

ORDINANCE NO. 653-19

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF THE CITY OF PAGE, COCONINO COUNTY, ARIZONA AMENDING THE CITY OF PAGE CODE OF ORDINANCES CHAPTER 32, PURCHASING PROCEDURE.

WHEREAS, the City Council finds that certain changes to the Purchasing Procedure for the City are in the best interests of the City and will improve the efficiency and effectiveness of City operations; and

WHEREAS, A.R.S. § 9-802 allows a City to adopt a public record by ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF PAGE, COCONINO COUNTY, ARIZONA, AS FOLLOWS:

SECTION 1. That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION 2. Chapter 32, Purchasing Procedure, as amended in Exhibit A, attached hereto and incorporated herein by reference, is hereby declared a public record. A minimum of one paper copy and one electronic copy of Exhibit A shall be maintained in compliance with A.R.S. § 44-7041 in the office of the City Clerk and shall be available for public inspection during normal business hours.

SECTION 3. Chapter 32, Purchasing Procedure, City of Page Code of Ordinances is hereby amended as depicted in Exhibit A, and that the amendments depicted therein are hereby approved and adopted.

SECTION 4. That the effective date of this Ordinance shall be March 15, 2019.

SECTION 5. If any section, subsection, sentence, clause, phrase or portion of this Ordinance or any part of the Code adopted herein by reference is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

SECTION 6. That the City Clerk is authorized to correct typographical and grammatical errors, as well as errors of wording and punctuation, as necessary; and that the City Clerk is authorized to make formatting changes needed for purposes of clarity and form, if required, to be consistent with the Page City Code of Ordinances.

PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF PAGE, COCONINO COUNTY, ARIZONA this 13th day of February, 2019, by the following vote:

Ayes 7
Nays 0
Abstentions 0
Absent 0

CITY OF PAGE

By [Signature]
Mayor

ATTEST:

[Signature]
CITY CLERK

APPROVED AS TO FORM:

[Signature]
CITY ATTORNEY



EXHIBIT A PURCHASING PROCEDURE

§ 32.015 GENERAL PURCHASING PROCEDURES.

No purchase, contract for services of any kind or description, lease or lease-purchase, payment for which is to be made from funds of the city, shall be made by the purchasing agent, or any officer, employee or agent of the city except in the manner set forth in this subchapter. THE TOTAL COST OF AN ITEM, NOT THE METHOD OF PAYMENT, DETERMINES THE METHOD OF PROCUREMENT. ARTIFICIAL DIVISION, SPLITTING OR FRAGMENTATION OF A TRANSACTION TO CIRCUMVENT SOURCE SELECTION OR TO AVOID REQUIREMENTS FOR BIDDING OR AUTHORIZATION OF PROCUREMENTS IS PROHIBITED.

(A) *Under \$5,000.* Whenever any contemplated purchase, contract for services, lease or lease-purchase, is for the sum of less than \$5,000, the purchasing agent of the city may order the items as needed without further delay.

(B) *\$5,000 to \$1020,000 inclusive.* Whenever any contemplated purchase, contract for services, lease or lease-purchase, is for the sum of \$5,000 and not more than \$1020,000, the purchasing agent PURCHASE MAY BE MADE BY THE PURCHASING AGENT WITHOUT THE REQUIREMENTS OF PUBLIC NOTIFICATION BY ADVERTISEMENT. THE PURCHASING AGENT SHALL OBTAIN THREE (3) INFORMAL COMPETITIVE QUOTATIONS, IN WRITING, FROM AVAILABLE SUPPLIERS.

~~shall solicit at least three bids for the item or service. The solicitation may be orally obtained and subsequently awarded to the lowest responsible bidder.~~

~~(C) *Over \$10,000 to \$20,000 inclusive.* Whenever any contemplated purchase, contract for services, lease or lease-purchase, is for the sum of more than \$10,000 and not more than \$20,000, the purchasing agent shall solicit at least three written bids for the item or services on a bid form and subsequently award same to the lowest responsible bidder.~~

~~(C)~~ *Over \$20,000.* Whenever any contemplated purchase, contract for services, lease or lease-purchase, is for the sum of more than \$20,000, the purchasing agent shall cause to be published in one issue of a newspaper of general circulation in the city, notice inviting bids, which notices shall be published at least ten days prior to the date set for the receipt of the bids. The notice required shall include a general description of the articles to be purchased or services performed and the time and place of opening bids. In addition, the purchasing agent shall post a notice inviting bids on the official city website, and may also ~~mail to~~ NOTIFY all responsible prospective suppliers of the items to be purchased, services performed, OR lease or lease-purchase, ~~a copy of the notice inserted in the newspaper as herein required.~~ THE BIDDING REQUIREMENTS OF THIS SECTION SHALL NOT APPLY TO USED VEHICLES, USED EQUIPMENT AND OTHER USED PERSONAL PROPERTY, UPON WRITTEN SUBSTANTIATION THAT THE ITEM OR ITEMS TO BE PURCHASED ARE ONLY SPORADICALLY OR OCCASIONALLY AVAILABLE FOR PURCHASE, AND DUE TO THE SPORADIC NATURE OF AVAILABILITY, THE PURCHASE VIA BIDDING OR OTHER COMPETITION WOULD NOT BE ADVANTAGEOUS. IN SUCH SITUATIONS,

