



REQUEST FOR COMMISSION ACTION
CITY OF INDEPENDENCE
July 11, 2019

Department Finance

Director Approval Lacey Lies

AGENDA ITEM Consider approving a resolution to adopt a formal procurement policy.

SUMMARY RECOMMENDATION City Staff recommends approving a resolution to adopt the formal procurement policy as presented to the City Commission.

BACKGROUND The purpose of this policy is to ensure ethical, effective, and accountable practices are used for sourcing, procuring or other supply chain related activities. It is critical that sound management of public funds is applied for competitive bids and procurement transactions demonstrating open, fair, and transparent methodologies.

In drafting this policy, City Staff researched other municipalities to find best practices. The draft policy provided supports those findings and provides a framework for City Staff to foster effective spending and oversight. In connection with the adoption of this policy, City Staff will be implementing an electronic procedure to streamline the approval, storage, and processing of purchase orders. This will provide a means to track our compliance and help to efficiently and effectively manage our purchases. It is imperative that this policy is established with realistic dollar limits and thresholds to allow City Staff to operate efficiently with transparency as a foremost concern.

BUDGET IMPACT The adoption of this procurement policy will help facilitate transparency and provide a framework to encourage deliberate and responsible spending.

SUGGESTED MOTION I move to approve a resolution to adopt the formal procurement policy as provided to the Commission.

SUPPORTING DOCUMENTS

1. Resolution
2. Procurement Policy
3. Summary of Changes

NOTE The attached Procurement Policy has been updated to reflect the comments and considerations taken from the June 19, 2019 Special Commission Work Session.



SUMMARY OF CHANGES

Section 2 City Employee Changed to “an individual drawing a salary or wages from the City.”

Section 2 Contract Changed to “a legal binding promise enforceable by law.”

Section 3.1 Added “, avoiding nepotism” to Purchase Methods under \$1 - \$1,500 limitation.

Section 3.3 Added “Nepotism should be avoided.”

Section 3.8 Corrected Section numbering to 3.7.

Section 4.3 Removed “, but that a bid may be withdrawn up to twenty-four (24) hours prior to expiration of the deadline for submitted bids.” from item 6.

Section 4.7 Provision 1 now reads “A low bidder alleging a material mistake of fact may be permitted to correct its bid, within 48 hours of low-bidder notification, if the mistake is clearly evident on the face of the bid document and the intended correct bid is similarly evident.”

Section 4.7 Provision 2 has been removed.

Section 4.7 Added “, at the sole discretion of the City Manager”

Section 13.1 Changed “shall” to “may”.

Section 13.7 Changed minimum bond requirement amount from \$40,000 to \$100,000

Section 17.1 Added “, including the avoidance of nepotism.” to the first sentence under Ethical Standards