

State of South Carolina)
County of York)
City of Tega Cay)

**Ordinance Number 330 – To Establish a
Purchase Ordinance for the Acquisition of
Goods and Services on Behalf of the City**

WHEREAS, the City of Tega Cay Ordinance number 330 establishes the protocols to be followed concerning the acquisition of goods and services on behalf of the City; and

WHEREAS, the City finds that it is necessary to have in place an Ordinance by which goods and services may be obtained; and

WHEREAS, the State of South Carolina Code of Laws provides that a municipality may have such an Ordinance in place.

THEREFORE BE IT ORDAINED THAT the City Council of the City of Tega Cay duly assembled this 5th day of November, 2007 does hereby adopt a Purchasing Ordinance with the following requirements:

Section 1. The City Manager is designated as the Purchasing Agent for the City. If necessary, the Assistant City Manager may temporarily act as the Purchasing Agent.

Section 2. The Purchasing Agent shall be responsible for the following requirements or needs of any office, department, or agency of the City.

- (a) The purchase of supplies, materials, equipment, assets and contractual services.
- (b) The storage and distribution of all supplies, materials and equipment of the City.
- (c) Establishing written specification, whenever practicable, for supplies, materials, equipment and services. Such specifications shall be definitive and encourage competition.
- (d) Maintaining, whenever practicable, a perpetual inventory record of all materials, supplies or equipment in storage.
- (e) Soliciting and maintaining an up-do-date list of qualified suppliers.

Section 3. Bid procedures must be complied with for services or work estimated to cost Twenty Five Thousand Dollars (\$25,000.00) or more. They must also be complied with for the purchase or lease purchase of equipment, supplies or materials estimated to cost more than Twenty-Five Thousand Dollars (\$25,000.00) at one time or during the next twelve (12) months. At least two (2) bids must be obtained for purchases of more than Twenty-Five Thousand Dollars (\$25,000.00). All Purchase Order requests in excess of Twenty-Five Thousand Dollars (\$25,000.00) must have the prior signature approval of both the Mayor and the Purchasing Agent. No contract or purchase can be artificially subdivided to avoid these requirements.

Section 4. All sales of surplus City materials or equipment require public notice, written bids or a public auction if the estimated value exceeds Five Thousand Dollars (\$5,000.00)

Section 5. Competitive bids are not required for professional services such as legal, engineering and auditing. However, written proposals may be solicited for evaluation. Immediate purchases may be made without competition in the event of an emergency to protect the health, safety or welfare of people or their property. The Council must be given immediate written notification of emergency purchases costing more than Five Thousand Dollars (\$5,000.00). Contracts with other governmental agencies or purchases made under State contracts do not require competitive proposals.

Section 6. Where required by this Ordinance, competitive bidding must be encouraged by advertising and other publicity. Where not specifically required, the Purchasing Agent shall encourage competition to obtain the optimum value for funds expended.

Section 7. When deemed necessary, the Purchasing Agent may request bid deposits. After award of the contract bid deposits will be returned to the unsuccessful bidders. A successful bidder shall forfeit any bid deposit upon failure on the part of the bidder to enter a contract with the City within ten (10) days after the contract award. The City has the authority to waive this forfeiture.

Section 8. When required, sealed bids shall be submitted to the Purchasing Agent with a notation on the envelope. Sealed bids will be opened and

tabulated in public. The Purchasing Agent has the authority to reject parts of or all bids. Sealed bids may not be adjusted after the public opening. However, the Purchasing Agent may further review prices and other details with the apparent successful bidder. If a bidder can verify to the Purchasing Agent's reasonable satisfaction a significant or material mistake in a sealed bid, the only recourse is to withdraw the bid. In such a case, the Purchasing Agent will return the bid deposit.

