

CITY OF CONCORD

In the year of our Lord two thousand and seventeen

AN ORDINANCE amending the CODE OF ORDINANCES, Title V, Administrative Code; Chapter 31, Purchasing and Contract Procedure; Article 31-1, Purchasing Procedure; Section 31-1-3, Purchasing Procedures.

The City of Concord ordains as follows:

SECTION I: Amend the CODE OF ORDINANCES, Title V, Administrative Code; Chapter 31, Purchasing and Contract Procedure; Article 31-1, Purchasing Procedure; Section 31-1-3, Purchasing Procedures by amending it as follows:

31-1-3 - Purchasing Procedures.

(a) *Purchasing Requests.*

- (1) All materials, supplies, equipment and services shall be requested by department heads, or their designees, using the City's financial management software or other processes as prescribed by the Purchasing Manager.
- (2) The Purchasing Manager or authorized Purchasing Agent may purchase materials, supplies, equipment and services used by more than one department at stated times throughout the year in order to take advantage of volume discounts.

(b) *Limited Purchases.*

- (1) Limited purchases shall be purchases of materials, supplies, equipment or services of **five** [~~two~~] thousand dollars (**\$5,000.00**) [~~(\$2,000.00)~~] or less. Limited purchases are exempted from competitive-sealed bidding, competitive-sealed proposals, or similar requirements.
- (2) Limited purchases may be made by city employees so authorized under the following conditions:
 - a. Limited purchases shall be made on a City purchase order, using a City purchasing card provided by the Purchasing Manager or by using other processes as prescribed by the Purchasing Manager.
 - b. The Purchasing Manager, or authorized Purchasing Agent, shall periodically review limited purchases to ensure that City policies and procedures are being observed.

- c. Each purchasing card holder shall make purchases in accordance with the City's Purchasing Card User Manual.
- d. When deemed in the best interests of the City, the Purchasing Manager, or authorized Purchasing Agent, shall permit use of the City purchasing card, by authorized users, for purchases in excess of **five** [~~two~~] thousand dollars (**\$5,000.00**) [~~(\$2,000.00)~~].

(c) *Standard Purchases.*

- (1) Standard purchases shall be purchases of materials, supplies, equipment and services in excess of **five** [~~two~~] thousand dollars (**\$5,000.00**) [~~(\$2,000.00)~~] and less than **fifty** [~~twenty~~] thousand [~~and one~~] dollars and **one cent** (**\$50,000.01**) [~~(\$20,001.00)~~]. Standard purchases are exempted from competitive-sealed bidding, competitive-sealed proposals, or similar requirements.
- (2) Quotations shall be solicited by telephone, direct mail, or by electronic means on the open market.
- (3) Whenever possible, such open-market purchases shall be based on at least three (3) written quotes and then shall be awarded in accordance with the best interests of the City.
- (4) The Purchasing Manager, or authorized Purchasing Agent, may require whatever security and indemnification deemed necessary with any standard purchase.
- (5) Standard purchases shall be made on a City purchase order or using other processes as prescribed by the Purchasing Manager.

(d) *Competitive Bidding and Proposals.*

- (1) All purchases of materials, supplies, equipment and services in excess of **fifty** [~~twenty~~] thousand dollars (**\$50,000.00**) [~~(\$20,000.00)~~], except as otherwise herein provided, shall be by competitive-sealed bids or by competitive-sealed proposals.
- (2) Purchases in excess of **fifty** [~~twenty~~] thousand dollars (**\$50,000.00**) [~~(\$20,000.00)~~] shall be awarded, as a result of competitive-sealed bids or competitive-sealed proposals, on written contract.
- (3) Public notice soliciting competitive-sealed bids or competitive-sealed proposals shall be provided for all purchases in excess of **fifty** [~~twenty~~] thousand dollars (**\$50,000.00**) [~~(\$20,000.00)~~] at least five (5) calendar days prior to the final date for submitting bids or proposals. The Purchasing Manager, or authorized Purchasing Agent, may also solicit bids or proposals by telephone, direct mail, or by electronic means from qualified vendors known to the Purchasing Manager or authorized Purchasing Agent.
- (4) Providing public notice shall consist of, but not be limited to, any combination of the following:
 - a. Notifying vendors who are registered on the City's bid list;
 - b. Posting all competitive solicitations on the City's website and in the City Hall lobby;

