



# ERIE COUNTY WATER AUTHORITY

## INTEROFFICE MEMORANDUM

July 13, 2021

To: Jerome D. Schad, Chair  
Peggy A. LaGree, Vice Chair  
Michele M. Iannello, Treasurer

From: Karen A. Prendergast, Chief Financial Officer <sup>KAP</sup>  
Mark S. Carney, General Counsel

Subject: Procurement Threshold

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The New York State Public Authorities Law (PAL) requires Authorities to develop, adopt, and annually review comprehensive guidelines that govern the Authority's policies concerning procurement activities. The guidelines should establish policy on soliciting proposals, and obtaining quotes with the goal of acquiring maximum quality at the lowest possible cost, and to guard against favoritism, fraud, and corruption.

In an effort to achieve the greatest efficiency while obtaining the lowest possible cost, the Authority has established competitive bidding thresholds for non-construction materials and supplies. At their October 17, 1991 meeting, the Board established a \$10,000 threshold for non-construction purchasing consistent with the General Municipal Law at the time.

While the Legal Department has been reviewing all of the Authority's procurement policies in an effort to provide clear guidance to buyers on a wide variety of procurement issues and to ensure compliance with all relevant statutes, immediate guidance on non-construction procurement thresholds is needed as soon as possible in order to ensure efficient continued operations. It is anticipated that the complete revised policy will be considered by the Board before the end of the year.

To that end, the Chief Financial Officer and General Counsel are recommending an increase in the procurement threshold for non-construction materials and supplies to \$20,000, consistent with current General Municipal Law. A resolution will be included on the September 2, 2021 meeting for your consideration.

cc T. McCracken  
R. Stoll  
L. Kowalski  
L. Lester

ERIE COUNTY WATER AUTHORITY  
 AUTHORIZATION FORM  
 For Approval/Execution of Documents  
 (check which apply)

**Contract:** \_\_\_\_\_ **Project No.:** \_\_\_\_\_  
**Project Description:** Procurement Policies

**Item Description:**

Agreement     Professional Service Contract     Amendment     Change Order  
 BCD     NYSDOT Agreement     Contract Documents     Addendum  
 Recommendation for Award of Contract     Recommendation to Reject Bids  
 Request for Proposals  
 Other Policy Revision

**Action Requested:**

Board Authorization to Execute     Legal Approval  
 Board Authorization to Award     Execution by the Chairman  
 Board Authorization to Advertise for Bids     Execution by the Secretary to the Authority  
 Board Authorization to Solicit Request for Proposals  
 Other Approve Policy Revision

**Approvals Needed:**

**APPROVED AS TO CONTENT:**

<input type="checkbox"/> Other (if Applicable)	_____	Date: _____
<input checked="" type="checkbox"/> Chief Operating Officer	<u><i>Russell J. Steel</i></u>	Date: <u>8/25/2021</u>
<input checked="" type="checkbox"/> Executive Engineer	<u><i>Jeanne F. Kralik</i></u>	Date: <u>08/25/2021</u>
<input checked="" type="checkbox"/> Director of Administration	<u><i>Devonja Lester</i></u>	Date: <u>08/25/2021</u>
<input type="checkbox"/> Risk Manager	_____	Date: _____
<input checked="" type="checkbox"/> Chief Financial Officer	<u><i>Karen A. Bendegast</i></u>	Date: <u>08/25/2021</u>
<input checked="" type="checkbox"/> Legal	<u><i>[Signature]</i></u>	Date: <u>8/25/2021</u>

**APPROVED FOR BOARD RESOLUTION:**

<input checked="" type="checkbox"/> Secretary to the Authority	<u><i>[Signature]</i></u>	Date: <u>08/25/21</u>
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**Remarks:** \_\_\_\_\_

**Resolution Date:** \_\_\_\_\_ **Item No:** \_\_\_\_\_