

ORDINANCE 24-539

BEFORE THE MAYOR AND ALDERMEN OF THE TOWN OF MOUNT CARMEL, TENNESSEE

AN ORDINANCE OF THE TOWN OF MOUNT CARMEL, TENNESSEE REPEALING ORDINANCE 23-528, AND ADOPTING A COMPREHENSIVE MUNICIPAL PROCUREMENT CODE

WHEREAS, the Town of Mount Carmel is subject to the provisions of the "Municipal Purchasing Law of 1983,"; and

WHEREAS, this law permits municipalities to increase the dollar amount of purchases requiring public advertisement and competitive bidding; and

WHEREAS, the Town of Mount Carmel has determined that it is in the best interest of the Town to increase said amount; and

WHEREAS, Tennessee Code Annotated § 12-3-1207 authorizes municipalities to use, under certain circumstances, competitive sealed proposals to purchase goods and services rather than competitive sealed bids; and

WHEREAS, Tennessee Code Annotated § 12-3-1207 requires that a municipality adopt by ordinance a procurement code before purchases may be made as authorized; and

WHEREAS, the Board of Mayor and Aldermen desires to exercise the power and authority granted to municipalities under said legislation and in that regard desires to adopt a procurement code in accordance with such legislation;

NOW, THEREFORE BE IT ORDAINED by the Board of Mayor and Aldermen of the Town of Mount Carmel, Tennessee that:

SECTION 1. Public advertisement and competitive bidding shall be required for the purchase of all goods and services exceeding an amount of twenty-five thousand dollars (\$25,000) except for those purchases specifically exempted from advertisement and bidding by the Municipal Purchasing Act of 1983.

SECTION 2. Three written quotations are required whenever possible for purchases costing less than the twenty-five thousand-dollar (\$25,000) bid threshold adopted for competitive bidding and public advertisement, but is required if the purchase is more than 40% of the threshold amount.

SECTION 3. Title 5, chapter 4 of the municipal code is hereby amended by adding a new section 5-407 to the city's procurement code:

- 5-407, Competitive Sealed Proposals. (1) Notwithstanding anything to the contrary in the municipal ordinances and/or resolutions governing purchases, the city may use competitive sealed proposals to purchase goods and services rather than competitive sealed bids when the Board, acting under the restrictions and requirements of Tennessee Code Annotated Title 12, Chapter 3, Part 12, as same may hereinafter be amended, and the procurement code adopted by this section, determines that the use of competitive sealed bidding is either not practicable or not advantageous to the city. The Board must make the aforesaid determination with regard to each use of competitive sealed proposals rather than competitive sealed bids, except that in actual emergencies caused by unforeseen circumstances such as natural or human-made disasters, delays by contractors, delays in transportation, or unanticipated volume of work, purchases through competitive sealed proposals may be made without specific authorizing action of the Board. A record of any emergency purchase shall be made by the person authorizing the emergency purchase, specifying the amount paid, the items and services purchased, from whom the purchase was made, and the nature of the emergency. A report of the emergency purchase purchased through competitive sealed proposals containing all relevant information shall be made as soon as possible by the person authorizing the purchase to the Board.
- (2) <u>Criteria and Procedure</u>. The following shall constitute the criteria and procedures for purchasing through competitive sealed proposals:
 - (a) Conditions for Use.
 - (i) Competitive sealed proposals may be used only after the municipality has documented the reasons why competitive sealed bids are not practicable or not advantageous to the municipality, and
 - (ii) Competitive sealed proposals may be used only when qualifications, experience, or competence are more important than price in making the purchase and:
 - (1) When there is more than one solution to a purchasing issue and the competitive sealed proposals will assist in choosing the best solution; or
 - (2) When there is no readily identifiable solution to a purchasing issue and the competitive sealed proposals will assist in identifying one or more solutions.
 - (b) *Public Notice*. Adequate public notice of the request for competitive sealed proposals shall be given in the same manner provided by applicable law for competitive sealed bids.

