

ORDINANCE NO. 1171

AN ORDINANCE OF THE MUNICIPALITY OF MONROEVILLE ESTABLISHING THE DUTIES, POWERS, RESPONSIBILITIES AND PROCEDURES FOR THE PURCHASING OF GOODS AND SERVICES, ESTABLISHING A COMMITTEE OF STANDARDIZATION AND SPECIFICATION, CREATING A PETTY CASH FUND, CREATING A STOREROOM REVOLVING FUND, ESTABLISHING PROCEDURES FOR DISPOSING OF SURPLUS OR OBSOLETE SUPPLIES AND EQUIPMENT, AND PRESCRIBING PENALTIES FOR VIOLATION OF THIS ORDINANCE.

Section 1. PURCHASING AUTHORITY. The purchasing authority shall be vested in the Director of Administration except that purchases or contracts exceeding the sum of \$500.00 shall be approved and signed by the Municipal Manager as pursuant to Article XIV, Section 1404 of the Monroeville Home Rule Charter. Nothing in this section shall diminish the authority of Municipal Council to determine, change, and approve expenditures nor that of the Municipal Manager pursuant to applicable ordinances and laws.

Section 2. SCOPE OF PURCHASING. The Purchasing Authority shall have the power and duty and it shall be his duty:

- A. Purchase or Contract. To purchase or contract for all supplies or contractual services within the dollar limit specified for activities which derive their support wholly or in part from the Municipality in accordance with purchasing procedures as prescribed by this Ordinance and such rules and regulations as the Authority shall adopt for the internal management and operation of the purchasing function and such other rules and regulations as shall be prescribed by the Municipal Manager and by the Municipal Council.
- B. Unauthorized Purchases. Except as herein provided, it shall be unlawful for any Municipal officer or officers to order the purchase of any supplies or make any contract within the purview of this Ordinance other than through the Department of Administration and any purchase ordered or contract made contrary to the provisions hereof shall not be approved by the Municipal Officials and the Municipality shall not be bound thereby.

Section 3. OTHER POWERS AND DUTIES. In addition to other powers and duties conferred by this Ordinance, the Purchasing Authority shall:

- A. Minimum Expenditure Act. Procure for the Municipality the highest quality of supplies and contractual service at the least expense to the Municipality.
- B. Encourage Competition. Discourage uniform bidding and endeavor to obtain as full and open competition as possible on all purchases and sales.
- C. Rules and Regulations. Establish, and amend when necessary, all rules and regulations authorized by this Ordinance and any others necessary to its operation.
- D. Purchasing Analysis. Keep informed of current developments in the field of purchasing prices, market conditions, and new products and secure for the Municipality the benefits of the research done in the field of purchasing by other governmental jurisdictions, national technical societies, trade associations having national recognition, and private businesses and organizations.

- E. Forms. Prescribe and maintain such forms as he shall find reasonably necessary to the operation of this ordinance.
- F. Standard Nomenclature. Prepare and adopt a standard purchasing nomenclature for using agencies and suppliers.
- G. Vendors Catalog File. Prepare, adopt and maintain a vendors catalog file. Said catalog shall be filed according to materials and shall contain description of vendors commodities, prices and discounts.
- H. Quantity Purchases. Make purchases in sufficient quantity in order to take full advantage of discounts.
- I. Federal and State Tax Exemptions. Act so as to procure for the Municipality all federal and state tax exemptions to which it is entitled.
- J. Disqualification of Bidders. Have the authority to disqualify vendors who default on their quotations or are irresponsible bidders from conducting any business with the Municipality for a period of time not to exceed three years.

Section 4. COMMITTEE ON STANDARDIZATION AND SPECIFICATION. There is hereby established in the Department of Administration of the Municipality the Committee on Standardization and Specification.

