

Chapter 2.80

PROCUREMENT POLICY

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2.80.010 Purpose.

The purpose of this chapter is to:

- A. Establish consistent procurement principles for all agencies of the city;
- B. Maximize to the fullest extent practicable the purchasing value of city funds;
- C. Clearly define authority for the purchasing function within the city organization; and
- D. Encourage local industry, strengthen and stabilize the economy, decrease unemployment, and strengthen the tax and revenue base of the city. (Ord. 12-09 § 1 (part); Ord. 09-05 § 1 (part); Ord. 93-19 § 1; prior code § 20-1)

2.80.020 Definitions.

As used in this chapter:

~~“Architectural and engineering services” means those professional services within the scope of the practice of architecture, engineering or land surveying, as defined by the law of the state.~~

“Bid” means any response to a public solicitation for the purpose of acquiring goods or services that provides an opportunity for qualified vendors to compete, either monetarily or based on other predetermined criteria.

“Construction” means the on-site erection, alteration, extension, repair, improvement or demolition of any public structure, building, facility, road or highway, or other improvements of any kind to any public real property. This includes painting and redecorating of structures, buildings or real property, but does not include routine operation, minor repair or maintenance. Construction is a contractual service. ~~of existing buildings, improvements, or roads and highways which are recurring services normally performed in connection with the ownership, occupancy or use of the building or improvements.~~

“Contract” means all types of city agreements, regardless of what they may be called, for the procurement or disposal of supplies, or contractual services. ~~services, professional services or construction.~~

“Contract amendment” means any change or modification in the terms of a contract accomplished by agreement of the parties, including change orders.

“Contractor” means the person or firm who has entered into a binding contract or agreement with the city to provide supplies, services, professional services, construction or disposal of surplus supplies.

“Contractual services” means services performed for the city by persons not in the employment of the city and may include the use of equipment or the furnishing of commodities in connection with such services under express or implied contract. Contractual services shall include travel; freight; express; parcel post; postage; telephone; telegraph; utilities; rents; printing and binding; repairs; alterations and maintenance of buildings, equipment, streets, bridges and other physical facilities of the city; and other services performed for the city by persons not in the employment of the city. Contractual services include professional services and construction.

“Crisis,” “emergency,” or “disaster” means an unanticipated event or set of circumstances that requires immediate action to avoid threats to life or property or to avoid an immediate, significant liability to the city, or to otherwise respond to such threats or damage resulting therefrom.

“Department director” means the director, interim director, manager, interim manager, or designee with procurement authority for city departments established by the city code or by the city manager as provided in city code section 2.08.050.

“Financial interest” means a direct or indirect pecuniary or material benefit accruing to a city official or employee as a result of a contract or transaction by or with the city except for such contracts or transactions which by their terms and by substance of their provisions confer the opportunity and right to realize the accrual of similar benefits to all other persons and/or property similarly situated. A financial interest does not include city paid remuneration for official duties or city employment. A person has a financial interest in a decision if a substantial possibility exists that a financial interest of that person might vary with the outcome of the decision. A financial interest of an employee or official includes:

A. Any financial interest of a member of that person’s immediate family;

B. Any financial interest in an entity in which that person or a member of his immediate family has an ownership interest, or is a director, officer or employee;

C. Any financial interest of a person or entity with whom the employee or official or a member of his immediate family or an entity described in subparagraph B of this subsection has or is likely to acquire a contractual relationship relating to the transaction in question.

“Local bidder” means a ~~business who~~: a bidder that is not delinquent in the payment of any taxes, fees, assessments, or other charges owing the city and satisfies one of the requirements set forth in A through C below for a period of eighteen consecutive months immediately prior to the opening of a competitive city bid for which the bidder wishes to utilize the local bidder preference:

A. If the bidder is a corporation or limited liability company, the bidder’s primary business address has a City of Valdez postal zip code, as reflected on the bidder’s State of Alaska business license or the records of the State of Alaska Department of Commerce, Community and Economic Development, Division of Corporations;

B. If the bidder is an individual, the bidder’s primary business or residential address has a City of Valdez postal zip code, as reflected on the bidder’s State of Alaska business license.

C. If the bidder is a general partnership, a limited partnership, or a joint venture, at least one of the general partners has a postal zip code compliant with subsection A or B above.

