

# **CITY OF DODGEVILLE PURCHASING POLICY**

## **I. GENERAL PROVISIONS**

### **A. PURPOSE**

The purpose of this policy is to provide for the fair and equitable treatment of all persons involved in public purchasing by the City of Dodgeville, to maximize the purchasing value of public funds in procurement, and to provide safeguards for maintaining a procurement system of quality and integrity.

### **B. OBJECTIVES**

The objectives of the City's purchasing policy are:

1. To ensure that materials, equipment, and services are purchased at the lowest prices consistent with quality and performance;
2. To provide adequate controls over City expenditures and financial commitments with proper documentation;
3. To obtain quality goods required by City departments and to ensure that these goods are at the place and time needed, and,
4. To provide a standardized system of purchasing for use by all City departments.

### **C. APPLICATION**

This policy applies to all procurements of supplies, services, and construction, entered into by the City of Dodgeville after the effective date of this policy. It shall apply to every expenditure of public funds by a City employee for City purchasing irrespective of the source of the funds. When the procurement involves the expenditure of federal assistance or contract funds, the procurement shall be conducted in accordance with any mandatory applicable federal law and regulations. Nothing in this policy shall prevent any City employee from complying with the terms and conditions of any grant, gift, or bequest that is otherwise consistent with law.

### **D. VENDOR DISCOUNTS**

It is the policy of the City of Dodgeville to take advantage of all available vendor/trade discounts and government pricing.

### **E. CENTRAL PURCHASING**

Many of the items purchased by the City are commonly used by all or several departments. By consolidating the needs of all departments, the City can take advantage of price discounts for large quantity orders of these items.

## **F. EMPLOYEE CONFLICT OF INTEREST.**

It shall be unethical for any City employee to participate directly in a procurement contract when the City employee knows that:

1. The City employee or any member of the City employee's immediate family has a financial interest in the procurement contract; or
2. Any other person, business, or organization with whom the City employee or any member of a City employee's immediate family is negotiating or has an arrangement concerning prospective employment, is involved in the procurement contract.

## **G. DISPOSITION OF SURPLUS PROPERTY**

When personal property owned by the City of Dodgeville no longer serves any useful purpose in the department in which it is located the department head shall first determine whether any other City department needs such property.

In the event such property can no longer be used by any department of the City, the City Council shall determine a plan of action for items with the object of obtaining the highest revenue.

## **H. STANDARD CONTRACTS**

When the City has standardized the purchasing of a good or service and has issued standard purchase orders or contracts for these goods or services, such goods or services shall be purchased from the agreed upon vendor for the length of the agreement. Exceptions will be made only when the requisition clearly states the reason for which the standard item is unacceptable.

## **I. PROCEDURES TO BE FOLLOWED WHENEVER PURCHASES ARE MADE**

### **A. PURCHASING AND CONTRACTING LEVELS**

Other than for professional or administrative services as approved by Council under Section II.I. – PROFESSIONAL SERVICES, purchases of and contracts for supplies, materials, equipment, and contractual services shall be based on competitive bids/quotations whenever practical, subject to the following spending guidelines:

#### **1. PETTY CASH DISBURSEMENTS**

Items purchased having a value that is less than Fifty Dollars (\$50.00) may be paid for from the Petty Cash Fund. The Petty Cash Fund shall be maintained in the Clerk/Treasurer's Office. Petty Cash Fund may be made up from revenues realized from services such as copying and faxing for the public. All reasonable effort shall be made to maintain the petty cash fund cash on hand at less than two hundred (\$200.00). When such fund exceeds that amount, a receipt will be generated and excess monies deposited into the General Fund balance as miscellaneous revenues.

## **2. PURCHASES LESS THAN \$10,000.00**

City Department Heads are authorized to make purchases having a value less than Ten Thousand Dollars (\$10,000.00) without prior approval, based on the Department Head's best judgment after inquiry as may be necessary to ensure that the price obtained is the most advantageous to the City, providing there is funding in the budget for said purchases. Generally, these types of purchases are for services, materials, supplies and equipment needed for day-to-day operations. For purchases over Three Thousand Dollars (\$3,000.00) quotations shall be obtained from at least two (2) vendors. These quotations must be detailed in writing.

