

CITY OF ALPENA
COUNCIL POLICY STATEMENT

General Subject:	Bids and the Length of Contracts For Services and Products	Policy No.	<u>53</u>
		Date Issued	<u>April 20, 2010</u>
		Effective Date	<u>April 20, 2010</u>

Copies to: City Council, City Manager, City Attorney, Department Heads, File.

PURPOSE:

The purpose of this Council Policy Statement (CPS) is to provide guidelines for the frequency of bids and the length of contracts for services and products.

APPLICATION:

This policy will comply with the conditions set forth in Council Policy Statement 18 regarding the process for bids.

BIDS:

- A. Bids for City services and products will be let at least once every (4) years, except as follows:
1. Services and products that could be reasonably expected to experience high fluctuations from year to year (fuel, asphalt, concrete/concrete installation, chemicals, etc.) will be bid at least once every two (2) years.
 2. Professional services that are beneficial to secure for long periods of time and are costly to bid and evaluate (auditing, banking, investment managers, legal representation, etc) may be bid once every 4 years.

CONTRACTS:

- A. Contracts for City services and products will be for three (3) years with the option for one (1) additional year upon the mutual agreement of both parties, except as follows:
1. Contracts for services and products that could be reasonably expected to experience high fluctuations from year to year (fuel, asphalt, concrete/concrete installation, chemicals, etc) will be for one (1) year with the option for one (1) additional year upon the mutual agreement of both parties.
 2. Professional services that are beneficial to secure for long periods of time and are costly to bid and evaluate (auditing, banking, investment managers, legal representation, etc) will be for four (4) years with the option of renewing for additional four (4) years terms, upon mutual agreement of both parties, and until circumstances change and warrant a re-bid.

- B. City Council authorization is required if staff recommends to exercise the option to extend any contract.