

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2018-50

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AMENDING TITLE 3 "PROCUREMENT POLICY" OF THE SITKA GENERAL CODE BY MODIFYING CHAPTER 3.16 "PROCUREMENT POLICY" SECTION 3.16.060 "EXCEPTIONS TO COMPETITIVE REQUIREMENTS"

1. CLASSIFICATION. This ordinance is of a permanent nature and is intended to become a part of the Sitka General Code.

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 circumstance shall not be affected.

3. PURPOSE. The purpose of this ordinance is to amend section 3.16.060 "Exceptions to competitive requirements" under Chapter 3.16 in Title 3 of the Sitka General Code. As recommended by the City and Borough Auditors, revisions to this section will ensure full compliance to federal regulations regarding procurement.

4. ENACTMENT. NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that the Sitka General Code Title 3, Chapter 3.16, is amended by revising section 3.16.060, to read as follows (deleted language stricken, new language underlined):

Title 3 PROCUREMENT

Chapters:

3.16 Procurement policy

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Chapter 3.16 PROCUREMENT POLICY

Sections:

<u>3.16.010</u>	Contract and purchase procedure.
<u>3.16.020</u>	Limitation on administrator's authority.
<u>3.16.025</u>	Purchase splitting.
<u>3.16.026</u>	Types of vendor solicitations.
<u>3.16.027</u>	Alternative contracting methods.
<u>3.16.030</u>	Purchases or contracts exceeding fifty thousand dollars.
<u>3.16.031</u>	Purchases or contracts from twenty-five thousand to fifty thousand dollars.
<u>3.16.032</u>	Purchases or contracts of less than twenty-five thousand dollars.
<u>3.16.040</u>	Advertising.
<u>3.16.050</u>	Processing of bids.
<u>3.16.060</u>	Exceptions to competitive requirements.
<u>3.16.070</u>	Lowest responsive and responsible bidder.
<u>3.16.080</u>	[Reserved.]

<u>3.16.090</u>	[Reserved.]
<u>3.16.100</u>	Change orders—Administrator authority.
<u>3.16.110</u>	[Reserved.]
<u>3.16.120</u>	Procurement procedure manual.

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3.16.060 Exceptions to competitive requirements.

A. Unless otherwise authorized by law, all procurement actions shall follow a competitive process. The following is a list of authorized exceptions which can be approved by department heads based on approval authority describing situations in which a competitive process is not required:

- A. 1. Negotiated procurement following unsuccessful efforts to obtain a qualified bid through competitive bidding.
- B. 2. Small procurement, below two thousand five hundred dollars.
- C. 3. Emergency acquisitions approved by the administrator or department head based on authorization limits.
- D. 4. Procurement of consultant and technical services.
- E. 5. Procurement of real estate.
- F. 6. [Reserved].
- G. 7. Interagency agreements.
- H. 8. Utilization of state or local government contracts.
- I. 9. Specialized equipment where standardization is a primary criteria.
- J. 10. Sole-Source Procurement.

1. a. [Reserved].

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

3. c. 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. i. To be exempt from competitive bidding the service in question must be truly a "system" which is professionally designed.
- b. ii. The purchase of hardware which is not an inextricable part of the system and can be bid separately shall be competitively bid.

- e. iii. Software and systems readily available to the open market (e.g., computer operating systems) are not subject to this exception. Competition will be sought to the maximum extent practicable.

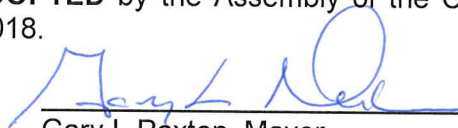
4. d. Best interest of the city and borough.

B. The provisions of Section 3.16.060 (A) notwithstanding, all procurement actions utilizing federal support or funding, which are subject to the procurement standards outlined in applicable federal regulations, will comply with those procurement standards in all respects except in cases where city and borough procurement code is stricter than applicable federal regulations. In such a case, the code must be followed. The administrator shall ensure that sufficient documents and records required by applicable federal regulations are retained in order to detail all procurements utilizing federal support or funding.

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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 23rd day of October, 2018.



Gary L Paxton, Mayor

ATTEST:



Sara Peterson, MMC
Municipal Clerk

1st reading 10/9/18

2nd and final reading 10/23/18

Sponsor: Administrator