

Chapter 2.33

OFFICE OF PURCHASING

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2.33.010 Definitions.

For the purposes of this chapter, the following terms, phrases, words, and their derivations shall have the meaning given in this section. When not inconsistent with the context, words used in the present tense include the future, words in the plural number include the singular number, and words in the singular number include the plural number. The word "shall" is always mandatory and not merely directory.

- A. "Finance Director" is the officer vested with the executive powers of the Finance Department of the City.
- B. "City" is the City of St. Charles.
- C. "City council" is the City Council of the City.
- D. "City Purchasing Manager" is the Purchasing Manager of the City.
- E. "Contractual services" means all telephone, gas, water, electric light and power services; towel and cleaning service; leases for all grounds, buildings, office or other space required by the using agencies; and the rental repair or maintenance of equipment, machinery and other city-owned personal property. The term shall not include professional and other contractual services which are in their nature unique and not subject to competition.
- F. "Supplies" means all supplies, materials, and equipment.
- G. "Using agency" is any department, agency, commission, committee, bureau or other unit in the city government using supplies or procuring contractual services as provided for in this chapter.

(Ord. 2008-M-1 § 1; Ord. 2000-M-2 § 1; Ord. 1979-M-37 § 1.)

2.33.020 Office established.

There is established a Finance Department with an office of purchasing. This office is to be a division of the Finance Department, under the direct supervision of the Finance Director. (Ord. 2008-M-1 § 2; Ord. 1979-M-37 § 2.)

2.33.030 Purchasing manager - Position created.

The Purchasing Manager shall be the head and have general supervision of the purchasing function. The manager shall perform all duties required by law, and shall have the powers and duties prescribed by this chapter. (Ord. 1979-M-37 § 3 (part).)

2.33.040 Purchasing manager - Qualifications and selection.

The manager shall:

- A. Be selected by the Finance Director;
- B. Have had, prior to selection, considerable experience in a purchasing office of a public or private corporation in an executive capacity, and meet all other qualifications criteria as outlined in the position job description.

(Ord. 2008-M-1 § 3; Ord. 2000-M-2 § 1; Ord. 1979-M-37 § 3(1).)

2.33.050 Committee on standardization and specification - Created.

Deleted in its entirety.

(Ord. 2008-M-1 § 4; Ord. 1979-M-37 § 4 (part).)

2.33.060 Nature of specifications.

Deleted in its entirety.

(Ord. 2008-M-1 § 4; Ord. 1979-M-37 § 4(5).)

2.33.070 Manager - Enforcement of committee specifications.

Deleted in its entirety.

(Ord. 2008-M-1 § 4; Ord. 1979-M-37 § 4(1).)

2.33.080 Manager - Committee related duties.

It shall be the duty of the manager:

- A. To classify all the supplies used by the various branches of the city government, and in consort to establish and maintain a coexisting inventory control and accounting program for the city;
- B. To adopt as standards the minimum number of quantities, sizes, and varieties of supplies consistent with the successful operation of the city government;
- C. To prepare and adopt written specifications of all such standard supplies.

(Ord. 1979-M-37 § 4(2).)

2.33.090 Application of standard specifications - Exemptions.

After its adoption, each standard specification shall, until revised or rescinded, apply alike in terms and effect to every future purchase and contract for the supply described in such specifications.

The manager shall have the authority to exempt any using agency of the city for use of the supply described in such standard specification, if the meeting of such specification is not in the best interest of the city and is so documented. (Ord. 1979-M-37 § 4(3).)

2.33.100 Determination of standard specifications - Consultation with using agencies.

The manager shall continually consult with the heads and other officials of the using agencies to determine their precise requirements and shall endeavor to prescribe those standards which meet then needs of the majority of such agencies. (Ord. 1979-M-37 § 4(4).)