Section 9. The Purchasing Agent has the authority to award and amend contracts up to Twenty-Five Thousand Dollars (\$25,000.00) for any item within the budget for a fiscal year. With signed approval of the Mayor, or in the Mayor's absence, the written approval of the Mayor Pro Tempore, the Purchasing Agent may award contracts up to One Hundred Thousand Dollars (\$100,000.00) for any budgeted item or service for a fiscal year. Any contract of more than One Hundred Thousand Dollars (\$100,000.00) must be approved by the Council in a public meeting. Any contract for an item or service costing Ten Thousand Dollars (\$10,000.00) or more which is not budgeted in a fiscal year must be approved by the Council in a public meeting except in the case of an emergency affecting public health, safety and welfare. The Council must be informed of non-budgeted emergency contracts as soon as possible.

Section 10. Contract shall be awarded to the lowest responsible bidder. In determining "lowest responsible bidder," in addition to price, the Purchasing Agent shall consider:

- (a) The ability, capacity and skill of the bidder to perform the contract or provide the service required;
- (b) Whether the bidder can perform the contract or provide the service promptly, within the time specified, without delay or interference;
- (c) The reputation, experience and efficiency of the bidder;
- (d) The quality of performance of previous contracts or services;
- (e) The previous and existing compliance by the bidder with laws and ordinances relating to the contract or services;
- (f) The sufficiency of the financial resources and ability of the bidder to perform the contract or provide the service;
- (g) The quality, availability and adaptability of the supplies or contractual services to the particular use required;

- (h) The ability of the bidder to provide future maintenance and service for the use of the subject of the contract; and
- (i) The number and scope of conditions attached to the bid.

When the award is not given to the lowest bidder, a full and complete statement of the reasons for placing the order elsewhere shall be prepared by the Purchasing Agent and filed with the papers relating to the transaction.

Section 11. The Purchasing Agent has the authority and discretion to require a performance bond in a form and in the amount necessary to protect the interests of the City.

Section 12. It is mandatory that the City contracting and purchasing shall be conducted with the highest level of ethics. No elected official, or City employee, or their families can accept any rebate, money, loans or significant gifts from any person or organization doing business with the City. The Purchasing Agent is prohibited from working for or otherwise participating in the operation of any company doing business with the City. Any elected official must refrain from discussing or voting on any contract or purchase if the official or the official's immediate family members have any financial or significant other interest in the business being considered. Owning stock in a major company doing business with the City is not, in itself, a conflict of interest.

This ordinance shall take effect immediately upon its final passage.

FIRST READING: October 29, 2007
SECOND READING: November 5, 2007

Enacted this 5th day of November, 2007, by a majority vote of the duly elected City Council of the City of Tega Cay.

(Signatures are on the following page.)

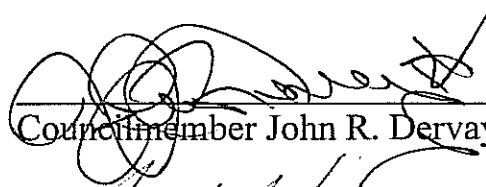
SIGNED:



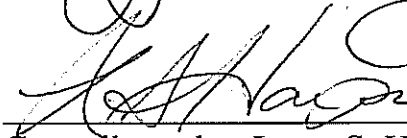
Mayor Bob Runde



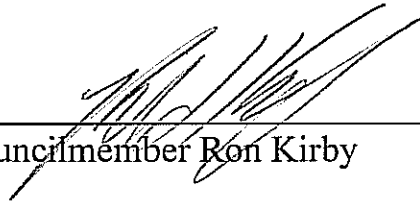
Mayor Pro Tempore Les Conner



Councilmember John R. Dervay, II

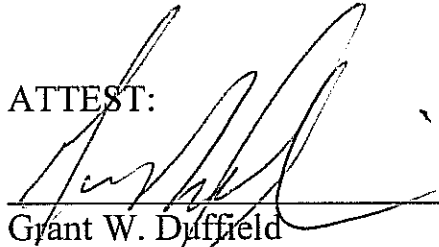


Councilmember Larry S. Harper



Councilmember Ron Kirby

ATTEST:



Grant W. Duffield
City Manager, City of Tega Cay