

SUBJECT PURCHASING POLICY	ISSUED BY CITY COUNCIL	REVISED DATE April 1, 2019
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GENERAL PROVISIONS:

Purpose:

The purpose of this policy, and a goal of the City of Washington, is to provide for the fair and equitable treatment of all persons involved in public purchasing by the City; to maximize the purchasing value of public funds (taking into consideration the life cycle of the product); to standardize the purchasing procedures in order to provide orderly and efficient administration, monitor expenses and provide safeguards for maintaining a purchasing system of quality and integrity; and to create a competitive environment through fair opportunity and equitable treatment.

Application:

The policy applies to contracts for the purchasing of all supplies and materials entered into by the City. It shall apply to every expenditure of public funds for supplies and materials by a public department for public purchasing irrespective of the source of the funds. If City staff or resources are used in any manner, this policy shall apply. When the purchase involves the expenditure of federal or state assistance or contract funds, the purchase shall be conducted in accordance with any mandatory applicable federal and/or state law and regulations. The use of federal funds does not allow cooperative bidding. Nothing in this policy shall prevent any public department from complying with the terms and conditions of any grant, gift, or bequest that is otherwise consistent with law.

Public Access to Purchasing Information:

Purchasing information shall be a public record to the extent provided by state statute and shall be available to the public as provided in such statute.

DEFINITIONS:

Purchasing Agent – The City Administrator shall, by virtue of his/her own office, be the City’s purchasing agent, unless he/she shall appoint some other City officer or employee to perform the duties assigned to such office.

City Employee – An individual drawing a salary or wages from the City, whether elected or not; any noncompensated individual performing personal services for the City or any department, activity, commission, council, board, or any other entity established by the executive or legislative branch of the City; and any non-compensated individual serving as an elected official of the City.

Contract – Any agreement enforceable by law between the City and one or more outside parties, regardless of form or title for the purchase of supplies, materials, services, professional services and construction.

Contract Modification (bilateral change) – Any written alteration in specifications, delivery point, rate of delivery, period of performance, price, quantity, or other provisions of any contract accomplished by mutual action of the parties to the contract.

Invitation for Bids – All documents, whether attached or incorporated by reference, utilized for soliciting sealed bids.

Modification – Any written alteration to a provision of any contract accomplished by mutual agreement of the parties to the contract.

Request for Proposals – All documents, whether attached or incorporated by reference utilized for soliciting proposals.

OFFICE OF THE PURCHASING AGENT:

Establishment:

The purpose of this policy, and a goal of the City, is to provide for the fair and equitable treatment of all persons involved in public purchasing by the City; to maximize the purchasing value of public funds (taking into consideration the life cycle of the product); to standardize the purchasing procedures in order to provide orderly and efficient administration, monitor expenses and provide safeguards for maintaining a purchasing system of quality and integrity; and to create a competitive environment through fair opportunity and equitable treatment.

Authority and Duties:

The City Administrator, or his/her designee, shall in all cases establish rules and regulations governing the purchase and procurement of goods and/or services to be required by the City and all such rules shall be binding upon the officers and employees of the City. The City Administrator shall also have power and shall be required to:

1. Establish and enforce specifications with respect to supplies, materials and equipment required by the City government.
2. Inspect or supervise the inspection of all deliveries of supplies, materials, and equipment, and determine their quality, quantity and conformance with specifications.
3. Have charge of general City storerooms and warehouses.
4. Transfer to or between offices, departments or agencies or sell surplus, obsolete or unused supplies, material and equipment.
5. No officer or employee of the City shall be authorized to create any indebtedness or claim against the City except as provided in this chapter, or as may be authorized by regulations of the City Administrator.

Delegation to Other City Employees:

The City Administrator may delegate authority to purchase certain supplies and materials to other City employees.

SOURCE SELECTION AND CONTRACT FORMATION:

Purchasing Authority and Approval Table:

The following table shows who has the authority to make purchases for their department.

Amount of Purchase	Purchase Methods	Authority for Approval
\$0 - \$200	Purchase Order	Department Head (or his/her designee)
\$201 - \$5,000	Purchase Order with a minimum of two quotes	City Administrator (or designee)
\$5,001 or more	Formal competitive advertised bid invitation	City Council

Purchases of less than \$201:

Purchases of under \$201 can be made by exempt employees or by non-exempt employees with approval by the department head or his/her designee. The paid invoice/receipt detailing the transaction must be attached and approved and signed by the department head before it is sent to the City Clerk for payment. Any agreement for purchases, the duration of which shall exceed one (1) year, shall be subject to annual appropriation, and the alternative approved by the City Council. Purchase orders under \$201 are reviewed by the City Clerk and/or the City Administrator.