~~1. For a period of eighteen consecutive months immediately prior to the opening of a competitive city bid for which the bidder wishes to utilize the local bidder preference:~~

~~a. Has owned, rented or leased real property within the city limits from which the business operates as verified by appropriate documentation;~~

~~b. Has advertised a local mailing or street address and local phone number for the business in a manner reasonably accessible to city residents;~~

~~c. Has current state business licenses and city business registrations;~~

~~d. Has maintained year-round employment of one or more city resident(s);~~

~~2. Is not delinquent in the payment of any taxes, fees, assessments, or other charges owing the city.~~

“Person” means an individual, group of individuals, business, **entity**, non-business association, other governmental entity, or advisory board created by the city.

“Procurement” means buying, purchasing, renting, leasing or otherwise acquiring supplies, services, professional services or construction, including description of requirements, selection and solicitation of sources, preparation and award of contract, and all phases of contract administration.

“Professional services” means all advisory, consulting, technical, research or other services, such as architectural, engineering, land surveying, legal and financial, which involve the exercise of discretion and independent judgment together with an advanced or specialized knowledge, expertise or training gained by formal studies or experience.

“Supplies” means any tangible personal property or consumables. (Ord. 12-09 § 1 (part); Ord. 10-04 § 1 (part); Ord. 09-05 § 1 (part); Ord. 93-19 § 2; prior code § 20-2)

2.80.025 Ethics.

A. It shall be a conflict of interest for any employee to participate directly or indirectly in a procurement when the employee knows that:

1. The employee or any member of the employee’s immediate family has a financial interest pertaining to the procurement;

2. A business or organization in which the employee, or any member of the employee’s immediate family, has a financial interest pertaining to the procurement; or

3. Any other person, business, or organization with whom the employee or any member of the employee’s immediate family is negotiating or has an arrangement concerning prospective employment is involved in the procurement.

B. Upon discovery of an actual or potential conflict of interest, an employee shall promptly file a written statement describing the conflict or potential conflict of interest with the City Manager. The City Manager may require the employee to withdraw from further participation in the transaction involved.

C. Every officer and employee of the city is expressly prohibited from accepting directly or indirectly from any person to which any such contract is or might be awarded any rebate, gift, money or anything of value whatsoever, except where given for the use and benefit of the city or where accepted with the express consent of the city council.

D. No person shall offer, give or agree to give any employee or former employee, nor shall any employee or former employee solicit, demand, accept or agree to accept from another person a gratuity, kickback or offer of employment in connection with any decision, approval, disapproval, recommendation, preparation or 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 determination, claim or controversy, or other particular matter, pertaining to any program requirement or a contract or subcontract, or any solicitation or proposal.

E. No person shall be retained nor retain another person to solicit or secure a city contract upon an agreement of understanding for a commission, percentage, brokerage or other contingent fee, except for retention by bona fide employees of bona fide, established commercial selling agencies for the purpose of securing business.

F. No payment, gratuity or offer of employment shall be made by or on behalf of a subcontractor under a contract to a prime contractor or higher tier subcontractor or any person associated with a contract as an inducement for award of a subcontract or order.

2.80.030 Manner of making procurements generally.

A. The procurement of all supplies, materials, equipment and contractual services for the offices, departments and agencies of the city government shall be made by the city manager or by other personnel in accordance with purchase authorizations issued by the city manager.

B. All procurements for contractual services shall be memorialized in a formal written contract. Procurements for supplies, materials, and equipment may be completed by purchase order.

CB. All provisions of this chapter are subject to, and subordinate to, procurement requirements of the state or federal government when state or federal where applicable including but not limited to contracts where state or federal grant revenues are used. (Ord. 12-09 § 1 (part); Ord. 09-05 § 1 (part); prior code § 20-3)

D. Where applicable, all city contracts must comply with the public contract requirements provided by state statute and regulation including but not limited to:

1. Wage and hour requirements under AS 36.05;
2. Local hire and employee preference requirements under AS 36.10;
3. Contractor bonding requirements under AS 36.25;
4. Public construction contract payment requirements under AS 36.90; and
5. Mandatory contractual provision requirements under AS 36.90.

E. City department directors shall establish and maintain lists of persons who desire to provide supplies, services, professional services or construction services to the city.

1. A person who desires to be on a bidder's list shall submit to the city department directors evidence of a valid state business license and a description of the supplies or services the person desires to provide. A fee may be established by regulation in an amount reasonably calculated to pay the cost of administering this section. A construction contractor shall also submit a valid certificate of registration issued under AS 08.18. The department director may require submission of additional information.

