

CHAPTER 7.04PURCHASE OF SUPPLIES AND EQUIPMENT

7.04.010 Purpose. This Chapter is intended to establish sufficient procedures for the purchase of supplies and equipment of the required quality and the lowest possible price. (Ord. 86-15)

7.04.020 Purchasing Officer.

A. Each department head of the City is designated as a "Purchasing Officer" for that department head's department.

B. In addition to administering the other procedures of this Chapter, the Purchasing Officer:

1. Shall keep informed of current developments in market conditions and new products and shall maintain a bidders list, vendors catalogue file, and records needed for the efficient purchase of supplies and equipment for the Purchasing Officer's department;
2. Shall first consider sources of supplies and equipment located within the City;
3. May prescribe and maintain such forms and supplemental procedures as are reasonably necessary for the operation of the Purchasing Officer's department in accordance with this chapter; and
4. Shall inspect supplies and equipment delivered to determine their conformance with the specifications, and may require the vendor to reimburse the City for the performance of chemical and physical tests on samples.

C. The City Manager may authorize, in writing, a City employee to purchase specified supplies and equipment, independently from the Purchasing Officer of a City department. The authorized employee shall comply with the procedures of this chapter and shall make periodic reports to the City Manager on the status of the purchase. The City Manager shall ensure that each individual so authorized has filed a financial disclosure statement in accordance with this Code.

7.04.030 Determination of Requirement and Surplus.

A. The adopted budget for each department shall include the needs for supplies and equipment of that department during the fiscal year.

B. Each Purchasing Officer shall ensure that sufficient documentation is submitted with the request for payment to demonstrate compliance with the procedures of this Chapter and to justify the acquisition and acceptance of the supplies or equipment.

C. Each Purchasing Officer shall submit a report to the City Manager showing all supplies and equipment on hand in the department that are no longer useful to the department. The Purchasing Officer may exchange or trade in such supplies and equipment as part of a purchase. The City Manager may direct the transfer of surplus supplies and equipment to another City department. The City Manager may direct the disposal of such surplus supplies and equipment.

7.04.040 Purchase Order: Less than \$1,500. If the estimated value of the purchase of supplies or equipment is less than \$1,500, the Purchasing Officer may: (Ord. 94-14)

- A. Select a vendor, without bid;
- B. Issue a purchase order;
- C. Complete the purchase transaction; and
- D. Submit the invoice to the Director of Finance for placement on the warrant list.

7.04.050 Purchase Order: \$1,500 to \$10,000. If the estimated value of the purchase of supplies or equipment is \$1,500 or more, but less than \$10,000, the Purchasing Officer shall: (Ord. 94-14)

- A. Post a notice inviting bids on the bulletin board in City Hall at least ten days before the date of opening of the bids;
- B. Solicit bids by written and telephonic request to prospective vendors;
- C. Require bids to be in writing and to be sealed;
- D. Seek at least three bids;

- E. Select the vendor with the lowest bid price in conformity with the specifications;
- F. Issue a purchase order;
- G. Complete the purchase transaction; and
- H. Submit the invoice to the Director of Finance for placement on the warrant list.

7.04.060 Issuance of Purchase Order. Except where specific authority is first obtained from the City Manager, the purchasing officer may not issue a purchase order for supplies or equipment unless there exists an unencumbered appropriation in the fund account against which the purchase is to be charged.

7.04.070 Contract: More than \$10,000. If the estimated value of the purchase of supplies or equipment is more than \$10,000, the following provisions shall be satisfied:

- A. The purchasing officer shall:
  - 1. Submit a proposed contract with specifications to the City Council for approval.
  - 2. Publish a notice inviting bids at least ten days before the date of opening of the bids.
  - 3. Mail the notice inviting bids to vendors whose names appear on the bidders list.
  - 4. Post the notice inviting bids on the public bulletin board in City Hall.
- B. The purchasing officer shall include in the notice inviting bids:
  - 1. The requirement that the bid be in writing and that it be sealed.
  - 2. A general description of the supplies or equipment to be purchased.
  - 3. The location where bid blanks and specifications may be obtained.
  - 4. The time and place for opening bids.
  - 5. The security required, if any.

C. The purchasing officer may require a security deposit to be submitted as a condition for considering the bid. The amount of the security deposit shall be sufficient to reimburse the City for costs incurred if the bidder is successful but fails to execute the contract or fails to perform obligations under the contract. Bid security shall be returned to each unsuccessful bidder.

D. The purchasing officer shall open the bids in public and submit to the City Council a recommendation regarding the award of the contract.

E. The City Council may award the contract to the vendor submitting the lowest bid, in conformity with the specifications or may reject all bids presented.

F. If two or more bids received are of the same total amount, the City Council may direct the purchasing officer to further negotiate with the tie bidders. The City Council may award the contract to the lowest negotiated bid, made thereafter.

G. After the City Council awards the contract, the purchasing officer shall complete the purchase transaction.

H. After completion of the transaction, the purchasing officer shall submit the invoice to the Director of Finance for placement on the warrant list.

7.04.080 Exemption from Bidding. Where otherwise required by this Chapter, bidding may be dispensed with, at the discretion of the City Manager when:

- A. An emergency requires that an order be placed with the nearest available source of supply;
- B. The supply or equipment can be obtained from only one vendor; or
- C. Sufficient, satisfactory bids are not received.

7.04.200 Alternative Procedure: Request for Proposals.

A. As an alternative to the other provisions of this Chapter, the City may acquire supplies and equipment in accordance with the provisions of this section. (Ord. 88-22)

B. The City Manager may utilize this section if the Manager determines that:

- 1. The City does not possess the expertise to determine its precise requirements;  
or

2. The City does not possess the expertise to determine the best way to meet its needs.

C. If the City Manager has made the determination to utilize this section then:

1. At a minimum, the Request for Proposal (RFP) shall contain a description of what supplies and equipment the City is attempting to obtain; the deadline for submitting proposals; and a notice that each proposal will be judged on its merits and its ability to meet the needs of the City. The lowest monetary proposal will not necessarily be selected.

2. The RFP will be posted on the City Hall bulletin board a minimum of ten days before the deadline for submitting proposals.

3. The RFP will be sent to a minimum of three providers, if three are available.

4. Following the deadline, each proposal will be opened and evaluated in the following manner.

5. The selection of the best proposal will be based on a consideration of costs, demonstrated product quality, demonstrated ability to satisfy the needs of public agencies and private clients similar to the City, and the proposer's ability to meet the needs of the City. The proposal with the lowest monetary cost will not necessarily be selected.

7.04.210. Alternative Procedure: Consolidated Purchase.

A. As an alternative to the other provisions of this Chapter, the City may acquire supplies and equipment in accordance to the provisions of this Chapter. (Ord. 88-22)

B. The City Manager may authorize the acquisition of supplies and equipment from or in cooperation with another governmental agency that is acquiring supplies or equipment in a process which is designed to acquire supplies or equipment which best serves the City's needs.