

 <div style="text-align: center;"> <h1 style="margin: 0;">Council</h1> <h1 style="margin: 0;">Communication</h1> <p style="margin: 0;">Office of the City Manager</p> </div>	Date:	November 20, 2017
	Agenda Item No.	49
	Roll Call No.	<u>17-1988</u>
	Communication No.	<u>17-786</u>
	Submitted by:	Bob Fagen, Finance Director

AGENDA HEADING:

Amendment to Procurement Ordinance, Chapter 2, Article V, Division 3, Subdivision 5, of the Municipal Code of the City of Des Moines.

SYNOPSIS:

The amendment strikes the current Procurement Ordinance, Chapter 2, Article V, Division 3, Subdivision 5, of the Municipal Code of the City of Des Moines and enacts a redrafted ordinance to increase bid and request for proposals (RFP) thresholds requiring a formal competitive process to \$50,000, correspondingly increases the Procurement Administrator's (PA) authority to execute change orders and purchase orders (PO) and the City Manager's authority to execute contracts, authorizes the PA to determine good cause to allow direct procurement for up to \$50,000, deletes the option to appeal directly to the City Council for RFP selections, and other administrative updates to allow for a more efficient competitive and contract process.

FISCAL IMPACT: NONE

ADDITIONAL INFORMATION:

Approval of this action amends the Municipal Procurement Ordinance with major changes listed below:

- Minimum informal bid requirements changing from \$1,000 to \$5,000.
- Formal minimum bid threshold, including advertisement and City Council approval changing from \$25,000 to \$50,000.
- Authority for the PA to execute change orders to PO's previously approved by Council to be raised from 10% or \$15,000, whichever is less, to 20% or \$25,000, whichever is less.
- Eliminated the option to appeal directly to City Council in favor of appeal being filed with the PA for review by the City Manager for RFPs.
- The PA has authority, if authorized by the City Manager, to find good cause to allow direct procurement without bid or RFP process for up to \$50,000.
- The PA has authority, if authorized by the City Manager, to adopt administrative rules, to exempt procurements from those rules, and to execute contracts up to \$50,000.

- The PA has authority to use joint bids with all other governmental entities, not just Polk County.
- Contract terms changed from 1-year plus up to five (5) 1-year renewals for bids and 3 +3 for RFPs to up to six (6) years total.
- Advertisement of bids and RFPs allowed by newspaper or City website. Current minimum bid thresholds for other Iowa public entities:

Minimum Bid Threshold for:	Informal Bids	Formal Bids
City of Des Moines	\$1,000	\$25,000
City of Iowa City	\$10,000	\$25,000
State of Iowa (goods)	\$1,500	\$50,000
State of Iowa (services)	\$5,000	\$50,000
Des Moines Public Schools	\$5,000	\$25,000
City of Council Bluffs	\$5,000	\$25,000, IT purchases at \$50,000
City of Cedar Rapids	\$3,000	\$50,000
City of Ames	\$10,000	\$50,000
City of Davenport	\$3,000	\$50,000
City of West Des Moines	\$5,000	\$25,000
City of Dubuque	\$3,000	\$25,000

PREVIOUS COUNCIL ACTION(S):

Date: June 21, 2004

Roll Call Number: 04-1328

Action: Amending Chapter 2 of the Municipal Code regarding procurement by solicitation of competitive bids, and procurement by request for proposals. Moved by Vlassis that this ordinance do now pass, [#14,346](#). Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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