Purchases of \$201 to \$5,000:

Purchases of at least \$201 but less than \$5,000 require a minimum of two quotes and can be made with approval by the City Administrator or the City Administrator's designee. The quotes may be received by telephone, fax, and/or informal written quotes. A single quote may be obtained, if the vendor is sole source and approved in writing by the City Administrator. A vendor will be selected, and the requisition containing the quotes for the purchase should be prepared by the requesting department and will be reviewed by the City Clerk and/or City Administrator. If the item selected is not the lowest priced, an explanation must be given to the City Administrator.

Purchases of \$5,001 or more:

Purchases exceeding \$5,001 will be awarded by advertised formal competitive sealed bid and shall be approved by City Council. Formal sealed bids shall not be required when a request has been submitted in writing to the City Administrator stating the reasons that it is not practical or advantageous to call for a competitive bid, and the City Administrator has, in writing, approved the request.

Invitation for bids. An invitation for bids shall be issued and shall include specifications and all contractual terms and conditions applicable to the purchase.

Public Notice. Adequate public notice of the invitation for bids shall be given for a reasonable time, no less than ten (10) calendar days prior to the date set forth therein for the opening of bids. The public notice shall include:

1. A description of the work to be performed or the product to be purchased.
2. The location where copies of plans, specifications, and other contract documents may be examined.
3. The time and place where bids will be received and time and place where bids will be opened.
4. A statement that the City reserves the right to reject any or all bids and to waive any informalities or irregularities therein.
5. A statement that the City Administrator may require that no bidder may withdraw a bid for a period of up to forty-five (45) days after the date and hour set for opening bids, but that a bid may be withdrawn up to twenty-four (24) hours prior to expiration of the deadline for submitted bids.
6. A statement setting forth requirements for bid and performance, labor, and materials, bonds, product liability coverage warranty, and worker's compensation insurance.

Bid Requirements. Each bid submitted to the City shall be signed, enclosed in a sealed envelope, and filed as stated in the advertisement for the bid. The City Administrator may require that no bid be withdrawn for up to forty-five (45) days after the date and time set for opening of bids, but a bid may be withdrawn up to twenty-four (24) hours prior to the expiration of the deadline for submitted bids. The City Administrator may waive technical irregularities in the bid requirements in this Purchasing Policy, or in the advertisement for bids, if the City Administrator finds that such waiver does not compromise the integrity of the bidding process.

Late Bids. Bids not submitted by the required deadline are ineligible for consideration and will not be opened. The City Administrator may waive the deadline.

Bid Openings. Bids shall be opened publicly in the presence of one or more witnesses at the time and place designated in the invitation for bids. The amount of each bid, and such relevant information as the purchasing agent deems appropriate, together with the name of each bidder, shall be recorded. The record and each bid shall be open to public inspection. In the event of good cause, as determined by the purchasing agent, bid openings may be postponed.

Bid Acceptance and Bid Evaluation. Bids shall be unconditionally accepted without alteration or correction, except as authorized in this policy. Bids shall be evaluated based on the requirements set forth in the invitation for bids, which may include criteria to determine acceptability such as inspection, testing, quality, workmanship, delivery, and suitability for a particular purpose. Those criteria that

will affect the bid price and be considered in evaluation for award shall be objectively measurable, such as discounts, transportation and delivery costs, and total or life cycle costs. The invitation for bids shall set forth the evaluation criteria to be used. No criteria may be used in bid evaluations that are not set forth in the invitation for bids.

Correction or Withdrawal of Bids; Cancellation of Awards. Correction or withdrawal of inadvertently erroneous bids before or after bid opening, or cancellation of awards or contracts based on such bid mistakes, may be permitted where appropriate. Mistakes discovered before bid opening may be modified or withdrawn by written or facsimile notice received in the office designated in the invitation for bids prior to the time set for bid opening. After bid opening, the following provisions shall apply:

1. A low bidder alleging a material mistake of fact may be permitted to correct its bid, if the mistake is clearly evident on the face of the bid document and the intended correct bid is similarly evident.
2. A low bidder alleging a material mistake of fact may be permitted to withdraw its bid:
 - a. If the mistake is clearly evident on the face of the bid but the intended correct bid is not similarly evident, or
 - b. If the mistake is not clearly evident on the face of the bid but the bidder submits evidence which clearly and convincingly demonstrates that a mistake was made, in which case the bidder must show the nature of the mistake and the bid price actually intended.

