# LOCAL LAW TO BE ENACTED BY THE ERIE COUNTY LEGISLATURE IN THE COUNTY OF ERIE LOCAL LAW INTRO. NO 6-1 - 2025 LOCAL LAW NO. - 2025

# "A LOCAL LAW AUTHORIZING PURCHASING BASED ON BEST VALUE AND EXPANDED USE OF COOPERATIVE PURCHASING"

#### **SECTION 1: LEGISLATIVE INTENT:**

The State Legislature and Governor amended General Municipal Law §103(1) (A08692/S6117) on January 27, 2012, to provide local governments with greater flexibility in awarding contracts by authorizing the award of purchase contracts, including contracts for service work on the basis of best value. The state legislation requires political subdivisions with a population of less than one million to pass a local law authorizing the use of the best value award process.

(From Assembly Bill Memo A08692) – Enactment of this legislation provides additional procurement options to localities in ways that may expedite the procurement process and result in cost savings. The "best value" standard for selecting goods and services vendors, including janitorial and security contracts, is critical to efforts to use strategic sourcing principles to modernize the supply chain and ensure that taxpayers obtain the highest quality goods and services at the lowest potential cost, while also ensuring fairness to all competitors.

The federal government, approximately half of the states and many localities have added best value selection processes to their procurement options, in recognition of these advantages. With the increased complexity of the goods and services that municipalities must obtain in order to serve taxpayers; it is critical to consider selection and evaluation criteria that measure factors other than cost in the strictest sense.

Taxpayers are not well served when public procurement results in low unit costs at the outset but ultimately engenders cost escalations due to factors such as inferior quality, poor reliability and difficulty of maintenance. Best value procurement links the procurement process directly to the municipality's performance requirements, incorporating selection factors such as useful lifespan quality and options and incentives for more timely performance and/or additional services.

Even if the initial expenditure is higher, considering the total value over the life of the procurement may result in a better value and long-term investment of public funds. Best value procurement also encourages competition and, in turn, often results in better pricing, quality and customer service. Fostering healthy competition ensures that bidders will continue to strive for excellence in identifying and meeting municipalities' needs, including such important goals as the participation of small, minority, and women-owned businesses and the development of environmentally preferable good and service

delivery methods. Best value procurement will provide much needed flexibility in obtaining important goods and services at favorable prices and will reduce the time to procure such goods and services.

General Municipal Law § 103(16) permits New York municipalities and districts to make purchases and contract for services through contracts let by the United States of America or any agency thereof, any state or any other political subdivision or district therein if such contract was let to the lowest responsible bidder or on the basis of best value in a manner consistent with GML §103 and made available for use by other governmental entities. This is commonly referred to as "piggybacking," and the same local law requirement applies to piggybacking on any contract awarded by best value. The County already makes many contracts awarded to the lowest responsible bidder available to specified public entities in Western New York as permitted by County Law § 408-a(2), but that statute was not revised to reflect the authorization of best value contracting or the option of piggybacking on best value contracts granted by an amendment to GML § 103(16) in 2013 (S. 3766-A). Under GML § 104-b, the County also establishes its own rules for procurement not covered by GML § 103.

Cooperative purchasing strengthens public sector procurement by reducing duplicative efforts, leveraging economies of scale, and promoting consistency in the acquisition of goods and services across jurisdictions. Allowing other local governments, school districts, and public agencies to access County contracts reduces costs for those entities while expanding competition and opportunities for vendors. This may be done by the County acting alone, or as the "lead public agency" for a formal purchasing consortium.

The administration of cooperative purchasing arrangements requires the County to invest resources in soliciting, evaluating, and maintaining contracts for shared use. To ensure fairness to Erie County taxpayers who bear the cost of developing and administering such contracts, the County is authorized to recover its reasonable administrative costs from vendors benefitting from the expanded use of County contracts by other governmental entities.

