

ORDINANCE NO. 1535

**AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF
THE CITY OF DAVID CITY, NEBRASKA, AMENDING
CHAPTER 1 OF THE DAVID CITY MUNICIPAL CODE TO
IMPLEMENT A REVISED PROCUREMENT POLICY;
AUTHORIZING PUBLICATION IN PAMPHLET FORM; AND
PROVIDING AN EFFECTIVE DATE.**

WHEREAS, Section 1-615 of the Municipal Code (the “**Code**”) of the City of David City, Nebraska, a municipal corporation and city of the second class (the “**City**”) regulates the City’s procurement of materials and work on improvements, among other things; and

WHEREAS, the City desires to revise Section 1-615 of the Code to implement a new procurement policy, as shown in **Exhibit A**, attached hereto and incorporated herein (the “**New Policy**”); and

WHEREAS, the City finds it in the best interest of City and its residents to amend the Code to adopt the New Policy.

**NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE
CITY OF DAVID CITY, NEBRASKA**, as follows:

1. **Amendment to Section 1-615.** The City hereby amends Section 1-615 of the Code by deleting it in its entirety and replacing it with the New Policy as shown in **Exhibit A**.
2. **Conflicting Ordinances.** The City hereby repeals any other ordinance or section of any ordinance passed and approved prior to the passage, approval, and publication or posting of this Ordinance and in conflict herewith to the extent of the conflict thereof.
3. **Effective Date.** This Ordinance shall be in full force and effect from and after passage, approval and publication in pamphlet form.

PASSED AND APPROVED THIS ____ DAY OF _____, 2026.

Jessica Miller, Mayor

ATTEST:

Lori Matchett, City Clerk

APPROVED AS TO FORM:

David C. Levy, Esq., City Attorney

Exhibit A

New Policy

[SEE ATTACHED]

SECTION 1-615: CONTRACTS AND PURCHASES; BIDDING AND OTHER REQUIREMENTS; PROCUREMENT POLICY.

A. Except as provided in Neb. RS 18-412.01 for a contract with a public power district to operate, renew, replace, or add to the electric distribution, transmission, or generation system of the city, no contract for enlargement or general improvements, such as water extensions, sewers, public heating system, bridges, work on streets, or any other work or improvement when the cost of the enlargement or improvement is assessed to the property, costing over \$30,000.00, shall be made unless it is first approved by the governing body.

B. Except as provided in Neb. RS 18-412.01, before the governing body makes any contract in excess of \$30,000.00 for enlargement or general improvements, such as water extensions, sewers, public heating system, bridges, work on streets, or any other work or improvement when the cost of the enlargement or improvement is assessed to the property, an estimate of the cost shall be made by the Municipal Engineer and submitted to the governing body. In advertising for bids as provided in divisions (C) and (F) of this section, the governing body may publish the amount of the estimate.

C. Advertisements for bids shall be required for any contract costing over \$30,000 entered into:

1. For enlargement or general improvements, such as water extensions, sewers, public heating system, bridges, work on streets, or any other work or improvement when the cost of the enlargement or improvement is assessed to the property; or
2. For the purchase of equipment used in the construction of the enlargement or general improvements.

D. Any purchase of equipment, materials, parts, or supplies for enlargement or general improvements estimated to be:

1. Greater than \$30,000.00 shall be purchased via public bid;
2. Equal to or less than \$30,000.00 but greater than \$2,500.00 shall be purchased via a quote; and
3. Equal to or less than \$2,500.00 shall not require a quote or public bid.

E. A municipal electric utility may enter into a contract for the enlargement or improvement of the electric system or for the purchase of equipment used for the enlargement or improvement without advertising for bids if the price is:

1. \$30,000 or less;
2. \$60,000 or less and the city electric utility has gross annual revenue from retail sales in excess of \$1,000,000;

3. \$90,000 or less and the city electric utility has gross annual revenue from retail sales in excess of \$5,000,000; or
4. \$120,000 or less and the city electric utility has gross annual revenue from retail sales in excess of \$10,000,000.

F. The advertisement provided for in division (C) of this section shall be published at least seven days prior to the bid closing in a legal newspaper published in or of general circulation in the municipality, and if there is no legal newspaper published in or of general circulation in the municipality, then in some newspaper of general circulation published in the county in which the municipality is located, and if there is no legal newspaper of general circulation published in the county in which the municipality is located, then in a newspaper designated by the County Board having a general circulation within the county where bids are required, and if no newspaper is published in the municipality or county, or if no newspaper has general circulation in the county, then by posting a written or printed copy thereof in each of three public places in the municipality at least seven days prior to the bid closing. In case of a public emergency resulting from infectious or contagious diseases, destructive windstorms, floods, snow, war, or an exigency or pressing necessity or unforeseen need calling for immediate action or remedy to prevent a serious loss of or serious injury or damage to life, health, or property, estimates of costs and advertising for bids may be waived in the emergency ordinance authorized by Neb. RS 17-613 when adopted by a three-fourths vote of the governing body and entered of record.

G. If, after advertising for bids as provided in this section, the governing body receives fewer than two bids on a contract or if the bids received by the governing body contain a price which exceeds the estimated cost, the governing body may negotiate a contract in an attempt to complete the proposed enlargement or general improvements at a cost commensurate with the estimate given.

H. If the materials are of such a nature that, in the opinion of the manufacturer and with the concurrence of the governing body or Board of Public Works, no cost can be estimated until the materials have been manufactured or assembled to the specific qualifications of the city, the governing body or Board of Public Works may authorize the manufacture and assemblage of those materials and may thereafter approve the estimated cost expenditure when it is provided by the manufacturer. (Neb. RS 17-568.01).

I. Any bidding procedure may be waived by the governing body or Board of Public Works:

1. When materials or equipment are purchased at the same price and from the same seller as materials or equipment which have formerly been obtained pursuant to the state bidding procedure in Neb. RS 81-145 through 81-162; or
2. When the contract is negotiated directly with a sheltered workshop pursuant to Neb. RS 48-1503; or
3. When required to comply with any federal grant, loan, or program. (Neb. RS 17-568.02).

J. 1. Notwithstanding any other provisions of law or a home rule charter, a municipality which has established, by an interlocal agreement with any county, a joint purchasing division or agency may purchase personal property without competitive bidding if the price for the property has been established by the federal General Services Administration or the materiel division of the Department of Administrative Services.

2. For the purpose of this division (J), the following definitions shall apply unless the context clearly indicates or requires a different meaning.

PERSONAL PROPERTY. Includes but is not limited to supplies, materials, and equipment used by or furnished to any officer, office, department, institution, board, or other agency.

PURCHASING or PURCHASE. The obtaining of personal property by sale, lease, or other contractual means.