

To: All Department Heads and MUNIS Users

From: Bernd Tardy, Acting City Purchasing Agent

Date: February 8, 2023

**Re: Guidelines, Policy and Procedure Update Regarding Purchases Made from Federal & State Contracts, Cooperative Agreements Between Municipalities and the Like**

The City's Purchasing Ordinance, **§3.08.070 section M**, allows for purchases to be made from State and Federal contracts/bid lists, cooperative associations or agreements assembled by several municipalities, and the like, in lieu of local competitive bidding since, in such instances, a competitive process has already been undertaken. However, where such list is only a list of prequalified vendors with no competitive process as to pricing having taken place, such list should not be used without prices being solicited from several vendors. The key determination as to whether the use of the contracts, agreements or bid lists referred to in this section is appropriate is whether such use is in the best interests of the City. If the Purchasing Agent agrees with the Contracting Officer that it is, s/he will notify the Contracting Officer and will report to the BPP such determination in its quarterly report, in accordance with section P of the City's Purchasing Ordinance, §3.08.070.

A Contracting Officer may seek to procure goods or services from any such contract or bid list by taking the following steps:

1. Through due diligence, determine that the state, federal or other cooperative contract or bid is appropriate and is believed to be in the best interest of the City considering its terms, price, conditions, and the like with the Purchasing Department making the final determination; and
2. Provide the complete, signed request form & memo using the attached template which requests the use of such state, federal or other cooperative contract or bid and explains why it would be in the City's best interest to use it, along with all pertinent backup (including at least the first two pages of the corresponding contract or Master Agreement, evidencing the terms, e.g., best price, faster delivery, etc.). Your quote must have the corresponding contract number on it.
3. After evaluating the submission, the Purchasing Department will determine whether it agrees that use of the state, federal or other cooperative contract or bid is in the best interests of the City. If the use of such contract or bid is approved, a number will be assigned by the Purchasing Department. After the number is assigned, a requisition can be created.
4. Enter the assigned number & the State, Federal or cooperative bid number into the general description line of your requisition. This is imperative for quarterly reporting purposes.
5. Import the approved packet as requisition backup.

**NOTE:** In the event the procurement exceeds Twenty-Five Thousand Dollars (\$25,000.00), the Contracting Officer shall contact the City Attorney's Office for advice as to whether any contract related to such state, federal or other cooperative contract or bid is sufficient or requires any modification.

**BE ADVISED:** As the Contracting Officer, it is your responsibility to ensure the City is protected with regard to bonding, insurance and state and federal wage requirements.