- A. Composition. The Committee shall consist of the following seven officials or their duly designated representatives who shall serve without additional compensation: Municipal Engineer, Director of Recreation and Parks, Chief of Police, Fire Official, Director of Community Development, Superintendent of Streets and Superintendent of Special Services. The Municipal Manager shall have the authority to make interim appointments should a vacancy occur in any of the above named positions.
- B. Capacity of Purchasing Authority. The Purchasing Authority shall enforce the written specifications adopted by the Committee. He shall attend all meetings of the Committee as Chairman and shall have the authority to present his recommendations on any proposed standardization or specification. However, he shall not have the power to vote.
- C. Committee Duties. It shall be the duty of the committee:
 - 1. Classification. To classify all supplies used by the various branches of Municipal Government.
 - 2. Standardization. To adopt standards to insure that the minimum number of quantity, sizes and varieties of supplies consistent with the successful operation of Municipal Government are purchased.
 - 3. Specification. To prepare and adopt written specifications for all such standard supplies.
 - 4. Meetings. To hold official meetings at such times as are necessary to carry out the responsibilities of the committee, but at least twice annually.

- D. Effect of Adoption. After its adoption, each standard specification shall, until revised or rescinded, apply in terms and effect to every future purchase and contract for the item designated in the specification.
1. Exception. The Purchasing Authority, with the approval of the Committee, shall have the authority to exempt any department of the Municipality from using the supply described in the standard specifications.
- E. Laboratory Facilities. The Committee shall have the authority to make use of the laboratory and engineering facilities of the Municipality and the technical staffs thereof in connection with its work of preparing and adopting standards and written specifications.
- F. Consultation with Using Agencies. The Committee shall consult with the department heads and other officials of the using department to determine their precise requirements and shall endeavor to prescribe those standards which meet the needs of the majority of such departments.
- G. Nature of Specifications. All specifications shall be definite and certain and shall permit competition.
1. Exception. Provided, however, that the provisions of this subsection shall not apply to non-competitive types and kinds of supplies as identified in Section 1403 of the Home Rule Charter.
- H. Use of Consultants. When in the opinion of the committee, expert advice is required to develop specifications, a recommendation should be forwarded to that effect to the Municipal Manager for final action by Municipal Council setting forth the reasons for such recommendation and any other information which may be necessary.

Section 5. REQUISITION AND ESTIMATES. All Department Heads shall file with the Purchasing Authority detailed requisitions or estimates of their requirements for supplies and contractual services in such manner, at such times, and for such future periods as the Purchasing Authority shall prescribe.

- A. Unforeseen Requirements. A Department Head shall not be prevented from filing with the Purchasing Authority at any time a requisition or estimate for any supplies and contractual services which were not foreseen when the detailed estimates were filed.
- B. Revisory Power in Agent. The Purchasing Authority shall examine each requisition or estimate and shall have the authority to revise it as to quantity, quality, or estimated cost. But revision as to quality shall be in accordance with the standards and specifications established pursuant to this Ordinance.

Section 6. ENCUMBRANCE OF FUNDS. Except in cases of emergency, the Purchasing Authority shall not issue any order for delivery on a contract or open market purchase until the Department Head shall have certified that there is to the credit of the using department concerned a sufficient unencumbered departmental appropriation balance to defray the amount of such order.

Section 7. PROHIBITION OF INTEREST. Any purchase order or contract within the purview of this Ordinance in which the Purchasing Authority, or any officer or employee of the Municipality is financially interested, directly or indirectly, shall be void except that before the execution of a purchase order or contract the Council shall have the authority to waive compliance with this Section when it finds such action to be in the best interest of the Municipality.

- A. Gifts and Rebates. The Purchasing Authority and every officer and employee of the Municipality are expressly prohibited from accepting, directly or indirectly, from any person, company, firm or corporation to which any purchase order or contract is, or might be awarded, any rebate, gift, money, or anything of value whatsoever except when given for the use and benefit of the Municipality.

Section 8. COMPETITIVE BIDDING REQUIRED. All purchases and contracts for supplies and contractual services, and all sales of personal property which have become obsolete and unusable shall, except as specifically provided herein, be based wherever possible on competitive bids.

