of Ethics and Conflict of Interest policies for further details.

Contract - A formal document signed by the vendor and authorized MCWA representatives that binds the parties in defining the goods or services to be rendered including terms and conditions of the procurement. Verbal agreements are not recommended. If so, they must be followed up in writing.

Contractor - Term used interchangeably with "Vendor" or "Supplier".

Department Head - Designated employees who supervise a department comprised of the Executive Director; Deputy Executive Director; Civil Engineer (Water Distribution/Director of Engineering); Director of Production/Water Supply; Director of Operations (Executive Director of Operations), Director of Facilities and Fleet Maintenance; Director of Finance and Business Services; and Personnel Manager/Director.

Designated Contact - See New York State Procurement Lobbying Law.

Emergency Purchase Order - A Purchase Order used when an unpredictable situation requires immediate action on MCWA's behalf.

F.O.B. Destination Freight Paid - "Free on Board". This term means that the shipper (the supplier in most cases) will pay the carrier for the shipment as part of its quoted cost. It is not MCWA property until it reaches the Authority. Also, the shipper will be responsible for making any claim for lost or damaged freight.

Impermissible Contact - See New York State Procurement Lobbying Law.

Manager - Designated employees who work under the direction of a Department Head and are given the ability to authorize purchases up to \$1,000.

Micro Purchase Order - A document used to order/purchase items totaling less than \$500, including freight. They are maintained by the various departments. No competing price quotes required but are encouraged. However, all purchases must be requisitioned, reviewed, and approved by the Department Head.

New York State Procurement Lobbying Law - Law passed in 2005 by the New York State Legislature as amendments to the State Finance Law (Section 139-j and 139-k) to reform the procurement process of governmental entities including the Authority concerning communications with potential vendors during the procurement process. Below are several important terms to understand:

- Designated Contact - The Executive Director and/or MCWA employee(s) designated by the Executive Director to receive all communications from Offerers.

- Impermissible Contact – Occurs when contacts made by an Offerer fail to satisfy the requirements of Article 4 and Article 5 of the Authority Procurement Disclosure Policy. The most common examples are when an Offerer contacts MCWA personnel other than the Designated Contact(s) during the Restricted Period in an attempt to influence the procurement or when an Offerer attempts to influence the procurement in a manner that would result in a violation of the Authority’s Code of Ethics or Conflicts of Interest Policy.
- Offerer – An individual or entity, or any employee, agent or consultant or person acting on behalf of such individual or entity that contacts MCWA about a procurement during the restricted period about such procurement. (Note: This definition of Offerer is specific to NYS Finance Law. In other instances, this term may apply to any contractor, vendor or supplier making an offer to provide a service or product to the Authority).
- Record of Contact – Other than requests for bid documents, whenever an offerer contacts MCWA during the Restricted Period the contact must be documented and included in the formal procurement record.
- Restricted Period – Represents the time period from the earliest posting on the Authority’s website or in a newspaper of general circulation of written notice of intent to solicit offers through final award and approval of the Procurement Contract by the Authority.

Offer - A promise to provide goods or services according to specified terms and conditions in exchange for material compensation.

Offerer – Entity who makes an offer. See New York State Procurement Lobbying Law for definition of Offerer under New York State Finance Law.

Official Newspaper - An official newspaper for advertising bids; currently, the Daily Record.

Prevailing Wage – The wage rate determined by the New York State Department of Labor (NYSDOL) that is required of contractors for public work projects in Monroe County.

Procurement Officer – See Article 3 in Appendix D.

Professional Service - A service that requires special or technical skill, training or expertise and that does not readily lend itself to competitive bidding. General guidelines for determining whether a service is a professional service are as follows:

1. Whether the service is subject to state licensing or testing requirements.
2. Whether substantial formal education or training is a necessary prerequisite to the performance of the service.
3. Whether the service requires a relationship of personal trust and confidence between

the provider and MCWA officials.

Proposal - A formal written offer to provide goods or services at a specified total or unit cost.

Purchase Order - A legal document which sets the terms and conditions of order, delivery and payment. The wording must be specific enough to eliminate any questions as to the material terms. Once accepted, it becomes a binding contract.

Quotations – For purchases and services of less than \$15,000 and construction contracts of less than \$5,000 the Authority is not required to formally advertise and accept sealed bids. Instead, Authority staff will seek to secure pricing in a less formal manner from a minimum of three vendors and award the purchase order to the lowest responsive, responsible vendor.

Record of Contact – See New York State Procurement Lobbying Law

Restricted Period – See New York State Procurement Lobbying Law.

RFQ/RFP - Request For Qualifications/Proposal - A written request seeking offers for professional services. This method promotes competition based on qualifications and other factors that go beyond just price. Price proposals can be solicited at the same time, or fees may be negotiated after selection of the most qualified provider.

Request for Quotation – A written request seeking offers from prospective vendors. This method promotes competition based on price. The request shall state the specific terms and conditions of the proposed work.

Services – Applies to work provided to MCWA by contractors that are not professional in nature. Examples include janitorial, maintenance, construction, etc. For the most part, whereas professional services usually require an advanced degree (doctor, lawyer, accounting, engineer, accountant), persons providing “services” usually learn their craft through trade schools and apprenticeship programs.

Small Purchase Order - A document used to order/purchase items totaling less than \$1,000. They are available in and maintained by the various departments. Items under \$1,000 may be purchased at the Manager level. If possible, three (3) Quotations (verbal or written) should be obtained for purchases between \$500 and \$1,000, including freight.

Sole Source of Supply - When goods or services are available from only one source. MCWA’s records must indicate, without question, that there exists only one single supplier of the item or service. Sole source situations generally exist when an item is manufactured by only one firm, such as when a vendor has an exclusive franchise or distributorship for an item.

Solicitation - A request for Offers or Proposals, including telephone requests for price Quotations or Requests for Proposals.

Standardization - Allows for the standardization of common-use items purchased for MCWA. Providing the ability to achieve and maintain the required levels of compatibility,

interchangeability, commonality and reference in the operational procedural material and technical field to attain interoperability.

State, County and Other Political Subdivision/District – MCWA can obtain needed items by use of contracts let by state or any political subdivision or district therein. The contract must be let in a manner that constitutes competitive bidding consistent with state law, and made available for use by other governmental entities. Purchases utilizing these contracts are not subject to competitive bidding.

Statement of Qualifications/Proposals - Written documents submitted in response to a RFQ/RFP, if so requested.

Supplier – Term used interchangeably with “contractor” or “vendor”.

Taxes - As a public benefit corporation, MCWA is exempt from New York State sales tax and federal excise taxes. All MCWA purchase orders shall state these exemptions.

Unauthorized Purchase – Purchases made outside of normal Purchasing policies or procedures and not meeting the criteria of a legitimate emergency, sole source, or standardization. May result in disciplinary action.

Vendor – Individual or entity providing goods or services to MCWA. Term used interchangeable with “contractor” or “supplier”.

SECTION 3: RESPONSIBILITIES

The following describes the purchasing and procurement responsibilities of various MCWA personnel. The applicable MCWA department head or his or her designee shall coordinate any specific procurement with Purchasing .

Members (a.k.a. Board of Directors) - The Members of MCWA shall be responsible for:

1. Annual review and approval of these Guidelines and similar matters.
2. Award of construction contracts that exceed \$5,000. (See Section 1108 of the New York Public Authorities Law.)
3. Approval of any purchases over \$15,000.
4. Approval of Professional Services over \$15,000.
5. Cumulative Change Orders that are over 10% of the total contract price and greater than \$15,000.
6. Any other items appropriately brought before such body.

Executive Director - The Executive Director shall be responsible for:

1. Implementation and compliance with procurement policies and procedures.
2. Approval of Professional Services under \$5,000.
3. Approval of Professional Services over \$5,000 and up to \$15,000, with notification to the Board of Directors.
4. Awarding contracts that do not require Board approval.
5. Execute/sign contracts that have been approved by the Board of Directors.
6. Approval of Procurement Officers (as such term is defined in MCWA's Procurement Disclosure Policy).

Purchasing Manager - The Purchasing Manager establishes and administers centralized purchasing services for all MCWA departments. The Purchasing Manager shall be responsible for:

1. Obtaining and analyzing prices for materials, equipment and services.
2. Compiling and maintaining a list of sources of supply for the items used by MCWA.
3. Acting as liaison with the vendors that service MCWA.
4. Handling mechanical operations of purchasing such as pricing, bidding, ordering, expediting and making adjustments.
5. Keeping confidential information and Quotations submitted by competing vendors until an award.

Director of Finance & Business Services - The Director of Finance & Business Services and Accounting staff shall be responsible for:

1. Handling accounts payable.
2. Reporting and disclosing required financial information.
3. Reviewing invoices.
4. Oversees Purchasing.

