

GUIDELINES
NEW YORK STATE BRIDGE AUTHORITY
ESTABLISHING STANDARDS FOR THE USE, AWARD
MONITORING AND REPORTING OF PROCUREMENT CONTRACTS

ARTICLE I

Sec. 1.01 Statement of Purpose. These guidelines are adopted pursuant to the provision of the Act and Section 2879 of the Public Authorities Law, as amended, and shall be reviewed and approved by the Authority Board, at least annually.

ARTICLE II

Sec. 2.01 Definitions. The following terms shall, for purposes of these guidelines, have the following meanings unless the context shall clearly indicate some other meaning:

“Act” shall mean Chapter 67 of the Laws of 1985.

“Authority” shall mean the New York State Bridge Authority.

“Authority Board or Board” shall mean the collective members of the Authority Corporate Board as defined in Section 527 of the Public Authorities Law.

“Authority Employee” shall mean employees of the Authority or any governmental agency with which the Authority has entered into an agreement for the provision of services to the Authority.

“Authority Officer” shall mean an officer of the Authority duly appointed by the Authority Board, as defined in the Corporate By-Laws of the Authority.

“Construction Contracts” shall mean a written agreement whereby the Authority is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon.

“Counsel” shall mean an attorney or firm of attorneys in the regular employment of the Authority or of any governmental agency with which the Authority has entered into an agreement for the provision of legal services to the Authority.

“Foreign Business Enterprises” shall mean a business enterprise, including a sole proprietorship, partnership or corporation, which offers for sale, lease or other form of exchange, goods sought by the Authority and which are substantially produced outside New York State, or services sought by the Authority and which are substantially performed outside of New York State.

“Minority Business Enterprise” shall mean any business enterprise, including a sole proprietorship, partnership or corporation that is:

- a. At least fifty-one percent (51%) owned by Blacks, Hispanics, Asians, Pacific Islanders or Native Americans, or, in the case of a publicly-owned business, at least fifty-one percent (51%) of the common stock or other voting interests of which is owned by Blacks, Hispanics, Asians, Pacific Islanders or Native Americans;
- b. An enterprise in which the minority ownership is real, substantial and continuing;
- c. An enterprise in which the minority ownership has, and exercises, the authority to control independently day-to-day business decisions;
- d. An enterprise authorized to do business in New York State, independently owned and operated, and not dominant in its field.

“New York Resident” shall mean a natural person who maintains a fixed, permanent and principal home located within New York State and to which such person, whenever temporarily located, always intends to return.

“New York State Business Enterprise” shall mean a business enterprise, including a sole proprietorship, partnership, or corporation, which offers for sale or lease or other form of exchange, goods which are sought by the Authority and which are substantially manufactured, produced or assembled in New York State, or services which are sought by the Authority and which are substantially performed within New York State.

“Other Than Personal Service Contracts” shall mean any written agreement or purchase order entered into by the Authority for the acquisition of goods, materials or other than personal services in the actual or estimated amount of five thousand dollars (\$5,000) or more. Goods, materials or other than personal services that the Authority may require for five thousand dollars (\$5,000) or more included, but are not limited to, the following: vehicles, computer equipment, telephone equipment, and photocopying equipment, furniture, office supplies, printing and offsetting services, utilities and maintenance supplies. This does not include construction contracts.

“Personal Services” shall mean any services performed for a fee, commission or other compensation by persons or organizations that are not providing such services as Authority employees or officers or employees of any state agency or public corporation. Personal services include, but are not limited to, legal, accounting, management consulting, investment banking, planning, training, statistical research, public relations, architectural, engineering, surveying or any other services of a consulting, technical or professional nature.

“Procurement Contracts” shall mean, for purposes of these guidelines, any written agreement for the acquisition of goods or services of any kind, in the actual or estimated amount of five thousand dollars (\$5,000) or more.

“Women-owned Business Enterprise” shall mean any business enterprise, including a sole proprietorship, partnership or corporation that is:

- a. At least fifty-one percent owned by one or more United States citizens or permanent resident aliens who are women, or, in the case of a publicly owned business, at least fifty-one percent of the common stock or other voting interests of which is owned by United States citizens or permanent resident aliens who are women;
- b. An enterprise in which the ownership of women is real, substantial and continuing;
- c. An enterprise in which the women ownership has, and exercises, the authority to control independently day-to-day business decisions;
- d. An enterprise authorized to do business in New York State, independently owned and operated, and not dominant in its field.