Section 9. FORMAL CONTRACT PROCEDURE. For all supplies and contractual services, except as otherwise provided herein, when the estimated cost thereof shall exceed two thousand, five hundred (\$2,500.00) dollars shall be purchased by formal, written contract from the lowest responsible bidder after due notice inviting proposals. All sales of personal property which has become obsolete and unusable and when the estimated value shall exceed two thousand, five hundred (\$2,500.00) dollars shall be sold by formal written contract to the highest responsible bidder after due notice inviting proposals.

A. Notice Inviting Bids.

1. Newspaper. Notice inviting bids shall be published once in at least one official newspaper in the Municipality and at least five days preceding the last day set for the receipt of proposals.
 - a. Scope of Notice. The newspaper notice required herein shall include a general description of the articles to be purchased or sold, shall state where bid blanks and specifications may be secured, and the time and place for opening bids.
2. Bidders' List. The Purchasing Agent shall also solicit sealed bids from all responsible prospective suppliers who have requested their names be added to a "Bidder's List" by sending them a copy of the newspaper notice or such other notice as will acquaint them with the proposed purchase or sale. In any case, invitations sent to the vendors on the bidder's list shall be limited to commodities that are similar in character and ordinarily handled by the trade group to which the invitations are sent.
3. Bulletin Board. The Agent shall also advertise all pending purchases or sales by a notice posted on the public bulletin board in the Municipal Building.

- B. Bid Deposits. Whenever deemed necessary by the Purchasing Authority, bid deposits shall be prescribed in the public notices inviting bids. Unsuccessful bidders shall be entitled to the return of their surety if the Purchasing Authority required one. A successful bidder shall forfeit any surety required by the Agent upon failure on his part to enter into a contract within ten (10) days after the award.
- C. Bid Opening Procedure.
1. Sealed. Sealed Bids shall be submitted to the Agent and shall be identified as a bid on the envelope.
 2. Opening. Bids shall be opened in public at the time and place stated in the public notices. Once opened any member of the public can examine any bid for a reasonable time period in the presence of the Agent.
 3. Tabulation. A tabulation of all bids received shall be posted for public inspection. Any member of the public shall have the right to be present during tabulation.
- D. Rejection of Bids. The Purchasing Authority shall have the authority to reject all bids, parts of all bids, or all bids for any one or more supplies or contractual services included in the proposed contract when in the public interest and after consultation with the Department of Law. The Purchasing Authority shall immediately thereafter provide a written report of such actions stating the reasons for such rejection.
1. Bidders in Default to the Municipality. The Purchasing Authority shall not accept the bid of a contractor who is in default on the payment of taxes, licenses, or other monies due the Municipality or any governmental agency.
 2. The Purchasing Authority shall have the authority to disqualify vendors who default on their quotations or are irresponsible bidders from conducting any business with the Municipality for a period of time not to exceed three years.
- E. Award of Contract.
1. Authority in Agent. The Purchasing Authority shall have the authority to award contracts within the purview of this Ordinance, after approval by Municipal Council for purchases in excess of \$2,500.00.
 2. Lowest Responsible Bidder. Contracts shall be awarded to the lowest responsible bidder. In determining the "lowest responsible bidder," the following, in addition to prices shall be considered.
 - a. The ability, capacity and skill of the bidder to perform the contract or provide the service required;
 - b. Whether the bidder can perform the contract or provide the service promptly, or within the time specified, without delay or interference;
 - c. The character, integrity, reputation, judgment, experience and efficiency of the bidder;

