

**AN ORDINANCE TO AMEND THE CODE OF ORDINANCES
OF THE CITY OF PORTAGE, MICHIGAN
BY AMENDING CHAPTER 2 ADMINISTRATION**

THE CITY OF PORTAGE ORDAINS:

DIVISION 2. PURCHASES AND SALES¹

Sec. 2-161. Definitions.

The following words, terms and phrases, when used in this division, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Materials and *supplies* mean any and all articles or things which shall be furnished to or used by an officer or department of the city for a city purpose.

Services means any and all services of any type, other than payroll services and professional services such as legal, medical, engineering, insurance, auditing and architectural services, whether or not including the furnishing of materials or supplies as a part or incident thereof, for which a consideration in money is paid by the city.

Professional services are services or expertise that are provided by a business, department or individual, rather than a physical product. Examples include consultants, trainers, legal experts, etc.

(Code 1983, § 206.01; Ord. No. 089-01, 1-17-1989)

Cross reference(s)—Definitions generally, § 1-2.

Sec. 2-162. Office of director of purchasing established.

There is hereby established the administrative office of the director of purchasing.

(Code 1983, § 230.01; Ord. No. 092-34, 12-22-1992)

Charter reference(s)—Appointed officers to be electors, § 3.2(d); appointment of administrative officers, § 6.2.

Sec. 2-163. Authority of director of purchasing.

No materials, supplies or services shall be purchased for use by an officer or department of the city except through or under the direction of the director of purchasing. The city manager shall, as director of purchasing under this division, subject to chapter 11 of the Charter, or under his responsibility, delegate such duties to a purchasing manager, officer or employee of the city, and he shall adopt any necessary rules respecting requisitions and purchasing orders.

(Code 1983, § 206.02; Ord. No. 089-01, 1-17-1989)
(Code 1983, § 206.02; Ord. No. 089-01, 1-17-1989) procedures for personal property to be as established by ordinance, § 11.2.

Sec. 2-164. Departmental estimates of requirements.

All officers and department heads shall, annually on or before February 1, file with the Department of Finance detailed estimates of their requirements in materials, supplies and services, in order that provisions may be made therefor in the annual city budget. The Purchasing Manager may arrange for the purchase of such materials, supplies and services as may be purchased in quantity to the best advantage of the city.

(Code 1983, § 206.03; Ord. No. 089-01, 1-17-1989)

Sec. 2-165. Requisitions; method of making purchases.

All materials, supplies and services shall be specified upon a written requisition therefor by the officer or department head requiring the materials, supplies or services. Requisitions shall be supplied, insofar as possible, out of materials on hand or in general stores of the city. If not available therefrom, purchases shall be made after bids are received, when required by the Charter or ordinance or a direction of the council. When the securing of bids is not required, purchases shall be made in the open market, to the best advantage of the city.

(Code 1983, § 206.04; Ord. No. 089-01, 1-17-1989)

Sec. 2-166. Emergency purchases.

In case of an actual emergency, an officer or department head may make direct purchases of materials, supplies or services, where the immediate procurement thereof is essential to the conduct of his office or department and the delay or established purchasing procedures would vitally affect the public services of the city or the health, safety or welfare of the public, provided that a requisition therefor is filed and approved with the Purchasing Manager as to the existence of the emergency, as provided in this division, before payment therefor may be authorized by the council or city manager dependent on threshold.

(Code 1983, § 206.05; Ord. No. 089-01, 1-17-1989)

Sec. 2-167. Sole source procurement.

- (a) A contract for supplies, materials, equipment, contractual services or construction may be awarded by the city council as otherwise provided for in this division without competitive bids when the department head determines, in writing, after conducting a good faith review of available sources, that there is only one source or where awarding to a single source for the provision of requested supplies, materials, equipment, contractual service or construction is in the best of interest of the City. The purchasing manager shall corroborate and approve the department head's recommendation prior to presenting the purchase request to the, depending on amount, city manager or city council. The written determination shall explain the steps taken to identify sources, the purchase's background, description, benefit to the City and price reasonableness. The written statement shall be available for public inspection.

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- (b) The single or sole source procurement shall be made at the lowest obtainable price. The purchasing manager, along with the representative from the requesting department, shall conduct negotiations as appropriate.

