



City of Wyoming, Michigan  
Administrative Policy

Subject: Purchasing Policies and Procedures

Department: City Manager's Office

Department Head: K. Washindie Date: 5/19/16

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**City of Wyoming**  
**Purchasing Policy and Procedures**

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# CITY OF WYOMING

## PURCHASING POLICY AND PROCEDURES

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Employees are responsible to ensure the acquisition, sale, and disposal of products as well as that repairs and services are made in conformance with City Charter and Code and the Purchasing and Finance Policies and Procedures.

Excerpts of Section 12 of the city Charter and Section 2 of the Code are available throughout this document.

### LIMITS & REQUIREMENTS

#### TANGIBLE ITEMS:

Bids, quotations, purchase approvals, and purchase documentation must be completed as shown in the summary chart and excerpt below:

Cost of Purchase	Purchase Approval Required	Bids or Quotations Required	Purchase Documentation Method Required
Over \$7,500	City Council	Sealed bid required unless emergency or sole source.	Electronic request for a purchase order.
\$1,001 - \$7,500	Finance and Purchasing	At least two quotations.	Electronic invoice entry and request for approval. <b>Prefer electronic request for a purchase order.</b>
Up to \$1,000	Finance and Purchasing	Comparative quotes not required.	Electronic invoice entry and request for approval. <b>Prefer electronic request for a purchase order.</b>

#### **Sec. 12.1. - Purchase and sale of property.**

The City Manager shall be responsible for the purchase and sale of all city property, subject to the restrictions of statutes and ordinances.

Comparative prices shall be obtained for any purchase or sale, which amounts to [sic] not in excess of seven thousand five hundred dollars, of all materials, supplies and public improvements except (a) in the employment of professional services, and (b) when the City Manager shall determine that no advantage to the city would result.

**Sec. 12.1. - Purchase and sale of property cont...**

In all sales or purchases in excess of seven thousand five hundred dollars, (a) the sale or purchase shall be approved by the Commission, (b) sealed bids shall be obtained, and (c) the requirements of [Section 12.2](#) shall be complied with. **No sale or purchase shall be divided for the purpose of circumventing the dollar value limitation contained in this section.** The Commission may authorize the making of public improvements or the performance of any other city work by any city agency without competitive bidding.

Purchases shall be made from the lowest competent bidder meeting specifications unless the Commission shall determine that the public interest will be better served by accepting a higher bid. Sales shall be made to the bidder whose bid is most advantageous to the city. All purchases and sales shall be evidenced by written contract or purchase order.

## **REPAIRS & MAINTENANCE, PROFESSIONAL SERVICES & SOFTWARE**

Bids, proposals, quotations, purchase approvals, and purchase documentation must be completed as shown in the summary chart and excerpt below:

<b>Cost of Repair or Service</b>	<b>Purchase Approval Required</b>	<b>Bids or Quotations Required</b>	<b>Purchase Documentation Method</b>
<b>Over \$8,500</b>	<b>City Council</b>	<b>Sealed bids preferred. City Manager may authorize acceptance of quotations instead of sealed bids.</b>	<b>Electronic request for a purchase order.</b>
\$1,001 - \$8,500	Finance and Purchasing	At least two quotations.	Electronic invoice entry and request for approval. <b>Prefer electronic request for a purchase order.</b>
Up to \$1,000	Finance and Purchasing	Comparative quotes not required.	Electronic invoice entry and request for approval. <b>Prefer electronic request for a purchase order.</b>

Formal sealed bids are preferred for repairs and maintenance and professional services. For repairs and maintenance and the employment of professional services up to \$8,500, the selection process and methodology shall be determined by the appropriate department head. Repairs and maintenance and the employment of professional services in excess of \$8,500 require City Council approval (Sec. 2-259).

**Sec. 2-259. - Contracts for repairs and services.**

The procedures as established in this division for bidding shall not be required for the contracting of repairs and services when deemed necessary by the city manager; however, the city manager shall in those cases obtain the lowest and best price. No contract for repairs and services shall be authorized by the city manager except in the case of an emergency when the total price exceeds the sum of \$8,500.00.

## SOFTWARE

Formal sealed bids are not required to acquire computer software usage licenses. For such acquisitions up to \$8,500, the selection process and methodology shall be determined by mutual consensus between the using department and the Information Technology Department on a case-by-case basis. Acquisitions in excess of \$8,500 require City Council approval.

## CONTRACTS & AGREEMENTS

All contracts and agreements must be executed in accordance with the City Charter and Code. The City Council has the authority to contract on behalf of the City. The City Manager may also contract on behalf of the City in accordance with the Charter.

**In accordance with the City Charter, no employee other than the City Manager has the authority to contract on behalf of the City.** Based on the value of the contract or agreement, the approval, execution, and legal review required are as shown below:

### TANGIBLE ITEMS:

Dollar Amount of Contract/ Agreement	Approval Required	Execution	Legal Review Required
Over \$7,500	City Council Approval – authorizing Mayor and City Clerk or City Manager to execute.	Mayor and City Clerk. City Council may also authorize City Manager.	City Attorney
\$500 - \$7,500	City Manager	City Manager	City Attorney
Under \$500	City Manager	City Manager	None

### REPAIRS AND SERVICES:

Dollar Amount of Contract/ Agreement	Approval Required	Execution	Legal Review Required
Over \$8,500	City Council Approval – authorizing Mayor and City Clerk or City Manager to execute.	Mayor and City Clerk. City Council may also authorize City Manager.	City Attorney
\$500 - \$8,500	City Manager	City Manager	City Attorney
Under \$500	City Manager	City Manager	None

#### **Sec. 2-259. - Contracts for repairs and services.**

The procedures as established in this division for bidding shall not be required for the contracting of repairs and services when deemed necessary by the city manager; however, the city manager shall in those cases obtain the lowest and best price. No contract for repairs and services shall be authorized by the city manager except in the case of an emergency when the total price exceeds the sum of \$8,500.00.

**Any contract or agreement of \$500 or more made with form or terms other than the standard City purchase order shall, before execution, be submitted to the City Attorney for review and approval as to form and legality.** In accordance with the City Charter, a copy of all contracts or agreements requiring such opinion shall be filed in the office of the City Clerk.

Any amendment to a contract which will result in the total combined worth of the contract exceeding the dollar limitations contained herein shall be approved in accordance with the City Charter, Code and Purchasing Policy as summarized above.

#### Sec. 12.2. - Contracts

The authority to contract on behalf of the city is vested in the Commission and shall be exercised in accordance with the provisions of statute and of this charter, provided that purchases and sales may be made by the City Manager subject to the provisions of [Section 12.1](#).

Any contract or agreement in an amount of five hundred dollars or more made with form or terms other than the standard city purchase order form shall, before execution, be submitted to the Attorney and his opinion obtained with respect to its form and legality. A copy of all contracts or agreements requiring such opinion shall be filed in the office of Clerk together with a copy of the opinion.

Before any contract, agreement or purchase order obligating the city to pay an amount of five hundred dollars or more is executed, the accounting officer of the city shall first have certified that an appropriation has been made for the payment thereof, or that sufficient funds will be available if it be for a purpose being financed by the issuance of bonds or by special assessments or for some other purpose not chargeable to a budget appropriation. In the case of a contract or agreement obligating the city for periodic payments in future fiscal years for the furnishing of a continuing service or the leasing of property, such certification need not cover those payments which will be due in future fiscal years, but this exception shall not apply to a contract for the purchase or construction of a public improvement unless such purchase or construction is being financed by an installment contract under authority of [Section 10.7](#). Certification by the accounting officer of the city shall be endorsed on each contract, agreement or purchase order requiring same or shall be filed as an attachment thereto.

No contract or purchase order shall be subdivided for the purpose of circumventing the dollar value limitations contained in this Section.

No contract shall be amended after the same has been made except upon the authority of the Commission, provided that the City Manager may amend or rescind contracts for those purchases and sales made by him under the authority of [Section 12.1](#).

No compensation shall be paid to any contractor except in accordance with the terms of the contract.

**No contract shall be made with any person, firm or corporation in default to the city.**

## **INSURANCE & INDEMNIFICATION AGREEMENTS**

For repairs and maintenance and services for which sealed bids are accepted, the insurance requirements and indemnification agreement must be included in the bid specifications. The Purchasing Department will keep the certificate and indemnification form on file for sealed bids completed by the Purchasing Department. (ATTACHMENT F, G, H & I)

For repairs, maintenance, and services that are to be completed without a sealed bid, departments must have the contractor fill out the contractor's insurance requirement form and indemnification agreement ([ATTACHMENT G & I](#)).

The department shall also obtain a current certificate of insurance and required endorsements. If documents are not submitted to the department, no purchase order will be issued and work shall not commence. Questions regarding the amount and type of insurance the project requires should be addressed to the Michigan Municipal Risk Management Authority (MMRMA) at 1-800-243-1324. A copy of the Risk Transfer Manual from the MMRMA is available in various departments including the Purchasing Department. The Purchasing Department is also available to assist with questions regarding insurance.

The department shall give the original certificate of insurance and endorsements to the Purchasing Department as no work shall commence until the appropriate certificates of insurance and indemnification agreements are on file. The Purchasing Department recommends that the department submitting documents should also keep a copy of all documentation until the project is completed.

## **SEALED BIDS**

If a sealed bid is required, the using department should email a completed bid request form with required attachments in Microsoft Word format (12-point Times New Roman font) to the Purchasing Department ([ATTACHMENT B](#)).

## **SPECIFICATIONS**

Specifications shall be drafted so that maximum competition can be obtained without compromising required quality and performance standards. The description of the item, repair, or service to be bid should be complete and precise in order to eliminate any possibility of misunderstanding among the department submitting the specification, the Purchasing Department, and the bidders.

Trade and brand names, manufacturer's catalog names, and model numbers are usually helpful for descriptive purposes to guide the bidder in interpreting the requirements of the City; however, they should not be construed as excluding bids on equivalent goods.

## **TRADE-IN EQUIPMENT**

In the event existing City-owned equipment is to be included for consideration of trade-in on purchases of like equipment, the bid specifications submitted to the Purchasing Department shall be accompanied by a complete description of the equipment being offered for trade. The information provided shall include a general description of the equipment, make, model year or age, serial number, mileage or hours of usage, accessories included, and any other pertinent data. Additionally, a contact person should be named in the bid specifications to answer questions and/or arrange viewing of the equipment.

The using department shall also complete and submit an asset disposal form to the Finance Department. Forms are available at: <http://info/forms/disposalform.pdf>.

## **PUBLISHING – BID NOTICES**

Bid notices are posted on the City website (www.wyomingmi.gov). Vendors may register to receive bid notifications by email on the City website (Sec. 2-252). Notices are also posted on the bulletin board outside the City Clerk’s Office.

### **Sec. 2-252. - Posting of notices inviting bids or proposals.**

Whenever notice inviting bids or proposals are required, this section shall govern. Notice inviting bids shall be posted on the city website or such other electronic media as may be authorized by resolution of the city council, at least five days preceding the last day set for the receipt of the proposals. The posting shall include a general description of the articles to be purchased or sold, shall state where bid blanks and specifications may be secured and the time and place for opening bids.

## **REVIEW OF BIDS & PROPOSALS**

After bids have been opened, the Purchasing Department will scan the documents into the City’s document imaging system for department review and records retention. For bids that cross multiple departments, the Purchasing Department will tabulate the bid and will email the tabulation sheet to the appropriate departments.

## **RECOMMENDATION FOR AWARD OF BIDS & PROPOSALS**

The department must prepare a staff report using the sections detailed below. If bid results are not included in the staff report, a tabulation sheet should be prepared. The staff report should be submitted in Microsoft Word format (12-point Times New Roman font) along with all supporting documentation. The report should contain the following information (**SAMPLE: ATTACHMENT A**):

### **SECTION ONE - RECOMMENDATION**

- Description of item, repair, or service bid
- Name of recommended awarded vendor and cost.

### **SECTION TWO - SUSTAINABILITY CRITERIA**

Definition of Sustainability – the advancement and promotion, with equal priority, of environmental quality, economic strength and social equity so that a stable and vibrant community can be assured for future generations without compromising current needs.

- **Environmental Quality**
  - Stewardship of Natural Resources,
  - Environmental Responsibility
  - Urban Planning
  - Regional Connectedness
- **Social Equity**
  - Business Growth and Retention
  - Community Investment
  - Diverse Financial Strategy
  - Resources

- **Economic Strength**
  - o Community and Livability
  - o Accessible Resources
  - o Quality & Responsive City Services

### **SECTION THREE - DISCUSSION**

- Number of registered bidders who received invitations to bid.
  - o Bidder information is available on OnBase or from the Purchasing Department.
  - o City Council requires this information be included in the Staff Report.
- Number of invitations to bid sent to prospective bidders and the number of bids received.
- Summary of bids received, including total amount of each bid.
  - o For bids with multiple items, attach tabulation sheet to the Staff Report.
- Reason for purchase, repair, or service.
- Reason for recommendation of bidder.
  - o If the department recommends purchase from a bid other than the low bidder, a complete and adequate justification must be included. If no bids met the specifications, detailed information must be included in the staff report explaining which specifications were not met and why the bids were unacceptable.

### **SECTION FOUR – BUDGET IMPACT**

- Proper name of general account ledger
- General account ledger number
- Whether or not adequate funds are available
  - o If adequate funds are not available to cover the cost of the bid, a budget amendment should be prepared and attached to the report. A copy of the report and amendment should be sent to the Finance Department for approval. Budget amendment forms are available on intranet.

### **COUNCIL MEETING AND AWARD**

The staff report and all supporting documentation must be sent via email to the Purchasing Department at [jacksonl@wyomingmi.gov](mailto:jacksonl@wyomingmi.gov) **no later than the 5:00 p.m. the Tuesday before the Council Meeting.** The Purchasing Department will prepare a resolution and will submit the resolution, staff report, and supporting documentation to the agenda **by 5:00 p.m. the Wednesday before the Council Meeting.** Departments will receive notification from the City Clerk's Office via email of when the Council minutes and resolutions are available in OnBase. After resolutions are uploaded to OnBase, departments must enter the purchase order or contract, including the resolution number and date, into the City's Financial System.

## **ADDITIONAL INFORMATION**

### **BUDGET ACCOUNTS**

Coding of expenditures by object is detailed in the current budget. This account structure may vary slightly from year to year; as such, it is necessary to review accounts whenever a new budget is presented. Questions regarding proper coding of purchases, repairs, and services shall be directed to the Finance Department.

### **BUDGET ADJUSTMENTS**

If an account class (personnel services, supplies, other services and charges, and capital outlay) within an activity is over budget, a budget adjustment is required before the purchase will be approved.

### **CAPITAL ASSETS AND FIXED ASSET REPORT FORM**

Capital assets are as defined in the City of Wyoming Financial Administration Policy 1 – Fixed Assets/Capital Outlay. When any new capital item is acquired by a department, it will be assigned to the Fixed Asset Inventory by the Finance Department.

When any capital item is disposed of, traded-in, or transferred to another department, it shall be the disposing department's obligation to complete and submit to the Finance Department an asset disposal form for each item at its time of disposal, trade-in or transfer.

### **CDBG AND OTHER FEDERAL AND/OR STATED FUNDED PROJECTS**

All contractors and subcontractors must be cleared through the HUD listing for debarred and suspended participants. Each department is responsible for notifying the Purchasing Department if a project or purchase will be funded all or in part by CDBG, federal, and/or state funds. The Purchasing Department will be able to verify whether or not the contractor is cleared. Purchase orders will not be issued until such action has been completed. Departments shall not enter into contracts or make purchases from debarred and suspended vendors and contractors.

The City will take all necessary steps to reach out to minority firms, women's business enterprise, and labor surplus area firms to participate in its CDBG, federal, and/or state funded procurements. The City will notify the Small Business Administration, the West Michigan Minority Contractors Association, and Section 3 Certified Contractors of bid opportunities with the City.

### **CONTRACT PURCHASE ORDERS**

Contract purchase orders are used to facilitate the acquisition of products and/or services from a particular vendor over an extended period of time. Contract purchase orders are generally used to:

1. Facilitate the acquisition of goods that have been formally bid and which will be ordered from the vendor on an as-needed basis at the accepted bid price(s) over a specific bid period or;
2. Provide City departments with a more flexible method of acquiring frequently required goods and services such as hardware, lumber, plumbing, and electrical supplies.

Each department is responsible to ensure that goods and services procured using contract purchase orders are in accordance with the Charter requirements and policies established herein.

As contract purchase orders are often issued for use by more than one department, employees shall inform the vendor of the department and employee making the purchase and request that the information be included on the invoice.

### **COOPERATIVE PURCHASING**

The City may join with other units of government in cooperative purchasing plans as well as cooperative purchasing programs provided that the City Charter and Code (Sec. 2-257) requirements related to sealed bids and approval of the City are met, with the exception of those requirements pertaining to publication, bidders' lists, bid posting, and the bid opening procedure. Examples of cooperative purchasing programs include other municipalities, National IGP (Intergovernmental Purchasing Alliance and MiDeal (State of Michigan).

#### **Sec. 2-257. - Cooperative purchasing plans.**

The city shall have the authority to join with other units of government in cooperative purchasing plans, providing that the Charter and Code requirements relating to sealed bids and approval of the city are met.

### **PURCHASING FROM A BUSINESS OWNER RELATED TO AN ELECTED OFFICIAL**

Purchasing from any business owner related to an elected official of the City requires Council approval (Sec. 2).

#### **Sec. 2-1. - Application.**

Except as specifically provided in [section 6.7\(c\)](#) of the City Charter or any specific code provision, the conflict of interest policy established hereunder shall apply to the city council and all boards and commissions of the City of Wyoming.

#### **Sec. 2-2. - Definition.**

Conflict of interest shall be defined as any issue upon which a member or any member of his immediate family (defined as spouse, parent, child, grandchild, or sibling) has a potential financial interest or benefit.

#### **Sec. 2-3. - Disclosure.**

In the event any member has a conflict of interest, that member shall disclose that conflict of interest or potential conflict of interest prior to participation in deliberation or vote on the subject matter on which the conflict of interest exists.

#### **Sec. 2-4. - Determination of conflict of interest.**

In the event of a question of whether a conflict of interest exists for a member, a final determination shall be made by a majority vote of the remaining members.

## PURCHASING FROM A CITY EMPLOYEE

Purchasing tangible items under \$7,500 or repairs and services under \$8,500 require approval from the City Manager. Requests must be made in writing and sent to the Purchasing Department for City Manager approval. The Purchasing Department will notify the department whether or not the approval was granted for the purchase or repair and service.

## MULTIPLE METHODS OF DISPOSAL OF CITY OWNED PROPERTY

Disposal of property shall be completed in accordance with the City Charter and Code and in compliance with the City's Theft Policy ([ATTACHMENT E](#)). Sale of property in excess of \$7,500 requires formal sealed bids and City Council approval.

In the event a department must dispose of surplus property or unclaimed police evidence, City Council has authorized the sale to be made through Miedema Recovery and Sales, Inc. (MRS) (Resolution #22412 dated 12/4/2006 ([ATTACHMENT C](#)) and Memorandum dated 4/2/14 ([ATTACHMENT D](#))).

Departments must complete and send the "Internet Auction Employment Agreement" and "Auction Item List" ([ATTACHMENT D](#)) to the Purchasing Department. The Purchasing Department will obtain the proper signatures and will send the forms back to the department. The department can then deliver the items to MRS.

Capital items to be disposed of, traded in, or transferred to another department shall be the responsibility of the disposing department. Department must complete and submit an asset disposal form to the Finance Department for each item at the time of its disposal.

For more detailed direction on disposal of surplus property and unclaimed police evidence ([ATTACHMENT D](#)).

Sale of items above \$7,500 requires approval of the City Council. Departments must send a staff report with all supporting documentation to the Purchasing Department. Purchasing will prepare and submit a resolution for the sale of the item to be sent to a Council meeting.

To investigate other methods of disposal (e.g. bidding out the sale of the item, selling items for scrap, etc.), contact the Purchasing Department.

## EMERGENCY PURCHASES AND REPAIRS

Emergency situations may arise which require immediate repair or purchase of an item or service. Notice of the need for the emergency purchase of tangible items in excess of \$7,500 or repairs in excess of \$8,500 shall be made to the City Manager and Purchasing Department prior to the purchase or repair. In the event it is not possible to inform the City Manager and Purchasing Department prior to purchase, notification shall be made as soon as possible after the occurrence.

Though a transaction may have already been completed, emergency purchases and repairs still require City Council approval. As such, the using department shall submit a detailed Staff Report with all supporting documentation by email to the Purchasing Department for attachment to a resolution to concur with the purchase or repair for Council's consideration at the next regularly scheduled meeting.

Emergency repairs and purchases are usually made on an urgent and non-competitive basis. Emergencies created through a lack of planning must be avoided.

### **INSPECTION OF MATERIALS & PAYMENT OF INVOICES**

The ordering department is responsible for the inspection and acceptance of all materials, supplies, and equipment. Before authorizing payment of an invoice it is the department responsibility to verify all items were received in satisfactory condition and the pricing for all items is correct.

### **LEASES**

If the City has the option to return the property at the end of the lease, it shall be considered a service and subject to the requirements contained herein for the acquisition of repairs and services.

If the City does not have the option to return the property at the end of the lease, it shall be considered a purchase and shall be subject to the requirements contained herein for the acquisition of tangible items.

Lease purchase agreements shall be reported to the Purchasing and Finance Departments by the using department.

### **PERFORMANCE AND LIEN BONDS**

When bid specifications require a vendor awarded a bid to submit a performance bond and/or payment bond to the using department, it shall be the department's responsibility to ensure:

- The City is in possession of the performance bond and/or payment bond prior to the commencement of any work on said project.
- The certificates are in proper form and have been reviewed and approved by the City Attorney.

When the bid specifications require the vendor awarded the bid to submit performance bond and/or payment bond to a specified person in the using department prior to beginning any work on a project, it shall be that specified person's responsibility to ensure that:

- The City is in possession of the performance bond and/or payment bond prior to the commencement of any work on said project and;
- The certificates are in proper form and have been reviewed and approved by the City Attorney.
- The certificate is sent to the Purchasing Department for records and reference purposes.

Except in cases of construction contracts, purchases involving large sums of money, or purchases in which failure to perform would result in a loss to the City, performance bond and/or payment bond are, in most instances, needless and expensive.

## **PETTY CASH**

Items, repairs, or services which cost less than \$50 and are obtained from a vendor with whom the City does not have a Contract Purchase Order may be obtained by a department directly from the vendor (the City is exempt from paying sales tax). The cost will be reimbursed from petty cash upon presentation of a paid invoice. Exceptions to the \$50 limitation will be considered when in the best interest of the City.

## **STANDARDIZATION**

When deemed to be in the best interest of the City, the City Council has the right to authorize the standardization on a particular brand item and/or product line of items purchased and utilized by the City.

## **SURETIES (BID)**

Whenever the bid specifications require a bid to be accompanied by a bid surety, whether it be in the form of a bid bond, certified check, or some other monetary form, it is done to ensure that the bidder, upon the award of the bid, will enter into a contract with the City and will submit all required insurance certificates, indemnification agreements, and performance and lien bonds to the using department within the time period specified in the bid specifications.

A successful bidder shall forfeit any bid surety required by the City upon failure to enter into a contract or failure to provide the City with all required insurance certificates, indemnification agreements, and performance and lien bonds within the time period specified in the bid specifications, and the City may exercise all legal options available.

Except in cases of construction contracts, purchases involving large sums of money or purchases in which failure to perform would result in loss to the City, bid sureties are, in most instances, needless and expensive.

If a bid surety is required as part of the bid specifications and is in a monetary form, it will be processed as follows:

- The Purchasing Department will deposit the surety at the Treasurer's Department immediately following the bid opening; receipts will be provided to the Purchasing and Finance Departments.
- The using department shall notify the Purchasing Department in writing when the insurance certificates, indemnification agreements, and performance and lien bonds have been received and the contract is executed.
- The using department shall submit a written request to the Purchasing Department for the return of the bid sureties to both the successful and unsuccessful bidders.
- The Purchasing Department will submit the request to the Finance Department for processing the return of the sureties through accounts payable.

## **TAX EXEMPT VERIFICATION**

State of Michigan Tax Exemption Certificate or a written letter verifying the City's tax exemption status, if required, is available from the Finance Department.

## **TRANSPORTATION CHARGES**

All purchases shall be delivered FOB destination City of Wyoming if at all possible. Under this form of delivery the seller not only pays the freight, but also assumes all risk to goods in transit except those borne by the carrier.

No "Cash on Delivery" orders shall be placed by any department.

## **UTILITIES**

Competitive bidding is not required for utility vendors (natural gas, electric, telephone services, water, and sewer).

## **WARRANTIES AND GUARANTEES**

The City purchases many items that have a warranty or guarantee for a certain length of time. Each department shall be responsible for maintaining an up-to-date warranty and/or guarantee file for items purchased by the department. Before any item is repaired or replaced, the aforementioned file shall be reviewed to determine whether said item is covered by a warranty or guarantee.

## **PURCHASE ORDER & PURCHASE CONTRACT PROCESSING**

Detailed instructions for entering purchase orders and purchase contracts are attached.

## **INVOICE ENTRY**

Detailed instructions for entering invoices are included in the New World Invoice Entry Processing Guide which is available from the Finance Department.

# ATTACHMENT A – STAFF REPORT SAMPLE

## STAFF REPORT (Sample)

Date: Date Staff Report Submitted  
Subject: Name of Bid/Service  
From: Name and Title of Employee Submitting Staff Report  
Meeting Date: Meeting Date

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### FORMATTING GUIDELINES:

- Submit to Purchasing Department
- Submit in Microsoft Word (.docx) format only; no PDFs.
- Use online TIMES NEW ROMAN 12 pt. font. Note: if submitted in any other font, Purchasing will make the conversion.
- Contact the Purchasing Department for additional sample documents, if needed.

### RECOMMENDATION: To keep Staff Reports consistent for City Council Review, please bold and use all caps.

It is recommended the City Council award the bid for lamps and ballasts to Wesco Distribution, Voss Electric d/b/a Voss Lighting, Batteries Plus and Graybar Electric in the discounted amounts as shown on the attached tabulation sheets.

### SUSTAINABILITY CRITERIA: Please indent the paragraphs as shown below.

Environmental Quality – As part of our efforts to continue to make a positive impact on the environment, the City of Wyoming provides a household hazardous waste program located at the Clean Water Plant. The program provides recycling of lamps and ballasts keeping the waste away from the landfills. City Council looks for who the department is recommending the bid be awarded to and the cost. Please always include this information in the first paragraph. If total cost is known insert the amount instead of “as shown on attached tabulation sheets”)

Social Equity – Does not significantly impact this criterion.

Economic Strength –Maximizing the energy efficiency of the City’s facilities is the most cost-effective and environmentally friendly way to extend energy supplies and manage energy use.

### DISCUSSION:

On September 9, 2014, four bids were received in our invitation to bid on lamps and ballasts, ninety-seven invitations to bid were sent to prospective bidders. Always include the date of bid opening, how many bids were received and how many were sent to prospective bidders in the first paragraph under “Discussion”.

The bid specifications requested all bidders to submit a percentage discount for thirty-seven various type of lamps and ballasts as they appear in the manufacturer’s current standard public catalog or price list. Lamps and ballasts are purchased on an as needed basis for the City buildings and parks facilities. As each location uses different products to meet their lighting fixture requirements it is recommended to award the bid to all four bids received; Wesco Distribution, Voss Electric dba Voss Lighting, Batteries Plus and Graybar Electric.

### BUDGET IMPACT:

Lamps and Ballasts are purchased as needed throughout the year and funds are budgeted in the various departmental accounts (include the name of the account(s) and specific account number(s) that will be charged. The estimated expenditure during the coming year is expected to total approximately \$29,000.00 (if a set dollar amount, enter the dollar amount).

# ATTACHMENT B – BID REQUEST FORM

## CITY OF WYOMING

### BID REQUEST FORM

Date of Request: \_\_\_\_\_

Department: \_\_\_\_\_

Employee Name: \_\_\_\_\_

Employee Phone Number: \_\_\_\_\_

Requested Bid Opening Date: (if critical and time sensitive).

Note: All bids are posted on the City's website a minimum of 5 business days before the scheduled opening.

Budget Account Numbers: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Will a Budget Amendment Be Required (Budget Amendment request must be submitted directly to the Finance Department): Yes   
No

#### Additional Information:

**Tangible items** - a complete listing of items to be purchased including quantities and detailed specifications (preferably in a Word document submitted electronically to Purchasing). Manufacturer's standard published literature and specifications pertaining to the item(s) being purchased should also be included.

**Repairs and Professional Services** – a complete listing of work to be completed including detailed specifications (preferably in a Word document submitted electronically to Purchasing).

**Attach Bidders List** (The Purchasing Department maintains lists, but if you have specific vendors you would like the bid to be sent to, provide the complete company name, contact name, mailing address, telephone number and email address).

**CDGB (and other Federal or State Funded Projects)** - All contractors and subcontractors must be cleared through the HUD listing for debarred and suspended participants. Each department is responsible for notifying the purchasing department if a project or purchase will be funded all or in part by CDBG, Federal and/or State funds.

Will CDGB Funds be used: Yes  No

Will other Federal Funds be used: Yes  No

***EMAIL FORM, BIDDERS LIST AND DRAFT SPECIFICATIONS TO THE PURCHASING DEPARTMENT. IF YOU WOULD LIKE A TEMPLATE OR DRAFT TO WORK FROM, CONTACT THE PURCHASING DEPARTMENT AT EXT. 7229.***

**ATTACHMENT C – SALE OF SURPLUS PROPERTY AND UNCLAIMED POLICE EVIDENCE RESOLUTION**

120406  
KRO: laj

RESOLUTION NO. 22412

**RESOLUTION TO AUTHORIZE THE SALE OF SURPLUS PROPERTY AND UNCLAIMED POLICE EVIDENCE**

WHEREAS, in past years the City has stored surplus property and unclaimed police evidence for sale at a City auction, and

WHEREAS, as detailed in the attached memorandum, over the past several years proceeds from the auction have diminished, and

WHEREAS, Miedema Recovery and Sales, Inc. (MRS) conducts a weekly public-internet online auction and has experience with the sale of surplus municipal property and unclaimed police evidence, and

WHEREAS, MRS sells items to the highest bidder by public-internet online auction and will charge the City a percentage of the sales price of each item, which is estimated to be between 8% and 15% depending on the type of item being sold, and

WHEREAS, it is the joint recommendation of the Purchasing and Finance Departments to authorize the sale of surplus property and unclaimed police evidence through MRS, now therefore

BE IT RESOLVED, that the Wyoming City Council does hereby authorize the sale of surplus property and unclaimed police evidence through Miedema Recovery and Sales, Inc., and

BE IT FURTHER RESOLVED, that the Wyoming City Council does hereby authorize the Finance Director and the Human Resources Supervisor to acknowledge acceptance of the Internet Auction Agreements.

Councilmember Haynes moved, seconded by Councilmember Bertram, that the above Resolution be adopted.

Motion carried: 7 Yeas, 0 Nays

I hereby certify that the foregoing Resolution was adopted by the City Council for the City of Wyoming, Michigan, at a regular session held on the 4th day of December, 2006.

*Heidi A. Isakson*  
Heidi A. Isakson  
Wyoming City Clerk

Attachments: Memorandum



Resolution No. 22412  
S:\Purchasing\Resolutions\FY 06-07 Resolutions\Sale of Surplus Property and Unclaimed Police Evidence.doc

# ATTACHMENT D – SALE OF SURPLUS PROPERTY MEMORANDUM

## MEMORANDUM

**TO:** All Employees  
**FROM:** Laura Jackson, Purchasing Department  
**SUBJECT:** Sale of Surplus Property and Unclaimed Police Evidence through Miedema Recovery and Sales, Inc. (MRS)  
**DATE:** April 2, 2014  
**CC:** Kim Oostindie, Human Resources Director

---

The Wyoming City Council authorized the sale of unclaimed police evidence and surplus property through MRS via Resolution number 22412 on December 4, 2006. MRS conducts a weekly public internet online auction and has experience with the sale of surplus municipal property and unclaimed police evidence. MRS sells to the highest bidder by public-internet online auction and will charge the City a percentage of the sales price of each item, which is estimated to be between 8% and 15% depending on the type of item being sold.

The following is the procedure to dispose of surplus, damaged and salvageable property, and unclaimed police evidence through MRS:

### **PREPARING ITEMS:**

- ✓ The attached “Internet Auction Employment Agreement” and the attached “Auction Item List” must be submitted to Laura Jackson in the Purchasing Department **before** the items are delivered to MRS. If the items are damaged and/or broken please note in the description. The Purchasing Department will forward the forms to the Human Resources Director and Finance Director for signatures to authorize the sale of the items.
- ✓ Once the signatures have been obtained, the forms will then be sent back to the department. It is the department’s responsibly to deliver or arrange for delivery of items to MRS headquarters between the hours of 8:00 a.m. and 5:00 p.m., Monday –Friday:

601 Gordon Industrial Court  
Byron Center, Michigan  
Phone: 1-800-527-8243

The City of Wyoming employee delivering the items shall print their name and write the date of delivery on the “Internet Auction Employment Agreement”. The employee shall also have the MRS employee receiving the items print their name and fill in the auction date in the space provided. The completed Agreement and list of items delivered must then be sent to the Purchasing Department. (If MRS refuses any item, the department must note on the “Auction Item List” next to the item that MRS refused the item. Denied item(s) shall be disposed of according to the City of Wyoming’s Theft and Purchasing Policies.)

### **AFTER THE AUCTION:**

- ✓ Within fourteen days of the completed sale, MRS will send payment to the City along with a detailed listing including the items, final sales price and commission charged. It has been specified to MRS to mail checks directly to the Purchasing Department. **If a check is mailed to your department, please bring the check to the Purchasing Department.**
- ✓ The Purchasing Department will deposit the check into the appropriate account(s) as provided by the Finance Department and will give a copy of the deposit receipt to the Finance Department.

### **OTHER METHOD OF SALE**

Occasionally, the City has surplus property for which bids are accepted because of the perceived high value of the property. This method will continue to be used if it is deemed to be in the best interest of the City, and the Purchasing Department will work with departments to develop bid specifications in those instances.

Please contact the Purchasing Department at ext. 7229 if you have any questions. Thank you.



# City of Wyoming Auction Items

Date Delivered to  
MRS: \_\_\_\_\_  
City of Wyoming Employee  
Delivering Items:

Auction Date (MRS will give  
date upon delivery): \_\_\_\_\_

Department: \_\_\_\_\_ Page 1 of \_\_\_\_\_

Number of Items	Unit (Each, Pack, Lot, etc.)	Item	Make & Model #	Description (color, size, etc.)	Condition of Item (disclose if item is broken or damaged in this column)	City of Wyoming Asset Number from Capital Asset Inventory List provided to Departments by the City of Wyoming Finance Department Annually	Wyoming PD Only Incident Report	Check if MRS refuses item
								<input type="checkbox"/>
								<input type="checkbox"/>
								<input type="checkbox"/>
								<input type="checkbox"/>
								<input type="checkbox"/>
								<input type="checkbox"/>

# ATTACHMENT E – THEFT POLICY

## CITY OF WYOMING THEFT POLICY

### **Definition:**

The City of Wyoming will not tolerate employee theft of property belonging to the City or others. Theft is defined as including the misappropriation of or unauthorized removal of another's property, embezzlement, or fraud. The employee shall be covered by this policy while on City time, City business, or when the property involved is owned by the City.

### **Penalty:**

Any employee proven to violate this policy may be subject to discharge and criminal prosecution.

### **Investigation:**

1. An employee who wishes to make a report to the City about a suspected violation of this policy is encouraged to report it to the Supervisor, Department Head, Director of Administrative Services, or may go directly to the City Manager.
2. Suspected violations of this policy may be investigated by the Department Head, Director of Administrative Services, or Wyoming Police Department. If the investigation is substantiated, then it shall be reported to the Chief of Police.
3. Police Department investigations for violations of this policy shall be conducted in accordance with Police procedure.
4. An employee who makes a report regarding a violation of this policy is protected against retaliation or discrimination in accordance with the Michigan Whistleblower's Protection Act.
5. The City may take the following action with an employee under investigation:

No immediate action – the employee continues working while the investigation is conducted.

Suspension without pay – the employee is suspended without pay until the investigation is completed.

Suspension with pay – the employee is suspended with full pay until the investigation is completed.

6. An employee who is subject to investigation is provided certain rights under the Bullard-Plawewski employee Right to Know Act:
  - a) Upon completion of the investigation or after two years, whichever comes first, the employee shall be notified that an investigation was or is being conducted. If the case involves criminal justice employees (i.e. police and courts), notification to the employee shall occur at the completion of the investigation.
  - b) If disciplinary action is not taken and the investigation is completed, the investigative file and all copies of the material in it shall be destroyed. If the case involves criminal justice employees, a separate file may be created and shall contain a notation of the final disposition of the investigation. The information in the file shall not be used in any future consideration for promotion, transfer, additional compensation, or disciplinary action.

### **Damaged and Salvageable Property:**

The taking of damaged or salvageable property shall be considered a violation of the policy. This includes taking items designated for disposal through the trash system. On rare occasion, when deemed appropriate, the City Manager may sell or dispose of property in accordance with charter limitations. Any request for sale or disposal of property shall be in writing, stating reasons, signed by the employee or requesting agency, and given to the City Manager. Approval shall be at the City Manager's discretion and any decision shall be in writing.



## ATTACHMENT F – CONTRACTOR INSURANCE REQUIREMENTS

### CITY OF WYOMING CONTRACTOR INSURANCE REQUIREMENTS

**Requirements:**

Contractors performing work on City property or public right-of-way for the City of Wyoming shall provide the City a certificate of insurance or a copy of their insurance policy(s) evidencing the coverage and coverage provisions identified herein. Contractors shall provide the City evidence that all subcontractors performing work on the project have the same types and amounts of coverage as required herein or that the subcontractors are included under the contractors’ policy. All insurance providers shall be “A” rated by the A.M. Best Company ([www.ambest.com](http://www.ambest.com)).

Listed below are the types and amounts of insurance required. The City reserves the right to amend or require additional types and amounts of coverage or provisions depending on the nature of the work.

Type of Insurance	Amount of Insurance
<b>1. Commercial General Liability</b> Liability to include coverage for: a) Premises/Operations b) Products/Completed Operations c) Independent Contractors d) Personal Injury e) Contractual Liability	<u>Bodily Injury</u> – \$1,000,000 per person \$1,000,000 per occurrence  <u>Property Damage</u> - \$1,000,000 per occurrence
<b>2. Business Auto Liability</b> to include coverage for: a) Owned/Leased Vehicles b) Non-owned Vehicles c) Hired Vehicles	<u>Bodily Injury</u> – \$1,000,000 per person \$1,000,000 per occurrence <u>Property Damage</u> - \$1,000,000 per occurrence
<b>3. Worker’s Compensation</b> Employers’ Liability	<u>Statutory Limits</u> \$500,000 per occurrence
<b>4. Excess/Umbrella Coverage</b>	See bid specification requirements
<b>5. Contract Bonds</b> a) Bid b) Performance c) Payment d) Maintenance	See bid specification requirements
<b>6. Owners Contractors Protective</b>	As specified for individual project specifications
<b>7. Commercial General Liability and Motor Vehicle Liability</b> , as described above, shall include an endorsement stating that the following shall be Additional Insured’s: The City of Wyoming, all elected and appointed officials, all employees and volunteers, all boards, commissions, and/or authorities and board members, including employees and volunteers thereof. It is understood and agreed by naming the City of Wyoming as additional insured, coverage afforded is considered to be primary and any other insurance the City of Wyoming may have in effect shall be considered secondary and/or excess.  Your insurance company requires the endorsement as a means of notification both to itself and its underwriters of the fact that an additional insured has been added to the policy under the contract in question.	
<b>8. Cancellation Notice:</b> Worker’s Compensation Insurance, Commercial General Liability Insurance, and Motor Vehicle Liability Insurance, as described above, shall include an endorsement stating the following: “It is understood and agreed that Thirty (30) days, Ten (10) days for non-payment of premium, Advance Written Notice of Cancellation, Non-Renewal, Reduction, and/or Material Change shall be sent to the City of Wyoming, Purchasing Department, 1155 28 <sup>th</sup> Street SW, P.O. Box 905, Wyoming, MI 49509-0905.”	

**ALL SUBCONTRACTORS MUST COMPLY WITH THE ABOVE REQUIREMENTS.**

Questions regarding required insurance should be directed to the City of Wyoming's Administrative Offices, at 616-530-3173.

In addition, this form must be signed and mailed, with the insurance forms, to verify that the contractor can and will meet the insurance requirements listed herein should you be selected to perform work for the City, and will provide the certificates of insurance acceptable to the City of Wyoming.

**AGREEMENT:**

The contractor agrees to provide the above-described insurance coverage to the City of Wyoming. The contractor also agrees to provide the City with evidence of insurance coverage on any and all subcontractors performing work on projects.

Company (Contractor)\_\_\_\_\_

Address \_\_\_\_\_

City\_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Phone\_\_\_\_\_ EMAIL \_\_\_\_\_

Printed Name (Required) \_\_\_\_\_

Signature (Required)\_\_\_\_\_ Date \_\_\_\_\_

**A PURCHASE ORDER WILL NOT BE ISSUED WITHOUT EVIDENCE OF INSURANCE**





## ATTACHMENT H- HIGH RISK INSURANCE REQUIREMENTS

### CITY OF WYOMING **(High Risk)** INSURANCE REQUIREMENTS FOR

PROJECT NAME: \_\_\_\_\_

**REQUIREMENTS:**

Participants shall provide the City a certificate of insurance or a copy of their insurance policy(s) evidencing the coverage and coverage provisions identified herein. **All insurance providers shall be “A” rated by the A.M. Best Company ([www.ambest.com](http://www.ambest.com)).**

Listed below are the types and amounts of insurance required. The City reserves the right to amend or require additional types and amounts of coverage or provisions depending on the nature of the work.

Type of Insurance	Amount of Insurance
<b>1. <u>Commercial General Liability</u></b> <b>Liability to include coverage for:</b> a) Premises/Operations b) Products/Completed Operations c) Independent Contractors d) Personal Injury e) Contractual Liability	<b><u>Bodily Injury –</u></b> \$3,000,000 per person \$3,000,000 per occurrence  <b><u>Property Damage-</u></b> \$3,000,000 per occurrence
<b>2. <u>Business Auto Liability</u></b> <b>to include coverage for:</b> a) Owned/Leased Vehicles b) Non-owned Vehicles c) Hired Vehicles	<b><u>Bodily Injury –</u></b> \$3,000,000 per person \$3,000,000 per occurrence <b><u>Property Damage-</u></b> \$3,000,000 per occurrence
<b>3. <u>Commercial General Liability and Motor Vehicle Liability:</u></b> as described above, shall include an endorsement stating that the following shall be Additional Insured’s: The City of Wyoming, all elected and appointed officials, all employees and volunteers, all boards, commissions, and/or authorities and board members, including employees and volunteers thereof. It is understood and agreed by naming the City of Wyoming as additional insured, coverage afforded is considered to be primary and any other insurance the City of Wyoming may have in effect shall be considered secondary and/or excess.  Your insurance company requires the endorsement as a means of notification both to itself and its underwriters of the fact that an additional insured has been added to the policy under the contract in question.	
<b>4. <u>Cancellation Notice:</u></b> Insurance, as described above, shall include an endorsement stating the following: “It is understood and agreed that Thirty (30) days, Ten (10) days for non-payment of premium, Advance Written Notice of Cancellation, Non-Renewal, Reduction, and/or Material Change shall be sent to the City of Wyoming, Purchasing Department, 1155 – 28 <sup>th</sup> Street SW, P.O. Box 905, Wyoming, Michigan 49509-0905.”	

**Certificate of Liability Insurance Forms must be returned to:** City of Wyoming, Purchasing Department, 1155 28<sup>th</sup> Street SW, P.O. Box 905, Wyoming, MI 49509-0905. Questions regarding required insurance should be directed to the Purchasing Department at **616-530-3173**.

In addition, **this form must be signed and mailed,** with the insurance forms, to verify that the contractor can and will meet the insurance requirements listed herein should the contractor be selected to perform work for the City, and will provide the certificates of insurance acceptable to the City of Wyoming.

ATTACHMENT H (CONT.)

**AGREEMENT:**

The contractor agrees to provide the above-described insurance coverage to the City of Wyoming. The contractor also agrees to provide the City with evidence of insurance coverage on any and all subcontractors performing work on projects.

Company (Contractor)\_\_\_\_\_

Street Address\_\_\_\_\_

City\_\_\_\_\_ State\_\_\_\_\_ Zip Code\_\_\_\_\_

Printed Name \_\_\_\_\_ Phone\_\_\_\_\_

Signature (required)\_\_\_\_\_ Date\_\_\_\_\_



**CITY OF WYOMING  
INDEMNIFICATION AGREEMENT/RELEASE OF LIABILITY**

**STATEMENT OF UNDERSTANDING**

In consideration of entering into this agreement with the City of Wyoming, the undersigned, by this instrument does hereby expressly agree to adhere to the conditions of the proposal for Diving Services – City of Wyoming; Intake System Inspections (hereafter referred to as Project), Policy and Fees guideline established by the City of Wyoming.

Signed \_\_\_\_\_ Date \_\_\_\_\_

**RELEASE AND HOLD HARMLESS**

In further consideration of entering into this agreement, to the fullest extent permitted by law Underwater Construction Corporation agrees to defend, pay on behalf of, indemnify, and hold harmless the City of Wyoming, its elected and appointed officials, employees and volunteers, and others working on behalf of the City of Wyoming against any and all claims, demands, suits, or loss, including all costs connected therewith, and for any damages which may be asserted, claimed, or recovered against or from the City of Wyoming, by reason of personal injury, including bodily injury or death and/or property damage which arises out of, or is in any way connected or associated with the sole negligence, willful omission or misconduct of Underwater Construction related to the scope of work (The Project) agreed to in their proposal L-1548.

Signed \_\_\_\_\_ Date \_\_\_\_\_

**WAIVER OF SUBROGATION CLAUSE**

To the extent permitted by law, Underwater Construction Corporation hereby releases the City of Wyoming, its elected and appointed officials, employees and volunteers, and others working in behalf of the City of Wyoming from any and all liability or responsibility to the Project or anyone claiming through or under the Underwater Construction Corporation by way of subrogation nor otherwise, for any loss or damage to property caused by fire or any other casualty, even if such fire or other casualty shall have been caused by the fault or negligence of the City of Wyoming, its elected and appointed officials, employees or volunteers, or others working in behalf of the City of Wyoming. This provision shall be applicable and in full force and effect only with respect to loss or damage occurring during the time of the Project, and Underwater Construction Corporation's policies of insurance shall contain a clause or endorsement to the effect that such release shall not adversely affect or impair such policies or prejudice the right of the Project to recover thereunder.

Signed \_\_\_\_\_ Date \_\_\_\_\_

## ATTACHMENT I – CONTRACTOR INSURANCE REQUIREMENTS

### CITY OF WYOMING CONTRACTOR INSURANCE REQUIREMENTS

**Requirements:**

Contractors performing work on City property or public right-of-way for the City of Wyoming shall provide the City a certificate of insurance or a copy of their insurance policy(s) evidencing the coverage and coverage provisions identified herein. Contractors shall provide the City evidence that all subcontractors performing work on the project have the same types and amounts of coverage as required herein or that the subcontractors are included under the contractors’ policy. All insurance providers shall be “A” rated by the A.M. Best Company ([www.ambest.com](http://www.ambest.com)).

Listed below are the types and amounts of insurance required. The City reserves the right to amend or require additional types and amounts of coverage or provisions depending on the nature of the work.

Type of Insurance	Amount of Insurance
<b>1. Commercial General Liability</b> Liability to include coverage for: a) Premises/Operations b) Products/Completed Operations c) Independent Contractors d) Personal Injury e) Contractual Liability	<u>Bodily Injury</u> – \$1,000,000 per person \$1,000,000 per occurrence  <u>Property Damage</u> - \$1,000,000 per occurrence
<b>2. Business Auto Liability</b> to include coverage for: a) Owned/Leased Vehicles b) Non-owned Vehicles c) Hired Vehicles	<u>Bodily Injury</u> – \$1,000,000 per person \$1,000,000 per occurrence <u>Property Damage</u> - \$1,000,000 per occurrence
<b>3. Worker’s Compensation</b> Employers’ Liability	<u>Statutory Limits</u> \$500,000 per occurrence
<b>4. Excess/Umbrella Coverage</b>	See bid specification requirements
<b>5. Commercial General Liability and Motor Vehicle Liability</b> , as described above, shall include an endorsement stating that the following shall be Additional Insured’s: The City of Wyoming, all elected and appointed officials, all employees and volunteers, all boards, commissions, and/or authorities and board members, including employees and volunteers thereof. It is understood and agreed by naming the City of Wyoming as additional insured, coverage afforded is considered to be primary and any other insurance the City of Wyoming may have in effect shall be considered secondary and/or excess.  Your insurance company requires the endorsement as a means of notification both to itself and its underwriters of the fact that an additional insured has been added to the policy under the contract in question.	
<b>6. Cancellation Notice:</b> Worker’s Compensation Insurance, Commercial General Liability Insurance, and Motor Vehicle Liability Insurance, as described above, shall include an endorsement stating the following: “It is understood and agreed that Thirty (30) days, Ten (10) days for non-payment of premium, Advance Written Notice of Cancellation, Non-Renewal, Reduction, and/or Material Change shall be sent to the City of Wyoming, Purchasing Department, 1155 – 28 <sup>th</sup> Street SW, P.O. Box 905, Wyoming, Michigan 49509-0905.”	

**ALL SUBCONTRACTORS MUST COMPLY WITH THE ABOVE REQUIREMENTS.**

Questions regarding required insurance should be directed to the City of Wyoming’s Administrative Offices, at 616-530-3173.

ATTACHMENT I (CONT.)

In addition, this form must be signed and emailed, with the insurance forms, to verify that you can and will meet the insurance requirements listed herein should you be selected to perform work for the City, and will provide the certificates of insurance acceptable to the City of Wyoming.

**AGREEMENT:**

The contractor agrees to provide the above-described insurance coverage to the City of Wyoming. The contractor also agrees to provide the City with evidence of insurance coverage on any and all subcontractors performing work on projects.

Company (Contractor) \_\_\_\_\_

Street Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Email \_\_\_\_\_

Project(s) \_\_\_\_\_

Accepted by:

Printed Name \_\_\_\_\_ Phone \_\_\_\_\_

Signature (required) \_\_\_\_\_ Date \_\_\_\_\_

## ATTACHMENT J – PURCHASE ORDER TERMINOLOGY

### PURCHASE ORDER TERMINOLOGY

- **Encumber** – To acknowledge or anticipate a financial obligation before actually incurring the expense. By encumbering purchase orders, we acknowledge our financial obligation before actually receiving an invoice.
- **Encumbrance** – The amount by which an open purchase order differs from the total amount of invoices processed against it. This reflects the available PO balance. When a PO is closed or voided, the outstanding encumbrance is relieved (returned to available account balance).
- **Contract** – An agreement between parties (City or Vendor) to purchase a quantity of items at a certain price-point or discount. Contracts establish the terms of doing business with the vendor (when and how invoices are to be paid, when hard-copy purchase orders are required, etc.).
- **Types of Purchase Orders**
  - Regular (Encumbers Funds) – The purchase order is sent directly to the vendor either by mail or email depending on how the vendor is set up in Logos.
  - Contract (Does Not Encumber Funds) – An order with a vendor or company where repeated purchases are billed to one PO number. Invoices must be entered in Logos against that contract.
  - Return to Department – The purchase order is sent to the department
  - Changed Purchase Order – An existing purchase order that needs to be updated.

### COOPERATIVE PURCHASING

When requesting bids, the Purchasing Department asks the bidder if they are willing to honor bid pricing for other Kent and Ottawa Counties municipalities and the Wyoming Public Schools. We have also participated in other local municipalities bids.

Below is a list of some of the other cooperative purchasing programs in which the City has participated:

State of Michigan MiDeal Program – <http://michigan.gov/localgov/0,4602,7-194-64866---,00.html>

Kent County Reverse Auction – <https://www.reverseauctionbid.org/CPRequisition/>

U.S. Communities – [www.uscommunities.org](http://www.uscommunities.org)

NJPA (National Joint Powers Alliance) – <http://www.njpacoop.org/>

GSA (U.S. General Services Administration) – <http://www.gsa.gov/portal/category/21027>

## ATTACHMENT K – NEW WORLD FINANCIAL SYSTEM PROCESSING GUIDE

### PURCHASE ORDER AND PURCHASE CONTRACT PROCESSING GUIDE

#### FOR NEW WORLD FINANCIAL SYSTEM

The purchase order entry module will be used for items or services that have not yet been received. Users should not use this module to enter purchase orders for items that have already been ordered or received. This module is used to request a purchase order to be sent to a vendor, and it will encumber funds.

- 1) Sign on to Logos Live Server
- 2) Bring up the “purchase order list” screen:
  - Financial Management
  - Procurement
  - Purchase Orders
- 3) **The “purchase order list” screen** appears. Users can:
  - Open Purchase Orders by clicking on the P.O. Number
  - Sort the data by clicking on the column headers
  - View purchase order attachments/docs
- 4) **Entering New Purchase Orders:**
  - Click the **New** button at the bottom of the “purchase order list” screen and the “purchase order entry” screen will appear.
  - Enter all necessary purchase order data as needed. The **top portion** of this screen is the purchase order header. The header contains general information related to the purchase order. The **bottom portion** is where purchase order item entry occurs.
  - The “purchase order entry” screen also allows users to use templates or copy information from a past purchase order into the current purchase order.
  - **Department** – Select the department for which the order is intended.
  - If the purchase order will require approval of the Information Technology Department or multiple departments, enter the appropriate code in the department field as follows:

<u>Dept.Code</u>	
000	Requires Approval of Information Technology Department
002	Requires Approval of Two Departments
003	Requires Approval of Three Departments
004	Requires Approval of Four Departments

- For purchase orders that require the approval of multiple departments and/or the Information Technology Department, users should complete all required fields on the “purchase order entry” screen, click on Save and then click on the “Notes” while in the “purchase order entry” screen to send a message to the department heads or designees that need to give their approvals to the purchase order.
- Vendor – Select the vendor. Users can type in the name of the vendor or click the arrow to select from the list. To request a new vendor or report a change to existing vendor information, contact the Finance Department.

When requesting a new vendor, users will also have to provide the Finance Department with a completed W9 form for the new vendor. The form is available on the City’s Intranet site. Users should send the form via email, fax, or mail to the vendor for completion and submittal to the City. The completed W9 form is required prior to creation of a new vendor.

- Description – This field is used for internal identification. Users should enter a brief description of the category of the items being purchased (e.g. office supplies, auto parts, chemicals, etc.).
- One Time Message (next to description field) – These notes will print on the purchase order. Special instructions for the vendor should be put in this field (e.g. deliveries are accepted at the west door of the main building between the hours of 9:00 a.m. and 2:00 p.m.).
- Type – Select regular, return to department, or contract.
- Form Type – Select “STND-Standard” for regular type and return to department type purchase orders. Select “Blanket-Blanket” for contract type.
- Bill to Location – System will default to the Finance Department.
- Purchasing Address – Information is automatically pulled in for the vendor selected. Users can hover over the vendor name to see the details; if a vendor has multiple locations, the user can select a different address by clicking on the arrow and choosing from the drop down list.
- G/L Date – This will default to the current date and should not be changed except as directed by the Finance Department at the end of each fiscal year.
- Deliver By Date – This is not required. If available and needed, users may type in date or click on the arrow to select the due date or the delivery promised date.
- Expiration Date – This field should only be completed for contracts (leave blank for standard and return to department types). For one year contracts the system will default to 400 days from the general ledger date entered above. For contracts other than one year, change the expiration date to 35 days after the contract is scheduled to expire to allow for payment processing after the contract expires.
- Resolution Number – Enter resolution number and resolution date, if applicable (e.g. 89565 dated 10/29/07).
- Assign to Buyer – Leave this field blank.

- Item – This field is used for internal identification. Select an item from the list. If item is not on the list, type in the item, but keep it basic (e.g. “pens” rather than “blue ink pens”).
- Description – Enter a detailed description of the item being purchased, including model (catalog) number and/or item number (e.g. Papermate retractable ballpoint blue ink pens catalog #N163301). This field has 64 characters.  
  
For contracts, enter a detailed description of the contract including details of what will be purchased, contract expiration date and general ledger numbers to be charged (this will print on the purchase order). E.g.: Blanket purchase order for safety items including sensors, glasses, ear plugs, etc. Various general ledger numbers to be charged. Contract expires June 30, 2018. Will be ordered as needed for the City’s Clean Water Plant. If there is not enough space, enter using the “detail description” icon.
- Detail Description Icon – If a longer description is needed, users can click on this icon to enter a more detailed description up to 512 characters.
- Quantity – Enter quantity of item(s) being purchased. For contracts enter 1.
- Unit of Measure – Select unit of measure. Users can type in first letter and scroll down or click on the arrow and select from the list. For contracts enter CT (contract).
- Price Per Unit – Enter the price *per unit*. For contracts, enter the total estimated expenditure. Note: amount entered for contracts will not be encumbered and will not print on the contract.
- G/L Account – Users can type in the general ledger account number or use the eyeball icon to search for a specific general ledger account (use dashes and periods if it doesn’t come up without using them, e.g.101-258-25800-806.000). If an item applies to multiple general ledger accounts then click the multiple G/L icon to assign an item to multiple accounts and the following screen will appear. Users may distribute by percentage or dollar amount. To exit this screen, click , then click .
- For contracts enter only one general ledger account (do not use the multiple account number distribution screen unless exact dollar amounts or percentages are known for each of the accounts).
- Vendor Part Number – This field is not required; however users may input vendor part number if available. It may also be included in the detailed description.
- Employee – Leave this field blank.
- Ship Via – Leave this field blank.
- Ship To – Will default from department that was selected on the [top portion](#) of the “purchase order entry” screen. If the items should be shipped to a different location than the default, click on the arrow and select delivery location from the drop down list.
- Freight Terms – Defaults to FOB destination.
- Confirming Request – Leave blank, do not check box.
- Taxable Item – Leave blank, do not check box.

- 1099 Item – Bypass this field, do not change (leave as it appears).
- Create New Asset - Leave blank, do not check box.
- After completion of all fields on the “purchase order” screen, choose one of the following options based on each situation:
  - Save – Click  when entire purchase order is complete. Note: once purchase order is saved users may add quotes, notes, and other documents if applicable.
  - Save/New Item – Click  to enter another line item on the purchase order. The information on the **top portion** of the “purchase order entry” screen will remain the same. Users will only need to complete the **bottom portion** of the “purchase order entry” screen for subsequent items on the order and will click  until all items have been entered.
  - Save/New PO – Click  to save the purchase order and enter a new purchase order.
  - Delete Item – If it is necessary to delete an item from the purchase order, select the item by choosing from the item drop down list, click on the item to display on the bottom portion of the screen and click .
  - Delete Purchase Order – Click  to delete a purchase order, if necessary prior to issuance of purchase order.

## PURCHASE ORDER WORK FLOW PROCESS

After users complete the purchase order entry process, they will need to complete the workflow process as listed below:

- Validate Purchase Orders – This will perform a system check to validate budget availability. On the “purchase order list” screen, click the purchase order by checking the box next to the appropriate purchase orders; then click .
- Approve Purchase Orders
  - o Entry Person Approval – Click the “approvals” icon and a list of purchase orders will appear. Check the box next to each purchase order to be approved and click .
  - o Department Head or Designee Approval – To bring up the “purchase order list” screen, click on: Financial Management, Procurement, Purchase Orders
  - o Click the “approvals” icon and a list of purchase orders will appear. Click on the PO number to review the purchase order detail.
  - o Click on the Purchase Order Approval Link (breadcrumb) to return to the list of purchase orders to review. (Note: To return or deny a purchase order, click on  or  while in the purchase order detail screen. A box will appear to allow users to choose people to send the return or denial to along with notes about why the purchase order is being returned or denied.)

- After reviewing all departmental purchase orders, return to the “purchase order approval” screen and click the box next to each purchase order to approve; then click **Submit**.
- Purchasing Approval – After the purchase order has been approved by the department head or his/her designee, the Purchasing Department will review and approve, return, or deny the purchase order.
- Finance Approval – After the purchase order has been approved by the Purchasing Department, the Finance Department will review and approve, return or deny the purchase order.
- Multiple Department Approval Process – The entry person should send a notice to those department heads or his/her designee for which approvals are required. After all have approved the purchase order, it will be reviewed by the Purchasing and Finance Departments respectively.
- Information Technology Approval Process – After the department head or his/her designee approves the purchase order, it will be reviewed and approved by the Information Technology Department. It will then be reviewed by the Purchasing and Finance Departments respectively.
- **Printing Copies of Approved Purchase Orders** – Copies of approved purchase orders are available on OnBase.
- **Template Purchase Orders**

Users can pull in purchase order templates for reoccurring purchase orders. When a template is used, it will complete all of the fields created on the template purchase order. Users will make any necessary changes and then save purchase order.

- Click on: Financial Management, Procurement, Template Purchase Orders
- To enter a new template, click **New** and the “purchase order template” screen will be displayed.
- Complete the necessary fields on the “purchase order template” screen and click **Save** when completed to save the template or **Save/New Template** to save the template and enter another template. There are no approvals required or encumbrances for templates.
- After templates have been entered and saved, users may use them when entering purchase orders. Choose the template from the drop down list on the “purchase order entry” screen and the information from the template will auto-fill the “purchase order entry” screen (users may make changes to the purchase order). After completing the “purchase order entry” screen, save the purchase order and complete the purchase order workflow process (detailed above), at which time validation and approvals are required and the funds will be encumbered.

– **Add Quotes/Documents/Notes Tools**

Once a purchase order has been saved, the entry person can add item quotes, documents, and send notes. These can only be added before approving the purchase order.

- Quotes – Click the “quotes” icon to enter item quotes. Complete the fields as directed on the “quotes” screen; this is where users will enter comparative pricing. The quotes are strictly informational. Refer to the purchasing policy to determine when quotes are necessary.
- Documents – Click the “documents” icon to assign documents to the purchase order. Click **New** and an upload document pop-up will be displayed. Choose the file type (e.g.: .pdf, .docx, .bmp), enter a description of the document, and click **Browse** to search for the file or type in the name of the file. Click **OK** and the file will attach to the purchase order.
- Notes – Click the “notes” icon to create and send notes to users regarding the purchase order. Enter a subject, choose the user to notify, choose the date to notify, and type in notes for the purchase order. This tool can be used to send notes to those in the approval process or to attach notes to the purchase order that may be needed for future reference.

– **Change Orders**

Every attempt should be made to input accurate data during the purchase order entry; however if a change to a purchase order is required after the Workflow Approval Process is complete and the purchase order has been posted and printed, users can request a change to the purchase order using the “changed purchase order list and entry” screens.

- To bring up the “changed purchase order list” screen, click on: Financial Management, Procurement, Change Purchase Orders

Complete the “changed purchase order list” screen as follows:

- Purchase Order Number – Users must enter the purchase order number.
- Change Process Only – **Uncheck this box. It is very important that this box is blank.**
- Department – Leave this field blank.
- Vendor – Leave this field blank.
- Type – Leave this field blank.
- Click **Search** and purchase order will be displayed.
- Change information on the purchase order as needed or add additional items to the purchase order if necessary.
- Click **Save**.
- Click the “validate” icon.
- Click the “approvals” icon.
- Click **Approve**. An “add approval” screen will appear; Click **OK**.