

**OFFICE OF THE CITY MANAGER  
LITTLE ROCK, ARKANSAS**

**BOARD OF DIRECTORS COMMUNICATION  
MARCH 20, 2018 AGENDA**

<b>Subject:</b>	<b>Action Required:</b>	<b>Approved By:</b>
<p>An ordinance to increase the amounts at which a competitive bidding is required to acquire goods and services for the City.</p> <p><b>Submitted By:</b></p> <p>Finance Department</p>	<p>√ <b>Ordinance</b> Resolution Approval Information Report</p>	<p>Bruce T. Moore City Manager</p>
<b>SYNOPSIS</b>	<p>By Arkansas State Law, the governing body is to set the amount at which formal competitive bids for services, materials or equipment are required. This ordinance increases the current amount before such formal processes are used.</p>	
<b>FISCAL IMPACT</b>	<p>None.</p>	
<b>RECOMMENDATION</b>	<p>Approval of the ordinance.</p>	
<b>BACKGROUND</b>	<p>The amount at which a contract for goods, services, supplies, materials, or equipment, must be subjected to competitive bidding is set by the Board of Directors. Currently, that amount is \$25,000.00. This amount was set on March 5, 2002, in Ordinance No. 18,652, pursuant to a State Statute that allowed such an amount. State Law permits an increase up to \$75,000.00 before competitive bidding is required.</p> <p>As part of the What Works Cities Initiative, the Harvard Performance Lab worked with the Purchasing Division of the Finance Department to evaluate the City of Little Rock's purchasing procedures and make recommendations for improving the bid process for the City and potential vendors. To reflect current market conditions, and to align with bids limits from cities comparable in size to the City of Little Rock as well as cities from our region, it is recommended that the City limits be raised to \$50,000.</p>	