

ORDINANCE NO. _____

1 AN ORDINANCE amending Chapter 2.18 of the Lincoln Municipal Code by
 2 amending Sections 2.18.020 and 2.18.030 of the Lincoln Municipal Code to increase the
 3 allowed limit for purchase of supplies and equipment by departments without utilizing the
 4 Purchasing Division and the process provided therefor from \$500 to \$1,500; and repealing
 5 Sections 2.18.020 and 2.18.030 of the Lincoln Municipal Code as hitherto existing.

6 BE IT ORDAINED by the City Council of the City of Lincoln, Nebraska:

7 Section 1. That Section 2.18.020 of the Lincoln Municipal Code be amended
 8 to read as follows:

9 **2.18.020 Make All Purchases.**

10 It shall be the duty and function of the Purchasing Division to purchase and contract
 11 for all materials, parts, supplies, and equipment with an estimated cost of ~~\$500.00~~ \$1,500.00
 12 or more or for repairs of equipment and facilities with an estimated cost of \$4,000.00 or more
 13 for the City of Lincoln and each of its departments under the rules and regulations hereinafter
 14 enacted and established and subject to the approval of the Mayor.

15 Single purchases of materials, parts, supplies, and equipment with an estimated cost
 16 of less than ~~\$500.00~~ \$1,500.00, or repairs of equipment and facilities with an estimated cost
 17 of less than \$4,000.00 may be purchased directly by the using department, provided said
 18 items are not currently available through a city supply contract. At least three informal bids
 19 shall be obtained and recorded, and such purchases shall be awarded to the lowest

1 responsible bidder. Under no circumstances shall purchases be split into smaller purchases
2 to avoid any provision of this chapter.

3 Section 2. That Section 2.18.030 of the Lincoln Municipal Code be amended
4 to read as follows:

5 **2.18.030 Rules and Regulations.**

6 The following rules and regulations are hereby enacted and established for the
7 purchase of materials, parts, supplies, and equipment by the Purchasing Division:

8 (a) The Purchasing Agent shall make all purchases of materials, parts, supplies, and
9 equipment with an estimated cost of ~~\$500.00~~ \$1,500.00 or more hereby required to be made
10 by the Purchasing Division, and the Purchasing Agent shall sign all purchase orders. Except
11 as herein provided, it shall be unlawful for any city officer, officers, or employee to order or
12 purchase any supplies or equipment or make any contract within the purview of this chapter
13 other than through the Division of Purchasing, and any purchase or contract made contrary
14 to the provisions hereof shall not be approved by the city, and the city shall not be bound
15 thereby.

16 (b) All purchases with an estimated cost of ~~\$500.00~~ \$1,500.00 or more shall be
17 made upon the requisition of the department desiring the same. The Purchasing Agent may
18 purchase for stock on the basis of the total of such requisitions or upon estimates previously
19 filed. All departments shall file estimates of materials, supplies, and equipment required at
20 such times and in such manner as shall be determined and requested by the Purchasing
21 Division. The Purchasing Division shall examine each requisition or estimate and shall have
22 the authority to revise it as to quality, quantity, or estimate cost; but revision as to quality shall
23 be in accordance with the standards and specifications established pursuant to this chapter.

1 (c) The Purchasing Division, in cooperation with all officers of the several
2 departments, shall provide for the standardization of materials, supplies, and equipment in
3 accordance with the use of which the various articles are to be put and shall provide for
4 adequate specifications for materials, supplies, and equipment used in large quantities or in
5 common use by more than one department. The Purchasing Division shall, in addition to
6 other duties:

7 (1) act to procure for the city the highest quality in supplies and contractual
8 services at least expense to the city, and

9 (2) discourage uniform bidding and endeavor to obtain as full and open
10 competition as possible on all purchases and sales. All specifications shall be definite and
11 certain and shall permit competition.

12 (d) The Purchasing Agent may require bid security when necessary in the public
13 notices inviting bids. The Purchasing Agent shall return bid security to all unsuccessful
14 bidders where the Purchasing Agent has required such security. A successful bidder shall
15 forfeit any bid security required by the Purchasing Agent upon failure to enter into the related
16 contract within ten days after the award, or upon failure to deliver supplies and equipment in
17 keeping with specifications. The Purchasing Agent shall keep and maintain a bid security
18 record to account for all security bids and the disposition of same.

19 (e) The Purchasing Agent may provide for the creation of a store or stores to be
20 under his general direction, supervision, and control. Material, supplies, and equipment
21 placed in the store or stores so created as the Purchasing Agent may determine shall be issued
22 therefrom to departments on requisition and whenever so furnished shall be charged to the
23 department to which issued or delivered and entering same to the credit of the stores account.

1 The Purchasing Agent shall at all times keep a complete inventory of materials, supplies, and
2 equipment on hand.

3 (f) Any purchase calling for an expenditure involving more than \$10,000.00 shall
4 be entered into and authorized only in accordance with City of Lincoln Charter, Article VII,
5 Section 2.

6 (g) Competitive bidding shall not be required when unique or noncompetitive
7 articles are being purchased or when no bids have been received after following the formal
8 procedure or when professional services are being contracted for as determined by the
9 Purchasing Agent, pursuant to the provisions of City of Lincoln Charter, Article VII, Section 2.