Operating Departments - Each operating department shall request Purchasing to order goods and services. It shall advise Purchasing upon receipt of said items. Each operating department shall:

1. Anticipate requirements sufficiently in advance to permit Purchasing to do an efficient job of buying.
2. Make requisitions specific and clear in every detail
3. In cases where technical equipment, specifications, plans or designs are involved, indicate its requirements and coordinate with Purchasing to assure quality control.
4. Keep confidential information and Quotations submitted by competing vendors until an award.
5. Follow MCWA's Procurement Disclosure policies where applicable.
6. Determine the quality/quantity requirements for a particular purchase and involve Purchasing as necessary.
7. Check all deliveries within five (5) working days and make any necessary adjustments. Notify the vendor of any problems. When shipments are received, the department must note on all copies of the delivery receipt any damages observed. (Procedures for returning material will be addressed in Section 5M hereof).
8. When an order is complete, fill in receiving information on the bottom of the green copy of a Purchase Order, and sign and return to Purchasing with receiving slips.
9. Manage all facets of the procurement of professional service contracts and manage vendor compliance with contractual terms and obligations.

SECTION 4: OVERVIEW & GENERAL RULES APPLICABLE TO PROCUREMENT OF GOODS AND SERVICES

A) Purchase Approvals

i. Authorized Approvals

All purchases and change orders need to be approved by an authorized supervisor. The table below shows that as the level of expense increases, so does the level of management required to approve the purchase and change orders.

ii. Minimum approvals:

1. Less than \$50 (Petty Cash)	1. As noted in Section 5-A
2. Less than \$500 (Micro PO)	2. Supervisor Department Head
3. Less than \$1,000 (Small PO)	3. Supervisor
4. \$1,000 to \$5,000	4. Department Head or Designee Purchasing
5. \$5,000 to \$15,000	5. Director of Finance or Designee Department Head Purchasing
6. \$5,000 (Construction)	6. Public Bid (Same as Item #7 below.)
7. Over \$15,000 (Public Bid)	7. Executive Director or Designee Department Head Purchasing and Board of Directors (After Bid Before Award)

iii. Construction Change Orders Only

Change orders on construction contracts are to be made in the following manner:

- Cumulative change orders of 5% or less are to be approved by the Department Head.
- Cumulative change orders from 5-10% are to be approved by the Department Head, the Director of Finance and Business Services, and the Executive Director.
- Cumulative change orders above 10% and greater than \$15,000 shall be approved by the Board.

B) Petty Cash - \$50 Limit

MCWA shall reimburse employees from petty cash for purchases less than \$50 upon presentation of a properly approved petty cash disbursement form with receipt attached. The following lists the petty cash funds currently maintained by MCWA, as well as the custodian of each fund:

General Offices – Cashier;
Production & Transmission - Department Secretary; and

Operations - Administration Office.

C) Micro and Small Purchase Orders

These orders are available in and maintained by the user's department.

D) Purchase Orders

i. Regular Purchase Orders

Purchase Orders will be issued by Purchasing as soon as possible after processing of an approved requisition. The Purchase Order is a six-part document:

- Original - mailed to the vendor.
- Copy 2 (marked "Acknowledgement Copy") - mailed to and acknowledged by vendor and returned to Purchasing.
- Copy 3 (marked "Accounting Copy") - forwarded to Accounts Payable.
- Copy 4 (marked "Purchasing Copy") - Purchasing's file copy.
- Copy 5 (marked "Departmental Copy") - forwarded to the requesting department for their files.
- Copy 6 (marked "Receiving Copy") - "green copy" is forwarded to the requesting department to be completed when all items are received or service is complete and sent back to Purchasing for processing of payment.

ii. Special Purchase Orders & Equipment Leasing

a. Micro Purchase Orders

Any purchase less than \$500. No competing price quotes required but are encouraged. However, all purchases must be requisitioned, reviewed, and approved by the Department Head.

b. Small Purchase Orders

Any purchase \$500 to \$1,000, including freight, may be performed by the user's department. Multiple items of the same or similar nature can be purchased as long as their total cost is between \$500 and \$1,000, including freight. When possible, three (3) quotations (verbal or written) should be obtained except for purchases under \$500, including freight. For a single item or items under \$500, no competition is required, but reasonable steps must be taken so that the price is fair and practical. To the maximum extent possible, departments should purchase from local vendors. When the order is complete, attach the invoice and the packing slip to one copy of the P.O. and forward it directly to Accounts Payable. Mark the account number on the invoice and include an approved signature.

c. Blanket Purchase Orders

The purpose of a blanket order is to reduce the paperwork associated with the buying of many low-cost and low-volume items and to facilitate a smooth workflow in the day-to-day operations of MCWA.

d. Commodity Purchase Orders

The purpose of a commodity order is to achieve cost savings on the purchase of

high-volume, regularly used low and high priced items, reduce paper work, and facilitate a smooth work flow in the day-to-day operations of MCWA.

e. State, County and Other Political Subdivision/District Orders

A purchase order in which the prices come from a State, County and Other Political Subdivision/District makes it unnecessary for MCWA to bid or quote these items. Please note that appropriate approval is still required under Section 4(A).

f. Emergency Purchase Orders

In general, an emergency shall be classified as an unpredictable condition whereby the situation requires immediate action on MCWA's behalf.

g. Equipment Leasing

Equipment lease agreements shall not exceed five years and shall require the same process required for Quotations and purchases under 5C. If aggregate expenditures exceed \$15,000, the agreement shall be approved by the Board of Directors.

E) Specifications

i. Purpose

a. Best Value

Specifications serve to assist MCWA in obtaining the best value and in generating competition.

b. Sufficient Information

Since performance, quality, and service can be as important as price, the requesting department shall furnish Purchasing with proper specifications.

ii. Level of Quality

In considering and developing specifications, departments shall strive to avoid "deluxe" levels of quality. Instead, departments shall attempt to purchase standard grades of merchandise. The goal shall be to find a balance between quality and price, at all times consistent with providing a satisfactory level of service.

iii. Adequate Specifications

a. Bids and Quotations shall be based upon adequate specifications. Specifications shall serve as a basis for full and fair competitive bidding upon a common standard, and they shall be free from restrictions that would tend to stifle competition. Departments shall not design burdensome specifications solely for the purpose of eliminating competition other than suppliers of a particular brand name commodity.

b. Technical specifications must be supplied by the requesting department.

c. If the requesting department has brochures, specifications, etc., they shall forward the same to Purchasing with the requisition.

d. The requesting department shall provide Purchasing with a list of vendors to receive a request for quotation or solicitation of a bid.

iv. Changes in Specifications

- a. Once an invitation to bid has been mailed, no changes in the specifications shall be made unless all prospective Bidders are so notified by means of a written addendum.
- b. Verbal changes by any individual are not valid. All changes shall be put in writing.
- c. MCWA reserves the right to reject all bids.
- d. When specifications fail to produce conforming bids, it may be worthwhile to reject all bids, rewrite the specifications and allow all Bidders to submit proposals based on the revised specifications.

v. Responsibilities

Purchasing has ultimate responsibility for purchases. It shall work with the requesting department to develop proper technical specifications, including notifying the requesting department when a modification is required to generate competitive bidding. Any such notification shall include details on the full extent and nature of such modifications.

vi. Pre-Bid Meetings

a. Purpose

If required, MCWA holds pre-bid meetings with prospective vendors to review project scope and identify items in bid documents.

b. Requested by Whom

The requesting department, Purchasing or the vendors may request a pre-bid meeting.

c. Announcement

A pre-bid meeting may be announced in the original specifications or may be arranged through an addendum.

F) Addendum

An addendum consists of written changes, clarifications or corrections to the specifications issued after the bid or Quotation documents have been advertised or mailed out. The addendum becomes part of the bid or contract documents.

G) Public Bids

i. Requirement

All purchases estimated to exceed an aggregate of over \$15,000 in a year—must be publicly bid. For construction projects, public bidding is required for amounts over \$5,000.

ii. Low, Responsive, Responsible

See the definition of Competitive Bid in Section 2.

H) Best Value Competitive Bidding

- i. **Authority and purpose.** Section 103 of the New York General Municipal Law allows the Water Authority to authorize the creation of a rule, regulation, or resolution adopted at a public meeting for the award of certain purchase contracts (including contracts for services) subject to competitive bidding under General Municipal Law §103 on the basis of "best value" as defined in §163 of the New York State Finance Law. The best value option may be used, for example, if it is more cost efficient over time to award the goods or service to other than the lowest responsible bidder or offerer if factors such as lower cost of maintenance, durability, high quality, and longer product life can be documented.
- ii. **Award based on best value.** The Water Authority Board may award purchase contracts, including contracts for services, on the basis of "best value". All contracts or purchase orders awarded based on value shall require Board approval.
- iii. **Applicability.** The provisions of this article apply to Water Authority purchase contracts, including contracts for services, involving an expenditure of more than \$15,000 or \$5000 for construction projects.
- iv. **Standards for best value.**
 - a. Goods and services procured and awarded on the basis of best value are those that the Water Authority determines best optimize quality, cost and efficiency, among responsive and responsible bidders or offerers.
 - b. Where possible, the determination shall be based on an objective and quantifiable analysis of clearly described and documented criteria as they apply to the rating of bids or offers. The criteria may include, but shall not be limited to any or all of the following:
 - Cost of maintenance;
 - Proximity to the contractors;
 - Longer product life;
 - Product performance criteria; and
 - Quality of craftsmanship.
- v. **Documentation.** Whenever any contract is awarded on the basis of best value instead of lowest responsible bidder, the basis for determining best value shall be thoroughly and accurately documented. Any contract being considered for Best Value criteria shall be identified in the procurement documents.

