

# CITY OF SMITHS GROVE

POST OFFICE BOX 114

SMITHS GROVE, KENTUCKY 42171

## RESOLUTION PROCUREMENT PROCEDURES

Smiths Grove City Government

### Introduction

The adoption of this resolution will insure compliance with the Kentucky Procurement Code-KRS 45A345-45A.460.

The purpose of the code and this resolution is to: (1) establish purchasing processes which will maximize return on tax dollars; (2) establish ethical standards for both public and private participants in the public purchasing arena; and (3) set forth those requirements clearly and completely in a single document. The adoption of this resolution hereby repeals all conflicting resolutions of the City of Smiths Grove, Kentucky.

### SECTION I: Delegation of Responsibility

- 1.1 The town board is responsible for performance and administration of the procurement functions for the government of the city of Smiths Grove, Kentucky.
- 1.2 The Chairman of the town board shall make a written determination identifying all purchases authorized by the city budget for which small purchase procedures may be used. The determination shall state no single item or aggregate thereof in any fiscal year is expected to exceed \$2500.00
- 1.3 The town board delegates to the Chairman and the City Clerk authority to make small purchases in accordance with the following procedures:
  - 1.31 The City Clerk is delegated authority to make small purchases of less than \$50.00.
  - 1.32 The Chairman of the town board is delegated authority to make small purchases of less than \$500.00.
  - 1.33 Small purchases of more than \$500.00 and less than \$2,500.00 shall have approval of the town board unless a written determination is made by the Chairman that an emergency exists which will result in danger to health, safety, or property. In the event that such a determination is made the Chairman is delegated authority to make purchases.
- 1.4 Where practicable and feasible, for all purchases over \$50.00 preference will be given to having board approval of said purchases.

- 1.5 Abuse of the delegated authority shall terminate such delegation
- 1.6 All small purchases shall be made in accordance with the Small Purchases Procedure

SECTION II: Small Purchase Procedure: Provisions of KRS 45A. 385 shall be followed

- 2.1 Purchases of less than \$50.00 shall be made from vendors who provide service and pricing most advantageous to the city.
- 2.2 Purchases of more than \$50.00 shall be made after three price quotes have been obtained from vendors whenever practical and the one most advantageous to the city shall be selected. Where two or more suppliers offer the same price, preference may be given based on locality and service or purchases may be on a rotating basis.

SECTION III: Sealed Bidding Procedures: Provisions of KRS 45A. 365, 45A 390-415, 45A.430-440 shall be followed.

- 3.1 The town board or their delegated agent shall prepare a bid proposal containing specifications, quantity, and delivery desired.
- 3.2 The town board shall approve the proposal and may set a maximum amount to be expended and any evaluation factors to be considered in bid selection.
- 3.3 The city clerk shall place an appropriate advertisement in the newspaper of largest circulation in the local jurisdiction at least once, not less than seven (7) days nor more than twenty-one (21) days before the date set for the opening of the bids. Bids shall be opened publicly at the time and place stated in the advertisement.
- 3.4 The city clerk shall submit all responsive bids to the town board which shall select the lowest or the lowest evaluated bid by a qualified bidder. The town board reserves the right to reject any and all bids. The city clerk shall notify all bidders of the award.
- 3.5 The town board or their designated agent shall sign a contract or issue a purchase order with the one receiving the award.

SECTION IV: Negotiated Procedures: Provisions of KRS 45A 370-380 shall be followed.

- 4.1 Negotiated procedures may be used instead of sealed bids when the town board or their designated agent makes a written determination of a finding in compliance with:
  - 4.11 Competitive negotiations as defined in KRS 45A. 370
  - 4.12 Negotiations after competitive sealed bidding when all bids exceed available funds as defined in KRS 45A. 375
  - 4.13 ~~Non~~ competitive negotiations as defined in KRS 45A.380
- 4.2 One copy of the determination shall be submitted to the city clerk and another copy placed in the file.

- 4.3 When the prerequisites have been met for the use of negotiated procedures, the town board or their designee shall proceed to negotiate with one or more suppliers in order to obtain the most advantageous terms.
- 4.4 The best negotiated proposal shall be submitted to the town board for approval and the clerk shall notify the person awarded the contract.
- 4.5 The city clerk shall prepare a record of all negotiated contracts, showing the items and quantities acquired, name of suppliers, cost and date of each contract.

SECTION V: Ethics: All provisions of KRS 445-455 shall be followed. Smiths Grove elected and appointed officials and employees of the Smiths Grove government are prohibited from participating in any proceeding or application of a contract of the government in which he has a personal interest or from receiving any gratuity or kickback from a contractor/vendor. It is also considered unethical to use confidential information for personal gain.

DATE: January 28, 1980

APPROVED: Clarence M. Stolz  
Chairman, Board of Trustees

ATTEST: Lee M. Edwards  
City Clerk