

## Resolution No. 1999-39

[Council Meeting Minutes 99/11/15](#)

RESOLUTION NO. 1999-39

A RESOLUTION of the City of Lakewood, Washington, providing for the amendment of the City of Lakewood Purchasing Policy

WHEREAS, in connection with the incorporation of the City of Lakewood and the commencement of municipal functions, the City Council authorized and approved the establishment of policies to guide the City's expenditure of public funds and the making of purchases for various municipal purposes; and,

WHEREAS, that policy, the City of Lakewood Purchasing Policy, was adopted by Resolution No. R16-95, and later amended through Resolution No. 1996-40; and,

WHEREAS, following the adoption of Resolution No. R16-95 and Resolution No. 1996-40, and the implementation of the City of Lakewood Purchasing Policy, further review of the policy has taken place; and,

WHEREAS, it has been determined that certain changes and refinements to the policy could be made that would provide greater convenience to potential vendors and to the purchasing needs of the City and add clarity to the guidelines of the policies, among which would be matching the contract dollar threshold to levels that accommodate a distinction between those contracts that have been more specifically approved in the budget process and those that have not; and,

WHEREAS, in order to provide for as efficient and cost effective purchasing as possible, it is appropriate to amend the City of Lakewood Purchasing Policy, to specify such a contract dollar distinction.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF LAKEWOOD, WASHINGTON HEREBY RESOLVES as follows:

Section 1. Purchasing Policy Amended. The purchasing policy established for the City of Lakewood, Washington, as initially adopted by the City Council in Resolution No. R16-95 and amended by Resolution 1996-40, is hereby amended as reflected in the policy document attached hereto, marked as Exhibit "A" and incorporated herein by this reference.

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Section 2. Effective Date. This resolution shall be in full force and effect upon passage and signatures hereon.

PASSED by the City Council this 15th day of November, 1999.

CITY OF LAKEWOOD

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Bill Harrison, Mayor

Attest:

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Alice M. Bush, CMC/AE, City Clerk

Approved as to form:

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Daniel B. Heid, City Attorney

City of Lakewood

Finance & Network Information Systems

**Policies & Procedures**

**SUBJECT: Purchasing**

Purchasing

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Purchasing

**NUMBER: 400:079.1**

400:079.1

**Prepared By:**

**Approved By:**

<b>Effective Date:</b>	<b>Supersedes:</b>	<b>Page Of:</b>	<b>Prepared By:</b>	<b>Approved By:</b>
11-15-99	400:079 dated 11-18-96	1 18	Budget & Finance Transition Team & Galen	City Council

### 1.0 PURPOSE:

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1.1 To establish rules and regulations applicable to the purchase and/or lease of materials, equipment, services and supplies by, through, or under authority of or delegated by the City Manager.

### 2.0 ORGANIZATIONS AFFECTED:

:

2.1 Finance

2.2 The several departments

2.3 Various Vendors

### 3.0 REFERENCES:

:

3.1 Purchasing Policy as adopted as Resolution No. R16-95 by the City Council on 11-13-95, amended by Resolution No. 1996-40 dated November 18, 1996, and by Resolution No. 1999-39, dated November 15, 1999.

3.2 Internal Control

### 4.0 POLICY:

:

4.1 It shall be the policy of the City of Lakewood to establish a set of procedures and policies defined to purchasing and setting the parameters for purchasing authority and other related guidelines.

### 5.0 DEFINITIONS:

:

5.1 **An Equal:** Is material, equipment or supply which is equal to or exceeds the quality, performance and usefulness of the

brand, model or specifications designated as the standard.

**5.2 An "informality" or "irregularity"** Is one which is merely a matter of form or is some immaterial variation from the exact requirements of the invitation for bids, having no effect or merely a trivial or negligible effect on quality, quantity, or delivery of the supplies or performance of the services being procured, and the correction or waiver of which would not affect relative standing of, or be otherwise prejudicial to, bidders.

**5.3 Awarded Contract/Agreement:** Means an agreement between the City of Lakewood and a vendor, entered into pursuant to the formal or informal purchasing process as decided by the threshold level set by the City Council.

**5.4 Bid:** Means an offer to perform a contract to purchase, supply material, equipment, services, or supplies in response to a formal solicitation by the City of Lakewood.

