

ORDINANCE # \_\_\_\_\_

**AN ORDINANCE TO AMEND THE CODE OF ORDINANCES FOR THE CITY OF GROSSE POINTE WOODS, CHAPTER 2, ADMINISTRATION, ARTICLE VII, FINANCE; DIVISION 4, PURCHASING; TO AMEND SECTIONS 2-674 AND 2-677 TO AMEND THE PURCHASING ORDINANCE TO INCREASE THE THRESHOLD FOR COUNCIL APPROVAL FROM \$5,000 TO \$10,000, WITH FUTURE ADJUSTMENTS TO THE AMOUNT TO BE DETERMINED BY THE COUNCIL**

**THE CITY OF GROSSE POINTE WOODS ORDAINS:**

**Section 1. Ordinance Amendment.**

**Chapter 2, Administration, Article VII, Finance; Division 4, Purchasing; Sections 2-674 and 2-677 are hereby amended to read as follows:**

**Sec. 2-674. - Requisitions.**

All departments, divisions, commissions and other agencies shall submit to the *purchasing* officer a requisition for the *purchase* of any equipment, materials, supplies and services upon a standard requisition form as approved by such officer. Whenever the cost involved is less than ~~\$5,000.00~~ **\$10,000**, the *purchasing* officer, in the officer's sole judgment, may require that quotations be obtained before any particular *purchase* is made. **Adjustments to this amount may be made by Council resolution.**

(Code 1975, § 1-12-3; Code 1997, § 2-593)

**Sec. 2-677. - Formal contract procedure.**

Except as otherwise provided in [section 8.8](#) and [section 13.6](#) of the City Charter, **and subject to any adjustments to this amount made by Council resolution**, all *purchases* and contracts of ~~\$5,000.00~~ **\$10,000** or greater shall be made by competitive bidding and shall be by written contract with the lowest qualified bidder, pursuant to the following procedure:

(1) Notice of inviting bids. The notice for inviting bids shall include a general description of the equipment, materials, supplies or services to be *purchased* or acquired, shall state where specifications and bid sheets may be procured, and the time and place when and where the bids will be opened.

a. Published notice. The notice inviting bids shall be given at least seven days before the date upon which the bids are to be opened. Such notice shall be published at least once in the designated official newspaper.

b. Bidders' list. The *purchasing* officer shall also solicit sealed bids from all qualified prospective suppliers whose names have been placed upon the bidders' list or who shall have requested, in writing, that their names be added to such list.

c. Bulletin board. The *purchasing* officer may also advertise pending *purchases* by a notice on a public bulletin board located in the municipal building.

(2) Bidder's security. When deemed necessary by the *purchasing officer*, a bidder's security may be prescribed in the public notices inviting bids. Bidders shall be entitled to the return of their bid security; provided that a successful bidder shall forfeit such bid security upon refusal or failure to execute the contract within ten days after the notice of award of contract has been made, unless the city is responsible for the delay. The council may, on refusal or failure of the successful bidder to execute the contract, award the contract to the next lowest qualified bidder. If the council awards the contract to the next lower bidder, the amount of the lowest bidder's security, if deemed forfeited by the council, shall be applied by the city to the difference between the low bid and the second low bid and the surplus, if any, shall be returned to the lowest bidder, and should there be any deficiency, the city may recover its damages against the bidder whose bid security has been so forfeited.

(3) Bid opening procedure. Sealed bids shall be submitted to the *purchasing officer* and shall be identified as bids on the envelope as may be required by the *purchasing officer*. Bids shall be opened in public at the time and place stated in the bid notice. A tabulation of all bids received shall be open for public inspection during regular business hours for a period of not less than 30 calendar days after the bid opening.

(4) Rejection of bids. At its discretion, the council may reject any or all bids presented.

(5) Award of contract. Contracts shall be awarded by the council to the lowest qualified bidder, except as otherwise provided in this section and by the City Charter.

(6) Bonds. The council may require the successful bidder to furnish bonds in such nature and amounts as will meet statutory requirements or as may be necessary for the protection of the best interests of the city. Any bond requirements shall be set forth in the published notice inviting bids, or in the specifications for the *purchase*. No contract shall be executed by the city until the bond requirements are met.

(7) Insurance. The council shall have authority to require sufficient types of insurance as it may deem necessary and in such amounts as it shall find reasonably necessary to protect the best interests of the city. If the council requires such insurance, the type and amount of insurance shall be described in the notice inviting bids or within the specifications. No contract shall be executed by the city until the insurance requirements are met.

(8) Voting by council. In order to award any contract or accept any proposed bid for an amount in excess of the lowest contract price bid or the lowest proposed bid under consideration, the minimum affirmative vote of five members of the council shall be required to award such contract or accept such bid.

(Code 1997, § 2-596; Ord. No. 678, § 1, 9-12-1994)