# PURCHASING POLICY ORDINANCE NO. 140:00

AN ORDINANCE TO ESTABLISH A PURCHASING POLICY REGULATING THE MANNER IN WHICH PURCHASES ON BEHALF OF THE CITY OF BIWABIK MAY BE MADE.

The City of Biwabik does ordain:

Section 1. Purchasing agent. The City Administrator shall serve as the chief purchasing agent of the City. He shall have authority to delegate his powers to the City Department Heads and Supervisors for items directly under their control. All purchases for the City and all contracts shall be let by the purchasing agent when the amount of the purchase or contract does not exceed $1,000.00. Purchases or contracts over $1,000.00 in value shall be let or made by the City Council after recommendation by the purchasing agent.

Section 2. Emergency purchasing. When an emergency occurs that may imperil the public safety, health and welfare a department head/supervisor may make a necessary emergency purchase not in excess of $1,000.00 and report the purchase or service contracted for in writing to the purchasing agent within 24 hours. The reasons for such a purchase will be included for follow up approval.

Section 3. City employee purchasing. Other than emergency purchasing, no city employee is empowered; unless so designated by the chief purchasing agent; to order, sign any order, or give any receipt for materials except as the same has been authorized by purchase order. Purchase order is signed by the chief purchasing agent. Failure to follow this policy requires the employee to become personally liable for any and all costs incurred therein.

Section 4. Purchases and contracts over $1,000 but not over $10,000. Purchases or contracts may be approved by the City Council upon the recommendation of the purchasing agent in the manner of purchasing deemed most favorable to the interests of the City by the City Council. Methods to be used may include negotiation, quotes or formal bids and the purchasing agent shall be responsible for preparation of specifications and the advertisement therein. Award would be to the lowest responsible bidder.

Section 5. Purchases and contracts of $10,000 but not over $15,000. Purchases or contracts may be approved by the City Council upon the recommendation of the purchasing agent in the manner of purchasing deemed most favorable to the interests of the City by the City Council. Methods to be used shall include quotes or formal bids as allowed by Minnesota Statute 471.345 and the purchasing agent shall be responsible for preparation of specifications and the advertising therein. Award would be to the lowest responsible bidder.

Section 6. Purchases and contracts of $15,000 or over. Purchases or contracts may be approved by the City Council upon the recommendation of the purchasing agent in the manner of purchasing deemed most favorable to the interests of the City by the City Council. Methods to be used shall include formal bids as allowed by Minnesota Statute 471.345 and the purchasing agent shall be responsible for preparation of specifications and the advertising therein. Award would be to the lowest responsible bidder.

Section 7. Purchasing procedures. All purchases and contracts in an amount of more than $1,000 shall where practical, be based upon specifications, a copy of which shall be filed in the City Offices and open to the public for inspection. The notice inviting bids shall be published in the official newspaper. In addition the purchasing agent may publish in trade publications and may extend invitations to bid to prospective bidders at his discretion. Bids shall be received by the City Offices to be publicly opened at the time and place designated in the notice or default to the City Council Chambers. The purchasing agent or his designee is to be present at all bid openings.

Section 8. Award recommendations. The purchasing agent shall recommend to the City Council which bid in his opinion is the lowest responsible bid. The Council shall determine the most advantageous quote or bid for the City and shall accept such quote or bid. The City Council reserves the right to accept or reject any or all of the quotes or bids and may waive informalities in the quotes or bids.

Section 9. Purchasing guidelines. At least three competitive prices shall be solicited. When feasible quotations or bids shall be based on plans and specifications. Competition shall be upon common merchandise, conditions or services so as to foster the competition. Purchase orders shall be used for all purchases where practical and must be authorized and signed by the chief purchasing agent in compliance with this ordinance.

Section 10. Effective date of this ordinance. The effective date of this ordinance is January 1, 1988.

BY Robert G. Woods
Robert G. Woods, Mayor

ATTEST Garrison L. Hale
Garrison L. Hale, Administrator

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