

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2014-03A

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AMENDING SITKA GENERAL CODE SECTIONS 3.16.030 ENTITLED "OPEN MARKET PROCEDURES", 3.16.060 ENTITLED "EXCEPTIONS TO COMPETITIVE BIDDING REQUIREMENTS", AND ADDING SECTION 3.16.080 ENTITLED "PROCUREMENT MONITORING"

1. **CLASSIFICATION.** This ordinance is of a permanent nature and is intended to become a part of the Procurement Policies and Procedures. This ordinance is intended to become a part of the Sitka General Code ("SGC").
2. **SEVERABILITY.** If any provision of this ordinance or any application to any person or circumstance is held invalid, the remainder of this ordinance and application to any person or circumstances shall not be affected.
3. **PURPOSE.** It is the intent of the City and Borough of Sitka Assembly to promote local procurement of goods and services whenever practical and in the best interest of the municipality. This ordinance aims to allow that approach.
4. **ENACTMENT.** NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that SGC Sections 3.16.030 and 3.16.060 are amended and SGC Section 3.16.080 is added to read as follows (new language underlined; deleted language stricken):

CHAPTER 3.16 PROCUREMENT POLICY

Sections:

- 3.16.010 Contract and purchase procedure.
- 3.16.020 Limitation on administrator's authority.
- 3.16.030 Open market procedures.
- 3.16.040 Advertising for bids and award to lowest bidder.
- 3.16.050 Processing of bids.
- 3.16.060 Exceptions to competitive bidding requirements.
- 3.16.070 Lowest responsive and responsible bidder.
- 3.16.080 Procurement Monitoring. [Reserved.]
- 3.16.090 [Reserved.]
- 3.16.100 Change orders—Administrator authority.
- 3.16.110 Competitive sealed proposals—Negotiated procurement.
- 3.16.120 Procurement policy procedure manual.

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3.16.030 Open market procedures.

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C. All purchases less than twenty-five thousand dollars shall be made on the open market with such competition as is reasonable and practical in the circumstances as long as by doing so, does not interfere with the ability of CBS to receive grants and other funding sources. It is the City and Borough of Sitka's intent to promote local purchases whenever the availability, quality, price and delivery is:

1. Within a 4% advantage to what is available outside the municipality for purchases under \$2,500; and

2. Within a 2% advantage to what is available outside the municipality for purchases \$2,500 and above.

Prior to making any purchases that fall within this section, the City and Borough of Sitka will request bids from local vendors. Bids will be posted and received through an electronic bidding system. The electronic bidding system shall establish a list of registered local vendors and addresses. The registered vendors will be electronically notified and requested to submit their electronic bid as specified.

3.16.060 Exceptions to competitive bidding requirements.

Unless otherwise authorized by law, all procurement actions shall be by competitive bidding. The following is a list of authorized exceptions describing situations in which competitive bidding is not practicable required:

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B. Small procurement, below two hundred fifty ten thousand dollars.

C. Emergency ~~Procurement~~ acquisitions approved by the department head.

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J. Sole-Source Procurement.

1. Procurement resulting from competitive sealed proposals as defined in Section 3.16.110.

2. Placement of insurance coverage as defined in this chapter.

3. Contracts for electronic data processing and system control software and hardware systems and other software systems shall be by professional services contract; provided, however:

a. To be exempt from competitive bidding the service in question must be truly a "system" which is professionally designed.

b. The purchase of hardware which is not an inextricable part of the system and can be bid separately shall be competitively bid.

c. Software and systems readily available on the open market (i.e., Windows 95) are not subject to this exception. Competition will be sought to the maximum extent practicable.

4. Sole-source justified procurement.

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3.16.080 Procurement Monitoring.

CBS purchases covered under this chapter will be tracked by zip code and a local purchase report included in quarterly financial reports to the Assembly.


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5. **EFFECTIVE DATE.** This ordinance shall become effective the day after the date of its passage.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska this 28th day of February, 2014.


Mim McConnell, Mayor

ATTEST:


Colleen Ingman, MMC
Municipal Clerk