**5.5 Bidder:** One who submits a bid.

**5.6 Blanket Purchase Order:** An agreement between the City and a vendor where the vendor will supply any and all goods or services merchandised for a one-year period in quantities determined by City requirements and indicated on the purchase requisition.

**5.7 Central Stores:** A central location where consumable supplies are stored and used by the several departments through a central stores requisition.

**5.8 Competitive (formal & Sealed) Bid:** A process that is used for purchasing a product with a price of over \$25,000.00 other than Public Works Projects. The process involves preparing a formal document preparation such as: 1. Request For Qualifications (*RFQ*). 2. Request For Proposal (*RFP*). 3. Request For Quotes (*RFQ-1*), etc..

**5.9 Competitive (Informal-) Bid:** A process that is used for purchasing a product with a price range between \$9,999.99 and \$25,000.00. A process that is used to collect financial data on the product that is desired to be purchased by the department from a minimum of three vendors which are identified on the **Informal Bidding Worksheet@**. The contacted vendors are to be informed that this is an informal bid process and whereas the city may award the contract/agreement based upon the information they supply. Telephone solicitations are approved for this process.

**5.10 Contract for Public Works Projects:** As identified in RCW as follows: RCW 35.23.352; 35.22.650; 35.22.630; 35.22.620. Notwithstanding the provisions hereof, the provisions of said statutes or their successor statutes shall control the handling of Public Works projects.

**5.11 Description:** Means identifying information distinctly and plainly set forth and sufficiently portrayed and explained to insure that the products or service under consideration is uniquely identified.

**5.12 Emergency Purchases:** Means a purchase made in response to unforeseen circumstances beyond the control of the

City which represent a real, immediate and material threat to the public interest or property of the City.

**5.13 Governmental Inter-Local Agreements:** A signed or authorized agreement between the City of Lakewood and other jurisdictions whereby the City of Lakewood may use their existing purchasing agreement with a specific vendor for a specific product. The agreement shall be in force as deemed by the parties involved.

**5.14 Invitation To Bid:** Means the procedure used in the formal sealed bid procedure.

5.15 (Deleted).

**5.16 Request For Quotation: Means the procedure used when purchases are solicited in accordance with Small Works Roster or vendor list requirements as contained in state law. The request and the quote in response may be either written or oral as specified.:** Means the procedure used when purchases are solicited in accordance with Small Works Roster or vendor list requirements as contained in state law. The request and the quote in response may be either written or oral as specified.

**5.17 Single Source Purchase.** Where purchases of goods or services or equipment can be obtained from only one known vendor.

**5.18 Specifications:** Explicit requirements furnished with an invitation to bid or request for a quotation upon which a purchase order or contract is to be based. Specifications set forth the characteristics of the equipment, material, supplies, or services to be purchased or sold so as to enable the bidder or vendor to determine and understand that which is to be supplied or sold. This information may be either in terms of physical characteristics or performance requirements to both.

**5.19 Taxing Authorities: Any governmental entity that has taxing authorities within the State of Washington. These entities may include but not limited to: Schools, Municipalities, Districts, Ports, Counties, State.:** Any governmental entity that has taxing authorities within the State of Washington. These entities may include but not limited to: Schools, Municipalities, Districts, Ports, Counties, State.

**5.20 Vendor:** Means supplier of goods and/or services.

**5.1 Vendor Discount:** A local "City of Lakewood" vendor that shall be given a credit of up to 1 % of the amount of the vendor contract, not to exceed the amount of tax revenue received by the City stemming from the vendor contract.

## **6.0 PROCEDURES:**

:

6.01 Ordering and receiving of Goods and Services

6.01.1 Each department shall have a specified staff representative that will: 1. Prepare the Purchase Requisition. 2. Ordering of the product (except for Public Works Projects/Contracts where their contracts/projects will be prepared by the Engineering Manager or designee in accordance with the identified RCW=s). 3. Receiving (shall identify the items received on the packing slip, sign, date and return the packing slip and/or the Vendor=s invoice to the Finance Department for processing).

6.02 Procedure for the Purchase Of Tangible Personal Property greater than (>) \$25,000.00

6.02.1 If the product has a value over \$25,000.00, the Competitive Bid (**formal & Sealed**) process shall follow:

6.02.1.1 The Ordering department shall prepare the official document called, RFQ, RFP, or similar document for the printing and release to the public either in newspapers or professional trade journals. The ordering department shall prepare bid specification and advertise for bids. The bid to be mailed to a sufficient number of prospective bidders to elicit adequate competition, such vendors being drawn from established vendor lists and from an other source thought to be of advantage to the city.

