ORDINANCE 2021-13

AN ORDINANCE AMENDING IN PART THE HEBER SPRINGS MUNICIPAL CODE CHAPTER 3.04 PURCHASES, DECLARING AN EMERGENCY AND FOR OTHER PURPOSES.

WHEREAS, A.C.A. §14-58-303 which establishes the minimum expenditure requiring competitive bidding by municipalities was amended in part by Act 2021, No. 435 of the Arkansas Legislature, which amendment was effective July 28, 2021, and

WHEREAS, the City Council desires to amend Chapter 3.04 of the Heber Springs Municipal Code to be consistent with A.C.A. §14-58-303, and

WHEREAS, the City Council desires make additional changes in Chapter 3.04 relating to purchases and expenditures of the City.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HEBER SPRINGS, ARKANSAS, AS FOLLOWS:

SECTION 1: That the table of Contents of Chapter 3.04 of the Heber Springs Municipal Code is hereby amended to read as follows:

PURCHASES

Sections:

3.04.01 Thirty-five Thousand Dollars (\$35,000.00) or under

3.04.02 Over Thirty-five Thousand Dollars (\$35,000.00)

3.04.03 Approval of payments

3.04.04 Sale or exchange of supplies, materials or equipment valued at less than Five Thousand Dollars (\$5,000.00)

3.04.05 Conduct of business with officials

3.04.06 Waiver of competitive bidding

3.04.07 Electronic Fund Purchases

Section 3.04.01 of the Heber Springs Municipal Code is hereby amended to read as

follows:

3.04.01 Thirty-five Thousand Dollars (\$35,000.00) or under. The Mayor or his 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 for the city of Heber Springs and to make all necessary contracts for work or labor to be done or material or other necessary things to be finished for the benefit of the city, or in carrying out any work or undertaking of a public nature therein. Provided, however, all expenditures exceeding the sum of Ten Thousand Dollars (\$10,000.00) for any single item or project shall have the prior approval of the City Council. Specifically exempted from this limitation of the Mayor's spending authority are the following items, the payment of which shall be provided for in the calendar year budget of the city: payroll and payroll taxes, all insurance benefit items for city employees, all insurance premiums, workers compensation premiums, all utilities, waste disposal, and capital expenditures purchased through participation in the state contract procedures in which bids have previously been taken by the state.

SECTION 3: Section 3.04.02 of the Heber Springs Municipal Code is hereby amended to read as follows:

3.04.02 Over Thirty-five Thousand Dollars (\$35,000.00). Except as provided under A.C.A.§14-58-104, where the amount of expenditure for any purpose or contract exceeds the sum of thirty-five thousand dollars (\$35,000), the mayor or the mayor's authorized representative shall invite competitive bidding on the purpose or contract by legal advertisement in any local newspaper. Bids received pursuant to the advertisement shall be opened and read on the date set for receiving the bids in the presence of the mayor or the mayor's authorized representative. The mayor or the mayor's authorized representative has exclusive power to award the bid to the lowest responsible bidder and may reject any and all bids received. The City Council by resolution may waive the requirements of competitive bidding in exceptional situations where this procedure is deemed not feasible or practical or as provided under A.C.A. §14-58-104.

Section 3.04.05 of the Heber Springs Municipal Code is hereby amended to read as follows:

<u>3.04.05 Conduct of business with officials</u>. Pursuant to A.C.A. §14-42-107 as amended, members of the City Council shall be permitted to conduct business with the city of Heber Springs under the following conditions:

- A. The purchase is under \$9,999.00 in value and comparable merchandise or equipment at comparable prices is not otherwise available within the city.
- B. Cost of the service is under \$9,999.00 in value and comparable services or comparable values are not otherwise available within the city.
- C. On all purchases of supplies, equipment or services of more than \$9,999.00, unless the City Council shall by ordinance waive competitive bidding in situations where such procedure is deemed not feasible or

practical, the Mayor or his or her authorized agent, the City Council or other person, department or governing body making the purchase or the contract shall first obtain sealed bids and said Councilmember may be awarded the contract or right to sell or furnish supplies or services only if he is the lowest bidder.

SECTION 5: Section 3.04.06 of the Heber Springs Municipal Code is hereby amended to read as follows:

3.04.06 Waiver of competitive bidding. Competitive bidding, whenever it may be required, for the purchase of or contracting for work or labor to be done for the city, may be waived upon a majority vote of the City Council whenever the Council deems such competitive bidding to be not feasible or impractical due to said work or labor being of a scientific, professional or expert character and the City Council therefore determines that any one certain applicant for the position or work to be done possesses the skill, knowledge, experience, training or education necessary to perform the work to the specifications of the Council.

SECTION 6: Section 3.04.08 of the Heber Springs Municipal Code is hereby repealed.

SECTION 7: All laws, ordinances, resolutions, or parts of the same, that are in inconsistent with the provisions of this ordinance, are hereby repealed to the extent of such inconsistency.

SECTION 8: It is hereby found and determined that purchases and expenditures for goods and services within and for the City of Heber Springs are essential for the day to day operations of the City, and being necessary for the preservation of the public health, safety and welfare an emergency is hereby declared to exist, and this Ordinance shall be in full force and effect from and after its passage and approval.

Passed this 18th day of November, 2021.

ATTEST

Nancy Hurley, Clerk