No changes in bid prices or other provisions of bids prejudicial to the interests of the City or fair competition shall be permitted. All decision to permit the correction or withdrawal of bids, or to cancel awards or contracts based on mistakes, shall be supported by a written determination made by the purchasing agent.

Award. The bid shall be awarded with reasonable promptness by written notice to the lowest responsive and responsible bidder whose bid meets the requirements and criteria set forth in the invitation for bids, subject to the right of the City to reject all bids. If the lowest responsive and responsible bid exceeds budgeted funds and either time constraints or economic considerations preclude re-solicitation of work of a reduced scope, the purchasing agent is authorized to negotiate an adjustment of the bid price with the lowest responsive and responsible bidder or to modify the scope of the work, so as to bring the bid within the amount of available funds. In the event that a negotiated adjustment of the bid price with the lowest responsive and responsible bidder is accomplished, this bid shall be submitted to the City Council for approval. In the event that after review of the bids, the decision is made to take other than the lowest responsive and responsible bid, this shall be referred to the City Council for its approval.

Multi-Step Sealed Bidding. When it is considered impractical to initially prepare a purchase description to support an award based on price, an invitation for bids may be issued requesting the submission of unpriced offers. An invitation for

formal bids will then be submitted to those whose offers have been determined to be technically acceptable per the criteria set forth in the first solicitation.

Cancellation or Rejection of Bids or Proposals.

An invitation for bids, a request for proposals, or other solicitation may be cancelled, or any or all bids or proposals may be rejected in whole or in part. Each solicitation issued by the City shall state that the solicitation may be cancelled and that any bid or proposal may be rejected. Notice of the cancellation shall be sent to all businesses solicited and shall identify the solicitation, explain the reason for cancellation and, where appropriate, explain that an opportunity will be given to compete on any re-solicitation or any future procurement of similar items. The City Administrator, or his or her designee, shall have the authority to cancel or reject bids or proposals.

Local Business Preferences.

City staff shall make every reasonable effort to purchase goods and services from suppliers located within the City of Washington if the goods or services needed by the City are available from such suppliers at a competitive price, and if the goods and services are of the level of quality expected by the City.

If a vendor within the Corporate Limits of the City of Washington is within five (5) percent of the low bid from a vendor located outside the Corporate Limits, the vendor inside the Corporate Limits may be awarded the bid if they agree to meet the low bid.

Sole Source Purchases.

A contract may be awarded or a purchase made without competition when, after conducting a good faith review of available sources, it is determined that there is only one source for the required product. The City Administrator may then conduct negotiations, as appropriate, as to price, delivery, and terms.

Circumstances that require a sole source purchase may include, but are not limited to:

1. No competitive product or availability from only one supplier.
2. The purchase of a component or replacement part for which there is not commercially available product, and which can be obtained only from the manufacturer.
3. The purchase of an item where compatibility is the overriding consideration, such as to maintain standardization or compatibility, or to match materials already in use to produce visual harmony.
4. The purchase of a used item.
5. The purchase of a product for trial or testing.

Sole source can refer to the supplier, as well as a product or service. Thus the ability to meet a delivery date or to provide on-call repairs can create a sole supplier condition. Justification for a sole source purchase depends on a needed item being available from only a single supplier under the prevailing conditions. If the item may be obtained from more than one source, price competition shall be solicited.

Emergency Purchases.

An emergency condition exists when there is a threat to public health, welfare, or safety such as may arise by reason of floods, epidemics, riots, equipment failure, etc. The condition must create an immediate and serious need for supplies, equipment, materials, and/or services that cannot be met through normal procurement methods and the lack of which would threaten the function of City government or its programs.

Any department may make emergency purchases when an emergency arises, however with such competition as is possible under the circumstances. Purchases shall be limited to only the quantity necessary to meet the emergency, and in no event shall the contract price exceed commercially reasonable prices.