2. The list may be used by the city department director responsible for the procurement when issuing invitations to bid or requests for proposals.

2.80.035 Limitation on duration of city contracts.

A. All contracts must, by the terms thereof, be fully executed within a period of five years unless a majority of the qualified electors of the city who vote thereon have approved the contract prior to execution.

B. This requirement does not apply to contracts concerning interests in real property, franchises, contracts for services with a public utility or with other governmental units, or to contracts for debt secured by the bonds or notes of the city.

2.80.0 List of contractors.

A. City department directors shall establish and maintain lists of persons who desire to provide supplies, services, professional services or construction services to the city.

B. A person who desires to be on a bidder's list shall submit to the city department directors evidence of a valid state business license and a description of the supplies or services the person desires to provide. A fee may be established by regulation in an amount reasonably calculated to pay the cost of administering this section. A construction contractor shall also submit a valid certificate of registration issued under AS 08.18. The may require submission of additional information.

C. The list may be used by the city department director responsible for the procurement when issuing invitations to bid or requests for proposals.

2.80.040 Approval of city council required—Procurements.

Every contract for, or procurement of, budgeted supplies, materials, equipment or contractual services for more than ~~forty~~ one hundred thousand dollars shall require the approval of the city council. For each procurement between forty thousand dollars and one hundred thousand dollars, the city council shall be notified by written report detailing such procurement at the next regular city council meeting following such procurement. Such notification shall include:

1. The dollar amount of the procurement;
2. Whether the procurement was completed by competitive bid or proposal;
3. What other bids or offers were received;
4. If not completed by competitive bid or proposal, the basis for not seeking competitive bids or proposals;
5. A statement regarding why the chosen bid or offer was most advantageous to the City;

(Ord. 12-09 § 1 (part); Ord. 09-05 § 1 (part); prior code § 20-4)

2.80.045 Emergency procurements.

The provisions of this chapter may be waived during times of crisis, emergency or disaster when operating under a declaration of emergency issued by the mayor. The city manager or authorized successor shall have the responsibility to protect the interest of the city consistent with prudent and appropriate emergency responses. All provisions of this chapter waived while operating under a declaration of emergency shall be reported to the city council via electronic mail within 24 hours following any such waiver, as soon as practicable. (Ord. 12-09 § 1 (part); Ord. 09-05 § 1 (part))

2.80.050 Approval of city council required—Modifications and Change orders.

A. A proposed modification or change order to an ~~Change orders in~~ existing city contracts shall require the approval of the city council when the proposed modification or change order increases the contract amount by forty thousand dollars or more.

B. The council shall be notified by written report ~~advised~~ at its next regular meeting of all any ~~modifications or change orders in excess of fifteen thousand dollars, or twenty-five percent of the price specified in the contract which do not require council approval and which were made by the city.~~ Such notification shall include:

1. The dollar amount of the original contract;
2. The number of previous modifications;
3. The dollar amount of each previous modification or change order;
4. The total aggregated dollar amount of the previous modifications and change orders; and
5. The dollar amount of the contract as modified or changed.

C. Modifications and change orders shall not be arbitrarily divided into smaller amounts to avoid council approval thereof.

D. Notwithstanding any of the foregoing provisions of this section, the city may make modifications or change orders in any city contract without council approval where in the judgment of the city manager a crisis, emergency or disaster as defined in Section 2.80.020 exists which requires immediate action to remedy and where there is insufficient time or it is impractical to obtain council approval. Notice of Ssuch crisis, emergency or disaster modifications or change orders containing the information set forth in subsection B of this section shall be presented to the council no later than its next regular meeting. (Ord. 12-09 § 1 (part); Ord. 09-05 § 1 (part); Ord. 03-02 § 1; Ord. 99-18 § 1; prior code § 20-4.1)

2.80.055 Specifications.

A. The city manager shall adopt policies governing the preparation, revision and content of standard specifications for supplies, services, professional services and

construction required by a department. The city manager shall monitor the use of these standard specifications.

B. The city manager may obtain expert advice and assistance from department personnel in the development of standard specifications. Standard specifications must promote overall economy for the purposes intended and encourage competition in satisfying the city's needs, and may not be unduly restrictive.

C. In this section, "standard specification" means a description of generally applicable requirements for a specific type of procurement regarding including but not limited to requirements for performance, licensing, inspecting, testing and delivery.

