

AN ORDINANCE AMENDING ORDINANCE NO. 4788, "THE MUNICIPAL CODE OF THE CITY OF RICHMOND HEIGHTS, MISSOURI", CHAPTER 135: PURCHASING POLICY; IS HEREBY REPEALED IN ITS ENTIRETY AND REPLACED WITH A NEW CHAPTER 135: PURCHASING POLICY.

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NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF RICHMOND HEIGHTS, MISSOURI, as follows:

SECTION 1. CHAPTER 135: PURCHASING POLICY of the Municipal Code of the City of Richmond Heights, Missouri, is hereby repealed in its entirety and replaced with a new Chapter 135: PURCHASING POLICY to read as follows:

**CHAPTER 135: PURCHASING POLICY**

**SECTION 135.010: PURCHASES LESS THAN FIVE THOUSAND DOLLARS**

Purchases less than five thousand dollars (\$5,000.00) may be authorized by a department head after reviewing three (3) written or electronic bids, if available.

**SECTION 135.020: PURCHASES FROM FIVE THOUSAND DOLLARS TO AND INCLUDING TWENTY THOUSAND DOLLARS**

- A. For purchases, reasonably expected to be from five thousand dollars (\$5,000.00) to twenty thousand dollars (\$20,000.00), a department head shall solicit at least three (3) bids for the item or items. The execution of the bid requirement shall be documented by the department head on a Purchase Order. Copies of all of the bids received and supporting documentation must accompany the purchase order.
- B. The department head may then award the purchase or contract for services to the lowest responsible bidder who submits the bid which is most advantageous to the City. A written explanation must be provided to the City Manager if the lowest bid is not selected.

**SECTION 135.040: PURCHASES GREATER THAN TWENTY THOUSAND DOLLARS**

- A. Whenever any contemplated purchase or contract for services is reasonably anticipated to cost more than twenty thousand dollars (\$20,000.00), the department head shall cause to be published a noticed inviting sealed bids in at least two (2) separate publications in the St. Louis metropolitan area. The

publication may be in print or electronic format. The notice shall be published at least fourteen (14) days prior to the date set for receipt of bids. The notice shall include a general description of the items to be purchased or the services to be performed, and the time and place for opening of sealed bids. In addition, the notice shall be sent via electronic mail to at least five responsible suppliers of such items with whom the City has done business within the preceding two years. If five responsible suppliers cannot be reasonably located, the department head shall certify that fact to the City Manager. Notice of the invitation to bid shall be posted on the bulletin board of City Hall.

- B. Sealed bids shall be received, either electronically or in writing, by the Finance Department or Office of the City Manager. The bids shall be identified as “Sealed Bids” on the envelope or electronic subject line. One hour prior to the designated bid opening time and date, the written and electronic bids shall be forwarded to the appropriate department head or his or her designee. The bids shall be opened in public at the time and place stated in the invitation to bid and in any public notice before at least two City witnesses; and after the opening, the department head shall tabulate all bids received and shall submit a Purchase Order with a summary report of all received bids and supporting documentation to the City Manager together with his/her recommendation as to who should be awarded the contract.
- C. If the department head fails to recommend the lowest bidder, a specific explanation must be provided to the City Manager supporting the recommendation.
- D. When deemed necessary by the department head, or when directed by the City Manager, bid deposits shall be prescribed in inviting bids. A successful bidder shall forfeit any deposit upon failure on the bidder's part to enter into a contract within ten (10) days after the award, and the invitation to bid shall so state.
- E. The City Manager, upon receiving the tabulation and recommendation of the department head, shall award the contract to the lowest responsible bidder but shall have the right to reject any and all bids.
- F. The following shall be the guidelines in determining the lowest responsible bidder:
  - 1. The ability, capacity and skill of the bidder to perform the contract.
  - 2. Whether the bidder can perform the contract or provide the services promptly or within the time specified.
  - 3. The character, integrity, responsibility, judgment, experience and efficiency of the bidder.
  - 4. Whether the bidder is in default on the payment of taxes, licenses or other monies due the City.
  - 5. The quality and performance of previous contracts or services.
  - 6. Previous and existing compliance by the bidder with laws, the provisions of this Policy and other City ordinances relating to the contract services.
  - 7. The financial resources and ability of the bidder to perform the contract or provide the service.
  - 8. The quality, availability and adaptability of the supplies or contractual services to the particular use required.
  - 9. The ability of the bidder to provide future service and maintenance of equipment which is the subject of the contract.

