Prepared by: Clerk/Finance Requested by: Administration Introduced: October 9, 2000

Public Hearing: October 23, 2000 Adopted: October 23, 2000

Vote: Unanimous

CITY OF WASILLA ORDINANCE SERIAL NO. 00-57

AN ORDINANCE OF THE WASILLA CITY COUNCIL AMENDING WMC 6.24.050, COMPETITIVE BIDS.

BE IT ENACTED:

* Section 1. Classification. This ordinance is of a general and permanent nature and shall become part of the city code.

* Section 2. Amendment of section. WMC 6.24.050, Competitive Bids, is amended to read as follows:

(A) [IN THE MANNER PROVIDED IN THIS SECTION AND UNDER THE RULES AND REGULATIONS ESTABLISHED UNDER IT:

(1)]A contract for construction and repairs, or a purchase of and a contract for supplies, materials, equipment and contractual services must be based on competitive bids. A bid[; AN] award shall be made to the lowest responsible bidder after advertising [FOR BIDS] except that a competitive[:

(A) COMPETITIVE] bid[S] <u>is</u> [NEED] not [BE] required <u>for the</u> following:

- (1) For contractual services where no competition exists;
- (2) For sales involving fair trade items;
- (3) When, in the judgment of the purchasing agent, food, clothing, or medical supplies, or materials for use in laboratory and experimental studies may be purchased otherwise to the best advantage of the city;

Bold and Underline - add; [CAPS AND BRACKETS - DELETE]

IM No. 00-99

- (4) Where rates are fixed by law or ordinance;
- (5) For items traded in on like items;
- (6) For professional services;[, OR]
- (7) Where new equipment is required to be compatible with existing equipment; **or**
- (8) Where supplies, materials, equipment or contractual services can be acquired through an existing contract of the state of Alaska, a political subdivision of the state of Alaska, or a federal government agency which followed a competitive bidding process.

(B)[2.] A contractual service, purchase or sale where the known requirements are estimated to be less than [TEN THOUSAND DOLLARS (]\$10,000[.00)] may be made [EITHER] upon competitive bid[s] in accordance with [SUBSECTION A-3 OF] this section or in the open market, at the discretion of the mayor. Open market purchases shall so far as is practicable be based on at least three requests for price quotations [AND RECORDED AS PROVIDED IN SECTION 6.24.180]. Purchases made under this subsection with a value of less than [TEN THOUSAND DOLLARS (]\$10,000[.00)] do not require council approval.

(C)[3.] If the amount of the contractual services, purchases, or sale is estimated to exceed [TEN THOUSAND DOLLARS (]\$10,000[.00)], sealed bids shall be solicited[,] by publication in a newspaper of general circulation [CALCULATED TO REACH PROSPECTIVE BIDDERS AND BY POSTING NOTICES IN PUBLIC PLACES WITHIN THE AREA WHERE THE WORK IS TO BE PERFORMED OR MATERIALS FURNISHED,] and in addition, the department may also designate a trade journal for

publications <u>or</u>[; THE MAYOR MAY ALSO] solicit bids by sending notices by mail to all active prospective bidders known[TO IT].

- (D) All bids shall be sealed when received, and shall be opened in public at the hour stated in the notice.[; WITH] With council approval [OF COUNCIL] the mayor may negotiate directly if [HE/SHE FINDS THAT] it is in the best interest of the city.
- * Section 3. Effective date. This ordinance shall take effect upon adoption of the Wasilla City Council.

ADOPTED by the Wasilla City Council on October 23, 2000.

SAR⁄AH PALIN, Mayor

ATTEST:

KRISTIE L. VANGORDER, CMC

City Clerk

[SEAL]

IM No. 00-99

WASILLA CITY COUNCIL INFORMATION MEMORANDUM

IM No. 00-99

SUBJECT: Amending WMC 6.24.050 (A)(1)(a), competitive bids.

PREPARED BY:

Finance

DATE:

October 3, 2000

FOR AGENDA OF: October 9, 2000

SUMMARY:

Attached please find Ordinance Serial No. 00-57, which amends WMC 6.24.050 (A)(1)(a) — competitive bids.

This change would allow the City to attach City's orders to contracts with vendors establish by other governmental entities. The main two advantages of being able to attach the City of Wasilla's orders to other governmental entities' contracts for supplies, materials, equipment or contractual services are:

- 1. There are substantial costs in preparing competitive bids, advertising competitive bids and managing competitive bids in both actual expenses and staff time. If the City of Wasilla could attach on to other entities' contracts, we would be able to substantially reduce our purchasing overhead costs.
- 2. By attaching our orders on to other larger governmental agencies' contracts, we would be able to leverage their buying power for the City's advantage. Larger Governmental agencies are usually quoted better prices due to the quantity that they are willing to purchase.

By acquiring supplies, materials, equipment or contractual services through other governmental agencies contracts which have followed a competitive bidding process, the Finance Department believes that we can substantial cut overhead cost while still ensuring that the City of Wasilla is getting goods and services at the most competitive prices possible.

FISCAL IMPACT: X No Yes, amount requested: \$

Fund:

RECOMMENDED ACTION: Introduce ordinance and set for public hearing.

Reviewed by: SARAH PALIN, Mayor

Attachments: Ordinance 00-57