

I. Purpose

To establish procedures by which City staff shall exercise their delegated authority to conduct and/or oversee certain solicitations, purchases, contracts and leases for goods, services, materials, supplies and equipment (including vehicles) with an estimated cost of up to \$50,000.00. For the purposes of this Procurement Policy, the term “services” means contracted services of every kind or nature, including but not limited to the services of licensed professionals (including engineers, architects, real estate professionals, geologists, hydrologists, accountants, health care professionals and attorneys); nonprofessional services; consulting services; facility, vehicle, and equipment repair and maintenance; and financial services.

II. Reservation of Council Authority; Applicability of State Law to Procurement of Most Construction and Construction-Related Services

The City Council shall approve all purchases and leases of real property, as well as procurements with an estimated cost of \$50,000.00 or more. Moreover, the procurement of most construction and construction-related services is governed by Title 34, Arizona Revised Statutes.

III. Designation of Procurement Officer

The Administrative Services General Manager shall serve as the City’s Procurement Officer, and may either exercise or delegate any authority granted to him or her by the City Council under the City Code, this Procurement Policy, or otherwise.

IV. Gratuities Prohibited

No City employee may seek or accept any gift, gratuity or anything of value in exchange for making any purchase or giving any preference in connection with the procurement of goods or services by or on behalf of the City.

V. Procedures

A. Solicitations, Purchases, Contracts and Leases up to \$5,000.00. The City Manager, General Managers, and designees may solicit, contract for, procure or lease goods, services, supplies and equipment with an estimated cost of up to \$5,000.00 in the open market, in any manner deemed appropriate and advantageous to the City, including direct negotiation, contract and/or purchase.

B. Solicitations, Purchases, Contracts and Leases from \$5,000.00 to \$20,000.00. The City Manager and General Managers, and designees may solicit, contract for, procure or lease goods, services, supplies and equipment with an estimated cost of more than \$5,000.00 but less than \$20,000.00 in any manner deemed appropriate and advantageous to the City, but which at a minimum provides for the consideration of at least three (3) oral bids, quotes or proposals, except as provided in Section VI below.

- C. Solicitations, Purchases, Contracts and Leases from \$20,000.00 to \$50,000.00. The City Manager and/or Administrative Services General Manager may solicit, contract for, procure or lease goods, services, supplies and equipment with an estimated cost of more than \$20,000.00 but less than \$50,000.00 in a manner deemed appropriate and advantageous to the City, but which at a minimum provides for the consideration of at least three (3) written bids, quotes or proposals, except as provided in Section VI below.
- D. Procurements Exceeding \$50,000.00. Except as provided in Section VI below, all purchases exceeding \$50,000.00 shall follow a publicly advertised request for sealed competitive bids, proposals, and/or statements of qualifications, which request shall be posted on the City's website (unless the website is not available, in which case the solicitation may proceed in the absence of website posting) and published in a newspaper of general circulation published in the City no less than ten (10) days before the deadline for submission of the bids, proposals or statements of qualifications.
- E. Standards for City Purchases of Generally Available Goods, Equipment, Materials and Supplies. In making comparisons between bids or quotes for generally available goods, equipment, materials and supplies, the contract shall be awarded to the lowest responsive and responsible bidder whose bid is deemed satisfactory to the City; provided, however, that the City in all cases retains the right to waive any minor informalities, errors, or omissions in bids; to reject any and all bids; to solicit additional bids; and to cancel and/or re-advertise any solicitation for bids prior to contract award.
- F. Standards for Awards of Contracts Following a Request for Proposals. For goods and services solicited through a Request for Proposals process, the award shall be made to the proposal deemed most advantageous to the City, with price being neither the sole nor necessarily the primary consideration.
- G. Consideration of Local Suppliers in the Procurement of Locally Available Goods, Equipment, Materials and Supplies. In conducting solicitations and procurements of locally available goods, equipment, materials and supplies, individuals conducting or overseeing such procurements on behalf of the City shall attempt to obtain at least one (1) bid or quote from a local supplier, and shall use the delivered cost of goods, equipment, materials and supplies when comparing bids or quotes to determine the lowest responsive and responsible bid.
- H. Change Orders for Contracts Over \$50,000.00. Once the City Council has approved a contract valued at more than \$50,000.00, the City Manager may authorize the purchase of additional goods or services under that contract in an amount not to exceed five percent (5%) of the original contract.