ARTICLE III

USE AND SELECTION OF PROCUREMENT CONTRACTORS

IV. Sec. 3.01 Use and Selection of Other than Personal Service Contracts

- (1) For the procurement of Other than Personal Service Contracts the Authority is required to follow internal control policies and procedures related to the purchase of such goods or materials as promulgated by the Authority from time to time, subject to the limitations of Section 3.03 of these guidelines. Reference to these procedures can be found under Section C.III.a I) Purchasing in the Authority’s policy and procedures manual.
- (2) For the procurement of construction contracts the Authority is required to follow internal control policies and procedures related to the purchase of such goods or materials as promulgated by the Authority from time to time, subject to the limitations of Section 3.03 of these guidelines. Reference to these procedures can be found under Section C.III.a Facility Design, Contract Bidding and Award in the Authority’s policy and procedures manual.

Sec. 3.02 Use, Selection and Award of Personal Service Contractors

- (1) Use of Personal Service Contractors. It is the preference of the Board that Authority responsibilities be performed by employees and that, when personal services are used, contracts be awarded to as broad a spectrum of providers as is practical. Personal Service Contractors shall be used only when it has been determined by the Executive Director:

- (a) That such services are necessary or convenient to the performance of Authority responsibilities, and
 - (b) That such service is not available from an officer or employee of the Authority, and that the performance of such service requires it be undertaken by someone independent of the Authority or that use of Authority personnel for such service would not be cost effective.
- (2) Selection of Personal Service Contractors. It is the policy of the Authority that contracts for personal service be awarded by competition. Where compensation is to exceed or expected to exceed \$50,000, formal requests for proposals shall be circulated and the contractor selected from among those submitting proposals.

Where compensation is expected to be between \$5,000 and \$50,000, proposals shall be requested by telephone or letter from at least three qualified providers when practical and the contractor selected from among those submitting proposals. The individual soliciting such proposals shall make a record of the scope of services requested, the name of each individual requested to submit a proposal, the amount of each proposal offered, and any other pertinent information, this record shall be maintained for a period of at least three years following the date of approval of the next annual report on Procurement Contracts of the Authority. Where a total compensation in any calendar year is expected to be below \$5,000, contracts may be awarded without competition.

- (3) Awards of Personal Service Contracts. The Board shall award, by resolution, all contracts for personal services greater than \$10,000 following evaluation of proposals received, balancing price, services offered, experience, reputation in the field, personal interviews with key personnel and any other relevant Authority priority or policy. In cases of emergency requiring immediate action, the power to award such a contract shall be granted to the Executive Director who shall report such an award with supporting reasons for the award to the Board at its next meeting.
- (4) All contracts for personal services shall be limited to a maximum of one year unless the Board, by resolution, determines that a longer period for a particular contract is in the best interest of the Authority. Contracts for periods of longer than one year must be approved by Board resolution and reviewed annually by the Board.
- (5) Except in cases of emergency requiring immediate action, all contracts for personal services shall be in writing.
- (6) The form of all contracts for personal services shall be approved by counsel.
- (a) Such contracts should clearly establish and state basis of need, purpose, and services to be rendered.
 - (b) Such contracts, except in individual multi-year project situations, should not be open-ended but require an annual review and justification by the Authority Board.

- (c) All such contracts, to the extent appropriate, should be based on unit costs and should provide for a detailed review of performance prior to approval for payment by the Executive Director.

