

Ordinance No. XX-10

To amend Sec. 46-28 of the Municipal Code of the City of Racine, Wisconsin relating to Purchases over \$25,000; advertising for bids, and to create Sec. 46-39 of the Municipal Code of the City of Racine, Wisconsin relating to Procurement of Professional Services.

The Common Council of the City of Racine do ordain as follows:

Part 1:

Sec. 46-28 of the Municipal Code of the City of Racine is hereby amended by deleting in the first sentence “, excepting” and replacing with “other than”; by deleting in the second sentence the word “for.” and by adding the following sentence at the end of the paragraph: “Participation in a bidding process for the same or similar items in association with other governmental units fulfills the bidding requirement.”

Sec. 46-28. Purchases over \$25,000.00; advertising for bids.

(a) Bids shall be required for every purchase of materials, supplies, equipment or contractual services other than professional services, the estimated cost of which exceeds \$25,000.00. Bids shall be advertised in the manner provided in Wis. Stats. § 62.15, except that the notice shall be published not less than twice and bids shall be received not less than ten days after first publication. Participation in a bidding process for the same or similar items in association with other governmental units fulfills the bidding requirement.

Advertisement for bids shall not be required for any purchase, the estimated cost of which does not exceed \$25,000.00, but in such case the purchasing agent shall secure and record at least three informal bids, if practicable.

If the estimated cost of public construction exceeds \$5,000.00 but is not greater than \$25,000.00, the purchasing agent shall publish one notice of the proposed construction before a contract for the construction is executed. This provision does not apply to public construction if the materials for such a project are donated or if the labor for such a project is provided by volunteers.

The common council may, by resolution, dispense with the requirement of advertising for bids in any particular case.

(b) A summary of the bids received for each item listing the name of each bidder and a copy of his bid shall be submitted to the appropriate committee of the common council for its recommendation to the common council. The adoption of the committee report by the common council shall constitute the final action of the council upon the bids and shall authorize the purchasing agent to issue a purchase order, countersigned by the finance director as to availability of funds, for the purchase of the items on which such bids were received.

Part 2:

Sec. 46-39 of the Municipal Code of the City of Racine is hereby created to read as follows:

“Sec.46-39. Procurement of Professional Services.

The City may contract for the procurement of professional services.

(a) Definition. For the purposes of this section, "professional services" means services that are intellectual in character, including consultation, analysis, evaluation, prediction, planning, programming, or recommendation, and result in the production of a report or the completion of a task.

Such services include, but are not restricted to, services of the type required or permitted to be furnished by a professional under a license, registration or certificate issued by the State of Wisconsin to practice architecture, engineering, surveying, landscape architecture, geoscience, certified interior design, medicine and surgery, chiropractic, optometry, psychology, dentistry, dental hygiene, accountancy or law, or under a license or certificate issued by another state under similar laws.

(b) Council approval. Except as otherwise directed by the Common Council, contracts for the purchase of professional services may be entered into without Council resolution when all of the following conditions are met:

1. The funds for the services are included in the approved City budget.
2. The City has engaged in a competitive selection process for professional services (or in the case of the Water and Wastewater utilities, secs. 62.15 and Chapter 200, Wis. Stats., and secs. 46-36 and 46-38 of the Code of Ordinances) or the contract is exempt from such a requirement pursuant to sub. (c) 2. of this ordinance.
3. The contract complies with other laws, resolutions and ordinances.
4. The contract is for a period of one year or less, or the contract is for a period of more than one year but not more than three years and the cost of the professional services does not average more than \$50,000 per year of the contract, provided that this subparagraph is subject to sub. (c) 2. of this ordinance for non-competitive contracts.

(c) Exceptions to Selection Process. The City may enter into negotiated contracts for professional services without a competitive selection process for the procurement of professional services if the following are met:

1. One or more of the following criteria are present as found by the Purchasing Agent or appropriate Department Head:
  - a. Public exigency will not permit the delay incident to advertising or other competitive processes;
  - b. The service required is available from only one person or firm;
  - c. The services are for professional services to be provided by attorneys who charge on an hourly basis or who are approved by CVMIC or the City's liability insurance carriers. In all other matters, where the aggregate legal fees exceed \$50,000, the City Attorney shall notify the Common Council of the status and seek approval for further expenditures.

- d. No acceptable bids have been received after formal advertising;
  - e. Service fees are established by law or professional code;
  - f. A particular consultant has provided services to the City on a similar or continuing project in the recent past, and it would be economical to the City on the basis of time and money to retain the same consultant;
  - g. The contract is for \$25,000 or less; or
  - h. Otherwise authorized by law, rule, resolution, or regulation.
2. In the case of sole source, public exigency or previous provider exemptions, the department head or purchasing agent shall fill out the City's approved form for such and file it with the finance director.

If the aggregate amount of the fee for services will exceed twenty-five thousand dollars (\$25,000) and the contract was not subject to a competitive selection process, the contract shall meet one of the requirements of sub. (c) 1. and be approved by the Common Council by resolution.”

Part 3:

This ordinance shall take effect upon passage and the day after publication.

