

CLEARFIELD CITY ORDINANCE 2022-30

AN ORDINANCE AMENDING TITLE 2 OF THE CLEARFIELD CITY CODE

PREAMBLE: This Ordinance amends Title 2- Revenue and Finance, Chapter 3, Section 4 by adding a new Paragraph B and renumbering the subsequent paragraphs of that section.

BE IT ORDAINED BY THE CLEARFIELD CITY COUNCIL:

Section 1. Enactment:

Title 2, Chapter 3 – Revenue and Finance, Purchasing Policy is hereby amended to read as follows:

2-3-4: STANDARDS FOR PURCHASING:

- A. Budget Itemized Purchase Authority: For those purchases of supplies, equipment, professional services, consultants, and construction projects specifically included and detailed within the city’s lawfully adopted budget, the individual authorized purchasing authority is as follows:
1. Division Managers: A division manager that is designated by the department head and approved by the chief financial officer may authorize purchases up to **\$5,000**. Sufficient effort should be made on all purchases, regardless of cost, to determine the best value before any purchase is initiated.
 2. Department Heads: A department head that is designated by the city manager and approved by the chief financial officer may authorize purchases up to **\$25,000**. Sufficient effort should be made on all purchases, regardless of cost, to determine the best value before any purchase is initiated. A written agreement is required for contractual services or if the purchases require customization, have unique design criteria, or special terms and conditions.
 3. City Manager: The city manager, after providing notice of intent to the chief financial officer, may authorize purchases **over \$25,000**. Sufficient effort should be made on all purchases, regardless of cost, to determine the best value before any purchase is initiated. A written agreement is required for contractual services or if the purchases require customization, have unique design criteria, or special terms and conditions. Unless directed differently by the majority of the city council in a public meeting, the signature of the Mayor is required on all written agreements for contractual services over \$100,000.

- B. Minor Reallocations Within a Department: The city manager may reallocate up to \$10,000 of funding from an existing account or line-item to another within the same department in order to accommodate unanticipated and/or incidental purchases that are deemed imperative or advantageous to the City's operational needs, so long as the reallocation does not increase the total amount of the department's approved budget. The city manager may not combine or compound the reallocation of funding from existing accounts or line-items to another within the same department to exceed the aforementioned \$10,000 limit.
- C. Non-Budgeted Purchases: Except for incidental purchases consistent with regular operations and those limited unique circumstances outlined within this Chapter, no purchase shall be made for supplies, equipment, professional services, consultants, and construction projects not specifically included and detailed within the city's lawfully adopted budget.
- D. Bids Not Required for Certain Work: It is the policy of the city to reserve itself all legal prerogatives to perform services and work with its own personnel and equipment; therefore, nothing in this article shall be construed to require bids to be called for or contracts let for conducting, maintaining, or managing any department, business, or property of the city when it's in the public interest for the city to perform the work with its own personnel and equipment.
- E. Supplies and Equipment
1. Purchases of supplies, equipment, or contractual services of a value of **\$5,000 or less** may be made in the open market without formal bidding procedures and without a written agreement except as provided in this section. Sufficient effort should be made on all purchases, regardless of cost, to determine the best value before any purchase is initiated.
 2. Purchases of supplies, equipment, or contractual services of a value **greater than \$5,000 but less than \$100,000** requires at least three (3) written price quotes and shall be obtained prior to the purchasing of supplies, equipment, or contractual services. A record of all written quotes shall be attached to the purchase requisition. A written agreement is required for contractual services or if the purchases require customization, have unique design criteria, or special terms and conditions.
 3. Purchases of supplies, equipment, or contractual services of a value **greater than \$100,000** shall be awarded to the lowest responsible bidder as described in 2-3-7 of this chapter pursuant to the formal bidding procedures. A written agreement is required for contractual services or if the purchases require customization, have unique design criteria, or special terms and conditions. Unless directed differently by the majority of the city council in a public meeting, the signature of the Mayor is required on all written agreements for contractual services over \$100,000
 4. Value amounts used herein refer to both unit cost and combined multiple unit cost. The estimated value shall be determined by the department authorized signer, after review of the pertinent requisition and specifications, in order to determine the

applicable bidding procedure. The chief financial officer shall have the authority to waive the requirement to obtain written price quotes in such circumstances that are not cost effective or advantageous to the city.

F. Professional Services, Consultants and Construction Projects:

1. Contracts for professional services and construction projects estimated to value **\$50,000 or less** may be made in the open market without formal bidding procedures.
2. Contracts for professional services and construction projects estimated to value **greater than \$50,000 but less than \$100,000** require at least three (3) written price quotes and shall be obtained prior to beginning the project. A record of all written quotes shall be attached to the purchase requisition. A written agreement is required for contractual services.
3. Contracts for professional services and construction projects of a value **greater than \$100,000** shall be awarded to the lowest responsible bidder pursuant to the formal bidding procedures. A written agreement is required for contractual services or if the purchases require customization, have unique design criteria, or special terms and conditions. Unless directed differently by the majority of the city council in a public meeting, the signature of the Mayor is required on all written agreements for contractual services over \$100,000
4. Except for maintenance and improvement projects performed by city personnel, all construction projects estimated by the city engineer, or other appropriate party to have a value **more than \$100,000**, or where required by state law, shall be advertised for bid and awarded to the lowest responsible bidder as described in 2-3-7 of this chapter, pursuant to the procedure hereinafter prescribed. All such contract awards shall be made by written contract as provided in section 2-3-2, Contract Validity and Execution, and shall comply with the insurance and bonding provisions of this article. Unless directed differently by the majority of the city council in a public meeting, the signature of the Mayor is required on all written agreements for contractual services over \$100,000

- G. Refusal to Receive Bids: The city may preclude contractors or suppliers from submitting bids where said proposed bidder has not completely satisfied prior notices to comply with construction documents, drawings and/or other specifications, or has otherwise failed to perform any work for the city or the state in a timely or satisfactory manner. The contractor or supplier may appeal the city's decision to refuse bids from a specific contractor or supplier by filing a written notice of appeal within five (5) days of service of the notice of refusal. The appeal shall be filed with the chief financial officer. An informal administrative hearing shall be held within fifteen (15) days. The hearing shall be conducted and decided by the city manager and two (2) department heads. Their decision shall be final.

Section 2. Repealer: Any provision or ordinances that are in conflict with this ordinance are hereby repealed.

Section 3. Effective Date: This Ordinance shall become effective immediately upon its posting in three public places within Clearfield City.

DATED this 25th day of October, 2022, at the regularly scheduled meeting of the Clearfield City Council.

CLEARFIELD CITY CORPORATION

Mark R. Shepherd, Mayor

ATTEST

Nancy R. Dean, City Recorder

VOTE OF THE COUNCIL

AYE: Councilmembers Bush, Peterson, Phipps, Roper, Thompson

NAY: None