

MEMORANDUM



DATE: October 25, 2023

TO: Assembly Finance Committee

FROM: Angie Flick, Finance Director

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SUBJECT: Purchasing Code – Summary of Proposed Code Amendments

The purpose of this memo is to summarize the proposed amendments to the purchasing code discussed at the November 2, 2022 AFC meeting. Please see the attached memo from Jeff Rogers in which he discussed the purchasing code and various threshold changes. The amendments presented aim to clarify some of the language in the code and increase efficiency in city purchasing while maintaining competition for city services and contracts. Per the direction given in November, this ordinance is presented for your review and action.

Below is a summary of the changes proposed:

- Section 2: Refers to CBJ Code 53.50.010 and adds the definition of *Formal Competitive Sealed Bid*, *Informal Public Solicitation*, and *Written Quotation/ Written Proposal*. Changes the definition of *Public Notice* to remove a requirement to publish via a local newspaper, and instead requires publication via the CBJ website, with newspaper and trade journals as optional methods of notice.
- Section 3: Refers to CBJ Code 53.50.050:
Contracts
b.1 – adjust the purchasing method for contracts between \$5,000 and \$25,000 to three quotations without the formal competitive sealed bid process.
b.2 – add that for contracts greater than \$25,000 and not more than \$50,000 to be made in the open market through an informal public solicitation with three quotes.
b.3 – add the requirement for a public notice for contracts estimated to be more than \$50,000.
Professional Services
c.1 – adjust the purchasing method for contracts between \$5,000 and \$25,000 to three proposals without the formal competitive sealed bid process.
c.2 – creates consistency with b.2 above - contracts greater than \$25,000 and not more than \$50,000 to be made in the open market through an informal public solicitation with three proposals.
c.3 – clarifies the competitive sealed nature of procurements over \$50,000 in keeping with 53.50.060
- Section 4: Refers to CBJ Code 53.50.060
d – clarifies public opening of bids rather than requiring the opening be in person.
e.1 – Increases threshold for Assembly approval of Capital Improvement Project bid awards from \$1,000,000 to \$1,500,000; and for contracts for operational bid awards from \$100,000 to \$1,000,000.
- Section 5: Refers to CBJ Code 53.50.090
a – Requires competitive proposals for professional services unless those professional services meet the terms of a specific purchasing exemption.
j – Narrows the purchasing exemption for information technology hardware and software to enterprise software systems only.
q - Adds a purchasing exemption for situations wherein the Manager determines non-competitive purchasing to be a written Best Interest Finding.