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Ordinance 2025-17

ORDINANCE TO SET PARAMETERS FOR PURCHASES MADE BY THE CITY, AND DEPARTMENTS OF THE CITY OF HORSESHOE BEND ARKANSAS

WHEREAS, the City Council of Horseshoe Bend has the responsibility of the finances, property and assets of the city, and

WHEREAS, the City Council has the responsibility to insure proper processes are followed in the spending of the funds of the City of Horseshoe Bend,

NOW THEREFORE BE IT ORDAINED BY the city council of the city of Horseshoe Bend Arkansas:

SECTION 1: The City Council is setting purchasing policy per exhibit A.

SECTION 2: The City Council recognizes that emergencies may require actions which must be done in a manner outside of these rules. Council members need to be notified immediately about the expenditure and the reason for the deviation from the rules.

Passed and approved this _____ day of _____ 2025

APPROVED:

Mayor Duane DeLair

ATTEST

Recorder Treasurer Bill Vander Pas

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EXHIBIT A

Procurement Threshold Amounts

Intent:

The intent of this ordinance is to define purchasing threshold amounts and the different procurement methods used when purchasing goods and services for the City of Horseshoe Bend.

These general guidelines and/or rules for the procurement process are intended to establish city policy.

Purchases of \$.01 to \$ 2500.00

Purchases in this category are:

- Exempt from informal or formal bids
- Should be used to satisfy an immediate need and should not be used for recurring purchases of the same item(s).
(Recurring items which are known and can amount to more than \$300 should be advanced to the next level of purchases.)
- May be made at the Department level and do not require any additional approvals.

Purchases of \$2500.01 to \$5,000.00

- Purchases in this category require Competition.
- The Department head requiring the goods or services will handle the process and obtain quotes and bids.
- May be informal (non-advertised) however these events are not generally required to be advertised.
- Quotes and bids may be received via telephone, e-mail, or fax.
- May be made at the Department level and do not require any additional approvals if they are budgeted line items.

Purchases of \$5,000.01 to \$10,000.00

- Purchases in this category require competition.
- The Department head requiring the goods or services will handle the process and obtain quotes and bids.
- May be informal (non-advertised) These events are not generally required to be advertised.
- Quotes and bids may be received via telephone, e-mail, or fax.
- Require a detailed written specification.
- Approval from the City Council is required prior to committing to purchase.

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Purchases of \$10,000.01 to \$30,000.00

Purchases in this category require:

- Prior approval by the City Council before committing to purchase.
- Purchases in this category are required to be publicly advertised.*
- A detailed written specification must be provided to the public in order to enable correct bids with equal comparison points..

The Department requesting the goods and services may handle the bid process and obtain quotes using competitive sealed bids or competitive sealed proposals.

Bids and proposals shall be awarded by the City Council.

The Mayor shall sign contracts on behalf of the city after City Council approval.

Purchases of \$30,000.01 or Greater

Purchases in this category require:

- Approval from City Council and Recorder Treasurer prior to publishing advertisement(s) soliciting formal competitive sealed bids or proposals.
- Detailed written plans and specifications
- Competition.
- Formal advertisement.*
- A formal process resulting in an IFB/RFP**.
- Prospective suppliers must respond according to the detailed plans and specifications of the IFB/RFP.

Bids and proposals shall be awarded by the City Council.

The Mayor shall sign contracts on behalf of the city after City Council approval.

*Advertising should involve the Recorder Treasurer to ensure proper wording and to ensure the advertising expenses are posted to the correct budget line. The advertisement should specify submittal deadlines and the date, time and place of bid opening

**IFB - Invitation For Bid RFP - Request For Proposal