

Agenda Item: 3.a

Meeting Date: December 6, 2022

MEMORANDUM

To: City Commission

Date: 2022-11-21

From: Les Tyler, Director of Finance

Subject: Purchasing Policy Changes - Resolution 22-17

Presenter(s): Les Tyler, Finance Director and Chuck Ankney, Purchasing Agent

Recommend: Approve Resolution 22-17 Amending Purchasing Policy

Epic Goal(s): Enhance community relationship strategies that strengthen inclusiveness, respect, transparency and collaborative engagement.

Boards & Committees: Board of Finance

Budget Impact: N/A

Past Action: The City Commission approved Resolution 18-03 adopting the amended Purchasing Policy on February 27, 2018.

Next Action: N/A

Attachments: [Attachment A - Resolution 22-17 Adopting Amended Purchasing Policy and Procedure Manual.pdf](#), [Attachment B - Current Purchasing Policy and Procedure Manual with Edits.pdf](#),

Background: The City Commission approved the first Purchasing Policy and Procedure Manual (Purchasing Policy) in 1984. Since then, the City Commission has approved various changes to the Purchasing Policy. The most recent update occurred in 2018.

The attached Purchasing Policy incorporates all of the prior changes. In addition, it includes new requested changes. The new changes include the following;

- Currently, three quotes are required for purchases costing more than \$1,000. The proposed change is to increase this amount to \$2,500.
- Similarly, increases the maximum amount that may be purchased in a single transaction using the P-Card from \$1,000 to \$2,500.
- Currently, only one quote is required for purchases costing up to \$3,000 when an onsite visit from a contractor is necessary in order to provide a quote. The proposed change is to increase this amount to \$5,000. It is difficult for staff to get three contractors to provide quotes for small jobs. In addition, it requires significant staff time for a small amount of potential savings.
- Allows the City Manager/Purchasing Agent to authorize the repair of a piece of equipment with one quote when that piece of equipment must be sent to a repair facility to obtain a quote. This change only applies to repairs that do not exceed the bid limit (currently \$50,000).
- Clarifies the requirements to piggyback other agencies competitively awarded contracts as follows:
 - a. Said goods and/or services have been competitively bid by one of these other approved agencies in a manner consistent with the City's purchasing policies and procedures;
 - b. The original competitive procurement includes a provision allowing for other governmental entities to piggyback or purchase the goods and services and no exception was raised to this in the successful contractor's response;
 - c. The goods, services, supplies, materials, and/or equipment, unit prices and fees, and all terms and conditions being extended to the City are the same as competitively procured by the other governmental entity; and
 - d. The contractor executes a piggybacking agreement with the City in a form approved by the City Attorney.
- Changes the practice for the use of consultants under continuing contracts for professional services. Currently, the City requests qualifications submittals from three consultants and an Evaluation Committee evaluates those and recommends one to the City Commission for award of the work. The requested change will permit the Department Director to negotiate a scope and fee proposal from one qualified consultant. Once finalized the scope and fee proposal will be submitted to the City Commission for award of the work.
- Makes various procedural changes to the manual required by changes in processes related to the conversion of the City's financial software from Naviline to Tyler Munis.

The Purchasing Policy was submitted to the Board of Finance for review and comment during the October and November 2022 meetings. The Board of Finance approved the Purchasing Policy changes.

Staff recommends that City Commission approve Resolution 22-17 adopting

the Amended Purchasing Policy.