THE PURCHASING AGENT SHALL OBTAIN THREE QUOTATIONS OF SIMILAR VEHICLES, PROPERTY OR EQUIPMENT, IF POSSIBLE. IN ADDITION, COUNCIL MAY WAIVE THE PUBLICATION REQUIREMENT FOR OTHER PURCHASES EXCEEDING \$20,000 IF IT IS IN THE BEST INTERESTS OF THE CITY AND IN ACCORDANCE WITH STATE LAW.

~~(DE) No contract in excess of \$10,000. No EXCEPT IN AN EMERGENCY, ANY PURCHASE, contract, for new construction, no contract for professional services in excess of \$10,000 and no lease or lease-purchase in excess of \$10,000, shall be let except approved by the City Council. Whenever any contemplated purchase, lease or lease-purchase or contract for services is for the sum of more than \$10,000, the purchasing agent shall present the bids to the City Council.~~

~~(EF) All purchases.~~ All purchases for the Page Utility Enterprises shall meet the same requirements as items divisions (A) through ~~(ED)~~ above, EXCEPT AS PROVIDED IN § 31.59(D). For PUE purchases, the "City Manager" will be replaced by the Utilities General Manager; the "City Council" will be replaced by the City-PAGE Utilities Board and "City Hall" will be replaced by the "Page Utility Enterprises Office".

~~(FG) Changes.~~ Any changes made to the purchasing policy shall be forwarded to the Chief Financial Officer of Page Electric Utility by the City Finance Director.

§ 32.016 DEFINITIONS.

For the purpose of this subchapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

~~PEU-PUE PURCHASING AGENT.~~ The ~~PEU-PUE~~ General Manager or his or her designee.

~~PURCHASE.~~ To obtain a single article or unit.

~~PURCHASING AGENT.~~ The City Manager or his or her designee.

~~UNIT.~~ A group of articles which, when combined, produce a complete product, regardless of the number of suppliers or the number of purchase orders needed to complete the unit.

§ 32.017 EXCLUSIVE SERVICE.

In the event that there is only one firm or company or individual capable of providing a particular service or commodity and such services or commodities cannot be secured from other persons or companies then § 32.015 and § 32.015(A), (B), AND (C) and ~~(D)~~ thereunder shall not be applicable and such services or commodities can be secured without bidding.

§ 32.018 BIDDING.

The purchasing agent and all parties contracting with the city shall follow the procedure hereinafter set forth in relation to all bids required under § 32.015(C) and ~~(D)~~.

(A) All notices and solicitation of bids shall state the time and place for opening.

(B) All bids shall be submitted sealed to the purchasing agent and shall be identified as bids on the envelope.

(C) All bids shall be opened in public at the time and place stated in the public notices.

(D) A MODIFICATION, OR WITHDRAWAL, OF A BID MUST BE RECEIVED BEFORE THE TIME AND DATE SET FOR BID OPENING IN THE LOCATION DESIGNATED FOR RECEIPT OF BIDS. A tabulation of all bids received shall be posted in the City Hall for public inspection.

(E) AFTER THE BID OPENING, A MISTAKE MAY NOT BE CORRECTED OR WITHDRAWAL ALLOWED EXCEPT:

(1) IN THE CASE OF A MATHEMATICAL ERROR, THE UNIT COST SHALL PREVAIL AND ANY CORRECTION(S) REQUIRED DUE TO THAT ERROR SHALL BE DONE BY THE CITY.

(2) THE BID MAY NOT BE WITHDRAWN AND SHALL BE CORRECTED TO THE INTENDED BID ONLY IF A BID MISTAKE AND THE INTENDED BID ARE EVIDENT ON THE FACE OF THE BID, AS DETERMINED SOLELY BY THE CITY.

(3) THE CITY MAY PERMIT A RESPONDENT TO WITHDRAW A RESPONSE IF THE RESPONDENT ESTABLISHES BY CLEAR AND CONVINCING EVIDENCE THAT A MISTAKE WAS MADE AND THE INTENDED BID IS NOT CLEAR, OR THAT THE BID IS SO LOW THAT THE CONTRACT CANNOT BE COMPLETED AND ITS ENFORCEMENT WOULD BE UNCONSCIONABLE.

(~~E~~) The purchasing agent shall have the authority to reject any and all bids and parts of all bids and re-advertise or re-solicit bids.

§ 32.019 DETERMINATION OF LOWEST RESPONSIBLE BIDDER.