Sec. 3.03 Approval and Award for Procurement Contracts

- (1) Source Selection Methods. The Authority shall not approve Procurement Contractors unless the source selection is performed in accordance with one of the following selection methods:
 - (a) Competitive Bid. Solicitation of price bids for specified services, or goods, materials or other than personal services, to be awarded to qualifying contractors primarily on the basis of the lowest price. Competitive bids are to be solicited when the goods or services required are of a standardized nature that may reasonably be made the subject of specifications to which bidders respond with required qualification data and price offers.
 - (b) Requests for Proposals. Solicitation of specific proposals which indicate an understanding of identified financial, organizational, logistical and technical requirements and/or problems and which detail elements of performance including techniques and procedures as well as prices. Award of a contract within this method is made on the basis of a formal evaluation of the characteristics, quality and costs of such proposals.
 - (c) Competitive Negotiations. Solicitation of qualifying potential contractors who have submitted materials pursuant to a request for proposal to further negotiate their proposals, including prices for contract award, on the basis of a formal evaluation of the characteristics, quality and cost of such proposals.
 - (d) Sole Source. When the Authority determines, and the Executive Director approves in writing, that there is only one source for required goods or services or that one firm has a unique advantage with respect to the provision of particular goods or services which would render competitive procedures futile, the contract for those goods or services may be awarded without competitive procedures.
 - (e) Emergency. In the case of a public emergency arising out of an accident or other unforeseen occurrence of condition whereby circumstances affecting property of the Authority of life, health or safety require immediate action, the Executive Director or an Officer designee may award a contract without competitive procedures.
 - (f) Pre-qualified Slate. The Authority may select contractors for any procurement activity from a qualified slate of potential contractors, selected on the basis of qualification and performance data, which data shall be updated and/or re-certified on a regular basis. Contract award is based upon formal evaluation of

qualifications and the subsequent negotiation of fair and reasonable compensation for the specific services then required.

- (g) Exceptions. The Authority reserves the right to award Procurement Contracts valued below \$10,000 without competitive procedures, subject to internal control policies and procedures promulgated by the Authority from time to time.

Sec. 3.04 Limitations on Contracts with Former Officers, Board Members and Employees. Former Officers, Board Members, or employees of the Authority shall receive no preference or special consideration in the award of procurement contracts and the award of a contract to any former Officer, Board Member or employee shall be made only if the Board determines unanimously that it will be in the best interests of the Authority to do so.

The Authority may not award a Procurement Contract to any former Officer, Board Member or employee, within a period of two years after the termination of such service or employment.

Sec. 3.05 Contract Provisions. Contracts for Personal Services shall detail the scope of services to be performed and the time frame for performance, the monitoring or reviewing of that performance by Authority personnel and, where appropriate, any permitted use of supplies, facilities or personnel.

Such contracts shall also state the compensation for the services, the timing of payment, the preconditions for receiving payment from the Authority, procedures for termination of the contract and any other provisions counsel deems necessary or appropriate for each particular contract. In addition, if performance of a particular service contract will require the use of subcontractors, the contract shall require the contractor to act affirmatively to secure such participation by minority and women-owned business enterprises and to report such efforts to the Authority in accordance with predetermined Authority participation goals.

Sec. 3.06 Execution of Contracts. All such contracts for personal services (other than emergency contracts) following award by Board resolution and approval as to form, by counsel, shall be executed by the Chairman, or his designee, as duly authorized by resolution in accordance with Article IV, Section 1, of the Authority By-Laws.

Each contract shall contain provisions concerning the nature and monitoring of work to be performed, the use of corporate supplies and facilities, the use of Authority personnel and any other provision deemed necessary by counsel.

Sec. 3.07 Board Approval. Except in the case of an emergency selection, no work shall begin on a procurement contract over \$10,000, or an amendment to a procurement contract over \$10,000, until such contract or amendment is approved by the Board.

Sec. 3.08 Additional Work. If proposed additional work on any procurement contract is not related to the scope of the original contract, a competitive process shall be used to select a contractor for the work.

ARTICLE IV

ADVERTISEMENTS

Sec. 4.01 Advertisements of Procurement Contracts. Advertisement Requirements for Competitive Source Selection Methods. The solicitation of bids, proposals or submissions of qualification data or offers for Procurement Contracts shall be made by the Authority in a manner determined by the Executive Director to be the most cost effective for providing reasonable competition of the Authority's contracts. This may include advertisement in appropriate newspapers or trade journals, direct mailings to firms considered qualified and such other outreach mechanisms as are consistent with the policy of these guidelines, including the minority and women-owned business provisions herein, In addition, in the case of Procurement Contracts in the actual or estimated amount of fifteen thousand dollars (\$15,000) or more, and in the establishment of pre-qualified slates, as of January 1, 1990, the Authority will advertise all such opportunities in the "Procurement Opportunities Newsletter" published by the New York State Department of Economic Development, subject to the following exemptions:

