

First Reading: _____
Second Reading: _____

ORDINANCE NO. _____

AN ORDINANCE AMENDING CHATTANOOGA CITY CODE,
ARTICLE V, SECTIONS 2-549, 2-551, 2-552, 2-553, AND 2-
560, RELATIVE TO PURCHASES, CONTRACTS, AND
PROPERTY DISPOSITION, RELATIVE TO BIDS.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHATTANOOGA,
TENNESSEE:

SECTION 1. That Article V, Sections 2-549, 2-551, 2-552, 2-553, and 2-560, of the
Chattanooga City Code is hereby amended by deleting it in its entirety and substituting in lieu
thereof the following:

**Sec. 2-549. Approval not required for expenditures not exceeding twenty-five thousand
dollars.**

Where the amount of a requisition or voucher or contract does not exceed twenty-five
thousand dollars (\$25,000.00), approval by the city council shall not be necessary for the
issuance of a purchase order or payment of a voucher or the execution of a contract. In no event
shall a requisition, voucher or contract be split or divided into two (2) or more with the intent of
evading the necessity for having competitive bids and/or the necessity of obtaining the approval
of the city council.

(Code 1986, § 2-349; Ord. No. 9590, § 1, 8-6-91; Ord. No. 9654, § 2, 1-6-92; Ord. No. 10903, §
1, 9-14-99; Ord. No. 11103, § 2, 11-28-00)

Sec. 2-551. Approval of expenditures exceeding twenty-five thousand dollars.

Whenever any requisition or voucher or contract calls for the expenditure of more than
twenty-five thousand dollars (\$25,000.00), the issuance of a purchase order or the payment of a
voucher, or the award of a contract shall be subject to the approval of the city council, and shall
not be binding on or create any liability against the city until approved by the city council. Such
approval shall be by resolution or by motion adopted by majority vote of the city council;
provided, however, that such approval shall not be necessary where a voucher or requisition is
issued pursuant to a prior lawful contract or pursuant to an ordinance authorizing such
expenditure.

(Code 1986, § 2-351; Ord. No. 9590, § 1, 8-6-91; Ord. No. 9654, § 2, 1-6-92; Ord. No. 10903, §
1, 9-14-99; Ord. No. 11103, § 2, 11-28-00)

Sec. 2-552. When bids required; advertisements for bids.

Whenever any requisition or voucher or contract calls for an expenditure exceeding twenty-five thousand dollars (\$25,000.00), there shall be public advertisement for competitive bids; provided, however, purchases under twenty-five thousand dollars (\$25,000.00) shall also be subject to advertisement and bids in the case of purchases of like items which individually cost less than twenty-five thousand dollars (\$25,000.00), but which are customarily purchased in lots of two (2) or more, if the total purchase price of such items would exceed twenty-five thousand dollars (\$25,000.00) during any fiscal year. Notice of bids shall be advertised at least once in one (1) or more daily newspapers published in the city at least ten (10) days prior to the time set for public opening of bids. The purchasing agent may also issue written invitations to bid to dealers in the articles to be purchased in addition to, but not in lieu of the advertisement required under this section. The head of any department, agency or division of the city may cause such advertisement to be made where any other types of contracts are involved or may direct the purchasing agent to make such advertisement and receive the bids thereon; provided, however, secondhand equipment or specialized equipment or equipment purchased from any federal, state or municipal agency, where it is not practicable to take bids, may be purchased without taking bids, but such purchases shall be subject to the requirements of sections 2-549 and 2-551.

No public advertisement or competitive bidding shall be required for purchases, leases, or lease-purchases up to twenty percent (20%) of the above amount established for purchases requiring full public advertisement and competitive bidding. For purchases between twenty percent (20%) and one hundred percent (100%) of said amount, such purchases, leases, or lease-purchases shall, whenever possible, be based upon three (3) written competitive bids. (Code 1986, § 2-352, Ord. No. 9590, § 1, 8-6-91; Ord. No. 10903 § 1, 9-14-99, Ord. No. 11103, § 2, 11-28-00; Ord. No. 11834, § 1, 5-30-06)

Sec. 2-553. Submission, opening, acceptance of bids.

(a) All bids shall be sealed and submitted to the official authorized herein to request bids on or before the specified time when such bidding is to be closed. The official receiving bids shall open them publicly on the date and at the hour specified. A purchase order may be issued, and/or a contract may be awarded, to the lowest responsible bidder submitting the best bid after approval by the city council. The city council may reject any and all bids submitted regardless of the amount involved. The term "lowest responsible bidder submitting the best bid" shall mean that in addition to price, consideration may be given to the following factors:

- (1) The ability, capacity and skill of the bidder to perform the contract or provide the service required;
- (2) Whether the bidder can perform the contract or provide the service promptly or within the time specified, without delay or interference;
- (3) The character, integrity, reputation, judgment, experience and efficiency of the bidder;
- (4) The quality of performance of previous contracts or services;

- (5) The previous and existing compliance by the bidder with laws and ordinances relating to the contract or service;
- (6) The sufficiency of the financial resources and ability of the bidder to perform the contract or provide the service;
- (7) The quality, availability and adaptability of the supplies, material and equipment, or contractual services to the particular use required;
- (8) The ability of the bidder to provide future maintenance and service for the use of the subject of the contract, and the proposed warranty or guaranty;
- (9) The number and scope of conditions attached to the bid;
- (10) The approach of the bidders to issues raised in the solicitation for bids;
- (11) The peculiar capabilities of the bidders to perform the contract;
- (12) The proprietary features of the bid;
- (13) The overall responsiveness of the bid to the needs of the City;
- (14) Installation Costs;
- (15) Life Cycle Costs;
- (16) Delivery Terms;
- (17) The cost of employee training associated with the purchase;
- (18) The effect of the Purchase on Productivity; and
- (19) Other factors relevant to determining Best Value for the City in the context of a particular purchase with the approval of the purchasing agent.

(b) If only one (1) bid is received, the bid shall not be opened and the contract or service to be performed shall be re-bid. If after having re-bid the contract or service only one (1) bid is received, the bid may be accepted. Provided, a re-bid shall not be required when there is only one local supplier or perform the contract or provide the service required, or for the purchase of a unique or proprietary product.

(Code 1986, § 2-353; Ord. No. 9654, § 2, 1-6-92; Ord. No. 10903, § 2, 9-14-99; Ord. No. 10913, § 1, 9-28-99; Ord. No. 11103, § 2, 11-28-00)

Sec. 2-560. Public improvement contracts.

All contracts of the city for any public improvement, when the cost shall exceed twenty-five thousand dollars (\$25,000.00) shall be let to the bidder providing the best value, the city council to be the judge thereof, and the council shall have the right to reject any and all bids. All contracts of the city shall be in writing, and may be signed on behalf of the city by the mayor or

head of the department in whose department such contract originates. All contracts shall be subject to the approval of the city council. Notice to bidders shall be given by publication in a daily newspaper published in the city, giving the date, hour and place bids will be received and publicly opened, which publication notice shall be at least ten (10) days before the bids are to be received.

(Code 1986, § 2-360; Ord. No. 9654, § 50, 1-6-92; Ord. No. 10903, § 3, 9-14-99; Ord. No. 11103, § 2, 11-28-00)

SECTION 2. BE IT FURTHER ORDAINED, That this Ordinance shall take effect two (2) weeks from and after its passage.

Passed on second and final reading:_____

CHAIRPERSON

APPROVED:____ DISAPPROVED:____

MAYOR