



## Takoma Park City Council Meeting – October 24, 2018 Agenda Item 7

### Work Session

Overview of Amendments to Takoma Park Code, Purchasing, Chapters 7.04, 7.08, and 7.12

### Recommended Council Action

Discuss proposed Code amendments and provide feedback

### Context with Key Issues

All purchases of goods and services must be made in accordance with the chapters of the City's Code regarding purchasing. Other than some minor additions, these chapters have not been substantively updated since before 2000. Given increased costs for goods and services over time and the need for some general corrections and clarifications, staff recommends that Council consider updating portions of the Code. Substantive amendments for Council to consider include:

- Adding "state" and "county" where there are currently only references to Federal contracts and regulations
- Clarifying documentation requirements – instead of requiring that "all contracts involving more than \$3,000" be in writing, ensuring that there is written documentation for all purchases
- Awarding Authority
  - Increasing the dollar amount of purchases that must be approved by Council from \$5,000 for professional services and \$10,000 for other single purchase of goods or services to \$50,000
  - Requiring that the City Manager sign contracts for all purchases greater than \$30,000
  - Requiring that the City Manager or designee approve purchases less than \$30,000
- Required Reports to Council
  - Annual report to the Council regarding all purchases between \$30,000 and \$50,000 and all emergency purchases between \$10,000 and \$30,000
  - Immediate reports to Council regarding all emergency purchases above \$30,000
- Procedural Requirements
  - Increasing the purchase amount requiring competitive sealed bids and proposals (commonly referred to as a "Request for Proposals") from \$10,000 to \$30,000
  - Increasing the purchase amounts requiring staff to obtain at least three proposals (commonly referred to as "quotes") from \$0-\$10,000 to \$10,000-\$29,999
  - Requiring staff to make reasonable efforts to obtain lowest cost for purchases below \$10,000
- In addition to existing provisions for emergency procurements, professional services, and cooperative purchasing, create an exception that allows the City to take advantage of limited term "sale" offers

- For environmentally friendly purchasing, move detailed requirements to regulations to facilitate incorporation of changing technology, scientific understanding, and environmental certifications
- For “evergreen” and renewable contracts, require that staff investigate changes in competitors’ pricing, advances in technology, the vendor’s performance, changes in need, and financial and operational cost of changing vendors to determine whether to solicit new bids, proposals or quotes at least every five years.

**Council Priority**

Fiscally Sustainable Government

**Environmental Considerations**

The existing Code requires that certain environmental and energy considerations be taken into account when purchasing goods and services. The proposed amendments to the Code will include moving detailed requirements to administrative regulations to allow us to respond more quickly to changing technology, scientific understanding, and environmental certifications.

**Fiscal Considerations**

The proposed amendments to the Code may result in some cost savings, as they include new provisions that would allow the City to take advantage of unexpected, time-limited “sales.”

**Racial Equity Considerations**

We are unable to determine whether any group would be disproportionately impacted in a positive or negative way by this action.

**Attachments and Links**

None