- (a) Emergency Contracts: Contracts awarded without competitive procedures as a result of an accident or other unforeseen occurrence or condition in which circumstances affecting property of the Authority or life, health or safety require immediate action as determined by the Executive Director or an Officer designee.
- (b) Critical Contracts: Contracts which must be awarded within a set time period because of delay of award would have a serious adverse effect on the Authority that outweighs the benefits of advertisement in the newsletter as determined by the Executive Director, the Chief Financial Officer, or an Officer designee.
- (c) Contract opportunities being re-bid or re-solicited within forty-five (45) business days after proposals were originally due pursuant to publication in the newsletter are exempt from further publication.
- (d) Contracts containing a renewal clause in which the renewal clause is being exercised for another term.

All Procurement Contracts shall be limited to a maximum of one year unless the contract contains a renewal clause or the Board, by resolution, determines that a longer period for a particular contract is in the best interest of the Authority. Contracts for periods of longer than one year must be approved by Board resolution and reviewed annually by the Board.

ARTICLE V

MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISE UTILIZATION

Sec. 5.01 It is the goal of the Authority to (a) promote and assist participation by minority women-owned business enterprises in competition for Procurement Contracts and to (b) award a fair share of Procurement Contracts to minority and women-owned business enterprises.

- (a) The Department Director of the Authority department responsible for solicitation of goods, materials or services shall use his/her best efforts to ascertain the identity of minority and women-owned business enterprises in various areas of Authority procurements and, depending on the amount and nature of the procurement, bids, price quotes or proposals shall be solicited from such enterprises to the extent feasible. Consultation should be made to the director of certified minority and women-owned businesses at a minimum.
- (b) When compensation is expected to exceed \$25,000 for non-personal and personal service contracts and \$100,000 for construction contracts, the Authority shall require the proposer to submit a minority and women-owned business enterprise utilization plan for achieving a goal for participation of certified minority and women-owned businesses. Goals shall be set at the discretion of the Authority based on the following factors:
 - 1) The contract scope of work;
 - 2) The number and types of certified minority and women-owned business enterprises available in the directory to perform the state contract work, and their availability in the region of contract performance. In determining the region where the state contract is performed the state agency shall consider:
 - (i) The location of work as stated in the contract, and
 - (ii) The locations in New York State where the contractor performs the contract scope of work;
 - 3) The total dollar value of the work required by the state contract in relation to the dollar value of the components of the contract scope of work;
 - 4) The relationship of the size and term of a state contract to the size and term of a project for which purpose the state contract is awarded;
 - 5) The Authority's ability to identify certified minority and women-owned businesses to meet goals required by the state contract;

- 6) The percentage of minority and women-owned business by type of business as compared to the known businesses of the same type located in the region where the contract scope of work will be performed;
 - 7) The known success or failure of minority and women-owned business in obtaining participation on state contracts engaged in the types of work as businesses or suppliers required by the contract; and
 - 8) The Authority may also consider the following factors in determining what goals are appropriate in relation to a particular state contract or type of contracts:
 - (i) The ability of the Authority to meet goals for participation by certified minority and women-owned business enterprises established in relation to other similar state contracts or types of contracts in the same region; and
 - (ii) The ability of other state agencies or authorities to meet goals for participation by certified minority and women-owned business enterprises established in relation to similar state contracts, or types of contracts performed in the same region.
- (c) When compensation is expected to be less than \$25,000 for other than personal service contracts and less than \$100,000 for construction contracts, the Authority will give companies or firms certified as minority or women-owned businesses or companies who work in conjunction with certified minority or women-owned businesses, a competitive advantage in the evaluation of their bids or proposals.