- c. Notifying selected commercial subscription services, i.e. “bid houses” of all relevant competitive solicitations; and
 - d. Publishing selected competitive solicitations in the local newspaper.
- (5) The Purchasing Manager, or authorized Purchasing Agent, may require whatever security and indemnification deemed necessary for any purchase.
- (6) All bids, after they are received and tabulated, shall be made a matter of record and shall be open for public inspection unless specifically protected as proprietary information.
- (7) Unless specifically protected as proprietary information, proposals shall be made available for public review after a vendor has been selected, but not before.
- (e) *Exceptions to Sealed Competitive Bids and Proposals.*
- (1) When it is clearly in the City’s advantage, the Purchasing Manager, or authorized Purchasing Agent, may contract for materials, supplies, equipment, and services without issuing a competitive-sealed bid or competitive-sealed proposal under the following conditions:
- a. Upon authorization of the City Manager;
 - b. In cases of emergency where adherence to normal competitive procedures could adversely affect health, safety, and property; and
 - c. Through the use of intergovernmental cooperative purchasing contracts issued by other governmental entities as long as:
 - 1. The contract is current;
 - 2. The contract involved public notice and was competitively bid or proposed;
 - 3. The governmental entity and vendor agree to extend the contract pricing to the City; and
 - 4. The complete contract has been reviewed by the Purchasing Manager, or authorized Purchasing Agent.
- (2) All requests for bids and proposals shall specifically reserve the right to reject any and all bids and proposals, and whenever purchases may be made on the open market at a lower cost than the bids and proposals submitted, the Purchasing Manager, or authorized Purchasing Agent, may reject all bids and proposals and purchase on the open market.

SECTION II: Amend the CODE OF ORDINANCES, Title V, Administrative Code; Chapter 31, Purchasing and Contract Procedure; Article 31-1, Purchasing Procedure; Section 31-1-4, Disposition of Surplus Personal Property by amending it as follows:

31-1-4 - Disposition of Surplus Personal Property.

- (a) It shall be the duty of the Purchasing Manager, or authorized Purchasing Agent, to inventory and periodically review the personal properties of the City to determine the existence of surplus personal property. The Purchasing Manager, or authorized Purchasing Agent, before declaring personal property surplus, shall review whether same shall be capable of utilization in any City department.
- (b) In the event there is any surplus personal property *in any of the following categories* ~~[with a value of five hundred dollars (\$500.00) or more]~~ existing on the books of the City, pursuant to (a) above, which in the opinion of the Purchasing Manager, or authorized Purchasing Agent, will not be used by the City in the foreseeable future, the Purchasing Manager, or authorized Purchasing Agent, will notify the City Manager of the same:

(1) Items with a value, at the time of purchase, of ten thousand dollars (\$10,000.00) or more and a useful life of two (2) years or more;

(2) Office furniture; or

(3) Computer hardware.

The City Manager may direct that said personal property be disposed of either by public sale, trade-in or donation to a nonprofit organization, or ~~[, if in the City Manager's opinion, the value of such item is less than five hundred dollars (\$500.00), the City Manager may authorize disposal of such items by the methods identified above or]~~by private sale after the public sale has been posted at least seven (7) days or at the solid waste transfer station or other appropriate means of disposal. The City Manager shall report quarterly to the City Council the results of the disposition of surplus personal property.

- (c) In the event that the Library Director declares any books or other circulating library materials as surplus personal property, the City Manager may direct that said personal property be disposed of by the Library Director, notwithstanding any other provision of this Section.

SECTION III: This Ordinance shall take effect upon its passage.

Explanation: Matter added to the current ordinance appears in *bold italics*.

Matter removed from the current ordinance appears in [brackets and ~~struck through~~].