10 (h) Advertisement for bids shall not be required for any purchase wherein the
11 probable expenditure shall not exceed \$10,000.00; but in such case, the Purchasing Agent
12 shall secure and record at least three informal bids, if practicable. If a department is making
13 a single item purchase under ~~\$500.00~~ \$1,500.00 or a repair under \$4,000.00, the department
14 shall secure and record at least three informal bids, if practicable.

15 (i) In all cases where bids are required and received, the Purchasing Agent shall
16 award the contracts and purchase orders to the lowest responsible bidder. If, however, the
17 Purchasing Agent believes the interests of the city could be best served by accepting other
18 than the lowest bid, the Purchasing Agent shall submit in writing as a part of the award the
19 reason for accepting such higher bid, and shall present a copy thereof to the Mayor. If the
20 Purchasing Agent finds that the public interest will be best served thereby, and with the
21 approval of the Mayor, the Purchasing Agent may reject any and all bids or parts of any bid
22 or bids upon any one or more articles embraced in any bid. All bidders shall seal and deliver
23 their bids to the Purchasing Agent, and the Purchasing Agent shall open all bids at an hour and

1 place which shall be stated in the advertisement for bids and in the presence of all bidders
2 who attend. Bidders may inspect the bids after reference to and tabulation by the Purchasing
3 Agent.

4 (j) In determining "lowest responsible bidder," in addition to price, the Purchasing
5 Agent or department shall consider:

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

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

10 (3) The character, integrity, reputation, judgment, experience, and efficiency
11 of the bidder;

12 (4) The quality of performance of previous contracts or services;

13 (5) The previous and existing compliance by the bidder with the laws and
14 ordinances relating to the contract or service;

15 (6) The sufficiency of the financial resources and ability of the bidder to
16 perform the contract or provide the service;

17 (7) The quality, availability, and adaptability of the supplies or contractual
18 services to the particular use required;

19 (8) The ability of the bidder to provide future maintenance and service for
20 the use of the subject of the contract;

21 (9) The number and scope of conditions attached to the bid.

1 (k) In case of low tie bids, all other things being equal, preference shall be given
2 in the following order. If more than one low tie bid in any category occurs, lots shall be
3 drawn.

4 (1) To those bidders who manufacture their products within the limits of the
5 City of Lincoln;

6 (2) To those bidders who manufacture their products within the limits of the
7 County of Lancaster;

8 (3) To those bidders who package, process, or through some other
9 substantial operation have employees and facilities for these purposes in the City of Lincoln;

10 (4) To those bidders who package, process, or through some other
11 substantial operation have employees and facilities for these purposes in the County of
12 Lancaster;

13 (5) To those bidders who maintain a bona fide business office in the City of
14 Lincoln, whose products may be made outside the confines of the County of Lancaster;

15 (6) To those bidders who maintain a bona fide business office in the County
16 of Lancaster, whose products may be made outside the confines of the County of Lancaster;

17 (7) To those bidders whose commodities are manufactured, mined,
18 produced or grown within the State of Nebraska and to all firms, corporations, or individuals
19 doing business as Nebraska firms, corporations, or individuals when quality is equal or better
20 and delivered price is the same or less than the other bids received; provided, however, the
21 above preferences shall not be given where the purchase is made in whole or in part with
22 federal funds and the applicable federal procurement regulations prohibit the giving of any

1 local preference, in which case, in the event of more than one low tie bid, the tie shall be
2 broken by the drawing of lots.

3 (8) To those bidders whose commodities are manufactured, mined,
4 produced or grown within the United States of America and to all firms, corporations, or
5 individuals doing business as firms registered in states other than Nebraska, when quality is
6 equal or better and delivered price is the same or less than the other bids received; provided,
7 however, the above preferences shall not be given where the purchase is made in whole or
8 in part with federal funds and the applicable federal procurement regulations prohibit the
9 giving of any local preference, in which case, in the event of more than one low tie bid, the
10 tie shall be broken by the drawing of lots.

11 (l) In case of actual emergency, and with the consent of the Purchasing Agent, the
12 head of any using agency may purchase directly any supplies whose immediate procurement
13 is essential to prevent delays in the work of the using agency. The head of such using agency
14 shall send to the Purchasing Agent a requisition and a copy of the delivery record, together
15 with a full written report of the circumstances of the emergency.

16 (m) The Purchasing Agent shall prescribe by rules and regulations the procedure
17 under which emergency purchases by heads of using agencies may be made.

18 (n) The Purchasing Agent shall have the authority with approval of the Mayor to
19 declare vendors who default on their bids and contracts irresponsible bidders and to disqualify
20 them from receiving any business from the municipality for a stated period of time.

21 (o) The Purchasing Agent shall have the authority to join with other units of
22 government in cooperative purchasing when the best interests of the city would be served
23 thereby; provided, however, such purchases shall be made to the extent possible by giving

1 notice and preference to qualified local bidders in accordance with the rules and regulations
2 established in this chapter and the policies of the Purchasing Division.

3 (p) The Purchasing Agent shall keep a commodity record showing commodities
4 purchased, from whom purchased, and the price paid.

5 Section 3. That Sections 2.18.020 and 2.18.030 of the Lincoln Municipal Code
6 as hitherto existing be and the same are hereby repealed.

7 Section 4. That this ordinance shall take effect and be in force from and after
8 its passage and publication according to law.

Introduced by:

Approved as to Form & Legality:

City Attorney

Staff Review Completed:

Administrative Assistant