2.80.060 Competitive procurement procedure.

A. Before the procurement of, or contract for, supplies, materials, equipment or contractual services in an amount of forty thousand dollars or less is made, except as otherwise provided in this chapter, the city procurement authority shall attempt to submit to at least three persons dealing in and able to supply the same a request for proposal quotation (or or invitation to bid) and specifications to give them opportunity to submit a proposal or bid. In the event that three persons suppliers cannot reasonably be found, fewer may be used when it is deemed to be in the best interest of the city.

B. For procurement of, or contract for, supplies, materials, equipment or contractual services in an amount greater than forty thousand dollars, an invitation to bid or request for proposal will be ~~published in a newspaper of general circulation within the city.~~ posted on the city website, and the city shall employ such other forms of notice of such invitation to bid or request for proposal as may be determined in the city's discretion to adequately reach prospective bidders or offerors. The city shall provide adequate notice of the invitation to bid or request for proposal for at least 14 days unless otherwise required by state or federal law. Among the forms of notice employed by the city, the city may in its discretion:

1. Publish such invitation, request, or notice thereof in such newspapers or other publications circulated to reach prospective bidders;

2. Post notices in public places thought likely to reach prospective bidders.

C. Requests for bids, quotations, qualifications, and/or proposals shall be made both inside and outside the city when this may be necessary to create competitive conditions, or when a savings can be made for the city.

2.80.065 Competitive Bidding.

A. When competitive sealed bidding is used, the department director shall issue an invitation for bid. The invitation to bid must include a time, place and date by which the bid must be received, a description of all essential contractual terms and conditions. The invitation to bid must contain the essential information necessary for a bidder to submit a

bid or contain references to any information that cannot reasonably be included within the invitation to bid.

B. When responding to the invitation for bid, the bidder shall supply evidence of the bidder's valid state business license. A bidder for a construction contract shall also submit evidence of the bidder's registration under AS 08.18.

C. Late bids; withdrawals; cancellation

1. Bids received after the bid date and time indicated on the invitation to bid may not be considered unless the delay was due to an error of the city.

2. Correction or withdrawal of inadvertently erroneous bids before or after bid opening, or cancellation of awards or contracts based on bid mistakes may be permitted in accordance with policies adopted by the city. After bid opening, changes in bid prices or other provisions of bids prejudicial to the interest of the city or fair competition may not be permitted. A decision to permit the correction or withdrawal of a bid, or to cancel an award or contract based on bid mistake, shall be supported by a written determination made by the city attorney. If a bidder is permitted to withdraw a bid before award, an action may not be maintained against the bidder or the bid security.

D. Competitive Bid Opening

1. The department director responsible for the procurement shall open bids at the time and place designated in the invitation for bid. All bid openings are open to the public. The amount of each bid and other essential information required by this article, together with the name of each bidder, shall be recorded.

2. The information recorded under subsection 1 of this section is open to public inspection as soon as practicable following bid opening. To the extent the bidder designates and the city attorney concurs, trade secrets and other proprietary data contained in a bid document may be deemed confidential.

E. The city may repeatedly reject all solicitations, and again may submit to the same or other persons invitation to bid~~the request for solicitation~~, or again publish notice of the proposed purchase.

~~CF.~~ The city shall procure from the bidder~~supplier or contractor~~ whose offer is most advantageous to the city. This determination does not have to only consider price, but may also account for quality, date of delivery, or any other factor(s) deemed relevant to the particular procurement including but not limited to the following:

1. The qualifications, ability, capacity and skill of the bidder to perform the contract;

2. The availability of the bidder to perform the contract within the time specified, without delay or interference;

3. The character, integrity, reputation, judgment, experience and efficiency of the bidder;

4. The quality of performance by the bidder of previous contracts;

5. The previous and existing compliance by the bidder with laws and ordinances relating to the contract;

6. The sufficiency of the financial resources and ability of the bidder to perform the contract;

7. The number and scope of conditions attached to the bid.

~~DG.~~ Except where prohibited by state or federal grant requirements, a local bidder, as defined in Section 2.80.020, may be given consideration as low bidder where the offer is the lesser of ten percent or fifty thousand dollars in excess of the lowest offer received from a bidder not qualified as a local bidder ~~having its place of business located outside the city. The city may split the award between two or more suppliers in any manner the city deems to be in its best interest.~~

~~EH~~ Procurement of, or contract for, supplies, materials, equipment, contractual services, or capital projects that could be subject to potential future grant reimbursements may be restricted to the procurement requirements of such grants as understood at the time of procurement. (Ord. 14-01 § 1: Ord. 12-09 § 1 (part): Ord. 10-04 § 1 (part): Ord. 09-05 § 1 (part): Ord. 05-04 § 1: Ord. 93-19 § 3; prior code § 20-5)

2.80.070 Competitive proposals.

~~A~~ A contract not awarded by competitive sealed bidding shall be awarded by competitive sealed proposals, unless otherwise provided for in this chapter.