2.33.110 Manager - Purchasing authority.

The manager shall have the power and it shall be his duty:

- A. To purchase or contract for all supplies and contractual services needed by any using agency which derives its support wholly or in part from the City, in accordance with purchasing procedures as prescribed by this chapter and such rules and regulations as the manager shall adopt with the concurrence of the Finance Director for the internal management and operation of the office of purchasing and such other rules and regulations as shall be prescribed by the Finance Director and the Government Operations Committee;
- B. The authority of the manager to negotiate all purchases for all using agencies shall not be abridged by excepting a particular using agency;
- C. Except as provided in this chapter, no city officer or officers shall purchase any supplies or make any contract within the purview of this chapter other than through the office of purchasing, and any purchase ordered or contract made contrary to the provisions of this chapter shall require the approval of the city council.

(Ord. 2008-M-1 § 5; Ord. 1979-M-37 § 3(2).)

2.33.120 Manager - Powers and duties generally.

In addition to the purchasing authority conferred by this chapter, the manager shall:

- A. Act to procure for the city the highest quality in supplies and contractual services at least expense to the city;
- B. Discourage uniform bidding and endeavor to obtain as full and open competition as possible on all purchases and sales;

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- C. Establish, and amend when necessary, all rules and regulations authorized by this chapter and any others necessary to its operation;
- D. Keep informed of current developments in the field of purchasing, prices, market conditions and new products, and secure for the city the benefits of research done in the field of purchasing by other governmental jurisdictions, national technical societies, trade associations having national recognition, and by private businesses and organizations;
- E. Prescribe and maintain such forms as he shall find reasonably necessary to the operation of this chapter;
- F. Prepare and adopt a standard purchasing manual for all using agencies and suppliers;
- G. Prepare, adopt and maintain a current vendor's catalog file. Said catalog shall be filed according to materials and shall contain descriptions of vendor's commodities, prices, and discounts;
- H. Exploit the possibilities of buying in bulk so as to take full advantage of discounts;
- I. Act so as to procure for the city all federal tax exemptions to which it is entitled;
- J. Cooperate with the department of finance so as to secure for the city the maximum efficiency in budgeting and accounting;
- K. Have the authority to declare vendors who default on their quotations irresponsible bidders and to disqualify them from receiving any business from the municipality for a stated period of time.

(Ord. 1979-M-37 § 3(3).)

2.33.130 Requisition and estimates.

- A. All using agencies, either by or with the authorization of the head of the department under which the using agency operates, shall file with the Purchasing Manager detailed requisitions or estimates of their requirements in supplies and contractual services in such manner, at such times, and for such future periods as the Purchasing Manager shall prescribe.
- B. A using agency shall not be prevented from filing, in the same manner, with the Purchasing Manager at any time, a requisition or estimate for any supplies and contractual services, the need for which was not foreseen when the detailed estimates were filed.
- C. The Purchasing Manager shall examine each requisition or estimate and shall have the authority to revise it as to quality, quantity, or estimated cost, but the Purchasing Manager shall consult with the head of the requisitioning agency prior to making revision.

(Ord. 1985-M-42 § 1; Ord. 1979-M-37 § 5.)

2.33.140 Encumbrance of funds.

Except in cases of emergency, the Purchasing Manager shall not issue any order for delivery on a contract or open market purchase until the Finance Director has certified, after preaudit, that there is to the credit of the using agencies concerned a sufficient budgeted balance, in excess of all unpaid obligations, to defray the amount of such order. (Ord. 2008-M-1 § 6; Ord. 1985-M-42 § 1; Ord. 1979-M-37 § 6.)

2.33.150 Prohibition of interest.

In compliance with Illinois State Statute, the Purchasing Manager and every officer and employee of the city are expressly prohibited from accepting, directly, indirectly, from any person, company firm or corporation to which any purchase order or contract is, or might be awarded, any rebate, gift, money, or anything of value whatsoever, except where given for the use and benefit of the city. (Ord. 1985-M-42 § 1; Ord. 1979-M-37 § 7.)