6.02.1.2 The ordering department is to register the bid and other related bid information to the City Clerk such as: 1. Pre-Bid conferences (if applicable). 2. Opening Time of the sealed bids. 3. Due date of the sealed bids. 3. Notice of award of the bid. 4. Bid Bonds, if applicable. 5. Any other information that is pertinent to the bid process.

6.02.1.3 The ordering department shall send a copy of the RFP, RFQ to the designee purchasing agent.

6.02.1.4 The ordering department will then evaluate the bids to the specifications set in the official document and make determinations as to: 1. The lowest bid. 2. The bid that meant all of the specifications. One determined to be the best for the city, the ordering department may release the contract/agreement to the vendor whose bid came in lowest that meant the specifications. If the lowest bid did not meet specifications, the ordering department may award the contract/agreement to the next lowest bidder that meant the identified specifications in the official document.

6.03 Procedure for the Purchase Of Tangible Personal Property between \$9,999.99 and \$25,000.00.

6.03.1 If the product has a value between \$9,999.99 and \$25,000.00, the Competitive Bid (**Informal**) process shall follow:

6.03.1.1 The ordering department shall prepare an **Informal Bidding Worksheet@** with a minimum of three vendors contacted and which they provided an informal bid to the City and is noted on the worksheet. The contacted vendors are to be informed that this is an informal bid process and whereas the city may award the contract/agreement based upon the information they supply.

6.03.1.2 A copy of the completed worksheet shall be provided to the designee. In addition, the Auditing Officer may: 1. Audit the informal sheet 2. Verify amounts and vendors contacted.

6.03.1.3 After review by the ordering department and purchasing agent, the ordering department may release the contract/agreement to the vendor whose bid came in lowest that meant the specifications. If the lowest bid did not meet specifications, the ordering department may award the contract/agreement to the next lowest bidder that meant the specifications. If the lowest bid did not meet specifications, the ordering department may award the contract/agreement to the next lowest bidder.

#### 6.04 Purchase of items from an exclusive Vendor (Single Purchase Vendor).

6.04.1 If a product is handled exclusively by a single vendor and which product is needed by the City, the City Manager or designee shall exempt the purchasing requirements as set forth in either the formal or informal competitive process. A letter from the requesting department to the City Manager is to identify the single vendor and why there are no other vendors that are able to compete for the product along with the cost of the product. *(A letter is required from)* the City Manager in order to authorize the expenditure under the single purchase vendor clause. The Purchase Requisition and/or Purchase Order is to identify on the face that this is a single purchase vendor and should be accompanied with the letter from the requesting department and the City Manager stating the conditions of the order.

#### 6.05 Governmental Inter-Local Agreements:

6.05.1 The City Manager is authorized to sell to, acquire from, or use any supplies, material, or equipment belonging to any agency, political subdivision, or unit of local government of this State including, but not limited to, special purpose and local service districts, any agency of the State government, and any agency of the United States. The City of Lakewood is authorized to enter into inter-local agreements with other taxing authorities that have established contracts and/or agreements with a vendor and which the identified vendor provide a needed goods or services to the City of Lakewood. The agreement needs to be authorized in writing from the other taxing authority and addressed to the designee purchasing agent as authorization to use their existing contract/agreement.

6.05.2 The City Manager or his/her designee shall have authority to join with the above-described units of government in cooperative purchasing plans when the best interests of the City would be served thereby; provided that each of the participating units shall be separately invoiced by the vendors for purchases made under such plans, and the City of Lakewood shall not be obligated for purchases other than those required for its own use

#### 6.06 Existing Vendor where the city has awarded a purchasing contract/agreement:

6.06.1 Once the City has awarded a contract/agreement with a vendor, the City may use that vendor until such time the city deems in its best interest to secure another vendor for specific goods and services. The designee purchasing agent will audit purchases to make sure the city is receiving the best product for the best price.