If the emergency arises after normal working hours, the City Administrator shall be notified as soon as possible, regardless of time of day or day of week.

Cooperative Bidding and State Bid Awards.

It is sometimes beneficial to group the City's requirements with the like requirements of other cities, counties, or agencies. This results in lower costs to all parties while maintaining the integrity of each entity's bidding requirements.

The State of Kansas bids many common requirements and makes the award results available to any governmental agency. State bid awards enable government agencies to purchase goods and services at a reduced price due to quantity discounts and do not require the bidding process by individual agencies. State bids are considered to meet the sealed bid requirements.

Responsibility of Bidders and Offerors.

1. **Determination of Nonresponsibility.** If a bidder or offeror who otherwise would have been awarded a contract is found nonresponsible, a written determination of nonresponsibility, setting forth the basis of the finding, shall be prepared by the purchasing agent. The unreasonable failure of a bidder or offeror to supply prompt information in connection with an inquiry with respect to responsibility may be grounds for a determination of nonresponsibility with respect to such bidder or offeror. A copy of the determination of nonresponsibility shall be sent promptly to the nonresponsible bidder or offeror. The final determination shall be made part of the contract file and be made a public record. In determining whether a bidder or offeror is responsible, the following shall be considered:
 - a. The ability, capacity and skill of the bidder or offeror to perform the contract or provide the services required;
 - b. Whether the bidder or offeror can perform the contract or provide the service promptly and within the time specified without delay or interference;
 - c. The character, integrity, reputation, judgment, experience and efficiency of the bidder or offeror;

- d. The quality of the bidder's or offeror's performance of previous contracts or services;
 - e. The previous and existing compliance by the bidder or offeror with laws and ordinances relating to the contract or service;
 - f. The sufficiency of the financial resources and ability of the bidder or offeror to perform the contract or provide the service;
 - g. The quality, availability and adaptability of the materials and services to the particular use required;
 - h. The ability of the bidder or offeror to provide future maintenance and service for the items related to the contract; and
 - i. Any other circumstances which will affect the bidder's or offeror's performance of the contract.
2. **Right of Nondisclosure.** Unless required by law, confidential information furnished by a bidder or offeror pursuant to this section shall not be disclosed by the City outside of the office of purchasing agent, or appropriate department, without prior written consent by the bidder or offeror. Information that is not identified as "confidential" by the subject bidder or offeror shall be made a public record.
 3. **Rejection of Bids.** The City Administrator shall have the authority to reject all bids or proposals or any portions thereof. The City Council shall have the authority to reject all bids or proposals or any portions thereof.

Bid, Performance and Payment Bonds.

When deemed necessary by the purchasing agent, bid bonds, performance bonds, payment bonds, or other equivalent security shall be required to protect the City's interests. Any such bonding requirements shall be set forth in the solicitation. Bid or performance bonds shall not be used as a substitute for a determination of a bidder or offeror's responsibility. Bonds shall be provided by a surety company authorized to do business in Kansas, or the equivalent in cash, or otherwise supplied in a form satisfactory to the City. Unsuccessful bidders or offerors shall be entitled to the return of any cash deposit. Unless a specific extension is granted in writing, a successful bidder or offeror shall forfeit any bid bond or equivalent security required by the purchasing agent or this section upon its failure to enter into a contract within fifteen (15) days after the award.

Types of Contracts.

1. **General Authority.** Subject to the limitations of this section, any type of contract which is appropriate to the procurement and which will promote the best interests of the City may be used, provided that the use of a cost-plus-a-percentage-of-cost contract is prohibited. A cost reimbursement contract may be used only when a determination is made in writing that such contract is likely to be less costly to the City than any other type or that it is impracticable to obtain the supply, service, or construction item required except under such a contract.

2. **Multi-Term Contracts.**

- a. Unless otherwise provided by law, a contract for supplies or services may be entered into for any period of time deemed to be in the best interests of the City, provided the term of the contract and conditions of renewal or extension, if any, are included in the solicitation and funds are available for the first fiscal period at the time of contracting.
- b. Multi-term contracts shall be expressly contingent upon the annual budgeting and appropriation of sufficient funds on an annual basis.
- c. When funds are not appropriated or otherwise made available to support the continuation of the City's performance in a subsequent fiscal period, the contract shall be cancelled.