Accordingly, the purpose of this Local Law is to modernize the County's procurement practices by (1) authorizing the County to award contracts on a best value basis and to make purchases through other contracts awarded by best value; and (2) expanding and facilitating opportunities for other governmental entities to purchase through County contracts through Purchasing Consortia or individually. These measures collectively advance the goals of efficiency and fiscal responsibility in the expenditure of public funds.

### **SECTION 2 – DEFINITIONS:**

<u>Authorized User</u>. A governmental or other public entity to which a contract awarded by Erie County or by another Contracting Agency has been made available for use, consistent with the requirements of General Municipal Law §103 and other applicable law.

Best Value. As defined in State Finance Law § 163(j), "Best Value" means the basis for awarding contracts to the offeror which optimizes quality, cost and efficiency, among responsive and responsible offerors. Such basis shall reflect, wherever possible, objective and quantifiable analysis. Such basis may also identify a quantitative factor for offerors that are small businesses, certified minority- or women-owned business enterprises as defined in subdivisions one, seven, fifteen and twenty of section three hundred ten of the executive law or service-disabled veteranowned business enterprises as defined in subdivision one of section forty of the veterans' services law to be used in evaluation of offers for awarding of contracts for services.

Contracting Agency. The County or a state, agency, political subdivision, district, or other governmental or public entity that has solicited, awarded, and entered into a contract in accordance with General Municipal Law §103 or other applicable law, and whose contract is made available for use by members of a Purchasing Consortium or other governmental entities.

Cooperative Contract. A Purchase Contract that has been solicited and awarded by a Contracting Agency in compliance with General Municipal Law §103 or other applicable law, and that is made available for use by Authorized Users through a Purchasing Consortium or by direct authorization.

<u>Purchasing Consortium</u>. An organization, association, or cooperative arrangement of governmental or other public entities serving as Contracting Agencies and/or Authorized Users for one another or that otherwise administer or facilitate the shared use of Cooperative Contracts.

<u>Purchase Contract</u>. A contract for the purchase of apparatus, materials, equipment or supplies, or for services related to the installation, maintenance or repair of apparatus, materials, equipment, and supplies.

## SECTION 3 – AWARDING CONTRACTS ON THE BASIS OF BEST VALUE:

- A. The Purchasing Director may award Purchase Contracts (including contracts for service work, but excluding any Purchase Contract necessary for the completion of a public works contract pursuant to Labor Law Article 8) on the basis of Best Value to a responsive and responsible bidder or offeror in the manner provided by General Municipal Law § 103.
- B. The Division of Purchase shall establish and revise administrative guidelines and evaluation tools for determining when award on the basis of Best Value is appropriate, the form and content of best-value bid solicitations, how bid submissions will be assessed, and how such awards will be documented.
- C. When a Purchase Contract is to be awarded on the basis of Best Value:
  - i. The Purchasing Director shall document in the procurement record and in advance of the initial solicitation and receipt of offers, the determinations that use of Best Value is appropriate for the procurement and of the evaluation criteria, which whenever possible, shall be quantifiable, and the process to be used in the determination of Best Value and the manner in which the evaluation process and selection shall be conducted. When appropriate, these determinations shall be made in consultation with the requesting department head.
  - The bid solicitation shall prescribe the minimum specifications or requirements that must be met in order to be considered responsive and shall describe and disclose the general manner in which the evaluation and selection shall be conducted. Where appropriate, the solicitation shall identify the relative

- importance and/or weight of cost and the overall technical criterion to be considered by the County in its determination of Best Value.
- iii. Factors may include, but are not limited to: product or service quality, durability, reliability, timeliness of performance, efficiency, useful lifespan, compatibility with existing systems, experience and qualifications of the offeror, past performance, customer support, cost of maintenance, long-term cost implications, and sustainability practices. Where appropriate, factors may also include the participation of minority- and women-owned business enterprises, service-disabled veteran-owned businesses, and other small businesses.
- D. Pursuant to General Municipal Law § 103(16), the Purchasing Director is accordingly authorized to make purchases of apparatus, materials, equipment or supplies, or to contract for services related to the installation, maintenance or repair of apparatus, materials, equipment, and supplies, may make such purchases, or may contract for such services related to the installation, maintenance or repair of apparatus, materials, equipment, and supplies, as may be required by the County through the use of a contract let by the United States of America or any agency thereof, any state or any other political subdivision or district therein if such contract was let on the basis of Best Value in a manner consistent with General Municipal Law § 103 and made available for use by other governmental entities.
- E. Contracts and procurements made under the County's Purchasing Policies & Procedures adopted pursuant to General Municipal Law § 104-b may also be awarded based on Best Value.