#### 6.7 Emergency Purchases

6.07.1 In the event of an emergency when the public interest or property of the City would suffer material injury or damage by delay, upon declaring the existence of such emergency and reciting the facts constituting same, the City Council, by ordinance or resolution, may waive the requirements of the "PROCEDURE FOR PURCHASE OF TANGIBLE PERSONAL PROPERTY"

section. Emergency expenditures which are not specifically enumerated in "Emergency Expenditures--Non-debatable Emergencies" RCW 35A.33.080 shall follow hearing notices before expenditures as prescribed in RCW 35A.33.090. Non-debatable Emergencies, as listed in 35A.33.080, shall follow the ordinance requirements as detailed in said RCW. The City Manager shall report to the City Council within 30 days of City Council's declaration of an emergency, and provide a written determination of the basis for the emergency, and for the basis of selection of the particular vendor(s), a copy of which is to be attached to the Purchase Requisition/Order. The City Manager's report shall include such statements as are necessary to fully explain the facts which constitute the emergency, and the estimated or final amount required to meet it. Purchases/contracts involving an emergency circumstance shall be approved by the City Manager when the cost exceeds \$25,000.00; provided that no contract or purchase shall be consummated to expend any money or incur any liability in excess of amounts appropriated by ordinance.

#### 6.08 Time of Bid or Bid Withdrawal

6.08.1 The bidding or quoting time shall be as determined by the City. All invitations to bid shall provide sufficient time to allow bidders an opportunity to prepare and submit their bid. The City shall have the discretion to lengthen or shorten bid or quote time should special circumstances or needs dictate a longer or shorter time frame. All bids and withdrawals must be received on or before the time specified on the bid, at the place designated in the bid document. No deviations will be allowed, and late bids and timely withdrawals will be returned unopened.

6.08.2 All bids shall be date stamped, prior to opening. Precautions will be taken to insure security in respect to the bids. Bids which are received, but which do not identify the invitation to bid or the time for bid opening may be opened, but solely for identification purposes, and only by official designated personnel. All late bids or late withdrawal requests will be date and time recorded.

#### 6.09 Amendment of Invitation to Bid

6.09.1 An invitation to bid may be changed or amended by the City provided the change is issued in writing at least 3 business days prior to the bid opening date. Such changes will be furnished to all interested vendors in the form of an addendum. Any material information provided to a prospective bidder with regard to an invitation to bid shall be furnished to all bidders on the vendor list receiving a copy of the original invitation. Oral interpretations of contract terms and conditions shall not be binding on the City unless confirmed in writing by the City and provided to all bidders at least 3 business days before bid opening.

#### 6.10 Vendor Lists

6.10.1 Vendor lists are categorized according to commodities and are maintained and updated at least semi-annually by the City. Vendor lists are used by City to determine vendors from which to solicit bids.

#### 6.11 Criteria for Qualifications

6.11.1 A vendor's eligibility for inclusion on a vendor list shall be based upon the following factors:

6.11.1.1 The financial standing and responsibility of the vendor;

6.11.1.2 The vendor's facilities for production, distribution, and service;

6.11.1.3 The length of time the vendor has successfully been in business;

6.11.1.4 The vendor's performance on previous contracts;

6.11.1.5 The ready availability to the City of the vendor's sales and service capacities.

6.11.1.6 Such other information as may be secured concerning a vendor's ability to satisfactorily perform a contract for the City.

## 6.12 Nonacceptance

6.12.1 If an application to be placed on the vendor list is refused, the applicant shall be advised in writing as to the reason for nonacceptance.

## 6.13 Removal or Suspension

6.13.1 The City may remove or suspend a vendor from any vendor list for cause. The City will notify the vendor of his/her removal in writing, with the reason for removal, and will forward a copy to the City Manager. Examples of reasons for removal or suspension include, but are not limited to, the following:

6.13.1.1 Illegal acts(s);

6.13.1.2 Failure to respond, without good cause, to 3 consecutive invitations to bid at the same commodity description;

6.13.1.3 Unreasonable number of "No Bid" responses;

6.13.1.4 Any material failure to perform, e.g., delivery, quality;

6.13.1.5 Any significant detrimental change in supplier status, e.g., financial condition, lines carried, service ability;

6.13.1.6 Unauthorized product substitution, or representation of an alternate (an item which deviates in respect to features, performance, or use, from the brand, model, or specification designated as a standard--whether or not such deviation constitutes an improvement) as an equal (item which is equal to or exceeds the quality, performance, and use of the brand, model, or specifications designated as the standard); or

6.13.1.7 Discriminatory practices.

## 6.14 Appeal

6.14.1 Any vendor removed from a vendor list or who is not placed on the vendor list after request, may appeal the decision to the City Manager or his/her designee. If such an appeal is to be made, it must be submitted in writing within 10 days of notification of the action taken.