D) Requests for Qualifications/Proposals
See the definition of RFQ/P in Section 2.

J) Professional Services
See the definition of this term in Section 2.

K) Sole Source of Supply
See Section 6 for Methods/Procedures. See the definition of this term in Section 2.

L) Standardization (Goods and Services)

i. Appropriate Circumstances

Some circumstances under which standardization provisions might be appropriate are as follows:

- a) Compatibility – MCWA’s present equipment would not be compatible with items from one or more prospective vendors, thus causing significant expense to convert.
- b) Design and Construction - The design, plan or method of construction of an installation is suited to a particular operation or function and cannot be altered without undue expense.
- c) Economical - Service facilities are adapted to the handling of a particular make of equipment and cannot be converted without undue expense.
- d) Endangerment - Changes would endanger MCWA customers or employees.
- e) Inventory - MCWA has on hand a substantial stock of spare parts for a specific make of equipment which cannot be disposed of except at a substantial loss.
- f) Local Conditions - Local conditions require the use of a particular make of equipment to the exclusion of all others.
- g) Trained Employees - Employees have been trained in the operation, repair or use of special equipment and cannot be trained to operate other makes without undue expense.
- h) Uniformity - A substantial amount of equipment of the same make is presently being used by the Authority and uniformity of the make or manufacturer is essential to economy (and/or efficiency).

~~ii.~~ ii. Department Responsibility - The applicable department shall make all decisions to standardize and shall provide Purchasing with reasonable justification. For standardized items available from more than one source, Purchasing shall bid or quote the item. For items with a Sole Source of Supply, the department shall include information justifying their sole source request.

~~iii.~~ iii. Board Resolution - Pursuant to Section 1108 of the Public Authorities Law, the Board of Directors, shall approve any standardization decisions, including the reasons therefor.

~~iv.~~ iv. Review - Each department shall review all items standardized at least every three years. In the absence of this review, no purchases shall be made without competitive bidding.

M) Other General Information

Formatted: No bullets or numbering

- i. Departments shall review inventories on a regular basis to maintain adequate materials on hand without being overstocked. Departments shall establish minimum levels for stock items and place reorders for purchase by Quotations or bids when these minimum levels are reached. Careful review of inventories should help to reduce the number of Purchase Orders processed.
- ii. In addition to price (where differences are small), consideration shall be given to those vendors who offer prompt payment discounts and/or delivery (especially on an as-needed basis). The final cost of an item shall include labor and transportation; the vendor's location can have a significant impact on such costs.
- iii. A list of vendors who participate in State and County contracts can be obtained on their respective websites.
- iv. Because one set of rules will not cover all cases, Purchasing and the departments shall maintain open communications.

SECTION 5: PROCEDURES

A) Purchases Less Than \$50

i. Petty Cash Procedure

- a. Reimbursement - The petty cash fund shall be used for reimbursement of purchases within the \$50 limit with an override up to \$100 with Director of Finance & Business Services' approval. It is not to be used for the purchase of supplies, materials and equipment that would normally be obtained through regular purchase requisitions.
- b. Approval - Purchases shall be approved by Department Heads or their duly designated managers. Finance & Business Services shall maintain a list of employees authorized to approve purchases in their respective areas.

B) Purchases Less Than \$1,000

i. Through Operating Departments

- a. Items under \$1,000 may be purchased by the operating department.
- b. When obtaining quotes, obtain F.O.B. Destination delivered prices if possible.
- c. Verbal quotes should be noted on the back of the order or on a separate attachment. If a verbal quote results in an order, the price should be confirmed in writing when possible.

ii. Through Purchasing

- a. Requests for Quotations (verbal or written) may be requested when deemed necessary by Purchasing. All questions shall be handled by Purchasing.
- b. Awards are to be made within forty-five days of the quote, (unless specifically changed by the requesting department) or all quotes will be rejected.
- c. In situations where Purchasing has previously determined the lowest responsive and responsible vendor, it may place the order directly without additional price inquiries.

C) Quotation Purchases: Purchases <\$15,000 and Construction<\$5,000

i. Requests for Quotations

Requests for Quotations (written) shall be solicited from at least three legitimate vendors, if possible.

ii. Award

An award shall be made to the lowest responsive, responsible offerer.

D) Publicly Bid Contracts

i. Formal (\$15,000 and up) and Construction Contracts \$5,000 and up

- a. All purchases estimated at or with actual value in excess of \$15,000 shall follow these procedures:
 1. Open a procurement for tracking in accordance with New York State

Formatted: No bullets or numbering

Procurement Lobbying Law after obtaining approval of Procurement Officers from the Executive Director.

2. A notice to bid shall be advertised at least two weeks prior to the bid opening.
3. Construction bids generally should require a minimum fee of \$25 to cover the cost of plans and specification books. Potential Bidders shall be required to pick up bids or provide an overnight delivery service account number.
4. Advertisement shall be in the official newspaper with county-wide circulation.
5. All notices and invitations to bid shall be provided to the appropriate mailing list, if available. They shall be available for pick-up upon request.
6. Multiple purchases of the same item shall not be made for the purpose of circumventing the bid threshold.
7. All bids must be returned to the location stated in the notice or bid package.
8. All sealed bids must be returned prior to the time stated in the notice or bid package.
9. All sealed bids received ~~at the front desk~~ shall be time and date stamped and initialed upon receipt.
10. No bid will be accepted if it is received after the time and date specified or it is not properly sealed. The only exception shall be for a delay caused by a MCWA employee. All late bids shall be returned to the Bidder unopened. When necessary, a late bid may be opened in order to identify the Bidder.
11. Fax copies and e-mails of bid submittals shall **not** be accepted. All Bids must be submitted in a sealed envelope, clearly labeled "Bid" and also marked with the Project Name, Bid date, and time of Bid opening. Bids submitted via trackable delivery service, such as FedEx, must be addressed to "Purchasing Manager – BID" and must follow the delivery instructions stated in the bid packet. US Mail is not an acceptable means to submit Bids.
12. Bidders shall be encouraged to bid as per the specifications outlined in the notice or bid package. Verbal instructions from anyone are **not** valid. Any change in requirements shall be made only by means of a written addendum.
13. Sealed bids will be opened and total prices read aloud at the time and place stated in the notice.
14. Purchasing or the requesting department shall retain custody of all proposals, samples, and bonds until an award has been made. Bids shall be maintained on file.
15. All bids and required forms must be properly executed by the Bidder.
16. After being opened and read, the proposals will be tabulated at the earliest possible time and a recommendation for award will be prepared for approval by the Board.
17. Bids and proposals may be rejected if they contain uncalled-for items, cross-outs or white-outs not initialed, omissions and/or irregularities of any kind (except obvious arithmetic errors). Bids must meet the specifications in order to be considered responsive. MCWA reserves the right to reject all bids for any reason.
18. MCWA reserves the right to waive minor irregularities, reject any and all bids, advertise for new bids, proceed to do the work otherwise, or abandon the

work if it is not in its best interest to proceed.

19. A Bidder may modify its bid after submission to MCWA but before the bid opening. In such a case, the vendor shall make certain that any new prices are reflected in any bid bond. After the bid opening, **no** bid may be modified. Upon request to Purchasing and before an award has been made, Bidders can correct omissions from bids that do not affect the price, terms, and conditions of the bid.
20. Bids may be withdrawn only if written notice is received by MCWA prior to the fixed time for opening bids.
21. If, after the bid has been opened, a vendor discovers an error in its bid that affects the price (other than arithmetic errors), the Bidder shall notify Purchasing at once. Purchasing and the requesting department shall review the problem and seek assistance from the Executive Director if required. Except in extraordinary cases, MCWA shall require the Bidder to abide by its bid or forfeit its bid security.
22. Once the procurement period has ended, terminate the NYS Procurement Lobbying Law tracking. Each Procurement Officer shall certify the end of the procurement period by executing the MCWA Procurement Compliance Form (found in Appendix D) and providing the original copy to Purchasing. Purchasing will close the Procurement Record only after receipt of signed compliance forms from all Procurement Officers.

E) When to Requisition

i. Goods and Services

MCWA typically purchases goods and services using a requisition. See Appendix C for notable exceptions. In the event of an emergency purchase, the department shall provide notice to Purchasing within two (2) working days after the purchase.

ii. In Advance

Requisitions should be prepared far enough in advance to avoid creating an emergency. This will give Purchasing sufficient time to secure the best materials at competitive prices. Lead time must include the work days needed to accomplish the following:

- 1) Time for the requesting department to prepare, sign and authorize requisitions.
- 2) Time for Purchasing to obtain quotes and bids (10 to 18 days).
- 3) Time for transmittal by U.S. mail.
- 4) Stock position of the prospective vendor.
- 5) The vendor's typical delivery schedule.
- 6) Additional time needed for specialized equipment, motorized equipment, office machines, etc.
- 7) Sufficient time for shop drawings, review, and approvals.