# SECTION 4 – EXPANDING OPPORTUNITIES FOR COOPERATIVE PURCHASING THROUGH ERIE COUNTY CONTRACTS:

- A. Pursuant to General Municipal Law §§ 103(16) and 104-b, in addition to that authority granted by and already exercised under General Municipal Law §§ 103(3) & 109-c, and County Law § 408-a(2):
  - i. The Erie County Legislature may, with respect to any Purchase Contract let by the County except one for services subject to Article 8 or Article 9 of the New York Labor Law, authorize the inclusion of a provision whereby purchases may be made or such services may be obtained under such contract by any governmental entity, if the County could make purchases or obtain services under such contract were it let by the United States of America or any agency thereof, any state or any other political subdivision or district therein.
  - ii. The same may be authorized for sole-source contracts, professional services contracts awarded through the request for proposal (RFP) process, or other Purchase Contracts governed by the County's Purchasing Policies & Procedures adopted under General Municipal Law § 104-b.
  - iii. To the extent permissible by law, additional not-for-profit entities may be Authorized Users as designated by the Erie County Legislature and Purchasing Director.

- iv. Subject to approval by the Erie County Legislature, the County may serve as a Contracting Agency for a Purchasing Consortium and may enter into agreements with Purchasing Consortia and/or vendors to facilitate and administer cooperative purchasing and to make County contracts available for use by Authorized Users. Such contracts may include terms requiring vendors and/or Purchasing Consortia to the County for administrative and related costs incurred in connection with the establishment and administration of Cooperative Contracts. Reimbursement or compensation rates that are consistent with standard practices in the cooperative purchasing industry shall be deemed presumptively reasonable and valid.
- V. When so approved by the Legislature and Purchasing Director, any Authorized User may make purchases and contract for services through the County's Purchase Contracts and Cooperative Contracts to the extent the County and Purchasing Consortia (if any) have provided for and is permitted by the law applicable to each Authorized User. Under no circumstances shall the County of Erie be deemed a party to, or assume any liability or responsibility for, any contract, purchase, payment, or obligation entered into by an Authorized User or Purchasing Consortium pursuant to this Local Law or GML § 103. Each Authorized User is responsible for determining its own compliance with relevant law and shall accept sole responsibility for any and all payments due a vendor, contractor, or purchasing consortium.

## SECTION 5 – PURCHASING POLICIES & PROCEDURES:

The County's Purchasing Policies & Procedures are hereby amended to restate and incorporate Sections 2 through 4 of this Local Law. The Erie County Legislature may subsequently modify the rules and procedures herein by resolution amending the Purchasing Policies & Procedures.

#### **SECTION 6 – SEVERABILITY:**

If any clause, sentence, paragraph, subdivision, section or part of this law of the application thereof to any person individual, corporation, firm, partnership entity or circumstance shall be adjudged by any court of competent jurisdiction to be invalid or unconstitutional, such order or judgment shall not affect, impair, effect or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part of this law or in its application to the person, individual, corporation, firm, partnership, entity, or circumstance directly involved in the controversy in which such order or judgment shall be rendered.

#### **SECTION 7 – EFFECTIVE DATE:**

This local law shall take effect immediately upon filing with the New York Secretary of State.

SPONSORS: Legislators Bargnesi, Dupre, Gilmour, Kooshoian, Meyers, St. Jean Tard, and Vinal.