

Article 1. General

**Sec. 3-4.101 Adoption of Purchasing System.**

In order to establish efficient procedures for the purchases of supplies and equipment, to secure for the City supplies and equipment at the lowest possible cost commensurate with quality, to exercise positive financial control over purchases, to clearly define the authority for the purchasing function, and to assure the quality of purchases, a purchasing system is hereby adopted.  
(§2, Ord. 650, eff. October 5, 1978)

**Sec. 3-4.102 Bidding.**

Purchases of supplies and equipment shall be by bid procedures pursuant to Sections 3-4.105 and 3-4.106 of this article. 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 Five Thousand (\$5,000.00) Dollars, when the commodity can be obtained from only one vendor, or when the Council determines that such purchase can be made more economically or efficiently without bid procedures.  
(§2, Ord. 650, eff. October 5, 1978; §1, Ord. 834, eff. November 3, 1988)

**Sec. 3-4.103 Purchase Orders.**

Purchases of supplies and equipment shall be made only by purchase order issued by the City Manager or his designee.  
(§2, Ord. 650, eff. October 5, 1978; §6, Ord. 1088-09, eff. November 19, 2009; §6, Ord. 1126-13, eff. January 16, 2014)

**Sec. 3-4.104 Encumbrance of Funds.**

Except in the case of emergency, neither the City Manager or his designee shall issue any purchase order for supplies or equipment unless there exists an unencumbered appropriation in the fund account against which such purchase is to be charged.  
(§2, Ord. 650, eff. October 5, 1978; §7, Ord. 1088-09, eff. November 19, 2009; §7, Ord. 1126-13, eff. January 16, 2014)

**Sec. 3-4.105 Formal Contract; Procedure.**

Except as otherwise provided in this article, purchases and contracts for supplies and equipment of an estimated value of Five Thousand and no/100ths (\$5,000.00) Dollars and greater shall be by written contract with the lowest responsible bidder pursuant to the following procedures:

(a) *Notices Inviting Bids.* Notices inviting bids shall include a general description of the articles to be purchased, shall state where bid blanks and specifications may be secured, and the time and place for opening bids. Such notices shall be published at least ten (10) days before the date of opening the bids in a newspaper of general circulation, printed and published in the City, or if there is none, such notices shall be posted in at least three (3) public places for posting public notices. Sealed bids shall also be solicited from all responsible prospective suppliers whose names are on the bidders' list or who request their names to be added thereto.

(b) *Bidder's Security.* When deemed necessary by the City Manager, bidder's security may be prescribed in the public notices inviting bids. Bidders shall be entitled to the return of bid security; provided, however, the successful bidder shall forfeit his bid security upon his refusal or failure to execute the contract within ten (10) days after the notice of the award of contract has been mailed, unless the City is responsible for the delay. The Council, on the refusal or failure of the successful bidder to execute the contract, may award it to the next lowest responsible bidder. If the Council awards the contract to the next lowest bidder, the amount of the lowest bidder's security shall be applied by the City to the difference between the lowest responsible bid and the second lowest responsible bid, and the surplus, if any, shall be returned to the lowest responsible bidder.

(c) *Bid Opening Procedure.* Sealed bids shall be submitted to the City Manager or his designee, 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 (30) calendar days after the bid opening.

(d) *Rejection of Bids.* In its discretion, the Council may reject any and all bids presented and purchase without further bidding or re-advertise for bids.

(e) *Award of Contracts.* Contracts shall be awarded by the Council to the lowest responsible bidder, except as otherwise provided in this section.

(f) *Tie Bids.* If two (2) or more bids received are for the same total amount or unit price, quality and service being equal, the Council may accept the bid it chooses or accept the lowest bid made by negotiation with the tie bidders.

(g) *Performance Bonds.* The Council shall have the authority to require a performance bond before entering into a contract in such amount as the Council shall find reasonably necessary to protect the best interests of the City. If the Council requires a performance bond, the form and amount of the bond shall be described in the notice inviting bids.  
(§2, Ord. 650, eff. October 5, 1978; §2, Ord. 808, eff. July 16, 1987; §1, Ord. 834, eff. November 3, 1988; §8, Ord. 1088-09, eff. November 19, 2009; §8, Ord. 1126-13, eff. January 16, 2014)

**Sec. 3-4.106 Open Market Procedure.**

Purchases of supplies and equipment of an estimated value in the amount of less than Five Thousand (\$5,000.00) Dollars may be made by the City Manager or his designee, in the open market without observing the procedure prescribed by Section 3-4.105 of this article.

(a) *Minimum Number of Quotes.* Purchases which do not exceed One Thousand and (\$1,000.00) Dollars, and which constitute a complete purchasing not involving the "splitting of purchase orders" for a single purpose or project, may be made with a single quote; however, all other purchases pursuant to this section, whenever possible, shall be based on at least three (3) quotes and shall be awarded to the firm or individual making the lowest responsible, responsive quote in terms of price.

(b) *Notice Inviting Quotes.* The City Manager or his designee, shall solicit quotes by written requests to prospective vendors, by telephone, and/or by written notice which has been mailed to prospective vendors or posted on a public bulletin board in a City facility.

