AN ORDINANCE PERTAINING TO COMPETITIVE BIDDING, CREATING A PUBLIC CONTRACT REVIEW BOARD, ESTABLISHING THE COMMON COUNCIL AS SUCH BOARD, PROVIDING RULES FOR EXEMPTION FROM COMPETITIVE BIDDING, AND DECLARING AN EMERGENCY. ORDINANCE BILL NO.  $\frac{29}{1611}$ 

THE PEOPLE OF THE CITY OF LEBANON DO ORDAIN AS FOLLOWS:

<u>Section 1</u>. There is hereby established a Contract Review Board for the City of Lebanon. The Common Council is hereby designated as the Contract Review Board of the city, as to all contracts entered into by the city, subsequent to the date hereof.

<u>Section 2</u>. "Public Contract" as used herein means any purchase, lease or sale of personal property, public improvements or services other than agreements exclusively for personal service.

<u>Section 3</u>. All public contracts shall be based upon competitive bids except as specified in this article.

Section 4. Contracts made with or the cost of which is provided by, other public agencies or the federal government are exempt from the requirements of Section 3.

Section 5. The Council finds that in the case of, or classes of, contracts hereinafter set forth which are hereby declared to be exempt from the requirements of Section 3, dispensing with bids will not encourage favoritism or substantially diminish competition for the reason that the amounts involved do not warrant competitive bidding and the cost of the competitive bidding process would be disproportionate to the costs and amounts involved, would increase costs to the public without corresponding benefit thereto. Favoritism likewise will not be encouraged nor competition diminished by the dispensing with bids. (a) It shall not be necessary for either formal or informal bids to be called in connection with any purchase, the amount of which shall be less than \$3,000.00.

(b) Informal bids only shall be necessary for any purchase which exceeds \$3,000.00, but is less than \$10,000.00. An informal bid shall be considered to be the procedure whereby the purchasing agent of the city ascertains by correspondence, telephone calls, or direct contact, the various prices for the items involved, quoted by a number of reliable firms that shall have such items for sale. The purchasing agent shall cause to be kept, all records and evidence of such informal bids, and after obtaining the same, the purchase may be made by the City Administrator or his designated agent.

(c) It shall not be necessary for either formal or informal bids to be called in any case where the item(s) to be purchased is manufactured or available only through one company, firm or individual. Products shall not be specified nor be purchased by brand name or mark unless exempt under (a) or (b) above, unless there is evidence regarding one source, or substantial savings to the public would result, or efficient utilization of existing supplies requires the acquisition of compatible equipment or supplies.

(d) In any case where the Contract Review Board specifically determines that the public interest would best be served, favoritism is not encouraged and competition undiminished thereby, and the specific reasons for such determination is made of record, then the calling of competitive bids may be waived by the Contract Review Board.

(e) If emergency conditions require prompt execution of the contract, competitive bidding may be dispensed with, in which case

the same may be declared by a unanimous vote of the board, together with the reasons for such declaration of an emergency.

<u>Section 6</u>. Inasmuch as the provisions of this Ordinance are necessary for the immediate preservation of the peace, health and safety of the people of the City of Lebanon, an emergency is hereby declared to exist, and this ordinance shall be in full force and effect immediately upon its passage by the Council and approval by the Mayor.

M. Scroppin Gonzales

ATTEST:

Janet Wills Denuty Recor