

DENALI BOROUGH, ALASKA
ORDINANCE NO. 13-17

INTRODUCED BY: MAYOR CLAY WALKER

AN ORDINANCE AMENDING THE DENALI BOROUGH CODE OF ORDINANCES, CHAPTER
3.35 TITLED PROCUREMENT PROCEDURES AND
CONTRACTING STANDARDS

BE IT ENACTED by the Denali Borough Assembly, Alaska that:

Section 1. Classification. This ordinance is of a general and permanent nature.

Section 2. Purpose. The purpose of this ordinance is to amend the Denali Borough Code of Ordinances to read as follows:

3.35.070 Open market procedure.

A. The mayor or his/her designee may procure all materials, supplies, equipment, or services, having an aggregate cost for any one contract or purchase of not more than [~~\$25,000~~] \$50,000, on the open market without using competitive bids, competitive proposals, or other formal bidding procedures.

1. If the cost of the materials, supplies, equipment, or services to be procured does not exceed [~~\$10,000~~] \$25,000, the mayor or his/her designee may procure them from any source and in any manner which he deems advantageous to the Denali Borough, without obtaining informal quotes.

2. If the cost of materials, supplies, equipment or services to be procured exceeds [~~\$10,000~~] \$25,000, but does not exceed[~~\$25,000~~] \$50,000, the mayor or his/her designee must obtain at least three informal quotes prior to purchasing said items. The mayor or his/her designee may solicit and receive informal quotes either orally or in writing, but the solicitation must be in a form reasonably calculated to yield the lowest responsive quote by a responsible vendor and supplier. The mayor or his/her designee may require quotes exceeding a stated price or relating to specified categories of property or services to be in writing. Award shall be made to the responsible vendor or supplier submitting the lowest responsive quote while also considering the level of service. The mayor or his/her designee shall keep a written record of all open market quotes received and awards made thereon.

B. Regardless of the cost of the materials, supplies, equipment, or services to be procured, the mayor or his/her designee may purchase or rent materials, supplies, equipment, or services which fall into any of the following categories without utilizing competitive bids, competitive proposals, or informal bids:

1. Supplies, materials, equipment, or services which can only be furnished only by a single dealer or which have uniform price wherever purchased.

2. Supplies, materials, equipment or services purchased from the United States, the state of Alaska, or an agency, instrumentality or political subdivision thereof.

3. Supplies, materials, equipment or services purchased from a public utility at a price or rate determined by a regulatory body.

4. Supplies, materials, equipment or services which must be purchased from a specific

source in order to prevent incompatibility with previously purchased supplies, materials, equipment or services. For the purpose of this subsection, the term "incompatibility" is defined as: (a) the inability to interconnect, combine, interchange or join, or (b) that which causes or necessitates maintenance, expertise, or training where the acquisition of such would result in substantial duplication.

5. Accounting, medical, legal, architectural, engineering, or other similar professional services.

C. Regardless of the cost of the supplies, materials, equipment, or services to be procured, the mayor or his/her designee may purchase or rent supplies, materials, equipment or services without utilizing competitive bids, competitive proposals, or informal quotes, if he determines that an emergency threatening the public health, safety or welfare requires that a contract be awarded without delay, or when required by unforeseeable conditions, if the time required for competitive bidding will produce delays in an ongoing project, or will disrupt the efficient functioning of the Denali Borough, such that the efficiency of an open market procurement will outweigh any potential advantage that might be produced by competitive bidding. To the extent practicable under the circumstances, written or verbal proposals shall be solicited. As soon as reasonably practicable, the mayor or his/her designee shall report procurements under this subsection which exceed \$25,000 to the assembly.

**3.35.280 Persons who may award contracts –
Change orders.**

A. The mayor or his/her designee may award any contract for the purchase or rental of supplies, materials, equipment or services for the Denali Borough if the total amount to be paid by the Denali Borough to the vendor, supplier, or contractor is [~~\$25,000~~] \$50,000 or less. Only the assembly may award such contracts where the amount to be paid exceeds [~~\$25,000~~] \$50,000.

B. The mayor may authorize change orders to any such contract if the amount to be paid to the vendor, supplier, or contractor under the change order does not exceed [~~\$25,000~~] \$50,000 and if the change order does not cause the aggregate amount to be paid to all vendors, suppliers, or contractors under the contract and all change orders to exceed [~~\$25,000~~] \$50,000 or any multiple thereof. Only the assembly may authorize change orders which authorize payment in excess of [~~\$25,000~~] \$50,000 or which cause the aggregate amount to be paid under contract and all change orders to exceed [~~\$25,000~~] \$50,000 or any multiple thereof. [After the assembly has approved a change order which causes the aggregate amount to exceed \$25,000, or any multiple thereof, the mayor may approve change orders which produce an aggregate amount which is between multiples of \$25,000.]

Section 3. Effective Date. This ordinance becomes effective upon adoption of the Denali Borough Assembly and signature of the Mayor.

DATE INTRODUCED: OCTOBER 09, 2013
FIRST READING: OCTOBER 09, 2013
PUBLIC HEARING: DECEMBER 11, 2013

PASSED AND APPROVED by the Denali Borough Assembly this 11TH day of DECEMBER, 2013.


CLAY WALKER, MAYOR

ATTEST: 
GAIL PIEKNIK, BOROUGH CLERK



PASSED UNANIMOUSLY