3. **Multiple Source Contracting.** A multiple source award may be made when an award to two (2) or more bidders or offerors for similar supplies or services is necessary for adequate delivery, service or product compatibility.

Contract Administration.

A contract administration system shall be maintained that is designed to insure that a contractor is performing in accordance with the solicitation, terms, and conditions under which the contract was awarded.

Right to Inspect Plant.

The City may, at reasonable times, inspect the part of the plant, place of business, or worksite of a contractor or subcontractor at any tier which is pertinent to the performance of any contract awarded or to be awarded by the City.

Reporting of Anticompetitive Practices.

When for any reason collusion or other anticompetitive practices are suspected among any bidders or offerors, a notice of the relevant facts shall be transmitted to the State Attorney General, upon review and approval of the City Administrator and/or City Council.

City Purchasing Records.

1. **Contract File.** All determinations and other written records pertaining to the solicitation, award, or performance of a contract shall be maintained for the City in a contract file by the purchasing agent. All contracts shall be maintained for the City in a file by the City Clerk.
2. **Retention of Purchasing Records.** All purchasing records shall be retained and disposed of by the City in accordance with records retention guidelines and schedules as required by Kansas Statutes.

Article 5. Specifications

Intent.

All specifications, including but not limited to design, performance, combination, and brand name specifications, shall be drafted so as to provide a clear and concise description of the material, service or construction desired.

Preparation.

Before any purchase, the purchasing agent shall cause to be prepared written specifications detailing the City's requirements for the materials, service or construction. The purchasing agent may request other departments or agencies of the City to prepare specifications for purchase to be made primarily for such department or agency.

Approval.

1. Specifications prepared primarily for a purchase for a specific department or activity of the City shall be approved by both the purchasing agent and the head of the appropriate department before being submitted for bid.
2. The City Administrator shall have authority to make a determination as to final specification.

Maximum Practicable Competition.

All specifications shall be drafted so as to promote overall economy for the purposes intended and encourage competition in satisfying the City's needs, and shall not be unduly restrictive. The policy enunciated in this section applies to all specifications, including but not limited to, those prepared for the City by architects, engineers, designers, and draftsmen.

DEBARMENT OR SUSPENSION

Authority to Debar or Suspend.

After reasonable notice to the person involved and reasonable opportunity for that person to be heard, the City Administrator, after consulting with the City Attorney, is authorized to debar a person for cause from consideration for award of contracts. The debarment shall be for a period of not more than two (2) years. After consultation with the City Attorney, the City Administrator, or his or her designee, is authorized to suspend a person from consideration for award of contracts if there is probable cause to believe that the person has engaged in any activity which might lead to debarment. The suspension shall be for a period not to exceed three (3) months. The causes for debarment include:

1. Conviction of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of such contract or subcontract;
2. Conviction under state or federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other

- offense indicating a lack of business integrity or business honesty which currently, seriously, and directly affects responsibility as a City contractor;
3. Conviction under state or federal antitrust statutes arising out of the submission of bids or proposals;
 4. Violation of contract provisions, as set forth below, of a character which is regarded by the purchasing agent to be so serious as to justify debarment action:
 - a. Deliberate failure without good cause to perform in accordance with the specifications or within the time limit provided in the contract; or
 - b. A recent record of failure to perform or of unsatisfactory performance in accordance with the terms of one or more contracts; provided that failure to perform or unsatisfactory performance caused by acts beyond the control of the contractor shall not be considered to be a basis for debarment;
 5. Any other cause the City Administrator, or his or her designee, determines to be so serious and compelling as to affect responsibility as a City contractor, including debarment by another governmental entity for any cause listed in this policy.

Decision to Debar or Suspend.

The purchasing agent shall issue a written decision to debar or suspend. The decision shall state the reasons for the action taken and inform the debarred or suspended person involved of his rights concerning judicial or administrative review.

Notice of Decision.

A copy of the decision to debar or suspend shall be mailed or otherwise furnished immediately to the debarred or suspended person.

Finality of Decision

A decision to debar or suspend shall be final and conclusive, unless the debarred or suspended person within ten (10) days after receipt of the decision takes an appeal to the City Administrator.

APPEALS AND REMEDIES

Bid Protests.