(Code 1983, § 206.06; Ord. No. 089-01, 1-17-1989)

Sec. 2-168. Cooperative and Piggyback purchasing.

Upon the written recommendation of the city manager, the city council may authorize cooperative purchasing using cooperative agencies' (e.g. MiDEAL, OMNIA, Sourcewell, etc.) competitively awarded contracts as well as piggyback purchasing using competitively awarded contracts by other units of government, including but not limited to the federal government, the state, and other local government units, without the necessity of obtaining independent bids.

(Code 1983, § 206.07; Ord. No. 089-01, 1-17-1989)

Sec. 2-169. Approval of requisitions by the finance director.

All requisitions for purchases shall be approved by the city finance director as to the sufficiency of funds to make purchases.

(Code 1983, § 206.08; Ord. No. 089-01, 1-17-1989)

Sec. 2-170. Unencumbered funds prerequisite to making purchases.

No purchase of materials, supplies or services shall be made by the city unless a sufficient unencumbered appropriation is available for the payment therefor or for the payment of such amount of the purchase price thereof as is required to be paid during the current fiscal year of the city, if the payment therefor is to be made in installments as permitted by section 11.3(a) of the Charter.

(Code 1983, § 206.09; Ord. No. 089-01, 1-17-1989)

Sec. 2-171. Purchasing procedures; bids generally.

- (a) *Purchases of \$6,000.00 or less.* Purchases of \$6,000.00 or less may be made without the necessity of securing bids therefor or the approval of the city council. The contracts of purchase may be signed by the city manager.
- (b) *Purchases of \$30,000.00 or less but over \$6,000.00 .* No purchases shall be made in an amount of \$30,000.00 or less but over \$6,000.00 unless an opportunity is afforded for competitive bids thereon. In cases where competitive bidding is required under this subsection, quotes, bids, proposals must be provided in writing. The contracts of purchase may be signed by the city manager.
- (c) *Purchases of \$75,000.00 or less but over \$30,000.00.* Except as otherwise provided in this division, when the amount involved exceeds \$30,000 but is \$75,000.00 or less, competitive bidding shall be required and received. In cases where competitive bidding is required under

this subsection, it shall be by written bids, quotes and proposals. The contracts of purchase may be signed by the city manager without the approval of the city council.

- (d) *Purchases over \$75,000.00.* Except as otherwise provided in this division, when the amount involved exceeds \$75,000.00, formal, sealed bids, proposals, or qualifications shall be requested and received. All sealed bids shall be opened by the purchasing manager or designee in public or via live video conference. The council may reject any or all bids. In each case of a purchase based upon bids, as provided in this section, the award of such purchase shall be based upon the lowest and best bid of a responsible bidder or best value, as determined by the council. If the council rejects all bids, the council shall order a second submission of bids to be made or may, by a vote of five or more of its members, waive the requirement of a second submission of bids. If the council rejects all bids submitted at the second submission of bids or waives the second submission of bids, the council may direct the director of purchasing to negotiate for the purchase of the materials, supplies or services concerned in the open market to the best advantage of the city. In no event shall the cost of any such purchase of materials so purchased in the open market exceed the amount therefor set forth in the lowest and best bid submitted at the last submission of competitive bids therefor. The contracts of purchase shall be signed by the city manager or designee to execute all contracts and documents necessary to implement the approved purchase.
- (e) *Petty cash purchases.* The city manager may allow for purchases from petty cash by officers and departments of the city. A purchase from petty cash shall not exceed \$200.00 and shall be accounted for, and approved by, the department head. All petty cash purchases are subject to review by the purchasing manager.

(Code 1983, § 206.10; Ord. No. 089-01, 1-17-1989; Ord. No. 12-06, 7-10-2012; Ord. No. 16-10, 10-4-2016; Ord. No. 18-03, 4-10-2018; Ord. No. 19/20-03, 4-14-2020)

Sec. 2-172. Exceptions to competitive bidding requirement.

Bidding will not be required in respect to contracts for professional services. In any other case where competitive bidding clearly is not practical or where no advantage would result to the city by requiring competitive bidding, the city council, upon the written recommendation of the city manager, may execute contracts without competitive bidding. (Code 1983, § 206.11; Ord. No. 089-01, 1-17-1989)

Sec. 2-173. Change orders to construction contracts.

