

Procurement of goods and services in the City is governed by Chapter 69, Purchasing Procedures, of the City Code. The overall framework is:

1. All purchases in excess of \$30,000 must be approved by Mayor and Council with a formal motion and a simple majority vote.
  2. Acquisition of items, services or materials with a value of \$30,000.00 or less that are authorized in the budget may be purchased by negotiation by the City Manager. No bid process is required. However, in practice, Council is routinely notified and asked for approval when the matter is expected to be of interest to Council, even if the contract price is less than \$30,000.
  3. Acquisition of materials, supplies, services, equipment etc. of over \$30,000.00 in value must be competitively bid unless:
    - a. If approved by Council, the Manager may purchase items at the same price bid under a competitively bid contract issued by another government, if that government has purchasing policies comparable to those of the City. This is referred to as “piggybacking” another contract. The City routinely does this, in particular for contracts for items with easily identifiable unit prices, such as vehicles. Other City contract requirements, such as insurance and indemnity, still apply.
    - b. The Mayor and Council approve by an extra-majority vote the bypassing of any or all of the bid procedure steps if the Council believes it is warranted, or allows the Manager to directly negotiate and sole source a contract if it is in the City’s best interest to do so. When staff requests a Council override, they provide the reasons therefore to the Council. This information is available prior to the meeting at which the vote is taken.
- Under §69-3, the Finance Director has the responsibility of administering the bidding process.
    - The standard process involves a request for proposals/bids or a request for qualifications, with attachments such as affidavits and the sample City contract as part of the bid package. These documents are created by staff, with outside assistance if needed for the scope of work.
    - The City Attorney reviews and approves the bid package. This section requires giving notice of competitively bid contracts in eMaryland Marketplace. Notice is also given on the City’s website. If there are qualified contractors in a particular area of expertise that the City knows of or has dealt with before, they may receive a copy of the bid package directly in order to generate more competition for the bid work.
    - The Finance Director disseminates the bid information, tabulates the bids, checks the qualifications of bidders and reports to the Manager and Council with a bid award recommendation.
  - Professional service contracts follow a separate process, which requires publication of notice in a newspaper of general circulation, sets the factors to be considered for award and allows for an informal procedure if the formal procedure is unsuccessful. This provision is used very seldom.
  - All City contracts must contain a non-discrimination clause, and contracts with a value over \$25,000 must have an equal benefits clause.
  - There are other procurement requirements that apply to City bid contracts that are imposed by others, which generally derive from the fact that the City receives grants from other governments or not-for-profits.

- For example, Davis-Bacon wage rates and other requirements apply to City contracts which use Community Development Block Grants. These requirements are made known to the City when it applies for a grant and are included in City bid documents. The City's asphalt and concrete contracts are an example of a contract that includes CDBG requirements.
- Exclusive utility franchises are excluded from Chapter 69, as are items supplied to the City by a contractor or developer as part of a permit-approved improvement. These are extremely narrow categories.