## **3. PURCHASES OF \$10,000.00 BUT LESS THAN \$250,000.00**

Purchases of \$10,000.00 or more but less than \$250,000.00 (other than public works construction projects) requires City Council approval, subject to the requesting Department Head providing at least three written competitive vendor quotes or must be by competitive bid pursuant to a public notice published as a Class 1 notice in the City's official newspaper. Quotes may include email (but not text) communication. All pertinent details of the quotes should be documented in writing. The City Council encourages solicitation of quotes from local vendors. Upon approval, a signed purchase order with pertinent written details is required.

Any department head wishing to purchase an item falling within this price range which was not budgeted for must follow the procedures delineated under Section II.E. – NON-BUDGETED ITEMS.

(Note: All purchases of \$10,000 or more shall be authorized by signed purchase orders that set forth the descriptions, quantities, prices, discounts, payment terms, date of performance or shipment, other associated terms and conditions, and identifies a specific seller. A purchase order is not required for the following budgeted expenditures: debt payments, fuel bills, payroll, postage, refunds, utility bills, and emergency building, equipment, and vehicle repairs)

## **4. PUBLIC WORKS CONSTRUCTION PROJECTS AND NON-CONSTRUCTION PURCHASES OVER \$250,000.00**

In accordance with § 62.15(1), Wis. Stats., all public works construction projects for which the cost is expected to be between \$5,000 and \$25,000 shall be subject to the statutory Class 1 notice publication requirement prior to entering into a contract.

Public works construction projects exceeding \$25,000 and non-construction purchases exceeding \$250,000 will be competitively bid in accordance with Wisconsin State Statutes. Specifications and/or plans and bid documents shall be furnished to all requesting same. Notice of bid taking shall be published pursuant to § 62.15(3), Wis. Stats. The bidding and awarding processes are detailed in § 66.0901, Wis. Stats. All bids along with any staff or committee recommendations shall be submitted to the City Council for approval.

## **B. EMERGENCY PURCHASES**

Emergency as used in this policy shall mean a matter which, in the opinion of the person with authority to grant approval, is in the best interests of the City to address and dispose of before a meeting of the applicable committee or of the City Council can be called. The following situations constitute an emergency under this provision of the policy:

1. Any situation in which there exists immediate and substantial danger to the health, life, or property of any person or any situation in which there exists potential for increased damage to City property if the situation is not immediately remedied;
2. Any situation where the normal operation of any City Department is seriously impaired or is in jeopardy of being seriously impaired; or
3. When the Mayor or Governor declares an emergency.

A Department Head, after consultation with either the Mayor or any official Emergency Management Agency, may purchase, in the open market, without filing a requisition or estimate or receiving competitive bids or quotes, any supplies, materials or equipment for immediate delivery to meet emergencies arising from unforeseen causes. Emergency purchasing procedures should only be used when normal purchasing channels are not available.

## **C. AUTHORIZED PERSONNEL**

The Common Council has delegated authority to make budgeted purchases under \$10,000 to the following personnel:

<b>DEPARTMENT</b>	<b>DEPARTMENT HEAD:</b>
City Administration, Assessor	Mayor and the Clerk/Treasurer
Police	Chief of Police
Library	Library Director
Fire	Fire Chief
Ambulance	Ambulance Chief
Public Works, Parks/Rec/Pool, Utilities	Public Works Director/Engineer

## **D. USE OF CREDIT CARDS**

The City of Dodgeville shall issue credit cards to proper personnel, based on department head recommendations, and the Clerk/Treasurer shall maintain a listing of all authorized credit card users as well as the names of the applicable credit card companies and the numbers of the credit cards those persons are authorized to use. City credit cards shall generally only be used for purchases up to 75% of the credit limit on such card. Receipts for credit card purchases must be submitted to the department head within one (1) day of receipt of items purchased, and the department head shall provide the receipts to the Clerk/Treasurer on that same day or as soon thereafter as possible. When the department head provides the credit card receipts to the Clerk/Treasurer he/she shall note what was purchased and the departmental account category the purchase falls under on those receipts. The Clerk/Treasurer shall reconcile all credit card statements on a monthly basis, and once reconciliation has taken place, attach original receipts to the appropriate statements and code the expenses for payment in a timely fashion.

