3890

## 2011-2012 Regular Sessions

## IN ASSEMBLY

January 28, 2011

Introduced by M. of A. FINCH, KOLB, KATZ -- Multi-Sponsored by -- M. of A. CROUCH -- read once and referred to the Committee on Local Governments

AN ACT to amend the general municipal law, in relation to authorizing the city of Auburn to prefer businesses located in the county of Cayuga in awarding public contracts

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Subdivision 1 of section 103 of the general municipal law, as amended by section 1 of part FF of chapter 56 of the laws of 2010, is amended to read as follows:

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1. Except as otherwise expressly provided by an act of the legislature or by a local law adopted prior to September first, nineteen hundred fifty-three, all contracts for public work involving an expenditure of more than thirty-five thousand dollars and all purchase contracts involving an expenditure of more than twenty thousand dollars, shall be awarded by the appropriate officer, board or agency of a political subdivision or of any district therein including but not limited to a soil conservation district, to the lowest responsible bidder the required security after advertisement for sealed bids in the manner provided by this section; PROVIDED, HOWEVER, THAT IN THE CITY OF AUBURN, FOR PUBLIC WORKS AND PURCHASE CONTRACTS UP TO ONE HUNDRED THOUSAND DOLLARS, SUCH CONTRACTS MAY BE AWARDED TO THE RESPONSIBLE BIDDER WHOSE BID IS WITHIN FIVE PERCENT OF THE BID OF THE LOWEST RESPONSIBLE BIDDER IF THE PRINCIPAL PLACE OF BUSINESS OF SUCH BIDDER IS LOCATED WITHIN THE COUNTY OF CAYUGA. In any case where a responsible bidder's gross price is reducible by an allowance for the value of used machinery, equipment, apparatus or tools to be traded in by a political sion, the gross price shall be reduced by the amount of such allowance, for the purpose of determining the low bid. In cases where two or responsible bidders furnishing the required security submit identical

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [ ] is old law to be omitted.

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bids as to price, such officer, board or agency may award the contract to any of such bidders. Such officer, board or agency may, in his or her 3 its discretion, reject all bids and readvertise for new bids in the manner provided by this section. In determining whether a purchase is an 5 expenditure within the discretionary threshold amounts established by 6 this subdivision, the officer, board or agency of a political subdivi-7 sion or of any district therein shall consider the reasonably expected 8 aggregate amount of all purchases of the same commodities, services or 9 technology to be made within the twelve-month period commencing on the 10 date of purchase. Purchases of commodities, services or technology 11 shall not be artificially divided for the purpose of satisfying the discretionary buying thresholds established by this subdivision. A 12 13 change to or a renewal of a discretionary purchase shall not be permit-14 ted if the change or renewal would bring the reasonably expected aggre-15 gate amount of all purchases of the same commodities, services or technology from the same provider within the twelve-month period commencing 16 17 the date of the first purchase to an amount greater than the discre-18 tionary buying threshold amount. For purposes of this section, 19 bids", as that term applies to purchase contracts, shall include bids submitted in an electronic format including submission of the statement 20 21 of non-collusion required by section one hundred three-d of this arti-22 cle, provided that the governing board of the political subdivision or district, by resolution, has authorized the receipt of bids in such format. Submission in electronic format may, for technology contracts 23 24 25 only, be required as the sole method for the submission of bids. Bids 26 submitted in an electronic format shall be transmitted by bidders to the 27 receiving device designated by the political subdivision or district. 28 method used to receive electronic bids shall comply with article 29 three of the state technology law, and any rules and regulations promulgated and guidelines developed thereunder and, at a minimum, must 30 document the time and date of receipt of each bid received electron-31 32 ically; (b) authenticate the identity of the sender; (c) ensure the 33 security of the information transmitted; and (d) ensure the confidentiality of the bid until the time and date established for the opening 34 The timely submission of an electronic bid in compliance with 35 instructions provided for such submission in the advertisement for bids 36 37 and/or the specifications shall be the responsibility solely of each bidder or prospective bidder. No political subdivision or district ther-38 39 ein shall incur any liability from delays of or interruptions 40 receiving device designated for the submission and receipt of electronic 41 bids. 42

- S 2. Subdivision 1 of section 103 of the general municipal law, as amended by section 2 of part FF of chapter 56 of the laws of 2010, is amended to read as follows:
- 1. Except as otherwise expressly provided by an act of the legislature or by a local law adopted prior to September first, nineteen hundred fifty-three, all contracts for public work involving an expenditure of more than thirty-five thousand dollars and all purchase contracts involving an expenditure of more than twenty thousand dollars, shall be awarded by the appropriate officer, board or agency of a political subdivision or of any district therein including but not limited to a soil conservation district, to the lowest responsible bidder furnishing the required security after advertisement for sealed bids in the manner provided by this section. In determining whether a purchase is an expenditure within the discretionary threshold amounts established by this subdivision, the officer, board or agency of a political subdivi-

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sion or of any district therein shall consider the reasonably aggregate amount of all purchases of the same commodities, services or 3 technology to be made within the twelve-month period commencing on the date of purchase. Purchases of commodities, services or technology shall 5 not be artificially divided for the purpose of satisfying the discre-6 tionary buying thresholds established by this subdivision. A change to 7 a renewal of a discretionary purchase shall not be permitted if the 8 change or renewal would bring the reasonably expected aggregate amount all purchases of the same commodities, services or technology from 9 10 the same provider within the twelve-month period commencing on the date of the first purchase to an amount greater than the discretionary buying 11 12 threshold amount. In any case where a responsible bidder's gross price is reducible by an allowance for the value of used machinery, equipment, 13 14 apparatus or tools to be traded in by a political subdivision, the gross 15 price shall be reduced by the amount of such allowance, for the purpose determining the low bid. In cases where two or more responsible 16 17 bidders furnishing the required security submit identical bids as to such officer, board or agency may award the contract to any of 18 19 such bidders. Such officer, board or agency may, in his, her or its discretion, reject all bids and readvertise for new bids in the manner 20 21 provided by this section; PROVIDED, HOWEVER, THAT IN THE CITY OF AUBURN, 22 FOR PUBLIC WORKS AND PURCHASE CONTRACTS UP TO ONE HUNDRED DOLLARS, SUCH CONTRACTS MAY BE AWARDED TO THE RESPONSIBLE BIDDER WHOSE 23 BID IS WITHIN FIVE PERCENT OF THE BID OF THE LOWEST RESPONSIBLE 24 25 IF THE PRINCIPAL PLACE OF BUSINESS OF SUCH BIDDER IS LOCATED WITHIN 26 THE COUNTY OF CAYUGA. 27

S 3. This act shall take effect immediately, provided that the amendments to subdivision 1 of section 103 of the general municipal law made by section one of this act shall be subject to the expiration and reversion of such subdivision pursuant to subdivision (a) of section 41 of part X of chapter 62 of the laws of 2003, as amended, when upon such date the provisions of section two of this act shall take effect.