

Chapter 3.20

PURCHASING SYSTEM

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Section 3.20.010 Purpose.

In order to establish efficient procedures for the purchase of supplies, services and equipment, to secure for the city supplies, services and equipment at the lowest possible cost commensurate with quality needed, to exercise positive financial control over purchases, to clearly define authority for the purchasing function and to assure the quality of purchases, a purchasing system is adopted. (Ord 544 §1, 1995)

Section 3.20.020 Purchasing Officer-Established.

There is created the position of Purchasing Officer. The Purchasing Officer shall be appointed by the City Administrator. The Purchasing Officer shall be the head and have general supervision of the purchasing department. The duties of the Purchasing

Officer may be combined with those of any other office or position. . (Ord 544 §1, 1995)

Section 3.20.030. Purchasing Officer-Powers.

The Purchasing Officer shall have authority to:

A. Purchase or contract for supplies, services and equipment required by any City department in accordance with purchasing procedures prescribed by this chapter, such administrative regulations as the Purchasing Officer may, from time to time adopt for the internal management and operation of the purchasing department, and such other rules and regulations as shall be prescribed by the City Council or City Administrator;

B. Negotiate and recommend execution of contracts for the purchase of supplies, services and equipment;

C. Act to procure for the city supplies, services and equipment, of appropriate quality and quantity, at the least expense to the city;

D. Discourage uniform bidding and endeavor to obtain as full and open competition as possible on all purchases;

E. Prepare and recommend to the city council rules governing the purchase of supplies, services and equipment for the city;

F. Prepare and recommend to the city council revisions and amendments to the purchasing rules;

G. Keep informed of current developments in the field of purchasing, prices, market, conditions and new products;

H. Prescribe and maintain such forms as are reasonably necessary to the operation of this chapter and other rules and regulations;

I. Supervise the inspection of all supplies, services and equipment purchased to insure conformance with specifications;

J. Recommend the transfer of surplus or unused supplies and equipment between department as needed and the sale of all supplies

and equipment which cannot be used by any department or which may become unsuitable for city use;

K. Maintain a bidders' list, vendors catalog file and records needed for the efficient operation of the purchasing department. (Ord 544 §1, 1995)

Section 3.20.040 Exemptions From Centralized Purchasing.

The Purchasing Officer, with the approval of the city council, may authorize any department to purchase or contract for specified supplies, services and equipment independently of the purchasing department; but he shall require that such purchases or contracts be made in conformity with the procedures established by this chapter and shall further require periodic reports from the agency on the purchases and contracts made under such written authorization. (Ord 544 §1, 1995)

Section 3.20.050 Estimates of Department Requirements.

All departments shall file detailed estimates of their requirements in supplies, services and equipment in such manner, at such time and for such future periods as the Purchasing Officer prescribes. (Ord 544 §1, 1995)

Section 3.20.060 Requisitions.

All city departments shall submit requests for supplies, services and equipment to the Purchasing Officer by standard requisition forms. (Ord 544 §1, 1995)

Section 3.20.070 Bidding.

Purchases of supplies, services, equipment and the sale of personal property shall be by bid procedures pursuant to Section 3.20.100 and 3.20.110. Bidding shall be dispensed with only when an emergency requires that an order be placed with the nearest available source of

supply, when the amount involved is less than twenty-five hundred dollars, when the commodity can be obtained from only one vendor, or when the city council determines that the purchase of supplies, services or equipment using any alternate method of purchase would be in the best interests of the city. (Ord 544 §1, 1995)

Section 3.20.080 Purchase Orders.

Purchases of supplies, services and equipment shall be made using purchase orders or similar forms approved by the Purchasing Officer. (Ord 544 §1, 1995)

Section 3.20.090 Use of Unencumbered Funds Required.

Except in cases of emergency, the Purchasing Officer shall not issue any purchase order for supplies, services or equipment unless there exists an unencumbered appropriation in the fund account against which the purchase is to be charged. (Ord 544 §1, 1995)

Section 3.20.100 Formal Contract Procedure.

