

**CITY OF NORTH BONNEVILLE
RESOLUTION NO. 457**

**A RESOLUTION OF THE CITY OF NORTH BONNEVILLE, WASHINGTON,
ADOPTING PURCHASING POLICIES AND PROCEDURES.**

WHEREAS, the City's current purchasing policies, adopted in 1998 with resolution 330, are outdated, cumbersome, and conflict with subsequently adopted policies and procedures; and

WHEREAS, the City began contracting with MRSC for the development and maintenance of its small works roster; and

WHEREAS, the City recently joined the Washington State Purchasing Cooperative, purchases through which comply with state purchasing laws; and

WHEREAS, the laws of the State of Washington authorize the use of credit cards for municipalities and political subdivisions for covering expenses associated with authorized travel, and for official government purchases and acquisitions; and

WHEREAS, the Council of the City of North Bonneville finds that it is in the best interest of the City to permit such use under limited conditions;

NOW, THEREFORE, BE IT RESOLVED THAT the City of North Bonneville hereby adopts the attached purchasing policies and procedures, and all provisions of resolution 330 are hereby superseded to the extent that they are inconsistent with this resolution.

PASSED IN REGULAR SESSION this 23rd day of April, 2012. 3



ATTEST:



Mayor



City Clerk

900 PURCHASING PROCEDURES

901 Statement

Purchasing procedures for North Bonneville are governed by the Washington State Budgeting, Accounting and Reporting System (BARS) as promulgated by the Auditor's Office, and by North Bonneville Municipal Code Title 4.

It shall be the primary goal of the City to obtain quality supplies and services at the lowest possible price. Within this goal, the City shall endeavor to purchase locally and from minority-owned businesses.

902 Small Works

NBMC 4.04 discusses Small Works. The City contracts with Municipal Research Services Center (MRSC) to maintain its small works roster. The roster shall be utilized as follows:

- A. The small works roster may be utilized whenever the City seeks to construct any public work or improvement, the estimated cost of which is \$100,000 or less, or such other amount as may from time to time be established by the laws of the State of Washington.
- B. When the small works roster is utilized, the City of North Bonneville shall invite proposals from all appropriate contractors on the small works roster including, whenever possible, at least one proposal from a minority contractor who otherwise qualifies.
- C. The invitation to the contractor on the small works roster shall include an estimate of the scope and nature of the work to be performed as well as materials and equipment to be furnished.
- D. When awarding a contract for work under the small works roster, the City of North Bonneville shall award the contract to the contractor submitting the lowest responsible bid, provided, that the City of North Bonneville reserves its right under applicable law to reject any or all bids, and to waive procedural irregularities. (Ord. 972, 2010; Ord. 621 § 3(1--4), 1988)

903 Telephone Quotations

NBMC 4.08 discusses the use of Telephone Quotations. RCW 35.23.352 provides that advertisement and competitive bidding may be dispensed with on purchase of supplies, material, equipment or services between \$7,500 and \$15,000 if a procedure is established for securing telephone and/or written quotations to assure establishment of a competitive price and for awarding such contracts for purchase of materials, equipment or services to the lowest responsible bidder.

The Mayor, or his designee, may solicit telephone and/or written quotations for purchase of supplies, materials, equipment or services, in an amount not to exceed \$15,000 or such other amount as may from time to time be established by the laws of the State of Washington, provided that the following procedures are followed:

1. Whenever possible, not less than three prospective vendors shall be contacted and advised as to the specifications for the item or items for which quotations are being sought. The number of vendors contacted may be reduced if the item or items sought are only available from a smaller number of vendors. An explanation shall be placed in the procurement file when fewer than three bids are requested, or if there are fewer than three replies. Specifications for quotations shall, whenever possible, be drafted to permit at least three vendors to submit quotations.
2. Whenever possible, quotations will be solicited on a lump sum or fixed unit price basis.
3. Telephone or written requests for quotations shall specify at a minimum the following:
 - (a) Item(s) to be purchased
 - (b) Number of units
 - (c) Tax
 - (d) Delivery time requirements
 - (e) Freight costs
 - (f) Point of delivery
 - (g) Terms of payment
 - (h) Any additional fees
4. Tabulation of telephone or written quotations shall be used on forms provided by the City and shall include at a minimum the information described in Paragraph 3 hereof.
5. Upon Council approval and written authorization of the Mayor or his designee, the materials, equipment or services shall be ordered from the individual or entity submitting the lowest quotation, whose quotation meets all specifications established for the item or items being purchased.
6. Written confirmation of telephone quotations from responsible vendors may be requested.
7. Immediately after the award is made, the quotations are to be recorded and open to public inspection and are to be available by telephone inquiry.