## 6.15 Reapplication or Reinstatement

6.15.1 If a vendor's application to be placed on a vendor list has been refused, or if the vendor has been removed from the vendor list, the vendor may reapply to be placed on a vendor list, or apply for reinstatement when the causes for removal have been corrected. Such acceptance or reinstatement shall be under such terms and conditions as the City determines is

appropriate in the circumstances; including, but not limited to, performance bonds, retainage payment upon satisfactory completion terms, etc.

## 6.16 Bid Bonds

6.16.1 In all transactions where sealed bids are required, the City may require a bid bond payable to the City in an amount not less than 5% of the total bid, and with such surety or sureties as may be determined by the department. In these instances where the bid is for an annual contract to supply an undetermined quantity of goods at a fixed price, quantity to be determined by the City's future requirements, the City may determine the amount of the bid bond, which amount shall approximate 5% of the total contract price. In determining the total contract price, the City shall consider the City's prior purchasing history and its anticipated future requirements. Bid bonds may be in the form of a certified or cashier's check or a bid bond payable to the City or City designated banking institution. Personal or company checks are not acceptable. Bid bonds shall be retained by the City until the contract is executed. Bid bonds and certified and cashier's checks will be returned after the bid is awarded. Failure to submit a bid bond or its permitted alternative in specified form will be a cause for rejection. When a bid bond is required, the bidder shall covenant that he/she will enter into a contract, if offered. Violation of this covenant will result in forfeiture of the bond or its equivalent payment of the same into the City General Fund as and for liquidated damages.

## 6.17 Telegraphed or Fax Bids

6.17.1 Telegraphed or facsimile (*faxed*) bids will not be accepted unless approved in advance by the City. Telegraph or facsimile withdrawals will be accepted on all bids timely received. If the City gives prior approval of a bid transmittal or withdrawal by facsimile, the original document (*bid or withdrawal of bid request*) must be sent and postmarked within 1 business day of the facsimile transmittal.

## 6.18 Telephone Bids

6.18.1 Telephoned bids will be accepted *in the informal process*. In order to withdraw a telephone bid, a written withdrawal is required to be received by the City no later than 3 days prior to awarding the bid.

## 6.19 Hand Carried Bids

6.19.1 Hand-carried bids must be delivered to the City.

## 6.20 Form of the Bid

6.20.1 To receive consideration, bids and quotes shall be made on the form provided by the City. If a letter is used to supplement the City bid form, it must meet the satisfaction of the City, be properly headed and signed, properly marked on the outside of the envelope, and received by the time specified.

6.20.2 All bids and quotes must be filled out in ink or typewritten and properly signed by an authorized representative of the vendor. All changes and/or erasures shall be initialed in ink. Unsigned bids or quotes will be rejected on opening.

## 6.21 Standard Specifications

6.21.1 Specifications contained in the invitation to bid will, where practical, be nonrestrictive so as to provide an equal basis for competition and participation by an optimum number of qualified bidders. Unless otherwise specifically provided in the invitation to bid, reference to any equipment, material, or supplies by trade name, make, or catalog number, shall be regarded as establishing a standard of quality and shall not be construed as limiting competition. All bids which offer a different trade name, make, or catalog number must state whether the item offered is equal or an alternate (as defined in the "Definitions" section of this policy), and literature which describes the item offered must be provided when available. The final decision as to whether the item is an equal or a satisfactory alternate shall rest with the City.

## 6.22 Interpretation of Specifications

6.22.1 In the event of discrepancies or omissions in the bid specifications, or doubt as to their meaning, the bidder shall immediately notify the City in writing. In response, written instructions and/or addenda as required shall be sent to all interested parties. The City will not be responsible for oral interpretations not confirmed in writing by the City giving the interpretation at least 24 hours before bid opening.

## 6.23 Request for Samples, Descriptive Literature

6.23.1 The City reserves the right to ask for samples, competitive demonstrations, and/or descriptive literature at bidder's expense. If not destroyed in testing or required for quality control, bidders may request return of samples at their expense.

## 6.24 Alternate Bid

6.24.1 The City shall have the discretion to accept an alternate bid if it can be shown that the alternate substantially conforms to the bid specifications. If a bidder represents an article as being "an equal" when in fact it is "an alternate", the bid may be disregarded.