F) How to Requisition

i. Complete Information

Purchase requisition forms must be complete in all respects, including proper account numbers, specifications, delivery address, date required, suggested vendors and purpose. In order to be processed, requisitions must be signed with proper approvals.

a. Detailed Specifications

Detailed or technical specifications shall accompany every requisition. A detailed specification means a trade name or product number (e.g., General Electric Lamp #F4OCW or approved equal). Suppliers or manufacturers will provide specifications for almost all products.

b. Filling Out Form

Purchase requisition forms shall provide the following complete and correct information. Failure to complete the requisition properly will delay shipment of goods or services.

- 1) Date* - Current date only.
- 2) Ordered by* - Employee name and number (number is necessary for computer input).
- 3) Approximate cost - A requisition shall be complete only if it provides cost information, either approximate or specifically quoted. Any quotations shall be attached to the requisition.
- 4) Requisition and Order No. - assigned by Purchasing.
- 5) Approximate Date Required* - Plan ahead. Use realistic dates. If it is a rush condition, specify the date needed and explain in lower area of description. ASAP, RUSH, IMMEDIATELY, YESTERDAY and RECEIVED are not dates and will result in your requisition being returned.
- 6) Account, Job Order or Auth. No.* - Number must be provided before purchase can be made. Authorization numbers must be properly approved before MCWA can purchase.
- 7) Purchase Order Description* - Provide an item description, including the purpose.
- 8) Suggested Vendor # - List suggested vendors on the back of the requisition. Provide a vendor # if one exists. Only place a vendor # in this location if it is a Confirming Order or a Sole Source of Supply.
- 9) Vendor Name - Only place vendor name in this location if it is a Confirming Order or Sole Source of Supply.
- 10) Vendor Email - used by Purchasing to send vendor Purchase Order.
- 11) Deliver to* - Select a delivery location.
- 12) PO Conditions Do ~~Not~~ Apply* - Yes will be selected if the requesting department would like Purchasing to send the PO to the vendor to place the order. No will be selected if an order is not needed (ex. Professional Services agreement has been executed).
- 13) Do Not Duplicate* - Order is confirming.
- 14) Authorization* - The requesting department should complete all applicable information in this section to inform Purchasing that the required authorizations for the purchase have been obtained.
- 15) Item No.

- 16) Quantity Needed* - Number to coincide with unit type. (See #15)
 - 17) Unit Type* - Be specific (e.g., ea. dozen, case of 12 qt., 8 gross, boxes , etc.).
 - 18) Description* - The requisition shall include complete and specific information concerning requirements of all items. Include style, size, model, color, catalog number, etc.
 - 19) Approved by Manager/Supervisor and Name
 - 20) Approved by Department Head or Designee - All requisitions equal to or greater than ~~over~~ \$1,000 require this signature and employee number.
 - 21) Approved by Director of Finance or Designee - This signature only applies to requisitions equal to or greater than ~~over~~ \$5,000 for department expenses.
 - 22) Approved by Executive Director - This signature applies to all requisitions equal to or greater than ~~over~~ \$15,000.
- Note:** Items with an asterisk (*) shall be completed by the requesting department. Failure to do so may delay your requisition.

G) Processing of Requisitions

i. Review

Purchasing shall review all incoming requisitions for completeness, signature(s), type of bidding required, equipment list, etc. After review, requisitions are processed for Quotation or bid.

ii. Preferred Vendors

If a requisition lists preferred vendors, they will receive a Request for Quotation.

iii. \$1,000 to \$15,000

When requisitioning items costing between \$1,000 and \$15,000, MCWA staff will seek to secure at least three (3) Quotations, of which at least one shall be written. Any exceptions such as for a Sole Source of Supply must be fully documented. Quotations are not needed for items purchased using a State, County and Other Political Subdivision/District contract.

iv. Receipt of Quotations

All Quotations must be returned by the applicable deadline. If necessary, telephone quotes can be solicited with a written confirmation to follow. If the situation requires, the department may call a vendor and ask what price it will charge.

v. Substitution

Purchasing shall not substitute quoted items without approval by the originator of the requisition.

vi. Vendor Selection

After prices are obtained, Purchasing shall select the best vendor (usually the lowest responsive, responsible Bidder).

vii. Purchase Order

After selection of vendor, a Purchase Order shall be issued and mailed and/or emailed.

- H) Purchase Orders for Purchases Under \$15,000 and Construction Contracts under \$5,000
 - i. Purchase Requisitions

Purchasing shall process all submitted requisitions for materials, services, equipment, etc. (except petty cash and exceptions noted previously; emergency situations; and Small Purchase Orders).
 - ii. Completion of Forms

Purchase requisition forms must be fully completed as detailed in Section 5F.
 - iii. Ordered by Purchasing

Purchasing shall order materials, services, equipment, etc. after obtaining Quotations as previously described herein. The ONLY exception shall be for an emergency, at which time Purchasing shall either place an immediate order from the purchase requisition or furnish a Purchase Order number to the appropriate Authority staff.
 - iv. Vendor Selection

Purchasing shall determine which vendors to send Requests for Quotations, although the person submitting a requisition may suggest specific vendors.
- I) Bidding Process (Purchases ~~Over~~ \$15,000 or more and Construction Contracts ~~Over~~ \$5,000 or more)
 - i. Competitive Bid
 - a. The term Competitive Bid is defined in Section 2 of these Guidelines. This definition also includes explanations of the related terms Lowest Bidder, Responsive Bidder and Responsible Bidder.
 - ii. Public Notice - Single Purchase

For any single purchase of \$15,000 or more and construction contracts ~~over~~ \$5,000 or more, MCWA shall publicly advertise for bids. This requirement shall not apply in the event of an emergency.
 - iii. Public Notice - Several Purchases

All purchases estimated to exceed an aggregate of over \$15,000 in a year shall be publicly advertised and bid. The successful Bidder shall then furnish the particular items on the specified delivery dates throughout the year. MCWA shall follow this procedure even for items presently purchased with Blanket Purchase Orders or regular Purchase Orders. (See Section 6D - Commodity Purchase Orders).
 - iv. Specifications

In all cases, individual departments or their consultants shall prepare detailed specifications, including advertisement for bids in final form, any special conditions and a list of any prospective Bidders. All such information shall be forwarded to Purchasing for final review and handling at least five (5) working days prior to the date that a bid advertisement is to be placed in the official newspaper.
 - v. Preparation

Purchasing, the project engineer or a designated consultant shall prepare the proposal sheets and other necessary bid documents. After final review and handling, Purchasing shall select bid opening dates and place the advertisement.

vi. Escalation Clause

MCWA may find that variable economic conditions make it impossible to obtain bids with firm prices for some items. In these cases, bids shall be taken as frequently as necessary or taken with escalation clauses. Purchasing shall determine those items for which annual bids with firm prices can be received.

vii. Central Location of Bid Documents

Purchasing shall collect and hold all bid documents until the bid opening.

viii. Location of Opening

Purchasing or a designated person shall announce the room in which the bids will be opened prior to the actual bid opening. Purchasing or a designated person and one representative from the applicable department shall preside over the bid opening and read aloud each bid as it is opened. Exceptions, such as bid openings handled by consultants, may be made by pre-arrangement with Purchasing.

ix. Verification of Bid Prices

Purchasing or a designated person shall verify the accuracy of the bid price (including any extensions), identify the lowest bid, and then forward the bid package to the department for review and recommendations. The department will then forward the bid package (including a recommendation) to the Executive Director for his approval and submission to the Board for award of the bid. After award of the bid, the entire bid package shall be returned to Purchasing.

J) Change Orders

i. Change Order Form

If a change has to be made after an order is placed, a "Change Order Form" must be completed indicating the item(s) ordered and the change to be made. The original shall be sent to the vendor and a signed copy shall be given to Accounts Payable and Purchasing (see the Change Order Form in Exhibit 7).

K) Receiving – Purchase Orders for Supplies, Equipment, Materials, Etc.

i. Delivery Receipts

On the day the goods and/or services are delivered, the recipient shall sign the receiving copy of the Purchase Order and forward it to Purchasing with the packing slip. Timeliness is crucial when there is a prompt payment discount allowed (as noted in the box marked "terms" on the Purchase Order).

ii. F.O.B. Destination

Under this method of delivery, the shipper must make any claim for lost or damaged freight. **IT IS THE RECIPIENT'S RESPONSIBILITY TO NOTE ANY DISCREPANCIES ON THE RECEIVING COPY OF THE FREIGHT BILL.** (See Definition)

iii. Partial Delivery

Unless specified in the contract, acceptance of a partial delivery obligates MCWA to pay for the items received within 30 days or any applicable discount period.

iv. Prompt Payment

MCWA values prompt payment to all vendors. This ensures that unnecessary delays do not adversely affect MCWA's credit record.

v. Shortages

Recipients must immediately report to the vendor any shortages (except back-ordered items), discrepancies or shipment damage. The ordering department shall determine a suitable course of action. Some possible problems include: short/over/duplicate shipments, open cartons upon delivery, items not as specified on the Purchase Order, poor quality, and late deliveries. The ordering department shall maintain contact with vendors on back-ordered items.

vi. Tracing

Purchase Orders shall note the agreed upon delivery schedule. For orders that fail to be delivered on time, the ordering department may trace such orders.

