



# Procurement Code Revisions

City Council – August 2, 2022

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## Purpose

To update and reorganize the City's Procurement Code to allow for a more efficient and responsive procurement and contracting process while maintaining a focus on ensuring City funds are used responsibly.



Financially Responsible

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## Goals and Objectives

- Update and clarify definitions
- Simplify language and focus
- Reorganize to follow logical process
- Create efficiency in the process
- Define the protest procedure
- Update the procurement thresholds



## Updated Definitions

- Bid bond
- Change order
- Competitive bid or bidding
- Cooperative purchasing
- Emergency conditions
- Proposal
- Request for proposal
- Single-source procurement and sole-source procurement



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## New Definitions

- Amendment
- Formal solicitation
- Informal solicitation
- Invitation to bid (ITB)
- Materials
- Micro purchase
- Simplified Acquisition Procedures (SAP)
- Solicitation



## Reorganize the code to follow the process

### Procurement Process Overview



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## Create Efficiencies in the Process

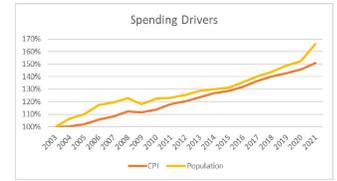
- Use of consistent language and definitions
- Clearly define which services are exempt from procurement
- Shift in management of Master Price Agreements
- Focus to get more services under Master Price Agreements
- No longer require publication of bids in newspapers
- Current thresholds are causing added work without added value



## Metric History

Over the past 19 years:

- CPI/Inflation - Increased 51%
- Population - Increased 66%
- Revenue & Expenses - Increased 355%
- Procurement Thresholds - 0%



## Proposed thresholds

Purchase Type	Current	Proposed	Approver
Micro-Purchase	<\$2,500	<\$10,000	Department Director
Informal	\$2,500 - \$25k	\$10k-\$50k	Department Director
Formal	\$25k - \$50k	\$50k - \$100k	City Manager
Formal	\$50k and higher	\$100k and higher	City Council



## Micro Purchases

Purchases made using Simplified Acquisition Procedures (SAP). By using SAP we are able to complete simple purchases while reducing the amount of work and time required.

- Up to \$10,000
- Quick and efficient purchasing
- Must comply with other Code sections (e.g. Conflicts of Interest, insurance, etc.)
- Approved by the Department Director

### Examples:

- Site surveys and smaller studies and assessments
- Facilities materials (doors, office furniture, glass for conference rooms)
- Equipment services and repairs
- Smaller software and technology services



## Informal Solicitation

The process of seeking at least three (3) written quotes for goods or services.

- For purchase ranging from \$10K - \$50K
- Requires documented (written) quotes
- Good faith effort to obtain 3 quotes or responses
- Must comply with other Code sections (e.g. Conflicts of Interest, Insurance, etc.)
- Approved by the Department Director

### Examples:

- Engineering services for specific, smaller projects
- Parks and Recreational equipment (e.g. gym equipment, drone)
- Some more complex studies (e.g. Impact Fee Study)
- Software and technology products and services



## Formal Solicitation

A competitive solicitation process involving the posting of a Request for Proposal or Invitation to Bid on a public forum, a formal review of proposals/bids, and the awarding of a contract.

- For purchases greater than \$50K
- Well defined scope of work and evaluation criteria
- Specific submission deadline and format
- Documented evaluation and selection process
- Up to \$100K approved by the City Manager.
- Greater than \$100K approved by City Council

### Examples:

- 2.0MG High Zone Tank Construction
- 144<sup>th</sup> & Sable Traffic Signal
- Parks Mowing Services



## Emergency Procurement

- Streamlined the Code to be more efficient
- Code delegates policy development to the City Manager
- Goal is to allow for quick response time in an emergency
- Life safety is the top priority



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## Options for Council

- Approve the Procurement Code Ordinance as presented.
- Reject and ask that staff reevaluate the proposal.
- Reject and leave the Procurement Code in place as written.

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