In all instances in which the formal bidding procedures of this section are utilized, the advertisement for bids will be conducted as follows:

A. Notice Inviting Bids. Notice inviting bids shall include a general description of the articles to be purchased or sold, shall state where bid blanks and specifications may be secured and the time and place for opening bids.

1. Published Notice. Notice inviting bids shall be published at least ten days before the date of opening of the bids. Notice shall be published at least once in a newspaper of general circulation, printed and published in the city, or if there is none, it shall be posted in at least three public places in the city that have been designated by ordinance as the places of posting public notices.

2. Bidders' List. The Purchasing Officer shall also solicit sealed bids from all responsible prospective suppliers whose names are on the bidders' list or who have requested their names to be added thereto.

3. Bulletin Board. The purchasing officer shall also advertise pending purchases or sales by a notice posted on a public bulletin board in the City Hall.

B. Bidder's Security. When deemed necessary by the purchasing officer, bidder's security may be prescribed in the public notice inviting bids. Bidders shall be entitled to return of bid security; provided, that a successful bidder shall forfeit his bid security upon refusal or failure to execute the contract within ten days after the notice of award of contract has been mailed, unless the city is responsible for the delay. The city council may, on refusal or failure of the successful bidder to execute the contract, award it to the next lowest bidder in which case the amount of the lowest bidder's security shall be applied by the city to the difference between the low bid and the second lowest bid, and the surplus, if any, shall be returned to the lowest bidder.

C. Bid Opening Procedure. Sealed bids shall be submitted to the purchasing officer and shall be identified as bids on the envelope. Bids shall be opened in public at the time and place stated in the public notices. A tabulation of all bids received shall be open for public inspection during regular business hours for a period of not less than thirty calendar days after the bid opening.

D. Rejection of Bids. In its discretion, the city council may reject any and all bids presented and re-advertise for bids.

E. Award of Contracts. Contracts shall be awarded by the city council to the lowest responsible bidder except as otherwise provided in this chapter. In determining the lowest responsible bidder, considerations shall include but not be limited to such factors as whether any portion of the state sales tax payable on the

article which is the subject of the bid will be rebated to the city by reason of awarding such contract to a person or firm domiciled within the city.

F. Tie Bids. If two or more bids received are for the same total amount or unit price, quality and service being equal and if the public interest will not permit the delay of re-advertising for bids, the city council may accept the one it chooses or accept the lowest bid made by negotiation with the tie bidders at the time of the bid opening.

G. Performance Bond. The city council shall have authority to acquire a performance bond before entering a contract in such amount as it shall find reasonably necessary to protect the best interests of the city. If the city council requires a performance bond, the form and amount of the bond shall be described in the bidding documents. (Ord 544 §1, 1995)

Section 3.20.110. Open Market Procedure.

Notwithstanding any other provision of this chapter, purchases of supplies, equipment, contractual services and sales of personal property of an estimated value in the amount of twenty-five thousand dollars or less may be made by the purchasing officer in the open market without observing the procedure prescribed by Section 3.20.100.

A. Minimum Number of Bids. Open market purchases shall, wherever possible, be based on at least three bids, and shall be awarded to the lowest responsible bidder.

B. Notice Inviting Bids. The purchasing officer shall solicit bids by written requests to prospective vendors, by telephone and by public notice posted on a public bulletin board in the City Hall.

C. Written Bids. Sealed written bids shall be submitted to the purchasing officer who shall keep a record of all open market orders and bids for a period of one year after the submission of

bids or the placing of orders. This record, while so kept, shall be open to public inspection. (Ord 544 §1, 1995)

Section 3.20.120. Inspection and Testing of Purchases.

The purchasing officer shall inspect supplied and equipment delivered and contractual services performed, to determine their conformance with the specifications set forth in the order or contract. The purchasing officer shall have authority to require chemical and physical tests of samples submitted with bids and samples of deliveries which are necessary to determine their quality and conformance with specifications. (Ord 544 §1, 1995)