L) Payment of Invoices – Purchase Orders for Supplies, Equipment, Materials, Etc.

i. Vendor Mail

Vendors should send invoices directly to Accounts Payable.

ii. One Purchase Order

Each Purchase Order should have a separate invoice.

iii. Contents

Each invoice should contain the Purchase Order Number, a detailed description of the goods or services, the ship-to address and the ship date.

iv. Review

Accounts Payable shall review all invoices to determine compliance with the Purchase Order, that we have received the merchandise, and that taxes and, where applicable, freight have not been charged.

v. Papers on File

Before Accounts Payable can pay an invoice, it shall have on file the Purchase Order, the invoice, and the proof of receipt (including an authorized signature and the date of receipt).

vi. Paperwork Discrepancies

If the invoice and Purchase Order do not agree, Purchasing shall determine who and/or how much shall be paid unless a department sent out the quotes.

M) Return of Merchandise

When purchased material needs to be returned or exchanged, MCWA shall use the

following procedures to ensure that it receives full credit:

- i. Credit Memo Received From Vendor -
 - Put account number originally charged on the credit memo.
 - Note any other helpful information.
 - Send credit memo to Purchasing promptly.

N) Vendor Preference

i. Suggestions

Purchasing shall secure prices and, if so requested, review the prices and vendors with the department before making a final selection.

ii. Preference

If a department prefers one supplier over others, thereby excluding one or more vendors from consideration, it shall prepare a written justification. Purchasing shall either issue a Purchase Order based on such recommendation or explain why the request was denied.

iii. Preferred Source Purchases

When completing purchases that do not include Federal funds, MCWA may purchase commodities and services from New York State designated preferred sources without conducting a competitive procurement.

iv. Local Vendors

MCWA service area vendors are those who contribute to the region's tax base and promote the local region's economy; local vendors shall be considered preferred vendors only if their pricing, delivery and service are better than, or comparable to, vendors doing business outside the Authority's service area. If three local vendors exist, MCWA shall seek outside vendors at its discretion, if desired.

O) Unauthorized Purchases

Purchases made outside of normal Purchasing policies or procedures and not meeting the criteria of a legitimate emergency, sole source, or standardization are considered Unauthorized Purchases.

Unauthorized Purchases should be brought to the attention of the Executive Director. An Unauthorized Purchase may result in disciplinary action.

Examples of Unauthorized Purchases

- i. Order Splitting – The intentional splitting of a known purchase into separate lots with the intention of spreading the purchase over a period of time is strictly prohibited.
- ii. Personal Purchases – MCWA employees and their families are prohibited from purchasing goods and services for personal use through any Authority contract. The Authority will neither require nor encourage any vendor to honor contract terms or pricing discounts on behalf of anyone affiliated with MCWA.
- iii. False Pretense – The purchase of any materials or services for personal use under the pretense of MCWA use is prohibited. For example: Ordering tools for use at an

employee's house or other **personal** purpose and charging to the Authority will be considered acts of theft.

- iv. Unauthorized additions to Purchase Orders – Additions to, deletions from, or any other type of revisions made after the issuance of a Purchase Order may only be done after contacting the Purchasing Manager.

SECTION 6: OTHER PURCHASING ITEMS

A) Professional Services

See the definition in Section 2 for ways to determine whether a procurement is for professional services. See Appendix E for Professional Services Policy and Procedures.

B) Sole Source of Supply

See the definition of this term in Section 2. Since this is an exception to competitive bidding, MCWA shall use the following tests and procedures to confirm the existence of a Sole Source of Supply:

The applicable department shall compile reasonable proof that an item is available only from a sole source. Examples include:

- A single vendor for a product.
- Evidence that other companies (public and/or private) have also found just a single vendor.
- Evidence that substitute products are not satisfactory, including tests done by MCWA or the actual experience of other companies.
- A certification from a Department Head that a product is available only from a sole source.

Sole source purchases above \$5,000 shall be approved by the Director of Finance (or Designee) and Business Services. Sole source purchases above \$15,000 shall be approved by the Board of Directors.

i. Identify on Requisition

To requisition sole source items, the Department shall identify them as such.

ii. Verification

Purchasing shall require the department provide written documentation from ~~manufacturer~~ ~~vendor~~ verifying the existence of a Sole Source of Supply. Verification shall be dated within the current year.

C) Blanket Purchase Orders

- i. Requisitions shall specify the amount requested, the term and the purpose of the requisition.
- ii. Purchasing shall maintain a list of acceptable vendors for small items such as hardware, paint and miscellaneous building materials. Since the cost of these items is relatively uniform, the vendors shall be chosen primarily on the basis of stock selection, brand names and proximity to the General Office, Shoremont and any other

facilities.

- iii. Blanket Purchase Orders shall generally be issued to vendors in amounts up to \$15,000/year as specified by the Department Head and for periods not greater than 12 months at a time. When a Blanket Purchase Order is anticipated to be over \$15,000, it must first be approved by the Board of Directors. Multiple items of the same or similar nature can be purchased as long as their total cost does not exceed \$1,000 including freight. A written quote should be obtained from selected vendor when possible.
- iv. Blanket purchases over \$1,000 require approval from Purchasing.
- v. Purchasing shall review all blanket purchases in order to coordinate and consolidate purchases that are better made through the use of an annual Commodity Order or public bid.
- vi. The person using a Blanket Purchase Order shall obtain the price at the time of the purchase, indicate such on the receiving slip, place account and P.O. numbers on the slip, and have it signed by an authorized purchaser before forwarding it to Purchasing. Each department shall keep a log of purchases made and any balance remaining to date. This log shall be sent to Purchasing along with the green copy of the Purchase order when complete.

D) Commodity Purchase Orders

- i. Personnel shall submit Requisitions to Purchasing, including estimates of usage, detailed specifications, and suggested vendors.
- ii. Purchasing shall issue a Purchase Order based upon prices received by quote or bid. Purchase Orders shall be good for up to one year. Commodity Orders in which prices are obtained by a quote can be extended for an additional two one-year terms. Commodity Orders in which prices are obtained by public bid can be extended for up to an additional four one-year terms.
- iii. The authorized purchaser shall code the receiving slip with account and P.O. numbers and have invoices approved.

E) Emergency Purchase Orders

- i. The Manager on duty may authorize purchases for emergencies that occur on weekends or outside normal working hours.
- ii. If possible, MCWA personnel shall seek to secure verbal Quotations and, if at all possible, use vendors and contractors whose prices and hourly rates are known to be the lowest.
- iii. MCWA personnel shall forward a purchase requisition and Emergency PO Department Certification (Exhibit 4) to Purchasing as soon as practical after an emergency order. Purchasing and the Director of Finance and Business Services shall review confirming purchase requisitions on a regular basis for compliance with the emergency requirement.
- iv. For emergencies occurring during normal working hours that require immediate and direct contact with a vendor, Purchasing shall issue a Purchase Order number. This will not preclude a particular department contacting a vendor to obtain specifications, information, catalog numbers, etc.

- v. The Board of Directors will receive notification of the purchase during the next scheduled board meeting. For Emergency Purchase Orders greater than \$15,000, a resolution should be passed by the Board during the next meeting following MCWA received the final invoice.

F) State, County and Other Political Subdivision/District

i. Eliminates Need to Bid

Many items are available utilizing State, County and Other Political Subdivision/District contracts. The use of pricing in these contracts eliminate the need to bid or quote these items.

~~ii.~~ On File

Purchasing shall maintain a list of vendors having these contracts ~~Best Interest~~

iii. Best Interest

Purchasing may quote or bid any item on an authorized purchasing contract if it is in the best interests of MCWA to do so.

iv. Terms

Terms, including delivery, shall also be considered prior to ordering.

G) Contracts, Agreements for Services, and Prevailing Wage

i. Types of Services

Any department requiring a service that is not professional in nature shall prepare a requisition, including detailed terms, conditions and specifications. Purchasing shall then either quote or bid (except as noted in Appendix C) the service.

Examples of "services" are as follows:

- Janitorial Services
- Typewriter Maintenance
- Microfilming
- Tree Removal
- Lawn Maintenance

Requisitions should be as complete as possible so that the RFQ/P can identify the services needed.

ii. Prevailing Wage Rates

Public work contractors must agree to comply with the provisions of the New York State Labor Law Article 8 – Public Work and Article 9 – Maintenance Work relating to the payment of prevailing wage rates to the extent that such rules may be applicable to the contractor. Wage rates may be obtained from the Labor Board’s website at www.labor.state.ny.us.

These rates are also applicable to work performed meeting all of the following requirements:

- a. Article 9 work performed on site if over \$1,500; all Article 8 work is covered;
- b. When using a “tool” to perform work;
- c. Working on anything attached to building structure; and
- d. If not the sole proprietor of the business.