## 6.25 Pre-bid Conferences

6.25.1 Pre-bid conferences may be scheduled by the City to answer any questions regarding the specifications, or, after interested vendors have reviewed the specification, to discuss proposed changes.

## 6.26 Award

6.26.1 A contract shall be awarded to the lowest responsible bidder (or bidders, where multiple awards are appropriate) based upon the following criteria:

6.26.1.1 The price, including the effect of term discounts and taxes. Price may be determined by life-cycle costing if so indicated in the invitation to bid;

6.26.1.2 The quality of the material or services proposed to be supplied, their conformity with specifications, and the purposes for which they are required;

6.26.1.3 The ability, capacity, and skill of the bidder to perform the contract and provide the services required;

6.26.1.4 The character, integrity, reputation, judgment, experience, and efficiency of the bidder;

6.26.1.5 Whether the bidder can perform the contract within the time specified;

6.26.1.6 The quality of performance of previous contracts or services;

6.26.1.7 The previous and existing compliance by the bidder with the laws relating to the contract or services;

6.26.1.8 Servicing resources, capability, and capacity;

6.26.1.9 Lack of uniformity or interchangeability if such factors are important;

6.26.1.10 The energy efficiency of the project product as projected throughout the anticipated useful life of the product;

6.26.1.11 Such other information as may be secured having a bearing on the decision to award the contract;

6.26.1.12 All things being equal, the bids shall be resolved by a flip of the coin in the presence of witnesses.

6.26.1.13 Reference checks will be required and recorded as part of the verification process.

#### 6.27 Partial Award

6.27.1 The City shall have the discretion to award on an "all or nothing" basis or to accept any portion of the items bid, excluding others, unless the bidder stipulates all or nothing on the bid.

#### 6.28 Standard Certificate of Award

6.28.1 A standard certificate of award, or in the case of a direct purchase, a purchase order will normally be mailed to the successful vendor.

#### 6.29 Rejection

6.29.1 No notice will be sent to unsuccessful bidders.

#### 6.30 Acceptance of Terms

6.30.1 Acceptance shall be expressly limited to the terms and conditions of the contract/bid prescribed by the City. All material alterations, additional terms, or different terms proposed by the bidder shall be and are rejected unless otherwise provided for in writing by the City.

## 6.31 Opening of Bids

6.31.1 Sealed bid proposals shall be received by the City to be opened at the advertised time, date, and location in the presence of the City and City Clerk or Clerk-designee. The City shall personally and publicly open all bids, including any amendments, and read them aloud. The City Clerk or Clerk-designee shall record each bid. The bid form may not be completed, signed, or amended after official opening time. The bids must remain under control of the City. The City shall be responsible for the safeguarding of the original bids until a record of the bids has been made.

6.31.2 The City Manager or his/her designee shall award the lowest acceptable bid proposal by entering into a lawful agreement with the awardee. In all awards where the City desires to waive a bid defect, award an alternative, declare a low bidder non-responsive, or award any bid in excess of \$25,000 the award shall be referred to the City Manager with a recommendation for award. All contracts in excess of \$25,000 shall be executed by the City Manager. Copies of all awards and reasons for not accepting low bids shall be forwarded to the City Council and the City Manager within 10 days of award.

## 6.32 Mistakes in Bid detected prior to Bid opening

6.32.1 Mistakes in bid opening may be corrected by bidder withdrawing the original bid and submitting a corrected bid to the City before the bid opening. If there is not sufficient time prior to bid opening to withdraw the original bid and submit a corrected bid, the bidder, or an authorized representative, may correct the mistake on the face of the original bid; provided, the official opening time has not yet been reached. A corrected bid must be stamped upon resubmission.

## 6.33 Mistakes in bid detected during or after bid opening

6.33.1 Bidder mistakes in a bid detected during or after bid opening may not be corrected. If the bidder submits evidence in writing satisfactory to the City Manager and to the City Attorney that a mistake has been made by the bidder in the calculation of its bid, the City Manager may allow the bid to be withdrawn; provided, that the claim of mistake and the evidence in support thereof must be made and provided within 3 business days after the bid has been opened. Compliance with this section within the specified time limit shall relieve the bidder of forfeiture of its bid bond if the City Manager and City Attorney approve the bid withdrawal.

## 6.34 Disclosure of bid information

6.34.1 After award, the bids of all bidders shall be opened to public inspection at the offices of the City during normal office hours. The City assumes no responsibility for the confidentiality of submitted bids.