2.33.160 Competitive bidding required.

All purchases of, and contracts for supplies and contractual services, in excess of twenty thousand dollars and all sales of personal property which has become obsolete and/or unusable shall, except as specifically provided in this chapter, be based wherever possible on competitive bids, unless otherwise authorized by the city council. (Ord. 2006-M-11 § 1; Ord. 1989-M-100 § 1; Ord. 1988-M-69 § 1; Ord. 1985-M-42 § 1; Ord. 1982-M-67 § 1; Ord. 1979-M-37 § 8.)

2.33.170 Formal contract procedure - Required when.

When the estimated cost of supplies and/or contractual services exceeds twenty thousand dollars (\$20,000.00) they shall be purchased by formal, written contract from the lowest responsible bidder after notice inviting proposals except as otherwise specified in this chapter or otherwise authorized by the city council. (Ord. 2006-M-11 § 2; Ord. 1989-M-100 § 1; Ord. 1988-M-104 § 1; Ord. 1985-M-42 § 1; Ord. 1979-M-37 § 9 (part).)

2.33.180 Formal Contract procedure - Inviting bids.

- A. Newspaper. Notice inviting bids shall be published once in at least one newspaper of general circulation in the city and at least fourteen days preceding the last day set for the receipt of proposals. The newspaper notice required in this section shall include a general description of the articles to be purchased or sold, shall state where bid blanks and specifications may be secured, and the time and place for opening bids.
- B. Bidder's List. The manager shall also solicit sealed bids from all responsible prospective suppliers who have requested their names to be added to a bidder's list which is made up of prequalified prospective suppliers. The prequalification process generally requires the prospective suppliers to furnish the purchasing department with annual financial reports, credit and product references, corporate history (where applicable) and production and delivery capabilities. The bidder's list shall be maintained by the manager, who shall send each bidder such newspaper notice or such other notice as will acquaint them with the proposed purchase or sale. In any case, invitations sent to the vendors on the bidder's list shall be limited to commodities that are similar in character and ordinarily handled by the trade group to which the invitations are sent.

(Ord. 1979-M-37 § 9(1).)

2.33.190 Formal contract procedure - Bid deposits.

When deemed necessary by the manager or state statute, bid deposits shall be prescribed in the public notices inviting bids. Unsuccessful bidders shall be entitled to return of surety where the manager has required such. A successful bidder shall forfeit any surety required upon failure on his part to enter a contract within ten days after the award. (Ord. 1979-M-37 § 9(2).)

2.33.200 Formal contract procedure - Bid opening procedure.

- A. Bids shall be submitted in a sealed envelope inserted in a larger sealed envelope, clearly marked with the word "Bid."
- B. Bids shall be opened in public at the time and place stated in public notices.
- C. A tabulation of all bids received shall be available for public inspection.

(Ord. 1979-M-37 § 9(3).)

2.33.210 Formal contract procedure - Rejection of bids.

- A. The city council and the manager shall have the authority to reject all bids, parts of all bids, or all bids for any one or more supplies or contractual services included in the proposed contract.
- B. The manager shall not accept the bid of a contractor who is in default on the payment of taxes, licenses or other monies due the city.

(Ord. 1979-M-37 § 9(4).)

2.33.220 Formal contract procedure - Award - Authority.

The city council and the manager shall have the authority to award contracts within the purview of this chapter. (Ord. 1979-M-37 § 9(5) (a).)

2.33.230 Formal contract procedure - Award - Lowest responsible bidder.

Contracts shall be awarded to the lowest responsible bidder. In determining the lowest responsible bidder, in addition to price, the manager and city council 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, or within the time specified, without delay or interference;
- C. The character, integrity, reputation, judgment, 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 the laws and ordinances relating to the contract or service;
- 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;
- I. The number and scope of conditions attached to the bid;
- J. such other factors as the manager or city council shall deem appropriate.