- I. Documentation and Record Keeping.
  1. Purchase Orders. All payments and expenditures in excess of \$5,000.00 shall be authorized by a Purchase Order signed by the Administrative Services General Manager. A written Purchase Order Request (Exhibit A) shall be submitted by the General Manager or designee responsible for the purchase. In cases where multiple bids or proposals were obtained prior to award, the Purchase Order Request shall include an identification of all vendors contacted (including name, address, phone number and person contacted) and a copy or description of their respective bids or proposals. Following receipt and approval of a Purchase Order Request, the Administrative Services General Manager or his/her designee shall prepare and distribute a Purchase Order (Exhibit B) and return two (2) copies to the requesting department, one (1) of which shall be forwarded by the requesting department to the vendor.
  2. Blanket Purchase Orders.
    - a. Departments may request blanket purchase order accounts with vendors whom they make recurring purchases for parts or materials. Blanket purchase orders are intended to provide convenience for departments having a requirement to purchase small expendable items in order to continue daily operations of the department. The purchase of capital items on blanket purchase orders shall be limited in scope. All capital items must be "budgeted equipment" and have prior approval of the Administrative Services General Manager or designee.
    - b. The Purchasing Officer or designee may, at his/her discretion, withdraw a blanket purchase order if, in his/her opinion, the use of said blanket purchase order is being abused or used improperly by a department.
    - c. Blanket purchase orders shall be for not more than a one fiscal year period. A new blanket purchase order will be initiated at the beginning of each fiscal year by the Purchasing Officer or designee. Blanket purchase orders for book purchases for the Library will also be for a fiscal year period.
    - d. All blanket purchase orders shall have a set dollar amount for control purposes.
    - e. All purchases from a blanket purchase order shall be followed up in the same manner as indicated for regular purchases.
  3. Check Needed Form. The Check Needed Form, attached as Exhibit C, may be used to request checks to pay for small (i.e., under \$500.00), one-time purchases for items such as subscriptions, memberships, and travel advances. All check needed forms shall be reviewed by the Administrative Services General Manager or his/her designee.

4. Petty Cash. The following Petty Cash Accounts are hereby authorized:

City Hall	\$100.00
Police Department	\$150.00
Utility Department	\$100.00
Public Works	\$100.00
Finance	\$250.00

- a. An explanation of the item purchased must appear on the Petty Cash Form, attached as Exhibit D, and must be supported by receipts.
- b. Petty cash expenditures shall not exceed \$20.00.
- c. Petty cash shall be randomly audited by the Finance Division on an annual basis, and the findings forwarded to the appropriate General Manager.

VI. Exceptions.

- A. Cooperative Purchasing/Government Contracts. Subject to the dollar amount thresholds set forth in subsections A through D above, the City Council, City Manager, general managers, and/or directors/department heads may purchase goods or services without competition under an existing contract or cooperative purchasing agreement administered by the United States (GSA), the State of Arizona, and/or one or more other Arizona public entities or cooperative purchasing units, including but not limited to S.A.V.E. and the Mohave Purchasing Cooperative.
- B. Sole Source Procurements. Products and services valued at less than \$50,000.00 may be procured without competition in cases where the City Manager or Administrative Services General Manager determines that the specific product or service is necessary or desirable for the City. Examples of permissible subjects of sole source procurement include advertising/publication services; public utilities; facility rental; machinery and equipment for which there is no reasonably comparable alternative; replacement parts for existing City equipment; contracts for additional work on the same project or related to work performed by an individual or firm under an existing contract; and special or unique qualifications of a specific individual or firm.
- C. Waiver by City Council. The City Council may waive any provision or requirement of this Procurement Policy upon a finding that doing so is in the best interests of the City. Circumstances justifying waiver include, but are not limited to situations in which timing/expediency is critical; special or unique qualifications of an individual, firm, vendor or item(s); the procurement of additional goods or services under an existing contract; or to comply with specific requirements of a gift or grant.

- D. Waiver by City Manager in Cases of Actual Emergency. In cases of actual emergency where the City Manager determines that the City Council cannot be convened quickly enough to prevent posing a risk to public health, safety, or property, the City Manager may make or authorize such expenditures as are reasonably necessary to protect the public health and safety, and property. In all such cases, the City Manager shall notify the Mayor and City Council of such expenditures or commitments under this subsection at the earliest possible time, and in no case more than 48 hours after making or authorizing any such expenditure.