## **E. NON-BUDGETED ITEMS**

It is the assumption of this purchasing policy that all requested expenditures have been provided for in the current budget. However, purchases over \$500 or use of ‘assigned funds’ which have **not** been provided for in the current budget will require Common Council approval. The Department Head shall first notify the City Clerk/Treasurer that said non-budgeted expenditure is being requested, and provide written documentation regarding that expenditure to the City Clerk/Treasurer. Upon receipt of the written documentation the City Clerk/Treasurer shall contact the chair of the appropriate committee, and, if the chair feels it is appropriate, the non-budgeted expenditure request shall be placed on the agenda for and addressed at the next committee meeting. If the committee agrees that the requested expenditure should be made, a recommendation shall be made to the Common Council that the necessary budget transfer(s) take place. The issue shall then be placed on the agenda for the next regularly scheduled Common Council meeting, and, if the Council directs that the non-budgeted funds expenditure take place, the purchase may be processed. If no committee meeting or quorum, the Mayor may take the issue to the Common Council for consideration.

## **F. LOWEST BID; BEST VALUE**

All orders or contracts shall generally be awarded to the lowest priced responsible bidder offering the best value to the City, taking into consideration the following factors: the quality of the articles to be supplied, conformity with specifications, product compatibility, maintenance costs, vendor support after the purchase, timeliness of production and delivery terms. Except as required by law for public construction contracts in excess of \$25,000.00, the Department Head’s or City Council’s decision as to best value is final. Additionally:

1. Taking price and service into account, the City shall give due consideration to local vendors.
2. In the event that only one vendor is capable of providing a particular good or service, the City may waive the competitive quotes procedures in this policy. Written documentation of a determination that a purchase must be made from a sole source vendor must be submitted to the City Council for approval.

## **G. COOPERATIVE PURCHASING**

The City shall have authority to join with other units of government, with quasi-government agencies funded in whole or in part by the City, and with other purchasing associations in cooperative purchasing plans when the best interest of the City would be served. Competitively bid cooperative purchasing contracts onto which the City “piggybacks” are considered to have met competitive requirements, and not additional quotes are necessary. Additionally, if identical products can be obtained at a lower price than current cooperative purchasing contracts, no additional quotes are required.

## H. REQUEST FOR PROPOSAL (RFP)

The request for proposal is a method of soliciting information and pricing from a vendor. The RFP procedure may be used when the City does not have exact specifications or procedures finalized. An RFP may be issued so that vendors can offer suggested processes or services or alternate proposals to be considered by the City. The RFP process can be used by the City for public works construction projects that do not exceed \$25,000 or when soliciting professional service or material quotes.

## I. PROFESSIONAL SERVICES

The RFP process described in Section II.H. above may be used for the procurement of professional services. The City Council, however, may engage professional service providers including, but not limited to, accountants, auditors, attorneys, engineers, grant writers, and real estate specialists based on criteria other than or in addition to cost such as recognized expertise in a profession, familiarity with City operations, or such other factors as the City Council, in its discretion, determines are relevant to the selection of such providers.

**Failure to follow these procedures shall constitute illegal purchasing and may subject the employee making the purchase liable for costs incurred and/or disciplinary action.**

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BARRY HOTTMANN  
Mayor, City of Dodgeville

Adopted: September 17, 2013  
Revised: November 15, 2016  
Revised: November 6, 2024

### CERTIFICATION

Lauree Aulik certifies that she is the duly appointed, qualified and acting Clerk/Treasurer of the City of Dodgeville, and that the foregoing policy was adopted by the Common Council of said City at its regular meeting held on November 6, 2024.

Dated this 6th day of November 2024.

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LAUREE AULIK  
Clerk/Treasurer, City of Dodgeville