

ORDINANCE NO. 1999-10

AN ORDINANCE ESTABLISHING PURCHASING RULES
FOR THE TOWN OF CLOVERDALE

WHEREAS, I.C. 5-22 (the "Act") applies to every expenditure of public funds by a governmental body unless indicated otherwise in the Act;

WHEREAS, the Town of Cloverdale (the "Town") is a governmental body under the Act; and

WHEREAS, the Act requires the Town to establish and adopt certain purchasing rules, policies and ordinances so as to comply with recent changes in purchasing laws.

NOW THEREFORE be it ordained by the Town of Cloverdale, Indiana:

A. Purchasing Authority.

1. The Purchasing Agency for the Town of Cloverdale shall be the Cloverdale Town Board (the "Town Board"), which shall have all of the powers and duties authorized under the Act, as may be supplemented from time to time by ordinance or policies adopted by the Board, to make purchases on behalf of the Town. The Town Board shall act as the Purchasing Agency for every agency, board, office, branch, bureau, commission, council, department or other establishment of the Town. The Town Board may make purchases pursuant to any procurement method allowed under the Act, or as otherwise provided by law.

2. The following are Purchasing Agents and their purchasing authority, as designated by the Purchasing Agency. All purchases made by Purchasing Agents must be in conformance with the Act and these rules. Town Board approval is not required for purchases made within these limits.

<u>Agent</u>	<u>Expenditure limit</u>
Utility Manager	\$500.00
Sewage Plant Foreman	\$250.00
Water Plant Foreman	\$250.00
Distribution Foreman	\$250.00
Chief of Police	\$250.00
Deputy Chief of Police	\$250.00
Clerk-Treasurer	\$250.00

~~Administrative Assistant~~

\$100.00

In addition, the City Engineer shall serve as a purchasing agent, but may not make any purchases without Clerk-Treasurer and Town Board approval.

B. Approvals.

1. Clerk-treasurer. Prior to any purchase, repair or other expenditure of funds, regardless of the amount, the Purchasing Agent must submit a Request/Approval Form (Attachment A) to the Clerk-Treasurer and obtain a written determination that there are sufficient funds available in the appropriate account. In the case of denied requests, the Clerk-Treasurer shall state the reason for denial and the appropriate action the Purchasing Agent should take, if any, for future consideration.

2. Town Council Approval.

a. All purchases, repairs or expenditures exceeding the limits described in section A.2, above, must be submitted for approval by the Town Board. The Request/Approval Form must be submitted to the Clerk-Treasurer at least five days prior to the next Town Board meeting. The Clerk-Treasurer will distribute copies of the form in the mailboxes of the Town Board members. Once approved by the Town Board, the agent may proceed in procuring the goods and services under section C, below.

b. The Town Board will consider in the same format as purchases, changes in operational procedures to the department which will incur additional budgetary and appropriation expenses.

c. All requests which are submitted relating to the addition of Town-owned facilities and buildings shall be submitted in the proposal format and supported by written justification. Any such justification shall contain an estimate of engineering costs when such services are required.

3. Emergencies. Purchases may be made by town employees without prior Clerk-Treasurer and/or Town Board approval in emergency situations requiring repairs to key system components that, if not repaired, would be detrimental to town employees or the public. In such a case, an employee shall notify his/her

department manager immediately. The department manager shall immediately notify the Clerk-Treasurer of the emergency situation.

C. Procedures

1. Small purchases. Purchasing Agents may make purchases for work-related goods or supplies under \$250.00 without receiving quotes. Purchasing Agents must solicit at least three (3) "not to exceed" quotes for all purchases of goods or services between \$250.00 and \$75,000.00, unless purchased under another applicable method described herein or otherwise allowed by law. The Purchasing Agent may designate for each procurement whether quotes must be received by telephone or in writing. All quotes must be recorded on the appropriate form. Award of contract shall be to the lowest responsible, responsive bidder.

The Purchasing Agency may purchase supplies with an estimated cost of less than \$25,000 on the open market without inviting or receiving quotes. For purchases between \$25,000 and \$75,000, three quotes must be received as outlined in the paragraph above.

