

32.02 PURCHASING BY MAYOR AND COUNCIL MEMBERS; PROCEDURE.

(A) The approval by Council of the budget shall amount to an appropriation of funds, which are lawfully applicable to the items therein contained. Expenditures shall be made only from funds previously appropriated by Council, and only for the purposes set forth in such appropriation.

(B) The Mayor or the Mayor's duly authorized representative shall have exclusive power and responsibility to make purchases of all supplies, apparatus, equipment, materials, and other things requisite for public purposes in and for the city, and to make all necessary contracts for work or labor to be done, or material or other necessary things to be furnished for the benefit of the city, or in carrying out any work or undertaking of a public nature therein, that does not exceed the greater of \$3520,000 or the limit set by law through Ark. Code. Ann § 14-22-102.

(C) For all purchases of supplies, apparatus, equipment, materials, and other things requisite for the city, or for necessary contracts for work or labor, where the expenditure therefor is, or is anticipated to be, in excess of the greater of \$3520,000 or the limit set by law through Ark. Code. Ann. § 14-22-102, the Mayor and his or her duly authorized representative shall obtain approval of the City Council prior to making the expenditure.

(D) The city shall engage in competitive bidding for goods, services, or projects when so required by applicable law. No invitation for bids, advertisement, or competitive bidding shall be required for:

(1) Professional services;

(2) Products or services determined by the City Council to be provided by a unique vendor such that it does not lend itself to competitive bidding;

(3) When it is determined by the City Council that competitive bidding is not feasible, possible, or practical under the circumstances;

(4) When reimbursing or repaying a federal, state, county, or another local governmental entity for goods or services purchased for the benefit of, or on behalf of, the city, provided that the governmental entity complied with applicable competitive bidding laws or regulations when making the purchase or expenditure to be reimbursed or repaid; or

(5) In the event of emergency. The Mayor shall report the expenditure to the City Council and shall certify in writing the facts constituting the emergency no later than the next regular City Council meeting or special meeting called for that purpose.

(E) The Mayor or the Mayor's duly authorized representative may approve for payment out of any funds previously appropriated, pursuant to the process and for the purposes enumerated above, or disapprove any bills, debts, or liabilities asserted as claims against the city, when funds on hand are adequate to pay such bills, debts, or liabilities.

(F) The Mayor or the Mayor's duly authorized representative may sell or exchange any municipal supplies, apparatus, equipment, materials, and other things requisite for the city, pursuant to the following procedure.

(1) The Mayor or the Mayor's duly authorized representative may sell or exchange any municipal supplies, materials, or equipment without competitive bidding, if such supplies, materials, or equipment have a value of less than the greater of \$3520,000 or the limit set by law through Ark. Code. Ann. § 14-22-102.

(2) If the Mayor believes the value of such supplies, apparatus, equipment, material, or other things to be sold or exchanged is less than the greater of \$3520,000 or the limit set by law through Ark. Code. Ann. § 14-22-102, he or she shall certify his or her opinion in writing to the governing body, after which the Mayor or the Mayor's duly authorized representative may sell or exchange such supplies, apparatus, equipment, material, or other things without approval by the governing body.

(3) Supplies, materials, or equipment having a value in excess of the greater of \$3520,000 or the limit set by law through Ark. Code. Ann. § 14-22-102, or for which the Mayor has not previously certified his or her opinion of value in accordance with this section, shall be sold or exchanged upon prior approval of the City Council and in accordance with applicable state law.

(G) The Mayor and aldermen may conduct business with the city under the following conditions:

(1) The purchase is under the greater of \$3520,000 or the limit set by law through Ark. Code. Ann. § 14-22-102 in value and comparable merchandise or equipment at comparable prices is not otherwise available within the city;

(2) The cost of the service is under the great of \$3520,000 or the limit set by law through Ark. Code. Ann. § 14-22-102 in value and comparable services at comparable prices are not otherwise available within the city; or

(3) *Council approval.* Pursuant to Ark. Code Ann.-G. § 14-42-107(b)(1), the City Council may enact an ordinance specifically permitting a Council Member, a city official, or a municipal employee to conduct business with the city in excess of the above dollar amounts listed above and prescribing the extent of this authority.

(H) *Purchasing policy.* The city shall observe the following procedures for purchasing, which shall be the purchasing policy for the city. All items purchased in excess of an amount to be determined by the Mayor in a memo to department heads shall be assigned purchase orders, which purchase orders shall be approved by the Mayor or the Mayor's duly authorized representative, prior to any such purchase.

(I) Local preference encourages local vendor participation in the city's purchasing process and promotes the economic health of the city, while also keeping sales tax within the local economy and increasing the productivity of the city's taxpayer funds. Therefore, when buying supplies, materials, equipment, and services for the city's requirements, preference shall be given to dealers who have stores or warehouses within the city when price, quality, delivery, and service are equal. A quote from a

vendor within the state shall be accepted if it does not exceed the lowest qualified quote from an out of state vendor by more than 5%, pursuant to [Ark. Code Ann. § 19-11-259](#). Geographic preference shall not apply to purchases utilizing federal funds.

(J) *City credit card use.* The city holds credit cards that are for city use and are only to be used for city purchases by authorized employees in accordance with these procedures:

(1) *Card Administrator.* A Credit Card Administrator for the city shall be designated by the Mayor.

(2) *Purchasing process.* Purchases to be made with the use of a city credit card shall be performed in accordance with division (H) herein.

(3) *Documentation of purchase for city purpose.* The city requires the retention of all receipts and other documentation associated with a city credit card purchase. As with other city purchases, the original itemized sales slips, cash register receipts, invoices, order forms, and receiving documents shall be retained. All receipts shall be turned into the Card Administrator as soon as reasonably possible after a purchase. If a transaction receipt is misplaced or not received, the user shall be responsible for contacting the vendor and obtaining a duplicate copy of the receipt. Failure to do so may result in discipline up to and including termination.

(4) *Dispute of purchases.* If an item is not satisfactory, received in error, damaged, defective, duplicate order, and the like, the purchasing employee is responsible for contacting and following up with the vendor on any erroneous charges or disputed charges as soon as possible. In such an event, the Card Administrator must be notified immediately.

(K) Each Council Member, the Clerk-Treasurer, and the Mayor shall be authorized to sign checks or drafts on the city accounts, unless otherwise specifically required by law. Two authorized signatures shall be required on all checks or drafts on city accounts.

(Ord. 2009-04-334, passed 4-7-09; Am. Ord. 2009-04-336, passed 4-7-09; Am. Ord. 2011-01-369, passed 1-5-11; Am. Ord. 2015-10-553, passed 10-6-15; Am. Ord. 2017-01-611, passed 1-3-17; Am. Ord. 2019-07-851, passed 7-2-19)