

ORDINANCE NO. 1551

AN ORDINANCE OF THE CITY OF LAKE MARY, FLORIDA, AMENDING SECTION 31.01, PURCHASING, OF THE LAKE MARY CODE OF ORDINANCES FOR THE PURPOSE OF UPDATING THE CITY PURCHASING POLICY; PROVIDING FOR CODIFICATION, CONFLICTS, SEVERABILITY AND EFFECTIVE DATE.

WHEREAS, the City Commission of the City of Lake Mary, Florida, desires to update the City's Purchasing Policy to reflect current purchasing practices; and

WHEREAS, the City Commission hereby finds this Ordinance to be in the best interests of the public health, safety, and welfare of the citizens of Lake Mary; and

WHEREAS, words with single underlined type shall constitute additions and ~~strike through~~ shall constitute deletions to the original text from the language existing prior to adoption of this Ordinance.

NOW THEREFORE, IT IS HEREBY ENACTED BY THE CITY OF LAKE MARY AS FOLLOWS:

Section 1. Recitals. The foregoing recitals are hereby fully incorporated herein by this reference as legislative findings and the intent and purpose of the City Commission of the City of Lake Mary.

Section 2. Amendment to Section 31.01 of the City Code. That Section 31.01, "City Purchasing Policies" of Chapter 31, "City Finance" of the City of Lake Mary Code of Ordinances is hereby amended to read as follows:

§ 31.01 CITY PURCHASING POLICIESPOLICY.

(A) Purpose. The City of Lake Mary recognizes fair and open competition is a basic tenet of public procurement. Open competition reduces the appearance and opportunity for favoritism and inspires public confidence. This Purchasing Policy is to ensure fair, open and equitable treatment of all vendors and to provide guidance for the proper procurement of supplies and services for each department within the City. The primary purpose of this policy is to obtain the best quality material and/or services for the City's use while obtaining maximum value for the monies spent. Price may not be the sole consideration.

(A)(B) Definitions. The following definitions shall apply:

BEST VALUE. The highest overall value based on factors that include, but are not limited to, price, quality, design, and workmanship.

COMMODITY. Any of the various supplies, material, goods, merchandise, food, equipment, information technology, and other personal property, including a mobile home, trailer, or other portable structure that has less than 5,000 square feet of floor space, purchased, leased, or otherwise contracted for by the state and its agencies. The term also includes interest on deferred-payment commodity contracts approved pursuant to F.S. 287.063 entered into by an agency for the purchase of other commodities. However, commodities purchased for resale are excluded from this definition. Printing of publications shall be considered a commodity if procured pursuant to F.S. 283.33, whether purchased for resale or not.

COMPETITIVE SEALED BIDS or COMPETITIVE SEALED PROPOSALS SOLICITATION. Refers to the receipt of two or more sealed bids or proposals submitted by responsive and qualified bidders or offerers. The process of requesting and receiving sealed bids, proposals, or replies submitted by responsive vendors in accordance with the terms of a competitive process, regardless of the method of procurement.

CONTRACTOR. A person who contracts to sell commodities or contractual services to the city.

CONTRACTUAL SERVICES. The rendering by a contractor of time and effort rather than the furnishing of specific commodities excluding legal and special financial services. The term applies only to those services rendered by individuals and firms who are independent contractors, and such services may include, but are not limited to, evaluations; consultations; maintenance; accounting; security; management systems; management consulting; educational training programs; research and development studies or reports on the findings of consultants engaged thereunder; and professional, technical, and social services. The term does not include a contract for the furnishing of labor or materials for the construction, renovation, repair, modification, or demolition of a facility, building, portion of building, utility, park, parking lot, or structure or other improvement to real property entered into pursuant to F.S. Chapter 255 and rules adopted thereunder.

PURCHASING POLICY. The policy governing purchasing as adopted by the City Commission.

PURCHASING PROCEDURES AND PRACTICES. The procedures, practices, rules, regulations, or other administrative pronouncements which may be promulgated from time to time by the City Manager to implement and adhere to the purchasing policy.