(c) *Record of Quote.* Quotes shall be submitted to the City Manager or his designee. The City Manager or his designee shall keep a record of all open market orders and bids for a period of two (2) years after the submission of quotes or the placing of orders. Such records shall be maintained by the Director of Finance and while so kept, shall be open to public inspection.

(d) *Small Purchases.* Purchases of One Hundred and no/100ths (\$100.00) Dollars and less may be made by Department Heads of the City with the approval of the City Manager, except that such purchases by the Chief of the Fire Department shall not require the approval of the City Manager, without the necessity of complying with this section.  
(§2, Ord. 650, eff. October 5, 1978; §3, Ord. 808, eff. July 16, 1987; §1, Ord. 834, eff. November 3, 1988; §9, Ord. 1088-09, eff. November 19, 2009; §9, Ord. 1126-13, eff. January 16, 2014)

**Sec. 3-4.107 Inspection and Testing.**

The City Manager or his designee shall inspect the supplies and equipment delivered to determine their conformance with the specifications set forth in the order or contract. The City Manager or his designee shall have the 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.

(§2, Ord. 650, eff. October 5, 1978; §10, Ord. 1088-09, eff. November 19, 2009; §10, Ord. 1126-13, eff. January 16, 2014)

**Sec. 3-4.108 Time and Materials.**

All purchases of supplies and equipment, by contract or otherwise, in an amount in excess of Five Thousand and no/100ths (\$5,000.00) Dollars shall be specified as a "lump sum" or as a "not-to-exceed" amount. The City Council may by a four-fifths (4/5) vote approve exceptions to this requirement only after expressly finding that a determination of a "not-to-exceed" price is not feasible.

(§1, Ord. 834, eff. November 3, 1988)

**Sec. 3-4.109 Local Bidder Preference; Maintenance and General Services.**

As set forth in further detail in Section 3-4.110, the City Council has made findings and adopted a Local Bidder Preference Program ("Local Program") applicable to certain purchases of materials, supplies, and equipment, as well as contracts for public works construction, maintenance and general services contracts described in this section. Accordingly, construction, maintenance and general services contracts that are competitively bid shall be subject to the Local Program set forth in Section 3-4.110. A properly certified Local Small Businesses (as defined in Section 3-4.110) shall be entitled to the specified reduction of five (5%) percent in the tabulation of its bid for purposes of determining the lowest responsible bidder or proposed price for services or delivery of goods, unless otherwise prohibited by law. This five (5%) percent adjustment shall only apply to local small businesses when such local small businesses are at least equal in responsibility and quality to other businesses bidding on contracts. Such findings shall be made by the City Council when awarding the contract to a local small business. If the Program is applicable to a bid offering, it shall be noted in the applicable bid solicitation. The five (5%) percent preference shall only apply to the determination of the business that is awarded the City contract. The price set forth in the actual bid or quote will be the price set forth in the agreement between the City and the local small business. (§1, Ord. 1093-10, eff. June 17, 2010)

**Sec. 3-4.110 Local Bidder Preference Program; Purchase of Materials, Supplies and Equipment.**

Based upon the findings provided for in the recitals of the Ordinance adding this section, the City Council has determined that is in the best interests of the City to give a minimum preference to local small businesses when the City is making certain purchases of materials, supplies, and equipment, as well as when it is entering into contracts for public works construction, maintenance, and general services, as set forth in this Local Bidder Preference Program ("Program").

The Program shall consist of the following general requirements, which shall be implemented by the City Manager:

(a) A *local small business* for the purposes of this Program shall mean the vendor: (i) has fixed facilities with employees located at a business address within City limits (a post office box or nonbusiness residence alone is insufficient); (ii) has an appropriate City business license/permit (iii) has at least fifty (50%) percent of its full-time employees residing within City limits; and (iv) has no more than twenty-five (25) employees employed full-time. A full-time employee is one who works more than thirty-five (35) hours a week. A vendor seeking to qualify for this Program shall provide supporting information and certify in writing that it meets the above requirements as part of its bid.

(b) In applying the Program to bids on a City purchase subject to the Program, qualifying local small business shall be entitled to a reduction of five (5%) percent in the tabulation of its bid for purposes of determining the lowest responsible bidder or price for comparison to other businesses, unless otherwise prohibited by law (i.e. special State or Federal grant programs). This five (5%) percent adjustment shall only apply to local small businesses when such local small businesses are at least equal in responsibility and quality to other businesses bidding on contracts. Such findings shall be made by the City Council when awarding the contract to a local small business.

(c) The Program shall only be applicable to purchases of materials, supplies and equipment, and contracts for public works construction, maintenance, and general services which are competitively bid. If the Program is applicable to a bid offering, it shall be noted in the applicable bid solicitation.

(§2, Ord. 1093-10, eff. June 17, 2010)

**Article 2. Public Works Projects**

**Sec. 3-4.201 Contracts to Specify Dollar Amounts.**

All contracts for public works projects in an amount in excess of Five Thousand and no/100ths (\$5,000.00) Dollars shall be specified as a "lump sum" or as a "not-to-exceed" amount. The City Council may by a four-fifths (4/5) vote approve exceptions to this requirement only after expressly finding that a determination of a "not-to-exceed" price is not feasible.

(§2, Ord. 834, eff. November 3, 1988)