904 Credit or Purchasing Cards

Retail Gasoline Credit Cards

- A) Credit cards may be used for the purchase of gasoline and other minor automotive supplies for City vehicles. Cash advances, purchases of food or other non-automotive related items are not authorized using these cards.
- B) No single transaction will exceed \$100 unless authorized by the Mayor or City Administrator.

- C) The Mayor and/or City Administrator shall be responsible for establishing all credit arrangements and agreements with applicable vendors, and managing the use of credit cards by City employees and elected or appointed officials (custodians).
- I. Except when being used by a custodian to make an authorized transaction, credit cards shall remain in the possession of the City Administrator or his/her designee. Credit Cards are to remain on city property except when being used for a specific purchase.
 - II. Any individual requesting to use a credit card shall make a request to the City Administrator and shall sign for receipt and return of the card. A copy of the receipt for all purchases shall be submitted to the City Administrator when the card is returned.
 - III. The Public Works Department and the Fire Department may each be assigned one credit card for their regular operations.
 - IV. The vendor which carries the account shall be required to submit a bill for the credit card to the City monthly. All charges will be reviewed by the City Administrator before being submitted to the Council for approval.
 - V. The Mayor and/or City Administrator may disallow the use of any City credit card by an individual for a violation or misuse of this policy.

All Other Credit or Purchasing Cards

- A) The City Administrator is authorized to be the Credit and Purchasing Card Manager and will designate card custodians to oversee the safekeeping and use of the cards assigned to their department.
- I. Custodians are required to have a working knowledge of all applicable policies, rules and guidelines regarding purchasing and credit cards, and city purchasing procedures.
 - II. Custodians are responsible to:
 1. Ensure that all purchases are appropriate and no prohibited items have been purchased;
 2. Track and monitor the use of the purchasing or credit cards to ensure compliance with all applicable policies and procedures.
 3. Act on non-compliance or violations of policies and procedures.
 4. Review the purchases made by the cardholders in the department and approve payment to the service provider.
 5. Notify the City Administrator immediately of a lost or stolen card.
- B) The City shall contract with an appropriate vendor for credit or purchasing card account with a limit of \$1,000.
- I. Individual credit or purchasing cards shall have the following limitations:
 1. A credit limit of no more than \$500.
 2. No more than 5 transactions per day.
 3. No more than 15 transactions per month.
 4. No purchases alcohol, controlled substances, or any items not normal to city operations may be made using a credit or purchasing card.
 5. Except when being used by an employee or elected or appointed official to make an authorized transaction, credit or purchasing cards shall remain in the possession of the Mayor, the City Administrator or their designee.

- C) Credit or purchasing cards may be used by custodians for advance payment of expenses associated with authorized travel such as registration and tuition fees, lodging expenses and transportation expenses. Credit or purchasing cards may also be used for official government purchases and acquisitions, including supplies, small tools and equipment, capital equipment approved by budget or authorization of the Council, unless the law requires the City to purchase such equipment by bid process.
- D) Credit or purchasing cards shall not be used for cash advances under any circumstance. All purchases must be for the purpose and benefit of the City of North Bonneville, as determined by the Mayor and/or City Administrator.
- E) Any individual requesting to use a credit or purchasing card shall make a request to the City Administrator and shall sign for receipt and return of the card.
- F) The vendor which carries the account shall be required to submit a bill for the credit card to the City monthly. All charges will be reviewed by the City Administrator before being routed to the Council for approval.
- G) Elected or appointed officials and employees of the City of North Bonneville who use the credit or purchasing cards are required to comply in all respects with the provisions of RCW 42.24.115 regarding the submission of a fully itemized travel expense voucher and a repayment of disallowed charges.
- H) The City Administrator may disallow the use of any city credit or purchasing card by a city employee or official for violation of this policy.