(B)(C) Purchasing function and purchasing agent. The City Manager is designated as the Purchasing Agent. It is hereby established that the purchasing

function be provided by the Finance Department. In the absence of the Purchasing Agent, the Finance Director, or designee as approved by the City Manager, shall assume the responsibility and authority of the Purchasing Agent.

~~(C)~~(D) Department authority. The department head is hereby granted authority to purchase or contract for all commodities required by the city or other departments as approved by the City Manager under cooperative purchasing agreements. The department head shall insure that all purchasing policies, procedures and practices are followed.

~~(D)~~(E) Minimum standards.

(1) The following minimum standards are hereby established:

<i>Value of Purchase</i>	<i>Pricing Mechanism</i>	<i>Authority to Approve</i>
Under \$499.99	One verbal quote	Department head or designee as approved by City Manager
\$500–\$2,499.99	Three verbal quotes	Finance Director
\$2,500.— Category Two, F.S. § 287.017, as amended from time to time	Three written quotes	City Manager
Category Two, F.S. § 287.017, as amended from time to time, and over	Competitive sealed bid or request for proposal	City Commission

a. Purchases up to \$1,000.00. Requires the Department to obtain one (1) verbal quote and have true knowledge of the market pricing generally available. The Department head or designee has the authority to approve.

b. Purchases from \$1,000.01 up to \$5,000.00. Requires the Department to obtain a minimum of three (3) verbal quotes. The Finance Director has the authority to approve.

c. Purchases from \$5,000.01 up to the Category Two threshold amount established pursuant to F.S. § 287.017, as amended from time to time. Requires a minimum of three (3) written quotes from a minimum of three (3) competitive sources. The City Manager or designee has the authority to approve.

d. Purchases in excess of the Category Two threshold amount established pursuant to F.S. § 287.017, as amended from time to time and over must be competitively solicited and approved by the City Commission.

(2) The above-stated minimum standards shall be deemed satisfied and no further solicitation of bids or quotes is necessary if procurement is made pursuant to purchase contracts of the city, any other Florida municipality, a Florida county, the State of Florida, the United States General Services Administrations, or cooperative purchasing made up of any combination of the above, when such contracts are the result of a competitive bidding process.

~~(E)~~(F) Exceptions to minimum standards. When it is determined to be in the best interest of the city, the minimum standards contained in division ~~(D)~~E, above, may be waived on a case-by-case basis. Authority to waive the minimum standards is as follows:

(1) The City Manager may waive the minimum standards for any commodity or contracted service which does not exceed the Category Two threshold amount established pursuant to, F.S. § 287.017, as amended from time to time.

(2) The City Commission may waive the minimum standards for any commodity or contracted service.

~~(F)~~(G) Emergency purchase. Emergency procurement may be made upon the determination by the City Commission that the minimum standards contained in division ~~(D)~~E, above, must be suspended in order to protect the city's interests. The City Manager may also make emergency procurement on his or her own authority when, in his or her judgment, the city's interests would be adversely affected by the delay required to obtain City Commission approval. The City Manager shall report such emergency purchases to the City Commission at the next City Commission meeting.

~~(G)~~(H) Sole source purchase. "Sole source" procurements may be made upon approval of the City ~~Commission~~ Manager without complying with the minimum standards contained in division ~~(D)~~E, above, when only one vendor is able to provide products or services of adequate quality or in adequate quantity to meet the city's requirements, or where compatibility with existing systems requires procurement from a single source.

(I) Evaluated Source. Products or services may be purchased from a vendor without obtaining competitive prices when it has been determined that it is in the

best interest of the City to use that vendor. Documentation must be attached clearly defining why it is in the best interest of the City not to obtain quotes with each purchase and/or why this vendor is to be used when other vendors may supply their products at a lesser price. Proven quality differences and proximity of supplier are some examples of the reasons why a vendor may be declared an "Evaluated Source". The City Manager must give approval for the "Evaluated Source" designation. The "Evaluated Source" designation will expire one year after approval and may be renewed upon submission of a new request with documentation.

