

## NOTICE OF ADOPTION OF FINAL RULE

The Procurement Policy Board has adopted amendments to **Chapter 1, Section 1-01 Use of Language in the Rules** of its Rules pursuant to Section 311 of the New York City Charter. The amendments were published in *The City Record* on April 27, 2012, and the required public hearing was held on June 4, 2012. The amendments were adopted by the Procurement Policy Board on April 8, 2013. These rules will take effect 30 days after publication.

### **Statement of Basis and Purpose**

Prior to recent amendments to New York State General Municipal Law § 103, contracts for public work and contracts for purchase contracts (i.e., contracts for the purchase of goods and standard services) had to be procured, as a general matter, by publicly advertised, low sealed bid. The recent changes to GML § 103 (the “Best Value Law”) give the City the option to procure purchase contracts based on best value to the City, as that phrase is defined in State Finance Law § 163. Under that section, best value is defined in terms of the optimization of quality, cost and efficiency.

The amendments to this rule provide a definition for the first time for “standard services.” This definition is needed in light of the Best Value Law. In addition, the amendments provide definitions for “human services” and “professional services”. The amendments also delete the definition for “multi-step sealed bidding” because, in light of the Best Value Law, this process (set forth in rule 3-02) is proposed for repeal.

### **The Rule Amendments**

New material is underlined and deletions are [bracketed].

**Section 1. The definition of “human services/client services”, as set forth in subdivision (e) of section 1-01 of Chapter 1 of Title 9 of the Rules of the City of New York, is amended, the definition of “multi-step sealed bidding” is deleted, and new definitions of “professional services” and “standard services” are added, to read as follows:**

(e) Definitions.

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Human Services/Client Services. [See Client Services.] Services contracted for by an agency on behalf of third party clients, including programs to provide social services such as:

- (i) day care,
- (ii) foster care,
- (iii) home care,
- (iv) homeless assistance,
- (v) housing and shelter assistance,

- (vi) preventive services,
- (vii) youth services,
- (viii) senior centers,
- (ix) employment training and assistance,
- (x) preventive services,
- (xi) health or medical services including those provided by health maintenance organizations;
- (xii) legal services,
- (xiii) vocational and educational programs, and
- (xiv) recreation programs.

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[Multi-Step Sealed Bidding. Source selection method involving two competitive steps. In the first step, vendors submit a technical proposal for furnishing the goods or service described in the solicitation. The solicitation may or may not require submission of a sample as part of the technical proposal. In the second step, the agency evaluates the proposals. If price bids were solicited with the technical proposals, the agency evaluates the bids of those technical proposals deemed acceptable. If price bids were not solicited with technical proposals (or if based on discussions with vendors, technical proposals are revised), price bids are solicited from those vendors who submitted acceptable technical proposals. In either case, award shall be made, if at all, to the lowest responsive and responsible bidder.]

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Professional Services. Services other than human/client services that require specialized skills and the exercise of judgment, including but not limited to:

- (i) accountants,
- (ii) lawyers,
- (iii) doctors,
- (iv) computer programmers and consultants,
- (v) architectural and engineering services, and
- (vi) construction management services.

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Standard Services. Services other than professional services and human/client services such as custodial services, security guard services, stenography services and office machine repair.