- d. The quality of performance of previous contracts or services;
 - e. The previous and existing compliance by the bidder with laws and ordinances relating to the contract or service;
 - f. The sufficiency of the financial resources and ability of the bidder to perform the contract or provide the service;
 - g. The quality, availability and adaptability of the supplies or contractual services to the particular use required;
 - h. The ability of the bidder to provide future maintenance and service for the use of the subject of the contract;
 - i. The number and scope of conditions attached to the bid.
3. Award to Other Than Low Bidder. When the award is not given to the lowest bidder, a full and complete statement of the reasons for placing the order elsewhere shall be prepared by the Purchasing Authority and filed with the other papers relating to the transaction.
4. Tie Bids.
- a. Local vendors. If all bids received are for the same total amount or unit price, quality and service being equal, the contract shall be awarded to a local bidder.
 - b. Outside vendors. Where subsection (a) is not in effect, the Purchasing Authority shall award the contract to one of the tie bidders by drawing lots in public.
5. Performance Bonds. Before entering into a contract, the Purchasing Authority shall have the authority to require a performance bond in such amount as he shall find reasonably necessary to protect the best interests of the Municipality. The Purchasing Authority will develop a set standard in percentage amounts giving professional, technical, and legal reasons for approval by the Municipal Manager and Municipal Council.
- F. Prohibitions Against Subdivision. No contract or purchase shall be subdivided to avoid the requirements of this Section.

Section 10. OPEN MARKET PROCEDURE. All purchases of supplies, contractual services, and sales of personal property which have become obsolete and unusable and of less than the estimated value of two thousand, five hundred (\$2,500.00) dollars shall be made in the open market without newspaper advertisement and without observing the procedure prescribed by Section 9 for the award of formal contracts.

- A. Minimum Number of Bids. All open market purchases shall, wherever possible, be based on at least three competitive bids and shall be awarded to the lowest responsible bidder in accordance with the standards set forth in subsection E-2 of Section 9 above.

- B. Notice Inviting Bids. The Purchasing Authority shall solicit bids by either (a) direct mail request to prospective vendors, (b) by telephone and/or (c) by public notice posted on the bulletin board of the Municipal Building.
- C. Recording. The Purchasing Authority shall keep a record of all open market orders and the bids submitted in competition thereon, and such records shall also be open to public inspection.

Section 11. PETTY CASH FUND. There is hereby appropriated from the Municipal Treasury five hundred (\$500.00) dollars which shall be known as the Petty Cash Fund. From this Fund all purchases of not more than twenty (\$20.00) dollars each shall be paid if made by a Department Head for incidentals and approved by the Agent.

- A. Accounting. At the end of each month, the Purchasing Authority shall render a statement showing the actual expenditures for each department made out of the Petty Cash Fund and the Municipal Treasurer shall reimburse the fund for those expenditures in the same manner as other expenditures of the departments are paid.
- B. Rules and Regulations. The Purchasing Authority shall promulgate rules and regulations for use of the Petty Cash Fund.

Section 12. CENTRAL WAREHOUSING. The Agent shall control and supervise storerooms and warehouses. The Purchasing Authority shall maintain a perpetual inventory record of all materials, supplies or equipment stored in storerooms and warehouses.

Section 13. PRICE AGREEMENT CONTRACT PROCEDURE. The Head of the using Agency shall have the authority to submit requisitions to the Agent for supplies available under the terms of a "price agreement" contract made by the Agent.

Section 14. EMERGENCY PURCHASES.

- A. By Agent. In case of an apparent emergency which requires immediate purchase of supplies or contractual services, the Municipal Manager shall be empowered to authorize the Purchasing Authority to secure by open market procedures as herein set forth, at the lowest obtainable price, any supplies or contractual services regardless of the amount of the expenditure.
 - 1. Recorded Explanation. A full report of the circumstances of an emergency purchase shall be filed by the Agent with the Municipal Council and shall be entered in the minutes of the Council and shall be open to public inspection.
- B. By Head of Department. In case of actual emergency with the approval of the Municipal Manager, the Department Head may purchase directly any supplies whose immediate procurement is essential to prevent delays in the work of the using agency which may vitally affect the life, health or convenience of citizens.

