

ORDINANCE NO. 2489

AN ORDINANCE OF THE CITY OF SALISBURY TO AMEND THE LANGUAGE OF CHAPTER 2.32 PURCHASE AND SALES OF THE SALISBURY MUNICIPAL CODE TO INCREASE THE THRESHOLD FOR MINOR, NON-RECURRING PURCHASES.

WHEREAS, the Mayor and City Council have requested that the Procurement Department periodically review Chapter 2.32; and

WHEREAS, the ongoing application, administration, and enforcement of Chapter 2.32 demonstrates a need for its periodic review, evaluation and amendment to keep the chapter current; and

WHEREAS, Chapter 2.32 requires all purchases to go through the Director of Procurement with the exception of direct purchases; and

WHEREAS, subchapter 2.32.040 of the current code allows for direct purchases to be made for any non-recurring unit cost of \$400.00 or less, with an aggregate cost of \$1,000.00 or less; and

WHEREAS, the current direct purchase threshold amount was last changed in 2001; and

WHEREAS, it has been determined that it is inefficient and costly to the City of Salisbury to limit the amount to \$400.00; and

WHEREAS, it is desired to eliminate the aggregate cost threshold and increase the threshold for direct purchases to the amount of \$2,000.00; and

WHEREAS, the Department of Procurement does recommend approval of these proposed code changes.

NOW, THEREFORE, BE IT ORDAINED AND ENACTED BY THE CITY OF SALISBURY, MARYLAND, THAT Chapter 2.32 be amended as follows:

2.32.040 - Direct purchases.

- A. Where immediate procurement is necessary to prevent delays in its work and resulting loss to the city, any using agency may be permitted by the director of procurement to purchase directly on the open market any minor items of non-recurring supplies, materials, equipment, or services not in excess of four hundred dollars (\$400.00) two thousand dollars (\$2,000.00) unit cost or an aggregate cost of one thousand dollars (\$1,000.00). Such purchases may be made without soliciting competitive quotations as long as the using agency considers/determines the price to be reasonable. Each direct purchase shall be made in accordance with rules of procedure established by the director of procurement.

B. The intent of this section is to permit direct purchases of minor items to prevent delays and loss and not as a substitute for advance planning of needs or as a regular method of recurring purchases of items. This section is not to be abused by unwarranted favoritism of one supplier or by division of one purchase into several small purchases, each less than ~~four hundred dollars (\$400.00)~~ two thousand dollars (\$2,000.00). The director of procurement shall report to the council any violation or attempted violation of this section.


2.32.080 – Disposition of surplus supplies.

All using agencies shall submit to the director of procurement, at such times and in such form as he/she may prescribe, a request to declare as surplus all supplies, materials and equipment, costing ~~four hundred dollars (\$400.00)~~ two thousand dollars (\$2,000.00) or more and listed on the capital asset inventory, which are no longer used or which have become obsolete, worn out or scrapped. The director may transfer such stock to other agencies which have need for or can use it or, if not thus usable, may sell or otherwise dispose of same in accordance with the Charter. All supplies, materials, and equipment costing less than ~~four hundred dollars (\$400.00)~~ two thousand dollars (\$2,000.00), which are no longer used or which have become obsolete, worn out or scrapped, may be disposed of as determined by the head of the department disposing of such property.


THIS ORDINANCE shall take effect immediately upon adoption.

THIS ORDINANCE was introduced and read at a meeting of the City Council held on the 29th day of May, 2018 and duly passed at a meeting of the Council of the City of Salisbury, Maryland held on the 25th day of June, 2018 and is to become effective as ~~of July 1, 2018~~ immediately. KRN

ATTEST:



Kimberly R. Nichols, City Clerk



John R. Heath, President
Salisbury City Council

APPROVED BY ME THIS 25th day of JUNE, 2018.



Jacob R. Day, Mayor



MEMORANDUM

To: Julia Glanz, City Administrator
From: Andy Kitzrow, Deputy City Administrator
Subject: Increase Threshold for Minor Purchases
Date: May 7, 2018

Attached is the ordinance to increase the threshold for Minor Purchases from \$400.00 to \$2,000.00. This increase will assist Department's in being more efficient when procuring goods and services.

Organization	Threshold
City of Salisbury - Current	\$400.00
City of Salisbury - Proposed	
City of Salisbury - Proposed	\$2,000.00
Wicomico County	\$1,000.00
Wicomico County Public Schools	\$2,000.00
Wor Wic Community College	\$2,500.00
Salisbury University	\$5,000.00
University of Maryland - College Park	\$5,000.00
Frederick, Maryland	\$10,000.00