Formatted: Indent: Left: 0.75", Hanging: 1", No bullets or numbering

Formatted: Indent: Left: 0.38", Hanging: 0.38", Numbered + Level: 1 + Numbering Style: i, ii, iii, ... + Start at: 3 + Alignment: Left + Aligned at: 1.5" + Tab after: 1.75" + Indent at: 1.75"

Every contractor and subcontractor shall submit, within thirty days after issuance of its first payroll and with each payment request, a transcript of the original payrolls subscribed and affirmed as true under penalty of perjury. MCWA shall maintain such payrolls for five years and invoices shall not be paid until these payroll records are received and final Prevailing Wage Payroll Certification (Exhibit 8) is completed

iii. Certificate of Insurance

Any work performed on MCWA property or MCWA jobs must meet insurance requirements and provide proof of insurance by submitting a completed Standard Insurance Certificate.

H) Credit/Purchasing Cards

MCWA will use credit/purchasing cards for purchases that are difficult to make in any other way, and are not to be used to circumvent MCWA's Purchasing & Procurement Guidelines.

1. General rules for the use of any credit/purchasing cards are as follows:

- a. Cards shall not be used for personal purchases of any kind. Use of these cards for personal purchases or expenses with the intention of reimbursing MCWA is prohibited.
- b. Whenever possible, all purchases made with these cards shall be paid for within the grace period so that no interest charges or penalties will accrue.
- c. Cardholders shall take measures necessary to safeguard the security of the credit card and the card number.
 - i. If a credit card is lost or stolen, it shall be reported to the appropriate department head immediately after discovery.
- d. Lack of proper documentation or authorization may result in the loss of the Authority-issued credit card and/or personal liability.
- e. Any misuse of a MCWA credit card by an unauthorized employee may result in loss of credit card and/or disciplinary action up to and including termination of employment.
- f. Cardholders will verify that the goods or services are allowable and must secure appropriate approvals.
 - i. Cardholders should determine if the intended purchase is within the cardholder's credit card limit.
 - ii. Cardholders are responsible for managing any returns or exchanges to obtain proper credit for returned merchandise. The cardholder should contact the vendor to obtain instructions for returns and make sure the proper credit is applied to the card on which it was charged. No cash refunds are allowed.
- g. All receipts related to the purchase need to be approved by the Department Head/designee.
- h. Use proof of New York State Tax Exemption.
- i. Follow procedures for obtaining quotes for purchases over \$500.

- j. Upon separation of employment, cardholders shall surrender their MCWA credit cards to the appropriate department head on or before their last day of work and prior to issuance of final compensation to the cardholder.
- k. Phone, fax and internet purchases must follow the same procedures as in-person purchases.
- l. In addition, random reviews may be conducted for both card activity and receipt retention as well as statement review by the Finance & Business Services department. The detailed activity may also be reviewed by MCWA's independent auditing firm. Purchasing will review and update master credit card lists on an annual basis.

2. Store Credit Cards

MCWA uses a variety of store-issued "Charge Cards" to facilitate day-to-day operations. Current cards include those for Lowes ~~and~~, Home Depot, ~~and Staples~~. MCWA store credit cards will be issued in the employee's name as authorized by the Department Head and may be used for the following purposes: a) materials, b) supplies, and c) equipment only if a purchase order cannot be issued. Charges for supplies and equipment shall not exceed \$1,000 per purchase without approval from the Department Head or their designee. Supervisors or Department Heads are required to authorize payment of any charges made by employees designated to use a credit card. Splitting up charges to avoid the transaction limit set for the credit card is prohibited. When providing receipts for payment, employees must clearly print their name on the receipt.

3. American Express/VISA/MasterCard Credit Cards

The Executive Director may approve issuance of American Express Purchasing Cards, MasterCards, and VISA Credit Cards to the following MCWA personnel in the employee's name:

- Executive Director;
- Deputy Executive Director;
- Director of Engineering/Civil Engineer;
- (Executive) Director of Operations;
- Director of Facilities & Fleet Maintenance;
- Director of Finance & Business Services;
- Director of Production & Transmission;
- Secretary to the Board; and
- Purchasing Manager.

MCWA shall use these cards for purchases that are difficult to make in any other way, as a convenience for travel and seminars, and for other appropriate purposes.

- a. These cards shall be used and controlled by the cardholders listed above.
- b. All purchases shall require appropriate Department Head approvals and receipts.
- c. Depending on the nature of the items purchased, use of these cards may be subject to the normal competitive pricing requirement where applicable.
- d. Prior to any purchase, department personnel shall obtain appropriate approvals. A completed Credit Card Pre-Approval Form (see Exhibit 5) shall be submitted to the Department Head. All purchases shall be evidenced by a receipt.
- e. Each department will reconcile the credit card statement to the receipts forwarded by the employee making purchases.


- f. The Credit Card Reconciliation Form (see Exhibit 6) must be completed for each department and submitted upon request for monthly reconciliation purposes. This form can be found on the MCWA Network in the Public folder by following this path: \\Mcwa\public\Finance\Credit Card Purchases Forms\Credit Card Reconciliation Form

D) MBE/WBE

Participation by Minority Group Members and Women with Respect to State Contracts: MCWA is considered a state agency under Article 15-A for the purpose of implementing Women and Minority Business Enterprise (W/MBE) and Equal Opportunity Employment (EEO) programs. See Appendix A for applicable Minority and Women Business Enterprises procedures.

MONROE COUNTY WATER AUTHORITY
PURCHASING GUIDELINES
Page 31
EXHIBIT 1

EXHIBIT 1 - Purchase Requisition - Front

 Monroe County Water Authority										
PURCHASE REQUISITION										
DATE: _____ ORDERED BY: _____ <small>Name and Emp. #</small>	Approximate Cost: _____ Requisition / Order No: _____ DELIVER TO: <input type="checkbox"/> OPERATION CENTER (1) <input type="checkbox"/> MCWA PICK UP (7) <input type="checkbox"/> TREATMENT PLANT (2) <input type="checkbox"/> AS SPECIFIED BELOW (99)									
APPROXIMATE DATE REQUIRED: _____ <small>(Must Provide A Date)</small>	PO Conditions Do Not Apply: <input type="checkbox"/> Yes <input type="checkbox"/> No Do Not Duplicate: <input type="checkbox"/> Yes <input type="checkbox"/> No									
ACCOUNT, JOB ORDER OR AUTHORIZATION #: _____ PO DESCRIPTION: _____ SUGGESTED VENDOR Number: _____ SUGGESTED VENDOR Name: _____ SUGGESTED VENDOR Email: _____	Authorization (Required) MCWA Board Res. #: _____ <input type="checkbox"/> Quotes Received MCWA Bid Procurement #: _____ <input type="checkbox"/> Sole Source <small>(see attached bid procurement form)</small> MCWA RFQP Procurement #: _____ <input type="checkbox"/> Emergency PO <small>(see attached department certification)</small> Contract Type: <input type="checkbox"/> NYS <input type="checkbox"/> County <input type="checkbox"/> Other Contract Info: _____ Other: _____									
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">ITEM NO.</th> <th style="width: 10%;">QUANTITY NEEDED</th> <th style="width: 10%;">UNIT TYPE</th> <th style="width: 70%;">DESCRIPTION OF MATERIAL</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td style="text-align: center;">1</td> <td style="text-align: center;">EA</td> <td> </td> </tr> </tbody> </table>	ITEM NO.	QUANTITY NEEDED	UNIT TYPE	DESCRIPTION OF MATERIAL	1	1	EA			
ITEM NO.	QUANTITY NEEDED	UNIT TYPE	DESCRIPTION OF MATERIAL							
1	1	EA								
<table style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> APPROVED BY: _____ <small>Manager/Supervisor # and Name</small> _____ <small>Department Head # and Name</small> </td> <td style="width: 50%; vertical-align: top;"> APPROVED BY: _____ <small>Director of Finance # and Name</small> _____ <small>Executive Director # and Name</small> </td> </tr> </table>			APPROVED BY: _____ <small>Manager/Supervisor # and Name</small> _____ <small>Department Head # and Name</small>	APPROVED BY: _____ <small>Director of Finance # and Name</small> _____ <small>Executive Director # and Name</small>						
APPROVED BY: _____ <small>Manager/Supervisor # and Name</small> _____ <small>Department Head # and Name</small>	APPROVED BY: _____ <small>Director of Finance # and Name</small> _____ <small>Executive Director # and Name</small>									

MONROE COUNTY WATER AUTHORITY
PURCHASING GUIDELINES
Page 32
EXHIBIT 1



Monroe County Water Authority

PURCHASE REQUISITION

Approximate Cost: _____ Requisition / Order No: _____

DATE: _____

ORDERED BY: _____
Name and Emp. #

APPROXIMATE DATE REQUIRED: _____ (Must Provide A Date)