1. Recorded Explanation. Each Department Head shall send to the Purchasing Authority a requisition and a copy of the delivery record together with a full written report of the circumstances of the emergency. The report shall be filed with the Council as provided in subsection A(1) above.
2. Emergency Procedure. The Purchasing Authority shall prescribe the rules and regulations under which emergency purchases by Department Heads may be made.

Section 15. INSPECTION AND TESTING. The Purchasing Authority shall inspect, or supervise the inspection of, all deliveries of supplies or contractual services to determine their conformance with the specifications set forth in the order or contract.

- A. Inspection by Using Agency. The Purchasing Authority shall have the authority to authorize departments having the staff and facilities for adequate inspection to inspect all deliveries made to the departments under rules and regulations which the Purchasing Authority shall prescribe.
- B. Tests. The Purchasing Authority shall have the authority to require chemical and physical tests of samples submitted with bids and samples of deliveries which are necessary to determine their quality and conformance with the specifications. In the performance of such tests, the Purchasing Authority shall have the authority to make use of laboratory facilities of any department of the Municipal government or of any outside laboratory.

Section 16. SURPLUS SUPPLIES AND EQUIPMENT. All departments shall submit to the Purchasing Authority, at such times and in such form as he shall prescribe, reports showing stocks of all supplies and equipment which are no longer used or which have become obsolete, worn out, or scrapped.

- A. Transfer. The Purchasing Authority shall have the authority to transfer surplus stock to other departments.
- B. Sale. The Purchasing Authority shall have the authority to sell, trade, or exchange all supplies which have become unsuitable for public use.
 1. Competitive Bidding. Sales under this Section shall be made to the highest responsible bidder and in conformance with Section 9 or Section 10, whichever is applicable.

Section 17. COOPERATIVE PURCHASING. The Purchasing Authority shall have the authority to join with other units of government in cooperative purchasing plans when the best interests of the Municipality would be served.

Section 18. BUDGET MANAGEMENT. The responsibility for administering the annual budget of the Municipality is vested in the Municipal Manager. The Municipal Manager can delegate this authority and responsibility to the respective Department Heads.

- A. Procedure. Managing the budget involves insuring that all purchases are made within the policy guidelines established by the Municipal Council for the work to be performed in that year. This requires monitoring each department's purchases against the total appropriation for that department to insure that sufficient funds are available for each purchase.

- B. Department Head Responsibility. Before requesting any goods or service, it is the responsibility of each Department Head to insure that the proposed expenditure is necessary for the completion of the work program authorized in the annual budget and that budgeted funds are available. By signing the requisition order, the Department Head is signifying that this is true. If a department exceeds their budget, a detailed request for additional funds will be sent to the Municipal Manager explaining why the funds are necessary and why the budget was exceeded.
- C. On a bi-monthly basis, the Director of Administration will review the fiscal status of the Department with the Department Head and submit a report of each meeting to the Municipal Manager.

Section 19. RECORDKEEPING RESPONSIBILITIES.

- A. Department Heads. Each Department Head is responsible for maintaining all records necessary to validate a departmental purchase for a period of three months after final payment for that purchase has been made.
- B. Purchasing Authority. The Purchasing Authority is responsible for maintaining a complete record of all Municipal purchases for a period of seven years following the completion of the annual financial audit.

Section 20. PENALTIES. Any person or persons, firm, or corporation violating any provisions of this Ordinance as determined after hearing before the District Magistrate, having jurisdiction thereof, or other proper judicial body, be fined a sum not to exceed Five Thousand (\$5,000.00) Dollars or the maximum allowable under other application provisions of law which ever is greater. The said fine shall be applicable for each and every offense and in default of payment thereof the violator shall be committed to the Allegheny County Jail for a period of not more than thirty (30) days.

Section 21. SEVERABILITY. If a final decision of a court of competent jurisdiction holds any provision of this ordinance, or the application of any provision to any circumstances, to be illegal or unconstitutional, the other provisions of this ordinance or the application of such provision to other circumstances shall remain in full force and effect. The intention of the Council is that the provisions of this Ordinance shall be severable and that this Ordinance would have been adopted if any such illegal or unconstitutional provisions had not been included.

