

Crossville Municipal Code

§ 5-602 PURCHASING PROCEDURES.

The City Manager shall have the authority to make purchases, leases and lease purchases up to \$5,000. The City Manager shall be responsible for compliance with these procedures and the Municipal Purchasing Law of 1983, as amended, including required records and reports, as if they were set out herein and made a part hereof and within definitions of words and phrases from the law as herein defined. In no event shall a purchase order, requisition or contract be split or divided into two or more with the intent of evading the necessity of having competitive bids and/or the necessity of obtaining the approval of City Council. The purchase of several complete items from a single vendor to be used in different departments shall be considered as individual purchases.

(A) (1) All purchases or transactions totaling \$5,000 or more should be competitively bid. Three competitive bids or quotations for the purchase of items which cost more than \$1,000 are desirable and required for purchases between \$2,500 and \$5,000. All competitive bids or quotations received shall be recorded and maintained in the office of the City Manager for a minimum of two years after audit. When requisitions are required, the competitive bids or quotations received shall be listed upon that document prior to the issuance of the purchase order. Awards shall be made to the lowest responsible bidder meeting specifications.

(2) A description of all projects or purchases, except as herein provided, which require the expenditure of city funds of \$5,000 or more shall be prepared by the City Manager, or his or her designees, and advertised for bids or proposals. The award of purchases, leases or lease-purchases of \$5,000 or more shall be made by the City Council to the lowest responsible bidder meeting specifications.

(B) Purchases amounting to \$5,000 or more, which do not require public advertising and sealed bids or proposals, may be allowed only under the following circumstances and, except as otherwise provided herein, when the purchases are approved by the City Council:

(1) Sole source of supply or proprietary products as determined after complete search by the using department and the City Manager, with City Council approval;

(2) Emergency expenditures with subsequent approval of the City Council;

(3) Investments in or purchases from the pooled investment fund established pursuant to T.C.A. § 9-17-105 (state investment pool);

(4) Purchases for instrumentalities created by two or more cooperating governments;

(5) Purchases from non-profit corporations whose purpose, or one of whose purposes, is to provide goods or services specifically to municipalities;

(6) Purchases, leases or lease-purchases of real property;

(7) Purchases, lease or lease-purchases, from any federal, state or local governmental unit or agency, of second-hand articles or equipment or other materials, supplies, commodities and equipment;

(8) Purchases through other units of governments as authorized by the Municipal Purchasing Law of 1983. State bid numbers and supporting documentation should accompany purchase requisitions;

(9) Purchases directed through or in conjunction with the State Department of General Services;

(10) Purchases from Tennessee State Industries;

(11) Professional service contracts, as provided in T.C.A. § 12-4-107; and

(12) Tort liability insurance as provided in T.C.A. § 29-20-407.

(C) Purchases amounting to \$5,000 or more, which do not require public advertising and sealed bids or proposals, may be allowed only under the following circumstances and do not require City Council approval:

(1) Purchases of fuels, fuel products or perishable commodities. Quotes must be attached;

(2) Payment for licenses or permits required by law; and

(3) Payments on previously Council-approved contract items (i.e., maintenance agreements, partial payment requests and the like).

(D) Group health insurance and other components of the employee group benefit package shall require public advertising and sealed bids or proposals every three years or at the discretion of City Council. Premium increases shall require City Council approval.