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CITY OF SANTA FE, NEW MEXICO

BILL NO. 2017-40

INTRODUCED BY:

Councilor Signe I. Lindell

AN ORDINANCE

AMENDING SECTION 11-4 TO INCREASE THE CONTRACT APPROVAL AND BUDGET ADJUSTMENT AMOUNT THE CITY MANAGER IS AUTHORIZED TO APPROVE; ADOPTING THE STATE OF NEW MEXICO PROCUREMENT CODE AS THE PURCHASING MANUAL FOR THE CITY OF SANTA FE; AND ADOPTING ADDITIONAL EXEMPTIONS FROM THE PROCUREMENT CODE.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF SANTA FE:

Section 1. Section 11-4 SFCC 1987 (being Ord. #2002-25 (as amended)) is amended to read:

11-4 BUDGET ADJUSTMENTS.

When budget adjustments are needed during the fiscal year, the following procedures shall apply:

A. The finance director has the authority to approve budget increases or decreases in revenue or transfers-in or in expenditures, expenses or transfers-out, that reflect increases or decreases in the budget up to and including five thousand dollars (\$5,000.).

1 B. The city manager has the authority to approve budget increases or decreases in
2 revenue or transfers-in or in expenditures, expenses or transfers-out, that reflect increases or
3 decreases in the budget from five thousand dollars and one cent (\$5,000.01) up to and including
4 ~~[fifty]~~ sixty thousand dollars (~~[\$50,000.]~~\$60,000.).

5 C. The governing body shall approve budget increases or decreases in revenue or
6 transfers-in or in expenditures, expenses or transfers-out, that reflect increases or decreases in the
7 budget that are over ~~[fifty]~~ sixty thousand dollars (~~[\$50,000.]~~\$60,000.).

8 D. Budget adjustments approved by the city manager and the governing body shall be
9 included by fund in a quarterly budget resolution approved by the governing body.

10 E. Budget adjustment requests will conform to the rules and regulations adopted by
11 the local government division of the department of finance and administration.

12 F. For budgets associated with grants and grant agreements, the following shall
13 apply:

14 (1) The city manager may approve grant applications, awards, grant match
15 requirements, and agreements from five thousand dollars and one cent (\$5,000.01) up to
16 and including ~~[fifty]~~ sixty thousand dollars (~~[\$50,000.]~~\$60,000.).

17 (2) The city manager may approve budget revenue and related
18 expenditure/expense increases (including budget adjustments or decreases, as applicable),
19 for grants provided that all of the following conditions are met:

20 (a) The governing body has already approved the grant application
21 including the recommended match (if applicable); and

22 (b) The final grant award does not significantly differ from the grant
23 application in the amount, match, requirements, or other requirements on the part
24 of the city; and

25 (3) Any city department receiving a grant shall submit a copy of the final

1 award agreement and documentation for the grant to the finance department for financial
2 tracking, reporting and auditing purposes.

3 **Section 2. Section 11-13 SFCC 1987 (being Ord. #1991-1 (as amended)) is**
4 **amended to read:**

5 **11-13 ADOPTION OF CITY'S [2012] PROCUREMENT CODE.**

6 A. ~~[The city of Santa Fe 2012 Purchasing Manual ("Purchasing Manual") is hereby~~
7 ~~adopted by reference and incorporated as fully as set out herein and shall serve as the city of~~
8 ~~Santa Fe Procurement Code. Copies of the 2012 Purchasing Manual including all amendments~~
9 ~~are on file at the city of Santa Fe clerk's office and the office of the city of Santa Fe procurement~~
10 ~~officer.] The city of Santa Fe hereby adopts the state of New Mexico Procurement Code (§§ 13-1-~~
11 ~~28 through 13-1-199 NMSA 1978) as the city of Santa Fe Procurement Code ("City Procurement~~
12 ~~Code"). Pursuant to its home-rule authority, and the city charter, the city may adopt rules specific~~
13 ~~to the city, which depart from state law. Any departures from the state law shall be adopted by~~
14 ~~ordinance.~~

15 B. Exemptions permitted by §§ 13-1-98 through 13-1-98.2 NMSA 1978 are hereby
16 adopted, in addition to the following exemptions:

17 (1) purchases of publicly provided utilities including but not limited to: gas,
18 electricity, water, telecommunications, and cable television;

19 (2) bond attorneys, if approved by the city council as part of the
20 underwriting team involved in the issuance, sale and delivery of public securities for city bonds or
21 city-issued bonds; and

22 (3) legal services for advice, consultation, and representation of the city.

23 C. The city manager's approval for contracts shall be consistent with the statutory
24 "Small Purchases" amount currently set at \$60,000, excluding applicable state and local gross
25 receipts taxes, as defined by NMSA 1978, § 13-1-125(2013), as it may be amended. The city

1 manager's approval authority shall increase or decrease if and when the state changes the
2 statutory amount for "small purchases".

3 D. The purchasing officer shall be the "Chief Procurement Officer of the City" as
4 defined by NMSA 1978, § 13-1-38.1(2013).

5 E. Local Preferences. Notwithstanding, NMSA 1978, § 13-1-21(2016), the city
6 shall apply the following definitions and preferences:

7 1) "resident business" means a business that has a valid resident business
8 certificate issued by the taxation and revenue department pursuant to Section 13-1-22, and which
9 shows that the resident business resides within the Santa Fe municipal limits.

10 2) When the city makes a purchase using a formal bid process, the public
11 body shall deem a bid submitted by a resident business to be 3% percent lower than the bid
12 actually submitted. In addition, if the bid includes subcontractors who are also resident
13 businesses, the public body shall deem a bid submitted by a resident business with resident
14 business subcontractors to be 6% lower than the bid actually submitted. If a non-resident business
15 hires all resident business subcontractors, the public body shall deem the bid to be 3% percent
16 lower than the bid actually submitted.

17 3) When the city makes a purchase using a formal request for proposals
18 process, not including contracts awarded on a point-based system, the city shall award an
19 additional:

20 (a) three percent of the total weight of all the factors used in
21 evaluating the proposals to a resident business; and

22 (b) three percent of the total weight of all the factors used in
23 evaluating the proposals to a business with all resident business subcontractors.

24 4) When the city makes a purchase using a formal request for proposals
25 process, and the contract is awarded based on a point-based system, the city shall award

1 additional points equivalent to:

2 (1) three percent of the total possible points to a resident business;

3 and

4 (2) three percent of the total possible points to a business with all
5 resident business subcontractors.

6 5) The maximum available local preference shall be 6%.

7 F. City employees shall endeavor to procure local goods and services that qualify as
8 “small purchases” as defined by NMSA 1978, § 13-1-125.

9 E. The Purchasing Manual may be amended as follows:

10 (1) The procurement officer, finance and budget director or any member of
11 the governing body may propose amendments to the finance committee;

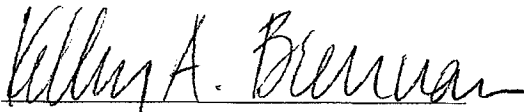
12 (2) The finance committee shall make its recommendation to the governing
13 body;

14 (3) The governing body shall approve, modify or disapprove the proposed
15 amendments.

16 G. At the beginning of each fiscal year, if amendments are made, the Purchasing
17 Manual shall be re-published with the publication date clearly designated, and all amendments
18 shall be incorporated therein.

19

20 APPROVED AS TO FORM:

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23 KELLEY A. BRENNAN, CITY ATTORNEY

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25 *M/Legislation/Bills 2017/Procurement Code Adoption*