The city manager may authorize change orders or extensions to any contract approved by the council in an amount not to exceed \$75,000.00 without the necessity of securing bids or further approval of the council.

(Code 1983, § 206.13; Ord. No. 089-01, 1-17-1989; Ord. No. 12-06, 7-10-2012; Ord. No. 18-03, 4-10-2018; Ord. No. 19/20-03, 4-14-2020)

Sec. 2-174. Forms; adoption of purchasing rules; authority of council to waive requirements.

The purchasing manager shall formulate and provide all forms which are required to facilitate purchasing by the city and its officers and departments under this division. He shall also propose such rules as may be required to supplement this division for the conduct of purchasing of materials, supplies and services by the city, which rules shall be effective when approved by the vote of four or more members of the council and when a copy thereof is filed with the city clerk. The purchasing manager shall maintain a copy of all such rules for distribution to the public upon request. The city council reserves the authority to waive or modify any provisions or procedures pertaining to purchasing or contracting contained in this division or the rules and regulations promulgated by the city manager, if the city council determines it is in the best interest of the city to do so.

(Code 1983, § 206.14; Ord. No. 089-01, 1-17-1989)

Sec. 2-175. Sale of personal property.

With the consent of the city manager, personal property of the city may be sold by the purchasing manager:

- (1) When the estimated value of an item of personal property is \$4,000.00 or less, as estimated by the department head, such property may be sold without securing bids therefor.
- (2) When the estimated value of an item of personal property is \$20,000.00 or less but over \$4,000.00, as estimated by the department head, opportunity for written, competitive bids, quotes or proposals shall be afforded. The purchasing manager shall keep a record of all bids received.
- (3) When the estimated value of an item of personal property is over \$20,000.00, as estimated by the department head, sealed written bids shall be requested and received or bids shall be obtained at an advertised public auction. If sealed bids are requested, they shall be publicly opened by the purchasing manager or designee. If the bids received exceed \$20,000.00, the final award shall be made by the council. The council may reject any and all bids. If the council rejects all bids submitted, it may direct the city manager to negotiate for the sale of such city personal property in the open market to the best advantage of the city.

(Code 1983, § 206.15; Ord. No. 089-01, 1-17-1989; Ord. No. 12-06, 7-10-2012)

Charter reference(s)—Sales of personal property to be as established by ordinance, § 11.2.

Sec. 2-176. Disposition of found property.

The police department shall accept custody of lost articles having a value of \$10.00 or more, delivered to it or found by it. It shall maintain a record of each such article, giving its description, the time and place found and the name and address of the finder. If the owner of lost property is known to the chief of police, he shall cause to be served upon such owner a written notice informing him that his property has been found and is in the possession of the department. Any such article held by the department for 90 days or longer and which has not been claimed by the owner shall be sold at public auction by the director of purchasing, and the proceeds, less the

expense of storage and sale, shall be deposited with the city treasurer. Ten days prior to any such sale, a notice of such sale shall be published in a newspaper of general circulation in the city. Such notice shall describe the property and the time and place where it will be sold. Firearms shall be disposed of in accordance with applicable statutes.

(Code 1983, § 206.16; Ord. No. 089-01, 1-17-1989)

Sec. 2-177. Amendment of dollar amounts.

The dollar amounts set forth in this division may, from time to time, be changed by ordinance of the council without the necessity of amending the entire division.

(Code 1983, § 206.17; Ord. No. 089-01, 1-17-1989)

Secs. 2-178—2-200. Reserved.

Dated: _____

Patricia M. Randall, Mayor

FIRST READING:

SECOND READING:

ORDINANCE #:

EFFECTIVE DATE:

CERTIFICATION

I, Erica Eklov, do hereby certify that I am the duly appointed and acting City Clerk of the City of Portage and that the foregoing ordinance was adopted by the City of Portage on the _____ day of _____, 2025.

Erica Eklov, City Clerk

PREPARED BY:

Catherine Kaufman (P65412)

Portage City Attorney

Bauckham Thall

470 W. Centre, Suite A

Portage, MI 49024

Approved as to Form:

Date: _____

City Attorney