- (c) Request/Evaluation Factors. The request for competitive sealed proposals must state the relative importance of price and other evaluation factors. Among other things, the request shall include the desired specifications (which may be expressed in the context of the result sought to be obtained); the qualifications of each proposer; warranties, time frame for performance, the contract; and, if applicable, the bond or other security that the successful proposer will be required to furnish. The request for competitive sealed proposals shall provide that, after receipt by the city of a proposal, interviews, presentations, demonstrations, and discussions, either oral or in writing or both, may be conducted for clarification to assure full understanding of, and responsiveness to, the solicitation requirements with one (1) or more responsible proposers who submit proposals determined by the purchasing agent to be reasonably susceptible of being selected. The request shall set forth the date, time, and place for submission of proposals.
- (d) Opening of Proposals. Competitive sealed proposals must be opened in a manner that avoids disclosure of the contents to competing proposers during the negotiation. The proposals and all related materials must be open for public inspection after, but not before, the intent to award the contract to a particular proposer is announced.
- (e) Discussions with Responsive Proposers and Revisions to Proposals. After receipt by the city of a proposal, interviews, presentations, demonstrations, and discussions, either oral or in writing or both, may be conducted for clarification to assure full understanding of, and responsiveness to, the solicitation requirements with one (1) or more responsible proposers who submit proposals determined by the purchasing agent to be reasonably susceptible of being selected. The proposers must be accorded fair and equal treatment with respect to an opportunity for an interview, presentation, demonstration, discussion, or revision of proposals, both as to the particular goods or services to be furnished and the price thereof. In order to permit the city to obtain the best offers of proposers, revisions may be permitted after submission and before the intent to award to a particular proposer is announced. In conducting interviews, presentations, demonstrations, or discussions, the purchasing agent and other municipal personnel shall not disclose to a proposer during the negotiations information derived from proposals submitted by competing proposers. Nothing contained herein shall preclude the city from conducting conferences or otherwise communicating with all parties who may be interested in responding to a proposal prior to the time that proposals are to be received.
- (f) Best and final offers. If interviews, presentations, demonstrations, or discussions are conducted, the purchasing agent shall issue a written request for best and final offers. The request shall set forth the date, time, and place for submission of best and final offers. Best and final offers shall be requested only once, unless the purchasing agent makes a written determination that it is

advantageous to the city to conduct further discussion or clarify the city's requirements. The request for best and final offers shall inform proposers that, if they do not submit a notice of withdrawal or a best and final offer, their latest written offer will be construed as their best and final offer. Nothing contained herein shall preclude the Board from rejecting all proposals and thereafter requesting new proposals.

- (g) Award. The award shall be made to the responsible proposer whose proposal the Board determines is the most advantageous to the city, taking into consideration price and the evaluation factors set out in the request for competitive sealed proposals. No other factor may be used in the evaluation. The purchasing agent shall place in the contract file a statement containing the basis on which the award was made.
- (h) Protest. In the event that any proposer to a request for competitive sealed proposals is aggrieved by the decision of the city, such aggrieved proposer may protest the intended award to another proposer if the protest is filed within seven (7) days after the intended award is announced. The protest must be filed with the Board in care of the City Administrator of the city and shall be promptly decided by the Board. The purchase shall not be finalized and work may not commence until the Board has reviewed and made a decision on the protest.
- (i) No Conflict with Other Laws. Nothing contained herein is intended to change the authority of the city with respect to contracting for professional services in accordance with the applicable laws of the state of Tennessee.

SECTION 4. This ordinance shall take effect from and after the final passage on second reading, and Ordinance 23-528 shall be repealed, the public welfare requiring it.

Approved on First Reading

December 19, 2025

Approved on Second Reading

January 16, 2025

This Ordinance was duly considered and adopted by the Board of Mayor and Aldermen, on first reading, in and for the Town of Mount Carmel, Tennessee, this 16th day of January 2025.

John Gibson, Mayor

John K. Hilson

Tyler Williams, Town Recorder