10. The scope of conditions to the bid.

#### **SECTION 135.050: EXCEPTIONS TO THE PURCHASING POLICY**

- A. **Single-Source Purchases.** In the event there is only one (1) acceptable vendor capable of furnishing a particular service or commodity, the department head may be authorized to procure such service or commodity without bidding. The department head shall document the particular facts which make the item a single-source purchase, and the purchase shall be approved by the City Manager.
- B. **Emergency Purchases.** Where an emergency situation requires immediate purchase of supplies or services and time is of the essence, the department head is authorized to procure the supplies or services needed without following the bidding procedures. The department head shall maintain a written record of the circumstances surrounding emergency purchases, and the purchases shall be approved by the City Manager.
- C. **Situations Calling For Competitive Negotiations.** Where it can be demonstrated that the City receives the best value on a purchase through informal discussion and bargaining rather than through the conventional bidding process, the department head need not follow the conventional bidding process exclusively. Such purchases shall be documented by the department head and given prior approval by the City Manager. Examples would include, but not be limited to, circumstances where time is a crucial factor, when the procurement involves high technology items, or when there is obvious economy in purchasing from a particular vendor.
- D. **Cooperative Purchasing.** Department heads are encouraged to use cooperative purchasing programs sponsored by the State of Missouri or other public agencies or jurisdictions. Cooperative purchasing can prove advantageous to the City both by relieving personnel from securing required bids and by taking advantage of large quantity purchases made by cooperative government entities. Purchases made through these programs have met the requirements of competitive bidding and require no further documentation. Department heads are encouraged to check with the State and other jurisdictions regarding cooperative procurement contracts in effect prior to making any large purchases. The City Manager has the authority to approve such purchases.
- E. **Confidential Expenditures.** Confidential expenditures such as payments to informants, purchase of materials as evidence (such as narcotics), or other uses as may be required by law enforcement personnel working in an undercover capacity are not subject to normal purchasing procedures. All such disbursements made shall be approved by the City Manager and shall be documented by written vouchers showing date, amount, nature of expenditure, signature of requesting officer or agent, and approval of the Chief of Police.
- F. **Professional Services and Real Estate.** Specifically excluded from the provisions of the City's purchasing policy is the procurement of real estate and professional services. Solicitation of professional services shall comply with Missouri Revised Statutes.

**SECTION 135.060: STATE AND FEDERAL LAWS**

Except in cases where they are not as restrictive as the City's Purchasing Policy, applicable State and Federal laws shall supersede the City of Richmond Heights Purchasing Policy.

**SECTION 135.070: SUBDIVISION OF CONTRACTS**

No contract or purchase shall be subdivided to avoid the requirements of the City's Purchasing Policy.

**SECTION 135.080: PURCHASE OF GOODS, SUPPLIES AND SERVICES**

All City employees purchasing goods, supplies and services for use by the City of Richmond Heights, Missouri, are encouraged to purchase such goods, supplies and services from businesses located within the boundaries of the City of Richmond Heights, Missouri, as long so the costs are within ten percent (10%) of the prices for these same items offered by others outside the City.

SECTION 2. It is hereby declared to be the intention of the City Council that each and every part, section and subsection of this Ordinance shall be separate and severable from each and every other part, section and subsection hereof and that the City Council intends to adopt each said part, section and subsection separately and independently of any other part, section and subsection. In the event that any part of this Ordinance shall be determined to be or to have been unlawful or unconstitutional, the remaining parts, sections and subsections shall be and remain in full force and effect.

SECTION 3. This ordinance shall be in full force and effect on the 31st day after its passage as provided by law.

PASSED and SIGNED this 21st day of June, 2018.

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JIM THOMSON  
MAYOR

ATTEST:

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PATRICIA S. VILLMER  
DEPUTY CITY CLERK

APPROVED AS TO FORM:

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KENNETH J. HEINZ  
CITY ATTORNEY

First reading:        May 21, 2018  
Second reading:     June 4, 2018