



Resolution

OFFICE OF THE
MAYOR
CITY OF SAN LUIS

RESOLUTION NO. 581

A RESOLUTION OF THE CITY OF SAN LUIS, ARIZONA, DECLARING THAT CERTAIN DOCUMENT ENTITLED "PURCHASING POLICY PROCEDURES 2005" A PUBLIC RECORD; PROVIDING FOR EFFECTIVE DATE; REPEALING ANY CONFLICTING PROVISIONS; PROVIDING FOR SEVERABILITY; AND DECLARING AN EMERGENCY.

BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF San Luis:

Section 1: That the certain document entitled "Purchasing Policy Procedures 2005," three (3) copies of which are on file with the City Clerk of the City of San Luis, is hereby made and declared a public record of the City of San Luis, Arizona, and made a part hereof as though fully set forth again in full.

Section 2: Those portions of the City Code previously regulating purchasing, including the policies as adopted by Ordinance No. 209, are hereby repealed, superseded, and replaced.

Section 3: In the event of a conflict between the provisions of this resolution and any other ordinance, resolution, regulation, or policy regarding purchasing policies of the City of San Luis, the conflicting provisions are hereby repealed, superseded, and replaced, and the provisions of this resolution and the "Purchasing Policy Procedures 2005" shall govern. These policies shall govern all purchases and contracts made by the City of San Luis from and after June 30, 2004.

Section 4: If any section, subsection, sentence, clause, phrase, or portion of this resolution is for any reason held to be invalid or unconstitutional by the final decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this resolution.

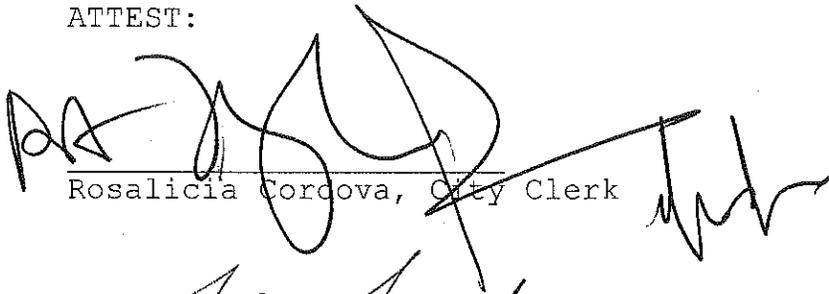
Section 5: Whereas, it is necessary for the preservation of the peace, health, safety and welfare of the City of San Luis, Arizona, and for further reason that pending proceedings, financial considerations, and the best interest of the City require the amendments to go into immediate effect, an emergency is declared to exist, and this resolution shall become immediately operative and in force from and after the date of posting hereof.

PASSED AND ADOPTED by the Mayor and Council of the City of San Luis, Arizona, this 12th day of January, 2005.



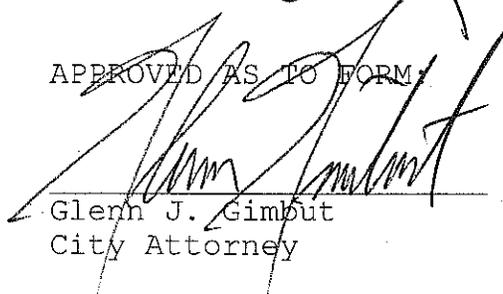
Guillermina Fuentes, Mayor

ATTEST:



Rosalicia Cordova, City Clerk

APPROVED AS TO FORM:



Glenn J. Gimbut
City Attorney

PURCHASING POLICY PROCEDURES 2005

Article 3-4

3-4-01 In General

3-4-02 Exclusive Services

3-4-03 Bidding

3-4-04 Determination of Lowest Responsible Bidder

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3-4-10 Purchases from Mayor or Council members

3-4-11 Building and Construction

3-4-12 Fingerprinting of Prospective Contractors and Employees of Contractors

Section 3-4-01 In General

The purchasing agent of the City shall be the Finance Director or such other person or persons as may be designated by the City Manager. No purchase or contract for services of any kind or description, 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 Sections 3-4-01 through 3-4-12 and unless said purchase is in accordance with the adopted budget. In determining the cost of a purchase or contract, capital lease purchase or contract purchase agreements shall have their value estimated as the cumulative total value of the contract expense to the town. Operating leases shall be valued at the cumulative total of lease payments for the anticipated rental period or for one year from the start of the lease for long-term items, whichever is less.

A. Under \$5,000. Whenever any contemplated purchase or contract for service is for the sum of less than \$1,000.00, the purchasing agent may order the item as needed without further formality.

B. \$5,000 to \$14,999.99 inclusive. Whenever any contemplated purchase is for the sum of at least \$5,000 but not more than \$14,999.99 the requisitioning department with the assistance of the purchasing department shall solicit three verbal quotes (inclusive of all cost) from vendors and submit them to the purchasing department, for awarding to the lowest responsive quote. Verbal quotes shall be documented and maintained on file in the purchasing records of the City. If three verbal quotations cannot be obtained, documentation showing vendors contacted that did not offer price quotations, or explaining why price quotations were not obtained shall be

maintained with the purchasing documents.

C. \$15,000.00 to \$34,999.99. Whenever any contemplated purchase for the sum of at least \$15,000.00 but not more than \$35,000.00 the requisitioning department with the assistance of the purchasing department shall solicit three written quotations (inclusive of all cost) from vendors and submit them to the purchasing department, for awarding to the lowest responsive quote. If three written quotations cannot be obtained, documentation showing vendors contacted that did not offer price quotations, or explaining why price quotations were not obtained shall be maintained with the purchasing documents.