1. **Right to Protests.** Any actual or prospective bidder, offeror, or contractor who is aggrieved in connection with the solicitation or award of a contract may protest to the City Administrator. A protest with respect to an invitation for bids or request for proposals shall be submitted in writing prior to the opening of bids or the closing date of proposals, unless the aggrieved person did not know and should not have known of the facts giving rise to such protest prior to bid opening or the closing date for proposals. The protest shall be submitted within seven (7)

calendar days after such aggrieved person knows or should have known of the facts giving rise thereto.

2. **Stay of Purchase during Protests.** In the event of a timely protest under subsection 1 above, the City Administrator, or his or her designee, shall not proceed further with the solicitation or award of the contract until all administrative remedies have been exhausted or a determination has been made, in writing, that the award of a contract without delay is necessary to protect substantial interest of the City.

ETHICS IN PUBLIC CONTRACTING

Criminal Penalties.

To the extent that violations of the requirements set forth in this article constitute violations of Kansas State Statutes they shall be punishable as provided therein. Such penalties shall be in addition to the civil sanctions set forth in this article. Criminal, civil and administrative sanctions against employees or nonemployees, which are in existence on the effective date of this policy, shall not be affected.

Employee Conflict of Interest.

Public employment is a public trust. It is the policy of the City to promote and balance the objective of protecting governmental integrity and the objective of facilitating the recruitment and retention of personnel needed by the City. Such policy is implemented by prescribing essential standards of ethical conduct without creating unnecessary obstacles to entering public service.

Public employees must discharge their duties impartially so as to assure fair competitive access to governmental purchasing by responsible contractors. Moreover, they should conduct themselves in such a manner as to foster public confidence in the integrity of the City purchasing organization.

Any attempt to realize personal gain through public employment by conduct inconsistent with the proper discharge of the employee's duties is a breach of a public trust.

Gratuities and Kickbacks.

1. **Gratuities.** It shall be unethical for any person to offer, give, or agree to give any City employee or former City employee, or for any City employee or former City employee to solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, or preparation of any part of a program requirement or a purchase request, influencing the content of any specification or purchasing standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter, pertaining to any program requirement or a contract or subcontract, or to any solicitation or proposal therefore.

2. Kickbacks. It shall be unethical for any payment, gratuity, or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor or any person associated therewith, as an inducement for the award of a subcontract or order.
3. Contract Clause. The prohibition against gratuities and kickbacks prescribed in this section shall be conspicuously set forth in every contract and solicitation therefor.

Prohibition Against Contingent Fees.

It shall be unethical for a person to be retained, or to retain a person, to solicit or secure a City contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except for retention of bona fide employees or bona fide established commercial selling agencies for the purpose of securing business.

Contemporaneous Employment Prohibited.

It shall be unethical for any City employee who is participating directly or indirectly in the purchasing process to become or to be, while such a City employee, the employee of any person contracting with the governmental body by whom the employee is employed.

Use of Confidential Information.

It shall be unethical for any employee or former employee knowingly to use confidential information for actual or anticipated personal gain, or for the actual or anticipated personal gain of any other person.

Sanctions.

1. **Employees.** Employees found to have violated one or more of the ethical standards in this article shall be subject to the disciplinary sanctions prescribed in the City's Personnel Policies and Guidelines.
2. **Nonemployees.** The City Administrator may impose any one or more of the following sanctions on a nonemployee for violations of the ethical standards:
 - a. Written warnings or reprimands;
 - b. Termination of contracts, not entered into by the City Commission; or
 - c. Debarment or suspension.
3. **City Commission Contracts.** The City Council may impose any one or more of the following sanctions on a nonemployee for violations of ethical standards:
 - a. Written warnings or reprimands;
 - b. Termination of contracts; or
 - c. Shall cause debarment or suspension.

Recovery of Value Transferred or Received in Breach of Ethical Standards.

1. **General Provisions.** The value of anything transferred or received in breach of the ethical standards of this ordinance by a City employee or a nonemployee may be recovered from both City employee and non-employee.
2. **Recovery of Kickbacks by the City.** Upon a showing that a subcontractor made a kickback to a prime contractor or a higher tier subcontractor in connection with the award of a subcontract or order thereunder, it shall be conclusively presumed that the amount thereof was included in the price of the subcontract or order and ultimately borne by the City and will be recoverable hereunder from the recipient. In addition, that amount may also be recovered from the subcontractor making such kickbacks. Recovery from one offending party shall not preclude recovery from other offending parties.

Approved By: _____

Ryan W. Kern, Mayor