ORDINANCE 2026-08

AN ORDINANCE TO AMEND TITLE 1, CHAPTER 10, PURCHASING PROCEDURES, OF THE CITY OF ISLE OF PALMS CODE OF ORDINANCES TO REVISE COMPETITIVE PROCUREMENT EXCEPTIONS AND MULTI-TERM CONTRACT REQUIREMENTS.

WHEREAS, City Council recognizes that the City's purchasing procedures should promote fair and open competition, fiscal responsibility, transparency, and the prudent expenditure of public funds; and

WHEREAS, Title 1, Chapter 10 of the City Code establishes the City's purchasing procedures, including competitive procurement requirements, exceptions to those requirements, and procedures governing multi-term contracts; and

WHEREAS, City Council has reviewed the existing competitive procurement exceptions and finds that certain provisions should be clarified, narrowed, consolidated, or removed to better balance administrative efficiency with the benefits of competition; and

WHEREAS, City Council desires to clarify the approval requirements applicable to procurement exceptions and to require that the basis for an emergency procurement be documented and reported to City Council; and

WHEREAS, City Council further desires to revise the professional services exception and remove certain categorical exceptions so that competitive procurement will be used more consistently when practical and advantageous to the City; and

WHEREAS, City Council finds it appropriate to retain specific exceptions for circumstances including sole-source procurements, certain utility and equipment-related expenditures, cooperative or piggyback procurements, and purchases made through State contracts; and

WHEREAS, City Council further finds that contracts for supplies or services should generally be limited to a term of five years, while preserving City Council's authority, by majority vote, to approve a longer term when doing so is in the best interest of the City; and

WHEREAS, City Council finds that these amendments will strengthen accountability, preserve necessary procurement flexibility, and promote the City's ability to obtain goods and services on fair and reasonable terms.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and City Council of the City of Isle of Palms, South Carolina, in duly assembled meeting, that the City Code is hereby amended as set forth herein.

SECTION 1. That Title 1, Chapter 10, Section 1-10-4 be amended to read as follows:

Sec. 1-10-4. Competitive procurement requirements; exceptions.

(a) *When required.*

(1) Expenditures of $5,000.00 or less: Competitive procurement is not required for expenditures of $5,000.00 or less if prices are considered by the Purchasing Agent or Department Head to be fair and reasonable.

(2) Expenditures exceeding $5,000.00: Before any purchases or contracts for supplies, materials, equipment or services exceeding $5,000.00 are made, the Purchasing Agent or Department Head shall give reasonable opportunity for competitive procurement.

(i) For purchases or contracts in excess of $5,000.00 but not more than $10,000.00, the Purchasing Agent or Department Head shall obtain either verbal or written competitive price quotes from at least two (2) vendors, unless only one (1) vendor is available. Informal quotes may be accepted verbally or via email, provided that the Purchasing Agent or Department Head

retains appropriate documentation consisting of the name of the vendor, price quote, name of vendor's representative providing the quote, and the date of quote.

(ii) For purchases or contracts in excess of $10,000.00 but not more than $25,000.00, the Purchasing Agent or Department Head shall obtain at least three (3) informal written bids, unless three (3) vendors are not available. Informal written bids may be accepted via email.

(iii) Purchases or contracts in excess of $25,000.00 shall be awarded pursuant to the formal competitive sealed bidding or competitive sealed proposals methods as provided in section 1-10-5, unless otherwise provided in this chapter.

(3) No contract or purchase shall be subdivided to avoid the competitive procurement requirements of this section.

(4) The Purchasing Agent or City Council has the authority to cancel a request for bids or proposals or other solicitation, and to reject any or all bids or proposals in whole or in part, and to waive informalities or irregularities in bids or proposals received when it is determined to be in the best interest of the City.

(b) *Exceptions.*

(1) The approval requirements set forth in section 1-10-3 shall apply to the expenditures listed in each exception herein; provided, however, that City Council approval shall not be required for emergency purchases pursuant to subsection (b)(2) of this section.

(2) In the event of any emergency affecting the public welfare, health or safety, the competitive procurement requirements of this section shall not apply. A full report of any emergency purchase, including the determination and the basis of the emergency, shall be filed by the Purchasing Agent with City Council and shall be entered in the minutes of Council.

(3) The competitive procurement requirements of this section shall not apply to the procurement of professional services where the person employed is customarily employed on a fee basis such as legal, medical, appraiser, auditor or accounting services. Nothing herein shall be deemed to prohibit the City from using competitive procurement procedures for professional services if City Council determines it is in the best interests of the City.

(4) The following types of expenditures are exempt from the competitive procurement requirements of this section:

(i) Utilities including gas, electric, water and sewer;

(ii) Maintenance and repairs to vehicles, machinery or equipment necessary in providing an essential City service;

(iii) Maintenance or service contracts which are made with the manufacturer or authorized service agent;

(iv) Replacement parts of existing equipment supplied by the original equipment manufacturer or authorized dealer.

(5) An expenditure may be made without competitive procurement when the Purchasing Agent reasonably determines that there is only one (1) qualified source for the required goods or services, or that a particular source has a unique ability or knowledge with respect to the required goods or services, or when there is only one (1) source which is compatible with existing equipment, software, systems, or services and the Purchasing Agent sets forth such determination and the basis therefor in a written statement submitted to City Council and entered in the minutes of Council.

(6) The Purchasing Agent may obtain goods and services from an awarded bidder in a competitive bidding process utilized within the preceding twelve (12) months by another political subdivision of the state for substantially the same goods or services when the Purchasing Agent has good reason to believe that the awarded bidder is the lowest qualified bidder at the time the City obtains such goods and services.

(7) Competitive procurement shall not be required for goods and services purchased through a state contract awarded by the purchasing division of the State of South Carolina, or when an item that is

equivalent or superior to a state contract item is purchased at a price equal to or less than the state contract price.

SECTION 2. That Title 1, Chapter 10, Section 1-10-8 be amended to read as follows:

Sec. 1-10-8. Multi-term contracts.

Unless otherwise provided by law, a contract for supplies or services may be entered into for a period of up to five (5) years, unless a longer term is determined to be in the best interest of the City by a majority of City Council, provided the term of the contract and conditions of renewal or extension, if any, are included in the original solicitation and funds are available for the first fiscal period at the time of contracting. When funds are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal period, the contract shall be canceled with no penalty to the City and such condition shall be included as a provision of the multi-term contract.

SECTION 3. That should any part of this Ordinance be held invalid by a Court of competent jurisdiction, the remaining parts shall be severable therefrom and shall continue to be in full force and effect.

SECTION 4. That all ordinances or parts of ordinances conflicting with the provisions of this Ordinance are hereby repealed insofar as the same affect this Ordinance.

SECTION 5. That this Ordinance take effect and be in full force immediately.

PASSED AND APPROVED BY THE CITY COUNCIL FOR THE CITY OF ISLE OF PALMS, ON THE 22nd DAY OF September, 2026.

Phillip Pounds, Mayor (Seal)

Attest:

Nicole DeNeane, City Clerk

First Reading: August 25, 2026
Second Reading: September 22, 2026
Ratification: September 22, 2026