## 6.35 Cancellation of invitation to bid or rejection of all bids

6.35.1 The City reserves the right to reject all bids, cancel an invitation to bid, or request for proposals, and/or call for new bids. Examples of reasons for cancellation of an invitation, or request or rejection of all bids shall include but are not limited to the following:

6.35.1.1 Inadequate or ambiguous specifications;

6.35.1.2 Specifications have been revised;

6.35.1.3 Supplies or services being processed are no longer required;

6.35.1.4 Lowest responsible bid deemed not best price obtainable;

6.35.1.5 Bids were not independently arrived at or were submitted in bad faith, i.e. price fixing;

6.35.1.6 A determination is made that all the necessary requirements of the bid process have not been met;

6.35.1.7 Insufficient competition;

6.35.1.8 Other indications that cancellation or rejection of all bids is clearly in the best interest of the City.

#### 6.36 Notice of Cancellation or rejection of bids

6.36.1 In the event of a cancellation of an invitation or a request, or in the event all bids are rejected, all participating bidders will be notified by mail.

#### 6.37 Performance Bond

6.37.1 When required in the bid solicitations, the successful bidder shall be required by the City to post a performance bond or a performance/payment bond. The bond shall be in a form acceptable to the City.

#### 6.38 Product Fitness

6.38.1 Vendor shall warrant that the articles supplied under the contract shall conform to the specifications and are fit for the purpose for which such goods are ordinarily employed.

#### 6.38 Price Escalation

6.38.1 Vendor shall not be entitled to a price escalation except where specifically provided for in writing in the contract.

#### 6.39 Change of product offered

6.39.1 A vendor shall not be allowed to substitute material, supplies, equipment, or services from that offered; provided, however, if the material supplies, equipment, or services offered are no longer available to the vendor for reasons beyond its control, the City may consider a request by the vendor for substitution. All such requests must be in writing, must set forth the reasons the product or service is no longer available, and if requested must be accompanied by samples, record of performance, certified copies of tests by impartial and recognized laboratories, and such additional data as the City may request. Samples and data shall be furnished sufficiently in advance to allow for investigation before a decision is made. If the change is approved, the vendor shall warrant that the substitute article is equal to or better than the specified article. If the change results in any cost savings to the vendor, the cost savings shall be reflected in full and a reduction in price to the City.

6.40 Authorization to implement procedures

6.40.1 The City Manager or his/her designee is authorized to promulgate and adopt rules and procedures for purchasing, leasing, and contracting for all supplies, materials, and equipment for all departments of the City, and the operation procedures of purchasing stores, supplies, and mail departments, and to implement such forms, processes, and procedures as necessary to comply with the provisions of this Policy.

6.41 Federal Grants, contracts, etc.

6.41.1 When using Federal funds, the purchase will be conducted with any Federal law that is applicable.

6.41.2 Nothing in this Policy will prevent the City from complying with the terms of any approved and accepted grant, gift, or bequest which is otherwise consistent with the law.

6.42 Used Equipment

6.42.1 Because the price of used equipment may be notably less than the price of new equipment, there may be times when it would be in the best interests of the City to purchase used equipment instead of new equipment. However, used equipment may vary substantially in terms of such things as present condition, maintenance requirements, warranties and remaining useful life. Therefore, the differences in price between different items of used equipment may not be as reliable or useful in determining the most advantageous purchase of such equipment. Accordingly, when the City is interested in purchasing used equipment, the City Manager or designee is authorized to negotiate the price for purchasing used equipment without having to utilize formal or informal competitive bid procedures; provided that the City Manager or designee shall identify, in writing, the factors and considerations that support the conclusion that the agreed price for the used equipment is a fair price, consistent with the expected value of the equipment to the City

6.43 City Manager Contract Authority

6.43.1 The City Manager shall have the authority to enter into and execute contracts for and on behalf of the City, for the purchase of property or procurement of services in furtherance of the programs of the City, without securing approval of or additional authorization from the City Council, where the total dollar amount of the contract, including addenda, does not exceed \$50,000.00; Provided that the City Manager is authorized to execute contracts in excess of \$50,000.00 without any further authorization where the funds and the subject matter of the contract were specifically provided for and approved in the City Budget for the year in which the contract is to be executed. It is further provided, however, that this authorization shall not be construed or interpreted to waive any bidding requirements or purchasing procedures except as specifically waived by the City Council.

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