Section 22. ORDINANCES REPEALED. Any ordinance or part thereof conflicting with the provisions of this Ordinance are hereby repealed as the same affect this Ordinance.

ORDAINED AND ENACTED this 13th day of February, 1979.

(SEAL)

ATTEST:

MUNICIPALITY OF MONROEVILLE

S/ Marshall W. Bond
Municipal Manager

S/ Michael P. Lynch
Mayor

Entered in Legal Book March 1, 1979

APPENDIX I

POLICIES AND PROCEDURES FOR THE SELECTION OF
PROFESSIONAL CONSULTANTS

SECTION 1: DEFINITION

- (1) For purposes of this ordinance, the term "Professional Services" shall mean those services within the scope of practice of architecture, engineering, land surveying, finance, planning, management and administration, as defined by the laws of the Commonwealth of Pennsylvania, or those performed by any architect, professional engineer, registered land surveyor, management or finance consultant, planner, etc., in connection with this professional employment or practice.
- (2) For purposes of this ordinance, the term "Firm" shall mean any individual, firm, partnership, corporation, association, or other legal entity permitted by law to practice architecture, engineering, land surveying or to provide management consultant services in the Commonwealth of Pennsylvania.
- (3) For purposes of this ordinance, the term "Council Committee" shall mean an ad hoc committee of the Municipal Council appointed by the Deputy Mayor having jurisdiction of the involved project.
- (4) For purposes of this ordinance, the term "Staff Committee" shall mean the Committee on Standardization and Specification.

SECTION 2: ROSTER OF CONSULTANTS

- (1) The Purchasing Authority or designated staff will maintain a roster, classified by category of professional service, of qualified firms interested in performing professional services for the Municipality. Names of firms will be placed on the roster upon their request; at the request of members of the Municipal Council; or when recommended by Municipal departments.
- (2) Each firm meeting the following minimum qualifications shall be deemed to be qualified firm and meeting the qualifications of the Municipality:
 - (a) Duly authorized to conduct business in the Commonwealth of Pennsylvania in their particular profession.

- (b) Professional registration by the Commonwealth of Pennsylvania when required.
 - (c) At least one staff professional assigned to each project. Adequacy of personnel will be determined on a contract-by-contract basis against the Municipality's estimate of manpower required to perform the work in the desired time frame.
- (3) Resumes and Data - Each person or firm listed on the roster shall be responsible for maintaining a current resume' describing his or their qualifications and experience with the Purchasing Authority's Office.

Data which should be included is as follows:

- (a) Firm name, address, telephone numbers.
- (b) Year established and former firm names.
- (c) Types of services for which it is qualified.
- (d) Names of principals of the firm and states in which they are registered.
- (e) Names of key personnel, with experience of each and length of time in the organization.
- (f) Number of staff available for assignment.
- (g) Outside consultants and associates usually retained.
- (h) List of completed projects on which the firm was principal consultant.
- (i) Current projects underway and estimated cost of each.
- (j) Data-gathering methods (if appropriate).
- (k) Evaluation techniques (if appropriate).

SECTION 3: CLASSES OF SERVICES

Projects will be divided into two (2) classes as follows:

Class A - Services for projects where fees will exceed \$2,500.00. The members of the Council Committee will act as the screening and selection committee and recommend the firm and appropriate contract to the Municipal Council for their approval.

Class B - Services for projects where fees will not exceed \$2,500.00. The firm will be selected by a staff committee who will recommend the firm and appropriate contract to the Municipal Council for their approval.

SECTION 4: GENERAL PROCEDURES AND RESPONSIBILITIES

- (1) Project Initiation - When a department of the Municipality identifies a project for which professional services will be necessary, the department will draft a scope of services for the specific project. This scope of services will be submitted to the Committee on Standardization and Specification for authorization to initiate the project and a determination as to whether the Council Committee or the staff committee will act as the screening and selection committee.