Passed by the Common Council:

\_\_\_\_\_

Approved: \_\_\_\_\_

\_\_\_\_\_

Mayor

Attest:

\_\_\_\_\_

City Clerk

Fiscal Note: N/A

**Instructions for  
Sole Source, public Exigency or Previous Provider Form for Professional Services**

**Business Rationale**

The following information corresponds to the numbered items and is intended to further clarify the information to be provided:

1. *Provide detailed information about why you need to acquire these goods or services:*

Provide information on the main requirement for this purchase of services. For example, detail the nature of the activities for which the purchase is necessary.

2. *Has your department purchased these professional services in the past? If yes, who was the contractor/supplier and was the requirement competitively bid or sole source? What was the last date and price paid for the services?*

Indicate whether the department has previously acquired the same services. If the department has purchased the same services, indicate if the purchase was based on a competitive process or a sole source. NOTE: If the same services had been previously purchased based on a competitive process, provide additional details regarding why a sole source or previous provider request is being made for this purchase.

If the same service had been previously purchased, indicate the date of last purchase and the price paid.

3. *What are the unique qualifications this supplier/contractor possesses? Provide specific, measurable factors/qualifications.*

Provide specific details on the compelling expertise, experience and/or qualifications that support that the requested contractor is the appropriate person or corporation to provide the required service(s). In detailing the unique capabilities of the requested contractor, provide supporting information on the qualifications or other factors that make this contractor the most appropriate source.

4. *If a public exigency exists, please explain.*

Please state the nature of the emergency including the timing issues.

5. *Were alternative goods/services evaluated? If yes, what were they and why were they unacceptable? Please be specific with regard to features, characteristics, requirements, capabilities and compatibility. If no, why were alternatives not evaluated?*

Provide names of alternate sources that were considered and specific reasons why each one was rejected. If other options were not evaluated, indicate the basis for not considering available alternatives.

6. *What efforts were made to get the best possible price?*

Identify any initiatives made with the vendor to obtain the most favorable pricing. For example, indicate if any quotes or discounted pricing was requested from the vendor. Additionally, if discounts or special pricing was provided please indicate the amount of the discounts as percentage of the original or published selling price. If any other value added services such as training or consulting were provided, please provide details on those services.

7. *Will this purchase obligate the City to this supplier/contractor for future purchases, for example licensing or continuing need? If yes, please provide details regarding future obligations and/or needs.*

Check the appropriate box. If yes, provide information regarding the duration of any potential commitments as well as the estimated costs for such commitments.

8. *Why is the price for this purchase considered to be fair and reasonable?*

Indicate any price comparisons or other benchmarks against which the supplier/contractor's price was evaluated. For example, for the professional service, are the hourly rates comparable to those available for providers of similar services? If no price comparisons were made, please explain.

9. *Amount to be paid (Actual/Estimated).*

Indicate the dollar amount of the purchase request and indicate if that is actual or estimated. If the dollar amount is estimated, indicate when and how the actual amount will be determined. If the contract is for more than one fiscal year, please provide a breakdown of fiscal year expenditures.

10. *What will be the financial or other impact to your department if this source is not approved and a competitive bid is required?*

In response to this question, indicate any direct and/or indirect financial impacts as well as detail any programmatic impacts if this purchase is not approved as the appropriate source by the Common Council.

**Term**

Check the appropriate box to indicate if this will be a one-time purchase or if ongoing purchases will be made on a sole source basis. If the purchases will be ongoing, indicate the anticipated date of the first purchase and the duration of time during which purchases will be made.

If the ongoing purchases will be based on an annual contract commitment, also indicate the number of any potential annual renewal options for the contract.

# CITY OF RACINE

## Sole Source, Public Exigency or Previous Provider Form for Professional Services

Department:

Date:

Supplier/Contractor:

Procurement - In accordance with Sec. 46-28 of the City of Racine Code of Ordinances, professional services may be procured without bidding under certain circumstances.

### Business Rationale

1. Provide detailed information about why you need to acquire these professional services:

2. Has your department procured these services in the past?  Yes  No

If yes, who was the contractor/supplier and was the requirement competitively bid or sole source? What was the last date and price paid for the services?

3. What are the unique qualifications this supplier/contractor possesses? Provide specific, measurable, qualifications/factors.

4. If a public exigency exists, please explain.

5. Were alternative services evaluated? If yes, what were they and why were they unacceptable? Please be specific with regard to features, characteristics, requirements, capabilities and compatibility. If no, why were alternatives not evaluated?

6. What efforts were made to get the best possible price?

7. Will this purchase obligate the City to this supplier/contractor for future purchases, for example licensing or continuing need?

Yes  No

If yes, please provide details regarding future obligations and/or needs:

8. Why is the price for this purchase of professional services considered to be fair and reasonable?

9. Amount to be paid:  Actual  Estimated

10. What will be the financial or other impact to your department if this source is not approved and a competitive bid is required?

**Term**

One time purchase

Ongoing purchase

Source procurement begin date:

Source procurement end date:

Number of potential renewal options: