



WWW.SMYRNAGA.GOV



## *Purchasing Policy Updates*

Penny Murphy, Purchasing Manager, & Amy Snider, Management Fellow  
August 2016



## Current Policy was updated and approved in April 2011

Policy is Overdue for an Update due to changes:

- Migration to MUNIS financial system
  - Documenting changes to processes
- Move to streamline processes by raising purchasing dollar thresholds which have not changed in over 20 years
  - Proposing changes for approval
- Add state approved exemption of no formal sealed bids required for Public Works Construction Projects under \$100K

# Current & Proposed Thresholds

Policy	Current	Proposed
No competitive quotes required	< \$2,500	< \$5,000
3 Informal quotes may be verbal, email, etc.	> \$2500 but <\$5,000	> \$5,000 but < \$10,000
3 Written quotes or Quotation request by Purchasing	> \$5,000 but <\$20,000	> \$10,000 but < \$50,000
Formal sealed bid regardless of funds	\$20,000 or greater	> \$50,000 or greater
Public Works Construction Projects	Standard Policy Requirements	Less than \$100,000 Minimum 3 written quotations per state law



## Current Bid/Quote Exceptions

For all dollar thresholds, the following exceptions pertain to the three quote/informal/formal bidding process:

- Licensed Professional Services (as defined by Title 43)
- Emergency Purchases, as defined
- Sole Source and Sole Brand, properly documented
- Cooperative or piggyback purchases, compliant with State law, documented
- Blanket/Open POs with one vendor under contract or for recurring charges
- Original Equipment Manufacturers (OEM) purchases



# What is a Public Works Construction Project Exemption?

Pursuant to O.C.G.A. § 36-91-22 (a) municipalities and other agencies are allowed to forego the formal sealed bid process and instead solicit three written quotations for Public Works Construction Projects which can be performed at a cost of less than \$100,000.00. The work should be awarded to the lowest bidder who meets all other requirements.

The statute O.C.G.A. § 36-91-2 states "Definitions - "Public works construction" means the building, altering, repairing, improving, or demolishing of any public structure or building or other public improvements of any kind to any public real property other than those projects covered by Chapter 4 of Title 32. Such term does not include the routine operation, repair, or maintenance of existing structures, buildings, or real property." \*Current through the 2016 Regular Session\*

# Proposed Thresholds Compared with Other Cities and Counties

	\$5,000- < \$50,000 3 quotes	>\$50,000 sealed bid
Less than Smyrna	<b>Counties:</b> Jackson, Clayton, Walton, Rockdale, Floyd, Cobb, Paulding <b>Cities:</b> Marietta, Waycross, Lawrenceville,, Peachtree City, Douglas, East Point	<b>Counties:</b> Rockdale, Jackson, Bibb, Floyd <b>Cities:</b> Roswell, Waycross, Marietta, Douglas, Lawrenceville, East Point
Equal to Smyrna	<b>Cities:</b> Alpharetta, Johns Creek	<b>Counties:</b> Walton, Cobb, Clayton <b>Cities:</b> Dunwoody, Alpharetta,
Higher than Smyrna	<b>Counties:</b> Bibb, Fayette <b>Cities:</b> Dunwoody	<b>Counties:</b> Paulding, Fayette <b>Cities:</b> Johns Creek

# Current Thresholds Compared with Surveyed Cities and Counties

	<\$2,500 three quote minimum threshold	>\$20,000 sealed bid minimum threshold
Have Thresholds Less than Smyrna	<b>Counties:</b> Jackson, Clayton, Walton, Rockdale, Floyd, Cobb <b>Cities:</b> Marietta, Waycross, Lawrenceville, Peachtree City	<b>Counties:</b> Rockdale <b>Cities:</b> Waycross, Marietta, Douglas, Lawrenceville, East Point
Have Thresholds Equal to Smyrna	<b>Counties:</b> Paulding <b>Cities:</b> Douglas, East Point	<b>Cities:</b> Roswell
Have Thresholds Higher than Smyrna	<b>Counties:</b> Bibb, Fayette <b>Cities:</b> Alpharetta, Johns Creek, Dunwoody	<b>Counties:</b> Bibb, Floyd, Walton, Cobb, Clayton, Paulding, Fayette <b>Cities:</b> Dunwoody, Alpharetta, Johns Creek



GEORGIA  
*jonquil city*

**Questions?  
Comments?**

**Thank you!**