Introduced: October 3, 2022 Adopted: November 10, 2022 Effective: December 9, 2022

# CITY OF CHARLOTTE ORDINANCE NO. 2022-07

AN ORDINANCE TO AMEND CHAPTER 2 - ADMINISTRATION - OF THE CODE OF THE CITY OF CHARLOTTE BY AMENDING ARTICLE V – FINANCE, DIVISION 3 PURCHASING, CONTRACTING AND SELLING PROCEDURES.

Councilmember Dyer moved that the following ordinance be adopted:

#### THE CITY OF CHARLOTTE ORDAINS:

**SECTION 1. PURPOSE.** The purpose of this ordinance is to update the provisions of the City Ordinance related to procurement.

# SECTION 2. DIVISION 3. PURCHASING, CONTRACTING AND SELLING PROCEDURES of Article V of Chapter 2 shall be amended as follows:

## § 2-176 DEFINITIONS.

**AGENT**. The Clerk, Deputy Clerk or any other officer or employee designated by the City Manager to act as purchasing agent.

**CONTRACT.** Includes contracts for services, subject to the exclusion mentioned in this division, and shall include any type of service, leases for grounds, buildings, offices or maintenance of equipment, machinery and other city-owned personal property.

**LOWEST COMPENTENT BIDDER.** In determining the lowest competent bidder, and in addition to price, the purchasing agent shall consider the following, as applicable:

- The ability, capacity, and skill of the bidder to perform the contract or provide the service required;
- The ability to perform the contract or provide the service promptly, within the time specified;
- The character, integrity, reputation, judgement, experience, and efficiency of the bidder;
- The quality of performance of previous contracts or services;
- The compliance by the bidder with laws and ordinances related to the contract or service;
- Demonstration of financial resources sufficient to perform the contract or service;
- Quality and availability of the supplies or services;

- Ability of the bidder to provide future maintenance and service; and/or
- The number and scope of conditions of the bid.

#### § 2-178 GENERAL PURCHASING POLICY.

- (B) Formal sealed bids shall be obtained in all transactions involving the expenditure of \$10,000 or more or such other amount which may be established by the Council by resolution.
  - (E) Competitive bidding may not be required in the following cases:
- (1) Where the subject of the contract is other than a public work or improvement; the product, material, or services contracted for is not competitive in nature or no advantage to the city would result from requiring competitive bidding; and the Council authorizes execution of a contract without competitive bidding;
- (2) Where the city elects to do, with city forces, work suitable for contracting, provided such work is authorized by the Council;
  - (3) In purchasing any type of insurance coverage.

# § 2-179 PURCHASES OR CONTRACTS UNDER \$10,000.

- (A) Purchases of supplies, materials, services, or equipment, the cost of which is less than \$10,000 or such other amount which may be established by the Council by resolution, may be made in the open market by the purchasing agent, but such purchase shall be based on competitive prices and shall be awarded to the lowest competent bidder, except as otherwise provided in this section.
- (B) The agent shall solicit prices in accordance with the City's Purchasing Manual.
- (C) If the purchase is not made from the lowest bidder, a statement of the reasons for placing the order with a higher bidder shall be prepared by the agent, provided that when the amount of the transaction shall be \$2,500 or more or such other amount which may be established by the Council by resolution, the agent shall report such purchase to the Council with a copy of the required statement.

## § 2-180 PURCHASES OR CONTRACTS OVER \$10,000.

(A) Any expenditure for supplies, materials, services, equipment, construction projects or contracts obligating the city, where the amount of the city obligation is in excess of \$10,000 or such other amount which may be established by the Council by resolution, must be approved by the Council.

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(B) Sealed bids shall be requested by the purchasing agent by electronically noticing the request, mailing a copy of the specifications or requirements to such qualified vendors as may be known, and by posting a copy of the request in the City Hall.

## § 2-182 EMERGENCY PURCHASES.

In an emergency or an apparent emergency endangering the public peace, health or safety of the city, the purchasing agent, the Manager or any department head may purchase directly any supplies, materials or equipment which he deems immediately necessary upon approval by the City Manager. The Manager shall advise the Council of the purchase no later than the next regular meeting of the Council.

## § 2-184 SALE OF PERSONAL PROPERTY.

- (A) Whenever any city personal property is no longer needed for corporate or public purposes, the property may be offered for sale in accordance with the restrictions established in Charter, § 15.2 and in accordance with the adopted Purchasing Manual.
- (B) The purchasing agent, City Manager, or designee shall have the authority to initiate the disposal of obsolete or excess materials or equipment.
- (E) City Council approval is required prior to disposal if the estimated value of the materials or equipment is greater than \$10,000.

### § 2-185 SALE OF REAL PROPERTY.

Whenever any city real property or utility plant is no longer needed for corporate or public purposes, the property may be offered for sale in accordance with the restrictions established in Charter, § 8.24, 14.12, and 15.3 (B)

**SECTION 3. SEVERABILITY.** If any section, clause or provision of this Ordinance shall be declared to be inconsistent with the Constitution and laws of the State of Michigan and voided by any court of competent jurisdiction, said section, clause or provision declared to be unconstitutional and void shall thereby cease to be a part of this Ordinance, but the remainder of this Ordinance shall stand and be in full force.

**SECTION 4. SAVING CLAUSE.** All proceedings pending and all rights and liabilities existing, acquired or incurred at the time this Ordinance takes effect are saved and may be consummated according to the law when they were commenced.

**SECTION 5. REPEALER.** Any Ordinance conflicting with this Ordinance be and the same is hereby repealed.

**SECTION 6. EFFECTIVE DATE.** This ordinance shall become effective 20 days after publication.

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Second, Chin. Carried. (7) Yeas. (0) Nays. (0) Absent.

Michael Armitage, Mayor

Mary LaRocque, City Clerk

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