(Ord. 1979-M-37 § 9(5) (b).)

2.33.240 Formal contract procedure - Award - To other than low bidder.

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 manager and filed with the other papers relating to the transaction, showing why accepting another bid is more advantageous to the city. (Ord. 1979-M-37 § 9(5) (c).)

2.33.250 Formal contract procedure - Tie bids.

- A. Local Vendors. If all bids received are for the same total amount or unit price, quality and service being equal, the contract shall be awarded to a local bidder.
- B. Outside Vendors. Where subsection A is not in effect, the manager shall award the contract to one of the tie bidders by drawing lots in public.

(Ord. 1979-M-37 § 9(5) (d).)

2.33.260 Formal contract procedure - Performance bonds.

The manager shall have the authority to require a performance bond before entering a contract in such amount as he finds reasonably necessary to protect the best interests of the city. (Ord. 1979-M-37 § 9(5) (e).)

2.33.270 Formal contract procedure - Prohibition against subdivision.

No contract or purchase shall be subdivided to avoid the requirements of this chapter. (Ord. 1979-M-37 § 9(6).)

2.33.280 Open market procedure - Required when.

All purchases of supplies, and contractual, services, and all sales of personal property which has become obsolete and/or unusable with an estimated value of two hundred fifty dollars or less shall be made in the open market, without newspaper advertisement and without observing the procedure prescribed by Sections 2.33.170 through 2.33.270 for the award of formal contract. In all events state statutory requirements shall be followed in connection with all sales and purchases. (Ord. 2006-M-11 § 3; Ord. 1988-M-104 § 1; Ord. 1985-M-42 § 1; Ord. 1979-M-37 § 10 (part).)

2.33.290 Open market procedure - Minimum number of quotations.

All open market purchases shall, wherever possible, be based on at least three competitive quotations, and shall be awarded to the lowest responsible supplier in accordance with the standards set forth in Section 2.33.230. (Ord. 1988-M-104 § 1; Ord. 1985-M-42 § 1; Ord. 1979-M-37 § 10(1).)

2.33.300 Open market procedure - Notice inviting quotations.

The manager shall solicit bids by direct mail requests to prospective vendors and by telephone. (Ord. 1988-M-104 § 1; Ord. 1985-M-42 § 1; Ord. 1979-M-37 § 10(2).)

2.33.310 Open market procedure - Recording.

The manager shall keep a record of all open market orders and the quotations submitted in competition thereon, and such records shall also be open to public inspection unless privileged under the Illinois Freedom of Information Act. (Ord. 1988-M-104 § 1; Ord. 1985-M-42 § 1; Ord. 1979-M-37 § 10(3).)

2.33.320 Central warehousing.

The manager shall control and oversee storerooms and warehouses. The manager or his designee shall maintain a perpetual inventory record of all materials, supplies or equipment stored in storerooms and warehouses. (Ord. 1988-M-104 § 1; Ord. 1985-M-42 § 1; Ord. 1979-M-37 § 11.)

2.33.330 Price agreement contract procedure.

The head of the using agency shall have the authority to submit requisitions to the Purchasing Manager for supplies available under the terms of price agreement contract made by the Purchasing Manager. (Ord. 1985-M-42 § 1; Ord. 1979-M-37 § 12.)

2.33.350 Surplus stock.

- A. All using agencies shall submit to the Purchasing Manager, at such time and in such form as he prescribes, reports showing stocks of all supplies which are no longer used or which have become obsolete, worn out or scrapped.
- B. The Purchasing Manager shall have the authority to transfer stock between city departments. (Ord. 1985-M-42 § 1; Ord. 1979-M-37 § 15.)

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2.33.360 Cooperative purchasing.

The Purchasing Manager shall have the authority to join with other units of government in cooperative purchasing plans when the best interests of the city would be served thereby. (Ord. 1985-M-42 § 1; Ord. 1979-M-37 § 16.)