(H)(J) Award criteria.

(1) The quoted purchase price shall not be the sole criteria used in determining the award of a bid or proposal. Although in many cases a bid or service will be awarded to the bidder submitting the lowest numerical bid, the department head or City Manager is not by this section bound to award the purchase or services to the lowest proposal or to recommend the lowest numerical bidder, and the City Commission is not obligated to award the bid to the lowest numerical bidder. As a general standard, bids will be awarded to the bidder offering the product or service specified by the city at the lowest cost to the city, all other considerations being equal; and

(2) The term "cost", as used in this context, is not limited to initial purchase prices, but includes all costs required to procure a product and bring it to the condition and location necessary for its intended use, or to procure the scope and nature of services required to achieve the intended result. Where appropriate and feasible, "cost" may also include the present value of expected future maintenance, training, storage, transport and other costs that may reasonably be associated with the procurement and use of a product or service. In addition to cost, the City Manager may award or recommend bids based on an evaluation of the quality of the product or service proposed, the vendor's experience and dependability in providing similar products or services to the city and to other customers, and other factors having a bearing on the benefits the city can expect to receive from the product or service. Such evaluations shall be structured so as to provide reasonable assurance that a fair and equitable comparison of competing bids is made. However, it is recognized that in many cases it is impossible to reduce all factors to concrete or numeric measures, and the professional judgment of the City Manager and city staff will often be an important component of a bid evaluation. The disposition of bids is at the sole discretion of the City Manager, who may make bid awards when within his or her legal authority to do so, present a bid to the City Commission for approval, reject all bids, cancel a bid solicitation before or after the deadline for receipt of bids, or take other action that is consistent with law and in the best interest of the city.

(H)(K) Procedures and practices. The City Manager is hereby directed to establish a system, or amend the existing system, of uniform procurement procedures and practices to implement this policy. Additions, deletions or amendments to these procedures and practices shall be at the sole discretion of the City Manager.

~~(J)(L)~~ The monetary limits of purchasing authority specified herein are intended to be expressed in dollars of constant purchasing power, and may be increased or decreased ~~annually~~ by resolution of the City Commission to ~~reflect changes in the purchasing power of the dollar.~~

(M) Acquisition and disposal of real property will comply with F.S. § 166.045 and Article XII, Section 12.01 of the City's Charter. Procedures for the disposition of surplus tangible personal property shall be adopted by resolution.

Section 3. Codification. It is the intention of the City Commission that the provisions of this Ordinance shall become and be made part of the Code of Ordinances of the City of Lake Mary, Florida and the word "ordinance" may be changed to "section", "article", or other appropriate word or phrase and the sections of this Ordinance may be renumbered or re-lettered to accomplish such intention.

Section 4. Conflicts. All ordinances or resolutions or parts of ordinances or resolutions in conflict herewith are hereby repealed to the extent of any conflict.

Section 5. Severability. If any section, sentence, phrase, word or portion of this Ordinance is determined to be invalid, unlawful or unconstitutional, said determination shall not be held to invalidate or impair the validity, force or effect of any other section, sentence, phrase, word, or portion of this Ordinance not otherwise determined to be invalid, unlawful, or unconstitutional.

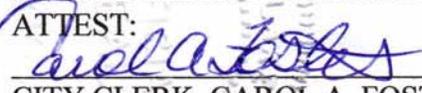
Section 6. Effective Date. This Ordinance shall take effect immediately upon passage and adoption.

PASSED AND ADOPTED this 3rd day of November, 2016.

FIRST READING: September 22, 2016

SECOND READING: October 3, 2016

ATTEST:


CITY CLERK, CAROL A. FOSTER

CITY OF LAKE MARY, FLORIDA

MAYOR, DAVID J. MEALOR

For the use and reliance of the City of Lake Mary only. Approved as to form and legal sufficiency.


CATHERINE REISCHMANN, CITY ATTORNEY

g:\docs\cities\lake mary\ordinances\purchasing policy\purchasing policy 9-14-16 final draft.docx