(A) Unless the purchasing agent exercises the right of rejection, the purchase or contract shall be made from and with the lowest responsible bidder for any article or to the lowest responsible bidder for the entire purchase or contract for any part thereof.

(B) In determining the lowest responsible bidder, the purchasing agent shall consider:

(1) The ability, capacity and skill of the bidder to perform the contract or provide service required;

(2) Whether the bidder can perform the contract or provide the services promptly or within specified time, without delay or interference;

(3) The quality of performance of previous contracts or services;

(4) The previous and existing compliance by the bidder with laws and ordinances of the city;

(5) The financial resources and ability of the bidder to perform the contract or provide the service; and

(6) The quality, availability and adaptability of the supplies or services.

§ 32.020 PAYMENT AND PERFORMANCE BONDS.

The purchasing agent shall have the authority to require a PAYMENT AND/OR performance bond, in cash or otherwise, for such amount as he or she may deem sufficient to secure the execution of the contract of furnishing supplies or services for the best interest of the city. FOR CONSTRUCTION SERVICES, THE PURCHASING AGENT MAY WAIVE ALL OR PART OF THE REQUIREMENT FOR PAYMENT AND/OR PERFORMANCE BONDS IN PROJECTS UP TO \$100,000 IN ACCORDANCE A.R.S. 41-2574, WHICH IS INCORPORATED HEREIN BY REFERENCE.

§ 32.021 EMERGENCY PURCHASES.

In case of an emergency which requires immediate purchases of supplies or services and time is of the essence the City Manager shall be empowered to authorize the purchasing agent to purchase or secure the services needed without complying with procedures as set forth above. A full report in writing of the circumstances of an emergency purchase shall be filed by the City Manager with the City Council.

§ 32.022 FORMS.

The purchasing agent subject to the approval of the City Manager shall prescribe and maintain such forms as he or she shall find necessary to the operation of this subchapter.

§ 32.023 ~~PROFESSIONAL SERVICES~~ COMPETITIVE BIDDING EXEMPTIONS.

NOTHING IN THIS SECTION SHALL PRECLUDE THE SOLICITATION OF COMPETITIVE BIDS OR PROPOSALS. NEVERTHELESS, EXEMPTIONS FROM COMPETITIVE BIDDING REQUIREMENTS INCLUDE: ~~The bidding requirements of this subchapter shall not apply to: professional services and the requirements herein shall not be required in the employment of professional services. Professional services include the following, but not as all inclusive: physicians; attorneys; engineers or certified public accountants.~~

(A) PROFESSIONAL OR SPECIALIZED SERVICES, INCLUDING BUT NOT LIMITED TO ADVERTISING, APPRAISERS, ARCHITECTS, ATTORNEYS, CONSULTANTS, CERTIFIED PUBLIC ACCOUNTANTS, ENGINEERS, ENTERTAINERS, FINANCIAL AND OPERATIONAL AUDITS, PHYSICIANS AND OTHER HEALTH PROFESSIONALS, LAND SURVEYORS, LANDSCAPE ARCHITECTS, RENEWALS OF PROPRIETARY

COMPUTER HARDWARE AND SOFTWARE LICENSING, AND TRAINERS OR TEACHERS;

(B) BONDS;

(C) PROCUREMENTS FUNDED BY GRANTS, DONATIONS, OR GIFTS WHEN THE SPECIAL CONDITIONS ATTACHED TO THE GRANTS, DONATIONS OR GIFTS REQUIRE THE PROCUREMENT OF PARTICULAR GOODS AND/OR SERVICES;

(D) WORKS OF ART, ENTERTAINMENT OR PERFORMANCE;

(E) INTERGOVERNMENTAL PAYMENTS, PURCHASES AND AGREEMENTS;

(F) MEMBERSHIP DUES, CONVENTIONS, TRAINING, AND TRAVEL ARRANGEMENTS;

(G) ADVERTISEMENTS IN MAGAZINES, NEWSPAPERS, OR OTHER MEDIA;

(H) GOODS PROCURED FOR RESALE TO THE PUBLIC;

(I) PUBLIC UTILITY PURCHASES OF WATER, POWER, AND RELATED SERVICES;
AND

(J) THE PURCHASE OF REAL PROPERTY AND ANCILLARY SERVICES RELATED THERETO, SUCH AS TITLE INSURANCE, APPRAISALS OR ENVIRONMENTAL ASSESSMENTS TO THE EXTENT THAT THEY ARE NEGOTIATED AS A PART OF THE CONTRACT FOR PURCHASE OF REAL PROPERTY.

§ 32.024 COOPERATIVE PURCHASING.

This subchapter and requirements herein shall not apply to purchases made by, through or with any public procurement unit, including any government entity or agency, or a nonprofit educational or health institution; or to purchases pursuant to a cooperative purchasing agreement with any public procurement unit; or as otherwise permitted by Arizona law.