~~B.~~ The city may determine in writing that it is either impracticable or disadvantageous for the city to procure specified types of supplies, services or construction by competitive sealed bidding that would otherwise be procured by that method. When the city as determines in writing that the use of competitive sealed bidding is either impracticable or disadvantageous to the city, a contract may be entered into by competitive sealed proposals in accordance with this chapter. The city shall specify with particularity the basis for the determination.

~~C.~~ A request for proposals must contain the essential information necessary for an offeror to submit a proposal including a time, place and date by which the bid must be received or contain references to any information that cannot reasonably be included with the request. The request must provide a description of the factors that will be considered when evaluating the proposals received, including the relative importance of price and other evaluation factors.

D. Notice of request for proposals shall be given in accordance with procedures set out under city code section 2.80.060(B). The department may use additional means considered appropriate to notify prospective offerors of the intent to enter into a contract through competitive sealed proposals.

E. The department director shall open proposals so as to avoid disclosure of contents to competing offerors during the process of negotiation. A register of proposals containing the name and address of each offeror shall be prepared in accordance with policies adopted by the purchasing agent. The register and the proposals, except as otherwise noted in this section, are open for public inspection after the award is issued. To the extent that the offeror designates and the city attorney concurs, trade secrets and other proprietary data contained in the proposal documents shall be confidential.

F. Discussion with responsible offerors and revisions to proposals. As provided in the request for proposals, and under policies adopted by the city, discussions may be conducted with responsible offerors who submit proposals determined to be reasonably susceptible of being selected for award for the purpose of clarification to assure full understanding of and responsiveness to the solicitation requirements. Offerors reasonably susceptible of being selected for award shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals, and revisions may be permitted after submissions and before the award of the contract for the purpose of obtaining best and final offers. In conducting discussions, the city's authorized participants shall not disclose information derived from proposals submitted by competing offerors.

G. A contract may be awarded under competitive sealed proposals to the offeror whose proposal is determined in writing to be the most advantageous to the city taking into consideration price and the evaluation factors set out in the request for proposals. The contract file must contain the basis on which the award is made. In determining whether a proposal is advantageous to the city, consideration shall include the offeror's qualifications under section 2.80.065(F).

2.80.0750 Open market purchases/procurements.

The following may be purchased without competitive bidding:

- A. Supplies, materials, equipment or contractual services when combined cost does not exceed five thousand dollars in a single transaction;
- B. Supplies, materials, equipment or contractual services which can only be furnished by a single dealer, or which has a uniform price wherever bought;
- C. Supplies, materials, equipment or contractual services procured from another unit of government at a price deemed below that obtainable from private dealers, including war surplus;

D. Contractual services procured from a public utility corporation at a price or rate determined by state or other government authority;

E. Contractual services of a professional nature, such as medical services, or insurance policies whose nature demands immediate action;

F. Supplies, materials or equipment which cannot be procured locally and which can be procured from a source selected by another unit of government within the state pursuant to competitive bidding procedures to provide the same or similar supplies, materials or equipment if:

1. The award was made by the governmental unit within the past six months; and
2. The item(s) can be procured at the same price plus additional freight or delivery charges if applicable;

G. The city encourages local procurement whenever practicable. ~~local supplier preference set forth in Section 2.80.060(C) may be applied by the city to purchases made under this section;~~

H. Professional services, provided that the procedures set out in Section 2.80.080 are followed. (Ord. 12-09 § 1 (part): Ord. 09-05 § 1 (part): Ord. 96-03 § 1: prior code § 20-6)

2.80.080 Professional services.

A. Due to the nature of professional services, it is in the best interest of the city to use a qualitative selection process, with or without consideration for price, in the city's discretion, when in need of these services.

1. For professional services estimated by the city ~~manager~~ to be one hundred thousand dollars or less, direct solicitation of contractors or consultants may be made from a roster maintained by the city, or to such other vendors who may be known to the city as possessing the required expertise. These solicitations will seek to evaluate the qualifications, experience, and availability of particular vendors. When more than one vendor is considered, the city manager will appoint a selection panel to evaluate the potential vendors and offer a recommendation for selection.