**PURCHASE ORDER REQUEST**

DEPARTMENT: \_\_\_\_\_ DATE: \_\_\_\_\_

DEPARTMENT HEAD: \_\_\_\_\_ BUDGET ACCT #: \_\_\_\_\_

To: Purchasing Agent: City of Cottonwood, Arizona

Request that authorization be given to purchase the following items from:

**COMPANY INFORMATION**

NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

DESCRIPTION	QUANTITY	UNIT PRICE	TOTAL PRICE

**FINANCE /PURCHASING ONLY:**

Approval: \_\_\_\_\_

P.O. # Issued: \_\_\_\_\_

Approval Date: \_\_\_\_\_

**City of Cottonwood**  
 816 N. Main St.  
 Cottonwood, AZ 86326



THIS PURCHASE ORDER NUMBER MUST  
 APPEAR ON ALL INVOICES AND PACKAGES

**18573**

**Vendor:** Pender Engineering

PO Box 1245  
 Cottonwood, AZ 86326  
 928 639-0776

**SHIP TO: (CIRCLE ONE)**

City Hall 827 N. Main St. Cottonwood, AZ 86326	Cottonwood Public Library 100 S. 6th Street Cottonwood, AZ 86326	Fire Department 199 S. 6th St. Cottonwood, AZ 86326
Police Department 199 S. 6th St. Cottonwood, AZ 86326	Parks & Recreation 791 N. Main St. Cottonwood, AZ 86326	Utilities Department 319 S. 6th Street Cottonwood, AZ 86326
Finance Department 816 N. Main St. Cottonwood, AZ 86326	Public Works 1490 W. Mingus Ave. Cottonwood, AZ 86326	Other(Specify): Airport 1001 W Mingus Ave. Cottonwood, AZ 86326

**Date:** April 10, 2009

**Date Required:** April 10, 2009

Council Approval Required (Yes or No)	-	Date Council Approved	-
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Description: Be specific in describing item: Brand name, model, color, material, size, dimensions, duration, catalog or part number	Qty	Unit Price	Total Price	Account Number
South 12th Street Improvements-89A to Fir St Design.	1	230,018.00	\$ 230,018.00	02-10-01-8026
			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
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			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	

As approved by Council, December 16, 2008.	Freight	\$ -	
	Tax		
	Total	\$ 230,018.00	

Approvals:

Department Head	Date:	Purchasing Agent
		Date:
		Finance Director
		Date:

All Purchases for goods and services must be authorized by the issuance of a City of Cottonwood Purchase Order.  
 Invoices must be submitted to: c/o Finance Department

RECEIVED:	DATE:	APPROVED FOR PAYMENT:
		DATE:

Original Vendor Copy

**CHECK NEEDED**

APPROVED: \_\_\_\_\_

AMOUNT: \_\_\_\_\_

PAYABLE TO: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

CHARGE TO: \_\_\_\_\_

DATE: \_\_\_\_\_

RE: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**CHECK NEEDED**

APPROVED: \_\_\_\_\_

AMOUNT: \_\_\_\_\_

PAYABLE TO: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

CHARGE TO: \_\_\_\_\_

DATE: \_\_\_\_\_

RE: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**CHECK NEEDED**

APPROVED: \_\_\_\_\_

AMOUNT: \_\_\_\_\_

PAYABLE TO: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

CHARGE TO: \_\_\_\_\_

DATE: \_\_\_\_\_

RE: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**CHECK NEEDED**

APPROVED: \_\_\_\_\_

AMOUNT: \_\_\_\_\_

PAYABLE TO: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

CHARGE TO: \_\_\_\_\_

DATE: \_\_\_\_\_

RE: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



**PETTY CASH REIMBURSEMENT REQUEST**

Amount Requested: \_\_\_\_\_

Person Due Petty Cash: \_\_\_\_\_

Charge Account #: \_\_\_\_\_

Description of Item: \_\_\_\_\_

**DETACH HERE AND RETURN TO:**

Amount \$ \_\_\_\_\_

**PETTY CASH REIMBURSEMENT REQUEST**

Amount Requested: \_\_\_\_\_

Person Due Petty Cash: \_\_\_\_\_

Charge Account #: \_\_\_\_\_

Description of Item: \_\_\_\_\_

**DETACH HERE AND RETURN TO:**

Amount \$ \_\_\_\_\_

**PETTY CASH REIMBURSEMENT REQUEST**

Amount Requested: \_\_\_\_\_

Person Due Petty Cash: \_\_\_\_\_

Charge Account #: \_\_\_\_\_

Description of Item: \_\_\_\_\_

**DETACH HERE AND RETURN TO:**

Amount \$ \_\_\_\_\_

**PETTY CASH REIMBURSEMENT REQUEST**

Amount Requested: \_\_\_\_\_

Person Due Petty Cash: \_\_\_\_\_

Charge Account #: \_\_\_\_\_

Description of Item: \_\_\_\_\_

**DETACH HERE AND RETURN TO:**

Amount \$ \_\_\_\_\_