

Introduced by _____

First Reading _____

Second Reading _____

Ordinance No. _____

Council Bill No. B 5-13

AN ORDINANCE

amending Chapter 2 of the City Code as it relates to the bidding process and purchasing policies for purchases of \$5,000.00 or less; and fixing the time when this ordinance shall become effective.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBIA, MISSOURI, AS FOLLOWS:

SECTION 1. Chapter 2 of the Code of Ordinances of the City of Columbia, Missouri, is hereby amended as follows:

Material to be deleted in ~~strikeout~~; material to be added underlined.

Sec. 2-467. Bidding process; contracts for ~~one~~ five thousand dollars or more but less than fifteen thousand dollars.

(a) Except as otherwise provided in this article, the purchasing agent shall not contract for the purchase of any supplies, materials, equipment or services costing ~~one~~ five thousand dollars (~~\$1,000.00~~ \$5,000.00) or more but less than fifteen thousand dollars (\$15,000.00) unless the bidding process of this section or the bidding process of section 2-466 has been followed.

(b) The purchasing agent shall solicit by telephone, written notice or otherwise at least three (3) bids, if three (3) independent vendors are available.

(c) Bids shall be awarded or rejected as provided in section 2-466

(d) The purchasing agent shall keep a record of all solicitations made under this section.

Sec. 2-468. Contracts for less than ~~one~~ five thousand dollars.

The purchasing agent may contract for the purchase of any supplies, materials, equipment or services costing less than ~~one~~ five thousand dollars (~~\$1,000.00~~ \$5,000.00) by following the provisions of section 2-467 or by making open market purchases from

vendors with proven ability to furnish supplies, materials, equipment and services at the lowest and best price.

Sec. 2-469. ~~Reserved~~ Procurement cards.

The purchasing agent may establish a procurement card policy that allows card holders to charge up to five thousand dollars (\$5,000.00) per transaction.

SECTION 2. This ordinance shall be in full force and effect from and after its passage.

PASSED this _____ day of _____, 2013.

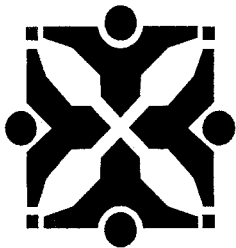
ATTEST:

City Clerk

Mayor and Presiding Officer

APPROVED AS TO FORM:

City Counselor



Source: Finance *JTB*

Agenda Item No:

To: **City Council**

From: **City Manager and Staff** *MM*

Council Meeting Date: Jan 7, 2013

Re: Amend the Purchasing Ordinance Section 2-267.

EXECUTIVE SUMMARY:

The proposed amendment to the Section 2-267 would increase the informal bid threshold from \$1,000 to \$5,000.

DISCUSSION:

The current informal bid threshold of \$1,000 causes the Purchasing Division to spent too much time on small dollar purchases. Increasing the informal bid threshold to \$5,000 will increase efficiency by allowing the Purchasing personnel to focus their attention on larger dollar transactions. This change will allow the city to use the city purchasing cards for additional purchases which will increase the rebate amount received by the city. With the proposed change the informal bid threshold, the capital asset threshold and the work authorization threshold will all be \$5,000 which will reduce confusion among city personnel. Additional review of purchases between \$1,000 and \$5,000 will be performed by the Accounting Division to replace the controls eliminated by raising the informal bid threshold from \$1,000 to \$5,000.

FISCAL IMPACT:

None

VISION IMPACT:

<http://www.gocolumbiamo.com/Council/Meetings/visionimpact.php>

SUGGESTED COUNCIL ACTIONS:

Approval of the ordinance raising the informal bid threshold from \$1,000 to \$5,000.

FISCAL and VISION NOTES:					
City Fiscal Impact Enter all that apply		Program Impact		Mandates	
City's current net FY cost	\$0.00	New Program/ Agency?		Federal or State mandated?	
Amount of funds already appropriated	\$0.00	Duplicates/Epands an existing program?		Vision Implementation impact	
Amount of budget amendment needed	\$0.00	Fiscal Impact on any local political subdivision?		Enter all that apply: Refer to Web site	
Estimated 2 year net costs:		Resources Required		Vision Impact?	
One Time	\$0.00	Requires add'l FTE Personnel?	No	Primary Vision, Strategy and/or Goal Item #	
Operating/ Ongoing	\$0.00	Requires add'l facilities?	No	Secondary Vision, Strategy and/or Goal Item #	
		Requires add'l capital equipment?	No	Fiscal year implementation Task #	