2. For professional services estimated by the city ~~manager~~ to be more than one hundred thousand dollars, a formal request for ~~proposals~~ qualifications will be solicited. Public notice of requests for qualifications ~~proposals~~ will be given in accordance with the same procedures set forth in section 2.80.060. The city ~~manager~~ will develop and publish qualitative selection criteria for evaluating all responses to requests for qualifications- ~~proposals received~~. In multi-phase projects the city may contract with a professional services provider that has provided professional services in an earlier phase of the same project, without the solicitation of formal request for qualifications, in order to maintain project continuity or to otherwise promote the best interest of the city.

B. The provisions of Sections 2.80.040 and 2.80.050 apply to all professional services contracts. (Ord. 12-09 § 1 (part): Ord. 09-05 § 1 (part))

C. The duration of professional services contracts may not exceed two years, except for completion of work in progress under architectural or engineering contracts.

2.80.085 Hybrid Procurements

A. When contracting for procurement of supplies, materials, equipment or contractual services, as contemplated under Section 2.80.065, and professional services, as contemplated under Section 2.80.080, within the same contract, the city shall utilize the procedures set forth in Section 2.80.070.

2.80.090 Construction Manager / General Contractor Contracts.

The city may award a two-phase construction manager / general contractor contract for preconstruction and construction services on a single project.

A. In the preconstruction services phase of a contract under this section, the contractor shall provide the city with advice for scheduling, work sequencing, cost engineering, constructability, cost estimating, and risk identification.

B. Prior to the start of the construction services phase, the contracting agency and the contractor may agree to a price and other factors for the construction of the project or a portion of the project.

C. If an agreement is reached under subsection B, the contractor shall be responsible for the construction of the project or portion of the project at the negotiated price and in compliance with the other factors specified in the agreement.

D. A contract shall be awarded to a contractor under this section using the competitive selection process set out in section 2.80.070 and based on qualifications, experience, best value, or any other combination of factors deemed relevant to the procurement.

2.80.095 Contractor bonding requirements.

A. Before a contract exceeding one hundred thousand dollars for the construction, alteration, or repair of a public building or public work is awarded to a general or specialty contractor, the contractor shall furnish to the city the following bonds, which become binding upon the award of the contract to that contractor:

1. A performance bond with a corporate surety qualified to do business in the state, or at least two individual sureties who shall each justify in a sum equal to the amount of the bond; the amount of the performance bond shall be equivalent to the amount of the payment bond.

2. A **labor and materials** payment bond with a corporate surety qualified to do business in the state, or at least two individual sureties who shall each justify in a sum equal to the amount of the bond, for the protection of all persons who supply labor and material in the prosecution of the work provided for in the contract. When the total amount payable by the terms of the contract is not more than one million dollars, the labor and **materials** payment bond shall be in a sum of one-half the total amount payable by the

terms of the contract; when the total amount payable by the terms of the contract is more than one million dollars and not more than five million dollars, the payment bond shall be in a sum of forty percent of the total amount payable by the terms of the contract; when the total amount payable by the terms of the contract is more than five million dollars, the payment bond shall be in the sum of two million five hundred thousand dollars.

B. The city hereby exercises its option to exempt contractors from compliance with the provisions of subsection A of this section and AS 36.25.010(a) if the estimated cost of the project does not exceed four hundred thousand dollars and:

1. The contractor is, and for two years immediately preceding the award of the contract has been, a licensed contractor having its principal office in the state;
2. The contractor certifies that it has not defaulted on a contract awarded to the contractor during the period of three years preceding the award of a contract for which a bid is submitted;
3. The contractor submits a financial statement, prepared within a period of nine months preceding the submission of a bid for the contract and certified by a public accountant or a certified public accountant licensed under AS 08.04, demonstrating that the contractor has a net worth of not less than twenty percent of the amount of the contract for which the bid is submitted;
4. The total amount of all contracts that the contractor anticipates performing during the term of performance of the contract for which a bid is submitted does not exceed the net worth of the contractor reported in the certified financial statement prepared and submitted under subsection (B)(3) of this section by more than seven times. (Ord. 12-09 § 1 (part); Ord. 09-05 § 1 (part); prior code § 20-7)

2.80.100 Review and approval by the city attorney

All contracts are to be reviewed and approved as to form by the City Attorney.