ACCOUNT, JOB ORDER OR AUTHORIZATION #: _____

PO DESCRIPTION: _____

SUGGESTED VENDOR Number: _____

SUGGESTED VENDOR Name: _____

SUGGESTED VENDOR Email: _____

DELIVER TO:
 OPERATION CENTER (1) MCWA PICK UP (7)
 TREATMENT PLANT (2) AS SPECIFIED BELOW (33)

0 Conditions Do Apply: Yes, send PO to vendor No, don't send PO to vendor
Do Not Duplicate:

Authorization (Required)

MCWA Board Ref #: _____ Quotes Received

MCWA Bid Procurement #: _____ Sole Source (see attached letter from manufacturer)

MCWA RFQ/P Procurement #: _____ Emergency PO (see attached department certification)

Contract Type: NYS County Other

Contract Info: _____
 Other: _____

ITEM NO.	QUANTITY NEEDED	UNIT TYPE	DESCRIPTION OF MATERIAL
1	1	EA	Page 1

APPROVED BY:

 Manager/Supervisor # and Name

 Department Head # and Name

APPROVED BY:

 Director of Finance # and Name

 Executive Director # and Name

MONROE COUNTY WATER AUTHORITY
PURCHASING GUIDELINES
Page 34
EXHIBIT 2

EXHIBIT 2 ~ Purchase Order – Front



MONROE COUNTY WATER AUTHORITY

P.O. BOX 10999 • 475 NORRIS DRIVE • ROCHESTER, N.Y. 14610-0999
PHONE: 585 442-2000 FAX: (585) 442-0220

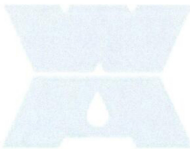
PURCHASE ORDER NO.

THIS ORDER NUMBER MUST APPEAR ON ALL SHIPPING PAPERS, BILLS OF LADING, PACKING LISTS, INVOICES AND CORRESPONDENCE. MATERIAL SHIPPED WITHOUT OUR FORMAL PURCHASE ORDER WILL NOT BE ACCEPTED BY OUR RECEIVING DEPARTMENT.

TO VENDOR:

SHIP TO:

PLEASE ENTER OUR ORDER IN ACCORDANCE WITH PRICES, DELIVERY AND SPECIFICATIONS GIVEN.

VENDOR NO.	ORDERED BY	SHIP VIA	TERMS	ORDER DATE	A/C #
ITEM	QTY. ORDERED	DESCRIPTION	UNIT PRICE	AMOUNT	
 A MATERIAL SAFETY DATA SHEET (MSDS) Should accompany order.					

TAX EXEMPT

THE MONROE COUNTY WATER AUTHORITY IS EXEMPT FROM THE NEW YORK STATE SALES TAX UNDER SECTION 1116(a)(1) (SUBDIVISIONS OF THE STATE OF NEW YORK) OF THE TAX LAW, AND AS AUTHORIZED UNDER TITLE 5 OF THE PUBLIC AUTHORITIES LAW, SPECIFICALLY, SECTION 1105, EXEMPTION FROM TAXES. FEDERAL TAX ID NO. 16-6002860W

AUTHORIZED BY:

PURCHASING

THIS PURCHASE ORDER IS SUBJECT TO THE TERMS AND CONDITIONS ON THE REVERSE SIDE HEREOF.

PLEASE ACKNOWLEDGE THIS ORDER PROMPTLY ON THE WHITE ACKNOWLEDGEMENT COPY AND INDICATE APPROXIMATE SHIPPING DATE. ANY ORDER NOT ACKNOWLEDGED WITHIN 10 DAYS IS SUBJECT TO CANCELLATION.

FILL IN BELOW AND RETURN THE ACKNOWLEDGEMENT COPY.
 ACKNOWLEDGED BY: _____ DATE _____
 APPROXIMATE SHIPPING DATE IS: _____

ORIGINAL PURCHASE ORDER

MONROE COUNTY WATER AUTHORITY
PURCHASING GUIDELINES
Page 35
EXHIBIT 2

Purchase Order - Back

**Monroe County Water Authority
Terms and Conditions of Purchase**

1. **ACCEPTANCE** Acceptance of this order is accomplished by Seller signing and returning the Acknowledgment copy of the order. If shipment of goods is made without signing the Acknowledgment, the Terms and Conditions set forth herein shall prevail unless otherwise agreed to in writing by Buyer. In case of any inconsistency between these Terms and Conditions and any terms and conditions proposed by Seller, these Terms and Conditions shall prevail.
2. **NEW MATERIALS** Except as to any supplies and components which the specifications contained herein specifically provide need not be new. Seller represents that the supplies and components to be provided are new and are not used or reconditioned, and not of such age or so deteriorated as to impair their usefulness or safety.
3. **WARRANTIES** Seller warrants:
 - a) that all goods and work covered by this order will conform to the specifications, drawings, samples, or other descriptions furnished or specified by Buyer or Seller's samples and will be merchantable, of good quality and workmanship, free from defects in material, design and workmanship, and for the purpose intended.
 - b) that such warranties shall apply to Buyer and customers of Buyer.
 - c) Seller agrees that these warranties shall survive acceptance of the goods provided under this order. Said warranties shall be in addition to any warranties of additional scope given to Buyer by Seller, or provided at law or equity.
 - d) Seller agrees to defend, indemnify, and hold Buyer, Buyer's customers, and anyone claiming through Buyer or Buyer's customers harmless against any and all liabilities whatsoever incurred by Buyer, Buyer's customers, and anyone claiming through Buyer as a result of a breach of such warranties.
4. **PRICES** Unless otherwise specified in this order, prices are F.O.B. Destination, at the location indicated on the face hereof. The prices charged herein are in accordance with any applicable laws and regulations and are as low as any net price now given by Seller to any other tax-exempt customer for like material and quantity. Seller agrees that if at any time during the pendency of this order, lower prices are quoted anyone for similar materials, such lower net prices shall be from that time substituted for the prices contained herein.
5. **CHANGES** Buyer shall have the right to make changes in this order. If any such change affects delivery or amount to be paid by Buyer, Seller shall notify Buyer immediately. Any claim for adjustment shall be submitted within thirty (30) days from date of receipt by Seller of notification of change. No additional charges will be allowed unless authorized by Buyer in writing.
6. **DELIVERY SCHEDULE AND QUANTITIES** TIME IS OF THE ESSENCE OF THIS CONTRACT. If delivery of goods or rendering of services is not completed by the time promised, Buyer reserves the right, without liability, in addition to its other rights and remedies to terminate this order by notice effective when received by Seller, as to stated goods not yet shipped or services not yet rendered, and to purchase substitute goods or services elsewhere and charge Seller with any loss incurred. Any provisions herein for delivery of goods or the rendering of services by installments shall not be construed as making the obligations of Seller severable. Shipments sent C.O.D. without Buyer's written consent will not be accepted and will be at Seller's risk. Buyer reserves the right to return early deliveries or excess or short shipments at Seller's expense.
7. **INSPECTION AND REJECTION** In case of defects in material or workmanship or nonconformance with requirements, Buyer shall have the right to reject. Seller shall bear all risks as to rejected goods. Goods rejected shall be returned or, if required by Buyer, corrected in place at the expense of Seller. No goods returned as defective are to be replaced without Buyer's authorization and credit will be taken on Buyer's voucher. Buyer may by contract or otherwise replace or correct such goods and charge Seller for costs and damages. To defray cost of shipping, handling and inspection a service charge on rejected goods may be billed to Seller. At Buyer's option, Buyer may perform inspection of goods covered by this order at Seller's plant with Seller providing necessary facilities to conduct such inspection. Payment for any article hereunder shall not be deemed an acceptance thereof.
8. **COMPLIANCE WITH LAWS** Seller warrants that all goods or services called for herein have been produced in compliance with all applicable federal and state laws, rules and regulations, including without limitation, those pertaining to working conditions, payment of labor, and manufacture, branding, labeling, registration and shipment of goods. Without limiting the foregoing, Seller agrees, with respect to the goods or services to be supplied to comply with the provisions of the Occupational Safety and Health Act of 1970 (the "Act") and the standards and regulations issued thereunder, or any other federal, state or local law or regulation of the same or similar nature, and further certifies that all items furnished under this order will conform to and comply with said Act, standards and regulations, and other applicable laws or regulations. Seller further agrees to forever defend, indemnify and hold harmless Buyer from and against all suits, actions, liability, claims, damages or losses, and any costs or expenses incurred in connection therewith, suffered or incurred by Buyer as a result of Seller's failure to comply with the provisions of this paragraph and for the failure of the items furnished under this order to so comply.
9. **ASSIGNMENT** Assignment of this order or any interest therein or any payment due or to become due thereunder, without prior written agreement by Buyer, shall be void.
10. **SET-OFF** Buyer shall be entitled to set-off any amount owing at any time from Seller to Buyer or any of its affiliated companies against any amount payable at any time by Buyer or any of its affiliated companies to Seller.
11. **PATENT INDEMNITY** Seller agrees to hold and save harmless Buyer and any of its customers and all persons claiming under Buyer from any and all loss, damage and expense of any kind by reason of actual or alleged infringement or contributory infringement of any Letters Patent or trademark rights by reason of the manufacture, delivery, use, or sale of the goods and Seller agrees to defend at its own expense any kind and all actions or proceedings charging infringement of Letters Patent or trademark rights that may be brought against the Buyer or any of its customers, or all persons claiming under Buyer, and to pay all costs and damages that may be assessed or incurred in every such action.
12. **INSOLVENCY** If Seller ceases to conduct its operation in the normal course of business, including inability to meet its obligations as they mature, or if any proceeding under the bankruptcy or insolvency laws is brought by or against Seller, or a receiver for Seller is appointed or applied for, or an assignment for the benefit of creditors made by Seller, Buyer may terminate this order without liability except for deliveries previously made or for goods covered by this order then completed and subsequently delivered in accordance with the terms of this order, and in either case only at the prices provided for herein. Buyer shall have a security interest in goods in the production process or completed but undelivered as security for any payment made by Buyer in advance of delivery.
13. **WORK ON BUYER'S PREMISES** In the event this purchase order includes work to be performed, or material to be delivered by Seller, on Buyer's premises, or the premises of a customer of the Buyer, the Seller hereby assumes entire responsibility and liability for any and all damage or injury of any kind caused by, resulting from or occurring in connection with, directly or indirectly, the performance of the work provided for in this order or the operations of Seller, and Seller agrees to indemnify, defend and save harmless Buyer, its members, officers, agents and employees from and against all liability, judgments, costs, damages and expenses (including attorneys' fees) upon any claim for injuries (including death) to any persons (including Seller's employees) or damages to any property (including the loss of use resulting therefrom) arising out of, or in connection with, directly or indirectly, the performance of the work provided for in this contract, or the operations of Seller, regardless of whether such injuries or damages are attributable in part to any fault or willful or negligent act or omission of Buyer or for whose acts Buyer may be liable, and regardless of whether the claim is based upon the breach of any statutory duty or obligation or is based upon any theory of law of apportioned or comparative liability.
14. **TERMINATION** Buyer may by written notice to Seller:
 - a) Terminate the whole or any part of this contract in any one of the following circumstances: (1) If Seller fails to perform within the time specified herein or any authorized extension thereof, or (2) If Seller fails to perform any of the other provisions of this contract, or so fails to make progress as to endanger performance of this contract in accordance with its terms and if either of these two circumstances does not cure such failure within a period of ten (10) days (or such longer period as Buyer may authorize in writing) after receipt of notice from Buyer specifying such failure, and upon such termination Buyer may procure, upon such terms as it shall deem appropriate (and Buyer shall not be required to procure at the lowest price obtainable). Goods or services similar to those terminated, in which case Seller shall continue performance of this order to the extent not terminated and shall be liable to Buyer for any excess costs for such goods or services, and
 - b) At any time terminate this order in whole or in part for convenience, in which case Buyer shall pay to Seller actual costs reasonably incurred by Seller to date of termination and directly related to production of the goods Buyer shall not be liable to Seller for any compensation, reimbursement, or damages, including in particular but not limited to any special, incidental, or consequential damages, either on account of present or prospective profit on sales or anticipated sales or on account of expenditures, investments or commitments.