ARTICLE VI

PROMOTION OF STATE PARTICIPATION

- Sec. 6.01 It is the Authority's policy to promote the participation by New York State business enterprises and New York State residents in procurement contracts. To this end the Authority will:
- (a) Consult the specifications of New York State business enterprises in developing specifications for any procurement contract for the purchase of goods where possible, practicable, feasible and consistent with open bidding. Where feasible the Authority will make use of the stock item specification forms prepared by the Commissioner of General Services, and where necessary, consult with the Commissioner of the Office of General Services, in developing such specifications and make such determinations; and
 - (b) With the cooperation of the Department of Economic Development and through cooperative efforts with contractors, provide for the notification of New York State business enterprises of opportunities to participate as subcontractors and suppliers on procurement contracts let in an amount estimated to be equal to or greater than one

million dollars (\$1,000,000) by cooperating with New York State in efforts to obtain offset credits from foreign countries and promulgating procedures which will assure compliance by contractors with such notification as a condition of awarding bids. Such contractors shall, as supplementary materials to their bids, document their efforts to encourage the participation of New York State business enterprises as suppliers and subcontractors on procurement contracts equal to or greater than one million dollars (\$1,000,000), attest to compliance with the federal Equal Employment Opportunity Act of 1972 (P.L. 92-261), as amended; and document their efforts to provide notification to New York State residents of employment opportunities through the listing of any such positions with the job service division, or providing for such notification in such manner as is consistent with existing collective bargaining contracts or agreements; and

- (c) Include in all bid documents provided to potential bidders a statement that information concerning the availability of New York State subcontractors and suppliers is available from the New York State Department of Economic Development, which shall include the directory of certified minority and women-owned businesses, and that it is the policy of New York State to encourage the use of New York State subcontractors and suppliers, and to promote the participation of minority and women-owned businesses where possible, in the procurement of goods and services; and
- (d) With the cooperation of the job service division of the Department of Labor and through cooperative efforts with contractors, provide for the notification of New York State residents of employment opportunities arising in New York State out of procurement contracts let by the Authority in an amount estimated to be equal to or greater than one million dollars (\$1,000,000); and promulgate procedures which will assure compliance by contractors with such notification by requiring contractors to submit post award compliance reports documenting their efforts to provide such notification through listing any such positions with the job service division, or providing for such notification in such manner as is consistent with existing collective bargaining contracts or agreements.

Sec. 6.02 Notification of Commissioner of Economic Development. The Authority will notify the Commissioner of Economic Development of the award of a procurement contract for the purchase of goods from a foreign business enterprise in an amount equal to or greater than one million dollars (\$1,000,000) simultaneously with notifying the successful bidder and will not enter into a procurement contract for said goods until at least fifteen days has elapsed, except for procurement contracts awarded on an emergency or critical basis. The notification to the Commissioner of Economic Development shall include the name, address, telephone and facsimile number of the foreign business enterprise, the amount of the proposed procurement contract and the name of the individual at the foreign business enterprise or acting on behalf of the same who is principally responsible for the proposed procurement contract. Such notification shall be used by the Commissioner of Economic Development solely to provide notification to New York State business enterprises of opportunities to participate as subcontractors and suppliers on such procurement contracts, to promote and encourage the location and development of new business in the state, to assist New York State business enterprises in obtaining offset credits from foreign countries, and to otherwise investigate, study and undertake

means of promoting and encouraging the prosperous development and protection of the legitimate interest and welfare of New York State business enterprises, industry and commerce.

ARTICLE VII

REPORTS ON PROCUREMENT CONTRACTORS

Sec. 7.01 Annual Report. Within ninety days after the close of each fiscal year, the Board of the Authority shall approve an annual report on Procurement Contracts. Such annual report will include:

- These guidelines;
- any amendments hereto enacted during the year;
- any explanation of the guidelines or the amendments appropriate or necessary for purposes of clarity;
- a list of the procurement contracts over \$5,000 entered into during previous years and ongoing during the year;
- the selection process used to select each contractor;
- a description of the duties performed by each contractor;
- the date of each contract and its duration;
- the total amount of each contract;
- the status of each contract, including the amount spent on the contract during the reporting year and during the life of the contract;
- a list of all contracts exempted from the advertisement segments of Article 4-C of the Economic Development Law under Article IV of these guidelines and an explanation of the reason for the exemption; and
- a differentiation between New York State Business Enterprises and Foreign Business Enterprises.

The annual report on Procurement Contractors, after being approved by the Board, shall be submitted to the Division of the Budget with copies to the Department of Audit and Control, the Department of Economic Development, the Senate Finances Committee and the Assembly Ways and Means Committee.