

ORDINANCE NO. 88

AN ORDINANCE SUPPLEMENTING CHAPTER 3, ADMINIS-
TRATION OF THE CODE OF THE CITY OF SAN LUIS,
ARIZONA, BY ADDING ARTICLE 3-4 PURCHASING;
AND DECLARING AN EMERGENCY

BE IT ORDAINED BY THE CITY COUNCIL OF SAN LUIS, ARIZONA,
AS FOLLOWS:

Section 1. That 3-2-1(E)(9) of the Code of the City of San Luis, Arizona, relating to the purchase of all materials, supplies and equipment is hereby repealed.

Section 2. That Chapter 3, Administration, of the Code of the City of San Luis, Arizona is supplemented as follows:

Article 3-4. PURCHASING

- 3-4-1 In General
- 3-4-2 Exclusive Service
- 3-4-3 Bidding
- 3-4-4 Determination of Lowest Responsible Bidder
- 3-4-5 Performance Bond
- 3-4-6 Emergency Purchases
- 3-4-7 Local Bidders Preference
- 3-4-8 Forms
- 3-4-9 Professional Services
- 3-4-10 Cooperative Purchasing

Section 3-4-1 In General

The city manager shall be the purchasing agent for the City. 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 this article, and unless said purchase is in accordance with the adopted City budget.

- A. Under \$2,500. Whenever any contemplated purchase of new equipment or contract for services is for the sum of less than \$2,500 the purchasing agent may order the item as needed without further formality.
- B. \$2,500 - \$4,999 inclusive. Whenever any contemplated purchase of new equipment or contract for services is for the sum of at least \$2,500 but not more than \$4,999, the purchasing agent shall solicit at least three bids for the item or services. Said solicitation may be orally obtained by him and he may then award the purchase for new equipment or contract of service to the lowest responsible bidder.

- C. \$5,000 - \$11,999 inclusive. Whenever any contemplated purchase of new equipment or contract for services is for the sum of more than \$5,000 but less than \$11,999 the purchasing agent shall solicit at least three written bids for the item or service on bid forms and award the purchase for new equipment or contract of services to the lowest responsible bidder.

- D. \$12,000 and over. Whenever any contemplated purchase for new equipment or contract for services, except for professional services as defined in Section 3-4-8, is for the sum of \$12,000 or more, the purchasing agent shall cause to be published in two issues of a newspaper of general circulation in the City, notice inviting bids, which notice shall be published at least five days prior to the date set for the receipt of the bids. 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 bids. In addition, the purchasing agent shall post a notice inviting bids in the city hall and may also mail to all responsible prospective suppliers a copy of the notice inserted in the newspaper.

- E. No contract of \$12,000 or more shall be let except by the Council. Whenever any contemplated purchase of new equipment or contract for services is for the sum of \$12,000 or more, the purchasing agent shall present the bids to the Council for approval, and advise the Council of the advantages or disadvantages of contract and bit proposals.

Section 3-4-2 Exclusive Service

In the event that there is only one firm, 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 shall not be applicable, and such services or commodities can be secured without bidding.

Section 3-4-3 Bidding

- A. The purchasing agent and all parties contracting with the City, except those parties contracting for professional services as defined in Section 3-4-8, shall follow the procedure set forth in this section in relation to all bids required under Section 3-4-1, subsection D.
 - 1. All notices and solicitations of bids shall state the time and place for opening.

2. All bids shall be submitted sealed to the purchasing agent and shall be identified as bids on the envelope.
 3. All bids shall be opened in public at the time and place stated in the public notice.
 4. A tabulation of all the bids received shall be posted in the city hall for public inspection.
- B. The purchasing agent under subsections A, B and C of Section 3-4-1 and the Council under subsection D of that section shall have the authority to reject any and all bids and parts of all bids and re-advertise or re-solicit bids.

Section 3-4-4 Determination of Lowest Responsible Bidder

Unless the Council or purchasing agent shall exercise the right of rejection as provided by Section 3-4-3, the purchase for new equipment 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 Council and 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 3-4-5 Performance Bond

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

Section 3-4-6 Emergency Purchases

In case of an emergency which requires immediate purchases of supplies or services and when time is of the essence, the mayor 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 purchasing agent with the City Council at its next meeting.

Section 3-4-7 LOCAL BIDDERS PREFERENCE

The Council, at its discretion, may grant a monetary preference to local bidders providing such preference is in the best interest of the City and further providing that such preference is stated in the bid offer. Such preference shall not be granted where federal or state purchasing policies preclude such preference and in no event shall the preference exceed five per cent (5%) of what would otherwise be the lowest bid.

Section 3-4-8 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 3-4-9 Professional Services

Unless required by the Council, the provisions of this article shall not apply to professional services. Such services shall include, but not be limited to, the following: Physicians, attorneys, engineers and similar professions.

Section 3-4-10 Cooperative Purchasing

This article shall not apply to purchases made by, through or with the State of Arizona or its political subdivisions. The City may make purchases of new equipment or award contracts for services without a formal bidding process whenever other governmental units have done so for the same item 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: WHEREAS, it is necessary for the preservation of the peace, health and safety of the City of San Luis, Arizona, an emergency is declared to exist, and this ordinance 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 _____ day of _____, 1990.

APPROVED this 24th day of October, 1990 by the affirmative vote of three-fourths of the members of the Common Council of San Luis, Arizona.



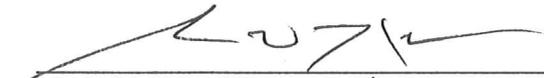
Marco Antonio Reyes, Mayor

ATTEST:



Mark Espinoza, City Manager

APPROVED AS TO FORM:



Gerald W. Hunt, City Attorney