D. \$35,000.00 and above. Whenever any contemplated purchase except for professional services as defined in Section 1-08, is for the sum of \$35,000.00 or more, the purchasing agent shall cause to be published in two issues of a newspaper of general circulation, notice inviting sealed bids or requests for proposals, which notice shall be published at least five days prior to the date set for the receipt of the bids or proposals. The notice herein required shall include a general description of the articles to be purchased or services to be performed and the time and place for opening of bids or proposals. In addition, the purchasing agent shall post a notice inviting bids or proposals in the city hall. Bids or proposals will be presented to Mayor and Council for award.

E. No service contract of \$15,000 00 and above, or sealed bid or proposal above \$35,000.00 or more, shall be let except by the mayor and council. The purchasing agent shall present the bids or proposals to the mayor and council for the approval.

F. In the event that either State or Federal law or State or Federal contract require or provide for a procedure for acquisition of equipment, supplies, materials, goods, work, or services different than the procedures provided for in this Article, the provisions of the State or Federal law or contract will prevail and supersede the provisions of this Article.

G. With the approval of the council, formal purchase procedures may be waived.

Section 3-4-02 Exclusive Services

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, Section 3-4-1.01 shall not be applicable, and such services or commodities can be secured without bidding.

Section 3-4-03 Bidding

The purchasing agent and all parties contracting with the city, except those parties contracting for professional services as defined in Section 3-4-1.08, shall follow the procedure set forth in this section in relation to all bids or requests for proposals required under Section 3-4-1.01 or as may be required by the City Charter or state law.

A. All notices and solicitations of bids or proposals shall state the time and place for opening.

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

- C. All bids or proposals shall be opened in public at the time and place stated in the public notice.
- D. A tabulation of all bids or proposals received shall be posted at city hall for public inspection.
- E. The purchasing agent under subsections A, B and C of section 3-4-1.01 and the Mayor and Council under subsection D of that section shall have the authority to reject any and all bids or proposals and parts of all bids or proposals, in their sole discretion, and re-advertise or re-solicit bids or proposals.

Section 3-4-04 Determination of Lowest Responsible Bidder

Unless the mayor and council or purchasing agent shall exercise the right of rejection as provided by Section 3-4-03, the purchase or contract shall be made from and with the lowest responsible bidder for the entire purchase or contract or for any part thereof. In determining the lowest responsible bidder, the mayor and council or purchasing agent shall consider.

- A. The ability, capacity and skill of the bidder to perform the contract or provide the service required.
- B. Whether the bidder can perform the contract or provide the services promptly or within the specified time, without delay or interference.
- C. The quality of performance of previous contracts.
- D. The previous and existing compliance by the bidder with laws and ordinances of the city.
- E. The financial resources and ability of the bidder to perform the contract.
- F. The quality, availability and adaptability of the supplies or services.

Section 3-4-05 Performance Bond

The purchasing agent shall have the authority to require a performance bond, in cash or otherwise, for such amount as he deem sufficient to secure the execution of the contract for the best interest of the city.

Section 3-4-06 Emergency Purchases

In case of an emergency which requires immediate purchases of supplies or services and when time is of the essence, the city manager shall be empowered to authorize the purchasing agent to purchase or secure services without complying with the procedures of this article. A full report in writing of the circumstances of any emergency purchase shall be filed by the requesting department to the purchasing agent.

Section 3-4-07 Forms

The purchasing agent shall prescribe and maintain such forms as he shall find necessary for the operation of the provisions of this article.

Section 3-4-08 Professional Services

Unless required by the Mayor and Council, the provisions of this article shall not apply to professional services. Such services include, but are not limited to, the following: physicians, attorneys, engineers and similar professions. Contracts for professional services in excess of \$15,000.00 must be approved by the Mayor and Council.

Section 3-4-09 Cooperative Purchasing

This article shall not apply to purchases made by, through or with the State of Arizona, its political subdivisions, other states, or their political subdivisions. The city may make purchases or award contracts for services without a formal bidding process whenever other governmental units have done so for the same items or service if, in the opinion of the purchasing agent, a separate bidding process is not likely to result in a lower price for such items or services.

Section 3-4-10 Purchases from Mayor and Council members

Pursuant to Arizona Revised Statutes Section 38-503(C), the city, through its common council, may purchase supplies, materials and equipment not to exceed three hundred dollars in costs in any single transaction or one thousand dollars annually, from the mayor or any member of the council without using competitive public bidding procedures.

Section 3-4-11 Building and Construction Contracts

All contracts for building or construction projects are exempt from these bidding requirements and shall comply with Title 34, Arizona Revised Statutes; however, if public competitive bidding or selection is not required pursuant to Title 34, then the requirements of this Article shall apply.

Section 3-4-12 Fingerprinting of Prospective Contractors and Employees of Contractors.

Prior to entering into a contract for services in an area designated as sensitive by the city manager, the city shall require that a contractor and employees of a contractor shall provide to the police chief or his designee, fingerprint identification. The police chief or his designee shall, pursuant to A.R.S. § 41-1750 and Public Law 92-184 section 902, forward those fingerprints accompanied by appropriate fees to the state department of public safety and the Federal Bureau of Investigation for the purpose of seeking criminal history information on such contractor and employees of such contractor. Information obtained shall be used only for the purpose of evaluating the fitness of prospective contractors and their employees to provide services to the city and shall otherwise remain confidential.