

Village of Lake Isabella - Codified Ordinances

Article II – Village Administration

Chapter 244 – Purchasing Policy

Ordinance 2011-13; September 27, 2011

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244.01 DEFINITIONS

For the purposes of Chapter 244 of the codified ordinances of the Village of Lake Isabella the following definitions shall apply;

“Purchasing Agent” or “Agent” means the Village Manager.

“Contract” when used in this article includes contracts for services to the exclusions mentioned in this division, and shall include any type of services; lease for grounds, buildings, offices, or maintenance of equipment, machinery, and other village-owned personal property. The term “contract” shall not include professional and other contract services which may be unique and not subject to competition.

244.03 TRANSACTIONS EQUAL TO OR LESS THAN \$5,000

The purchasing agent, subject to budgetary appropriations, is authorized to make purchases of materials and equipment and contract for labor or materials in an amount not to exceed five thousand dollars (\$5,000.00), without further approval from the Village Council.

Except for those situations requiring the need for sealed bids, the purchasing agent, shall consider all circumstances surrounding the purchase to be made or the services to be provided. If it is in the best interest of the village, the purchasing agent shall deal with sources within the village.

A. Quotations – The purchasing agent, with the exception of approved budget items, shall secure or cause to be secured quotations from no less than two (2) sources in all transactions involving expenditures of two thousand five hundred dollars (\$2,500.00) or more and less than five thousand dollars (\$5,000.00). The purchasing agent shall maintain a written record of the quotations received.

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- B. Other – Transactions involving expenditures less than two thousand five hundred dollars (\$2,500.00) may be authorized by the purchasing agent in such manner and from such source as the purchasing agent may determine.

244.05 TRANSACTIONS OVER \$5,000

The purchasing agent shall secure sealed bids in all transactions involving an expenditure of five thousand dollars (\$5,000.00) or more.

Sealed bids shall not be required in the following instances.

1. Where the subject of the purchase or contract is other than a public work or improvement and the product or material to be transacted for is not competitive in nature, provided that in no instance shall such product or material be transacted for without prior council approval.
2. The village council may, at the request of the village manager, authorize the village manager to negotiate a contract for the purchase of any product, material or service with a provider of such product, material or service without regard to the requirements of this section relative to purchases where the village council finds:
3. Due to circumstances beyond the control of the village, the market for such product, material or service is not competitive even though such product, material or services is normally competitive in nature; and
4. The economic interests of the village are best served by negotiating a contract with the provider of the product, material or service without requesting sealed bids.
5. In the employment of professional services, provided that in no instance shall such professional services be contracted for without prior council approval.
6. If the village elects to use village personnel.

244.07 SEALED BID POLICY

Sealed bids shall be required by the purchasing agent by mailing a copy of the specifications or requirements to such qualified vendors as may be known to the purchasing agent or the agent's designee, and by filing a copy of the request with the office of the village clerk.

Unless fixed by the council, the purchasing agent shall prescribe the amount of any security to be deposited with any bid and, in the case of construction contracts, the amounts of labor and materials or performance bond to be required of the successful bidder. Such security shall be in the form of a certified or cashier's check or bond written by a surety company authorized to do business in the state, or a non-revocable letter of credit issued by a banking institution.

Bids shall be opened in public at the time and place designated in the bid notice. Bids may be opened by the purchasing agent, the Village Clerk, or Village Treasurer or their respective designee and at least one other village employee. Within a

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reasonable period, not to exceed seven business days following the opening, the bids shall be examined, tabulated, and available for public inspections.

The tabulation of the bids shall be submitted to the council at the next regular council meeting. The council in its discretion may accept the lowest competent bid, reject any or all bids, or determine the lowest bid(s) to be unsatisfactory and award to the next competent bidder.

If in the council's discretion, the award is not made to the lowest bidder, the resolution awarding the contract shall state reasons for not accepting the low bid.

After the opening of such bids, such bids may not be withdrawn without forfeiture of the bid deposit. Deposits of security accompanying bids shall be retained until the contract is awarded and signed, except deposits from bidders not awarded the contract shall be returned within three business days following council action.

If any successful bidder fails or refuses to enter into the contract awarded within ten (10) business days after being notified of such award, or should they fail to file any bond required within the same time, the deposit accompanying their bid shall be forfeited to the village and the council may, in its discretion, award the contract to the next lowest competent bidder.

244.09 PROHIBITIONS

No contract or purchase shall be subdivided to avoid the requirements of this division.

244.11 INSPECTION OF MATERIALS

The responsibility for the inspection and acceptance of all material, supplies, and equipment shall rest with the purchasing agent, unless such responsibility has been delegated to a department head.

244.13 EMERGENCY PURCHASES

If an emergency or an apparent emergency endangering the public peace, health and/or safety of the village should arise, and the delay of establishing purchasing procedures would vitally affect the welfare of the village, the purchasing agent, Village Treasurer, or any department head may purchase directly any supplies, material, or equipment that the department head deems to be immediately necessary. Within three business days from the time of purchase, the purchaser shall file in writing with the purchasing agent a detailed explanation of the necessity for any purchases, in addition to a request for such purchases. If the emergency transaction is (\$5,000.00) or more, the purchasing agent shall submit a statement to the council no later than its next regular meeting before payment thereof may be authorized.

244.15 COOPERATIVE PURCHASES

The use of bulk purchasing programs such as the State's Extended Purchasing Program and joining together with area municipalities to secure bids or quotations for goods or services is encouraged. The use of any such source, which conducted a bona fide price competition, will be exempt from the requirements of this ordinance

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with respect to soliciting bids or quotes. Bids as above mentioned in chapter 244.05 will be presented for council approval.

244.17 SALE OF PROPERTY

Whenever any village property, real or personal, is no longer needed for corporate or public purposes, the same may be offered for sale in accordance with the restrictions established by Section 14.05 of the Charter, provided that utility plants and property may be disposed of only in accordance with the Charter.