Nothing in this Section 14, or elsewhere in these Terms and Conditions, shall be construed as limiting any other legal or equitable rights or remedies available to Buyer.

MONROE COUNTY WATER AUTHORITY
PURCHASING GUIDELINES
Page 36
EXHIBIT 3

EXHIBIT 3 - Petty Cash Disbursement Receipt

MCWA 88	PETTY CASH DISBURSEMENT RECEIPT	NO. _____			
_____ 20__					
Received of MONROE COUNTY WATER AUTHORITY, the Amount of \$ _____, in full payment of the items enumerated below:					
ITEMS	FOR WHAT PURPOSE	AUTH. NO.	ACCT. NO.	✓	AMOUNT
ATTACH HERETO ALL SUPPORTING PAPERs				TOTAL	
POSTED TO RECAP: _____	APPROVED: _____	SIGNED: _____			
					RECIPIENT

EXHIBIT 4 - Emergency PO Department Certification

	MONROE COUNTY WATER AUTHORITY EMERGENCY PO DEPARTMENT CERTIFICATION
Requesting Department:	_____
Request Date:	_____
Vendor:	_____
Estimated Amount:	_____
Date of Board Notification:	_____
General Municipal § 103	
4. Notwithstanding the provisions of subdivision one of this section, in the case of a public emergency arising out of an accident or other unforeseen occurrence or condition whereby circumstances affecting public buildings, public property or the life, health, safety or property of the inhabitants of a political subdivision or district therein, require immediate action which cannot await competitive bidding or competitive offering, contracts for public work or the purchase of supplies, material or equipment may be let by the appropriate officer, board or agency of a political subdivision or district therein.	
Department Justification:	
<div style="border: 1px solid black; height: 80px; width: 100%;"></div>	
APPROVALS	
_____ DEPARTMENT HEAD	_____ DIRECTOR OF FINANCE
_____ EXECUTIVE DIRECTOR	_____ MCWA BOARD RESOLUTION # (GREATER THAN \$15,000)
CERTIFICATION SHOULD BE SENT TO PURCHASING WITH PURCHASE REQUISITION	
11/2023 AM	

EXHIBIT 5 – Credit Card Pre-Approval Form



MONROE COUNTY WATER AUTHORITY
 CREDIT CARD PRE-APPROVAL FORM

This form must be completed & approved prior to any credit card purchase.

REQUESTED BY: _____ DATE: _____

VENDOR	VENDOR ADDRESS	PHONE/EMAIL
1.		
2.		
3.		

QUOTES

ITEM DESCRIPTION	QUANTITY	UNIT TYPE	VENDOR 1	VENDOR 2	VENDOR 3

ACCOUNT # _____ AMOUNT: \$ _____
 ACCOUNT # _____ AMOUNT: \$ _____

APPROVALS

 MANAGER/SUPERVISOR (\$0 - \$999.99) DIRECTOR OF FINANCE (\$5,000 - \$15,000)

 DEPARTMENT HEAD (\$1,000 - \$4,999.99) CARD HOLDER

EXHIBIT 6 – Credit Card Reconciliation Form

CREDIT CARD RECONCILIATION

CARD HOLDER: _____

EMPLOYEE	COST CENTER	SERVICE ESTABLISHMENT	DATE	TOTAL AMOUNT OF CHARGE	CARD HOLDER APPROVAL

EXHIBIT 7 - Change Order Form



MONROE COUNTY WATER AUTHORITY
P.O. Box 10999 • 475 Norris Drive • Rochester, New York 14610-0999
Phone: (585) 442-2000 Fax (585) 442-0220

To: _____ Our P.O. _____
Change Order # _____
Date: _____

ITEM NO.	QUANTITY ORDERED	DESCRIPTION	UNIT PRICE	TOTAL PRICE
AS ORDERED				
CHANGED TO/OR ADDITIONS:				

EXPLANATION:

Approved by:

Manager/Supervisor on Call Date

Director of Finance Date


Department Head Date

Executive Director Date

Purchasing Agent Date

CC ORDERING DEPT
RECEIVING DEPT
ACCOUNTS PAYABLE

EXHIBIT 8 – Prevailing Wage Payroll Certification

	<p>STATE OF NEW YORK DEPARTMENT OF LABOR BUREAU OF PUBLIC WORK</p>	<p>_____ CASE ID #</p> <p>_____ PRC #</p> <p>OFFICIAL USE ONLY</p>
<p>CERTIFICATION OF OFFICER OF CONTRACTOR OR SUBCONTRACTOR</p>		
<p>I, _____, an an officer with the title <small>NAME OF OFFICER</small> of _____ in the firm of _____ and am authorized by that firm to sign and swear to the validity and accuracy of the statements below:</p>		
<p>(1) I pay or supervise the payment of laborers, workers and mechanics employed by _____ on the _____ project. During the payroll period commencing on the _____ day of _____ 20____ and ending the _____ day of _____ 20____, all laborers, workers and mechanics employed on said project were paid the wages and supplements recorded as earned on the attached payroll records. No deductions have been made either directly or indirectly from the wages and supplements other than deductions shown on the payroll records.</p>		
<p>(2) The payroll records submitted for the above period and attached hereto are correct and complete. The number of hours shown for each employee reflects the actual hours worked by that employee. The classification shown for each employee is accurate and conforms with the work he or she performed.</p>		
<p>Signed _____ Title of Officer _____ Name of Firm _____ Address _____ _____ _____</p>		
<p>Sworn to before me this _____ _____ day of _____ 20____</p>		
<p>_____ NOTARY PUBLIC OR OFFICIAL AUTHORIZED TO ADMINISTER OATHS</p>		
<p>THE WILLFUL FALSIFICATION OF ANY OF THE ABOVE STATEMENTS MAY SUBJECT THE SIGNATORY OF THIS CERTIFICATION AND CONTRACTOR OR SUBCONTRACTOR TO CIVIL OR CRIMINAL PROSECUTION.</p>		
<p><small>FW-1 &1 (8-07)</small></p>		