

ORDINANCE NO. 21-24

AN ORDINANCE OF THE CITY OF RICHMOND, KENTUCKY AMENDING THE CITY PURCHASING POLICY TO BRING IT INTO CONFORMITY WITH A REVISION TO THE KENTUCKY STATUTES

WHEREAS, the City has enacted a purchasing policy, a policy which has been amended from time to time since its enactment, and, as the result of an amendment to the statutory law governing purchasing by a Kentucky municipality, the Board of Commissioners finds it necessary to again amend that policy, as is set forth below;

NOW, THEREFORE, BE IT ORDAINED that:

SECTION II: Procurement Procedure, Subpart 3 and 4 of the City's existing purchasing policy is hereby amended to read, in its entirety, as follows:

“3. All purchases of value in excess of ~~twenty thousand dollars (\$20,000)~~ thirty thousand dollars (\$30,000) shall be made through formal bidding procedures as provided in KRS 424.260.”

4. Purchases of value between five hundred dollars (\$500.00) and ~~twenty thousand dollars (\$20,000.00)~~ thirty thousand dollars (\$30,000) shall be made if practical utilizing a formal request for proposal procedure.

SECTION IV: Invitation for Bids (IFB) and Request for Quotations (RFQ)

In accordance with KRS 424.260, when the cost of a contract, lease or the agreement for materials, supplies, equipment or contractual services other than profession exceeds ~~twenty thousand dollars (\$20,000.00)~~ thirty thousand dollars (\$30,000) an Invitation for Bids (IFB) notices will be prepared by the City Manager. This notice will be published in at least one official newspaper of general circulation within the community. This newspaper notice must appear not less than seven (7) days and not more than twenty-one (21) days before the due date for bid proposals. The IFB will include a general description of the items to be purchased, the bid deposit and performance bond required (if applicable), shall state where bid forms and specification may be secured, the time and place for opening bids and whether the bid award will be made on the basis of the lowest bid price or the lowest evaluated bid price. If lowest evaluated stated in the IFB. The City Manager may also solicit sealed bids from responsible perspective suppliers by sending them a copy of such notice.

Sealed bids will be opened in public at the time and place stated in the IFB's. The bids will be tabulated by the City Manager at the time of the bid opening. (See Appendix B, Bid Tabulation Form). The results of the tabulation and the bid material will be examined by the City Commission and the decision of to whom the contract shall be awarded will be made by the City Commission. A tabulation of all bids received will be kept by the City Clerk and will be a matter of public record. After the bid award is made by the City

Commission, a purchase order and /or contract shall be prepared for execution by the successful bidder. After the purchase order is issued and/or the contract signed, all bid deposits will be returned (if applicable) to all unsuccessful bidders.

The City may cancel an Invitation for Bid or reject all bids if it is determined in writing that such is in the best interest of the City. The City may allow a vendor to withdraw a bid if requested, at any time prior to the bid opening. Bids received after the time set for bid opening shall be returned to the vendor unopened.

Purchases of supplies, equipment, and services of less than ~~twenty thousand dollars (\$20,000.00)~~ thirty thousand dollars (\$30,000) but of five hundred dollars (\$500.00) or more will require Request for Quotations (RFQ). RFQ's are similar to IFB's except that legal advertisement is not required, and detailed specifications may not be appropriate. At least two written responses from RFQ's or a statement of why two are not available, must accompany a Purchase Order.

Purchases of less than five hundred dollars (\$500.00) will be made in the open market without necessary resort to IFB's or RFQ's. Every effort will be made, however, to get the lowest and best price and to share the business among responsible vendors.

SECTION V: Negotiation, subsection Negotiations After Sealed Bids.

In an emergency situation, the City Manager shall certify that an emergency exists and a copy of the certification shall be filed with the City Clerk. For purchased under B, C, D above, the City Manager shall proceed to negotiate with one or more suppliers in order to obtain the most advantageous terms for the City. If the purchase exceeds ~~twenty thousand dollars (\$20,000.00)~~ thirty thousand dollars (\$30,000), the City Manager shall submit a recommendation for contract award to the City Commission.

Except as amended as set forth above, the existing purchasing policy shall remain in full force and effect in accordance with its present tenor.

This Ordinance shall take effect immediately upon its adoption following second reading, and publication in accordance with the requirements of applicable law.

DATE OF FIRST READING: September 28, 2021
MOTION BY: Commissioner McDaniel
SECONDED BY: Commissioner Brewer

DATE OF SECOND READING: October 12, 2021
MOTION BY: Commissioner McDaniel
SECONDED BY: Commissioner Arnold

VOTE

Commissioner Arnold
Commissioner Brewer
Commissioner McDaniel
Commissioner Newby
Mayor Blythe

YES


X
X
X
ABSENT
X

NO



Mayor Blythe

ATTEST:



City Clerk

APPROVED AS TO FORM:



City Attorney