3. Over \$75,000. For purchases over \$75,000, the Town Board may make purchases using one of the following methods:

a. Invitation For Bids. An Invitation For Bids may be issued by any Purchasing Agent and shall comply with the requirements contained in I.C. 5-22-7. A Checklist For Invitation For Bids form (Attachment B) must be completed by the person issuing the Invitation for Bids. Bids must be opened publicly at the time and place designated in the invitation for bids, unless the bid opening is delayed. After opening the bids, the purchasing agent must submit a written recommendation for award, along with a Bid Record For Invitation For Bids form (Attachment C) to the Town Board for approval or rejection.

b. Request For Proposals. A Request For Proposals may be issued only in the event that the Purchasing Agent makes a written determination that the use of an Invitation For Bids is either not practicable or not advantageous to the Town. Request for proposals shall comply with the requirements contained in I.C. 5-22-9. The Request For Proposals shall be issued by a Purchasing Agent. Proposals must be opened so as to avoid disclosure of the contents to competing offerors during the process of negotiations, and

shall be evaluated by the purchasing agent and his/her designees. A written recommendation for award of contract shall be submitted to the Town Board for approval or rejection. A Register of Proposals (Attachment D) must be maintained by the Purchasing Agent.

4. Special Purchases. A special purchase for goods or supplies, specifically described in I.C. 5-22-10 may be made without soliciting bids or proposals, provided that it is made with such competition as is practicable under the circumstances. The Purchasing Agent shall submit a written recommendation to the Town Board describing the basis for the award of contract. The Town Board may choose to accept the recommendation and award the contract, or may reject the recommendation. The Purchasing Agent shall maintain the contract records for a Special Purchase in a separate file, which contains a written determination of the basis of the Special Purchase (Attachment E) and other related information.

5. Services. Services may be purchased in whatever manner the purchasing agency or purchasing agent deems reasonable under the circumstances. It is not necessary to obtain quotes for the purchase of services; however, the purchasing agent shall include a written determination in the purchasing file describing why a particular vendor was chosen to perform the service.

6. Emergencies. For emergency purchases, a Purchasing Agent shall do the following:

a. Determine if the item is covered by an active warranty program. If the warranty is active, contact the supplier/manufacturer for directions.

b. If the warranty has expired, determine if goods or services are covered by a previously contracted repair facility or service organization. If so, contact that facility or organization for directions.

c. If neither of the above apply, arrangements may be made to make the purchase with as much competition as is practicable under the circumstances.

D. General.

1. Non-Collusion Affidavit. A Non-Collusion Affidavit

(Attachment F) must be filed by each offeror prior to the award of any contract.

2. **Correction and Withdrawal of Bids.** An offeror may correct inadvertent errors in a bid up to the time at which bids will be opened by supplementing the erroneous bid or submitting a revised bid. A bidder may not supplement an inadvertently erroneous bid after the time at which the bids were opened.

A bidder may withdraw a bid containing inadvertent errors up to the time at which bids will be opened and for a period of not more than twenty-four (24) hours after the time at which the bids were opened.

3. **Supplies manufactured in the United States.** Supplies manufactured in the United States shall be specified for all purchases and shall be purchased unless the Town determines that:

- a. the supplies are not manufactured in the United States in reasonably available Quantities;
- b. the price of the supplies manufactured in the United States is substantially less than the quality of comparably priced available supplies manufactured elsewhere; or
- c. the quality of the supplies manufactured in the United States is substantially less than the quality of comparably priced available supplies manufactured elsewhere; or
- d. the purchase of supplies manufactured in the United States is not in the public interest.

4. The Purchasing Agency or a Purchasing Agent may amend any solicitation, including all deadlines, at any time prior to contract award, so long as such amendment is not prejudicial to the interest of the bidders.

5. **6.** A Purchasing Agent or the Purchasing Agency is under no obligation to award a contract, and may reject any or all bids or may cancel a purchase solicitation at any time, at its discretion, when it makes a written determination that it is in the Town's best interests.

6 7. Notices. All notices required for invitations for bids, requests for proposals or requests for specifications shall be published in accordance with Indiana Code 5-3-1 in the Banner Graphic and posted at the Cloverdale Town Hall.

7 8. Questions. Any questions pertaining to purchasing should be directed to the Clerk-Treasurer.

Approved and Adopted by the Town Board of the Town of Cloverdale, Indiana, the 13 day of December, 1999.

CLOVERDALE TOWN COUNCIL

Lonnie Brumfield
Lonnie Brumfield, Member

Bryce P. Jones
~~Maurice Mann, Member~~

Bryce Jones
~~Maurice Mann~~
Bryce Jones, Member

Maurice Mann
Maurice Mann

Ann McCammack
Ann McCammack, Member

Dan Johnson
Dan Johnson, President

ATTEST:

Patti Truax
Patti Truax, Clerk-Treasurer