

Introduced: 3-21-19
Passed: 4-18-19
Effective: 6-7-19

CHARTER AMENDMENT RESOLUTION CAR-19-1
(Amended by Interlineation)

**A RESOLUTION OF THE TOWN COUNCIL OF CHESAPEAKE BEACH,
MARYLAND,
AMENDING SECTION C 723, "PURCHASING AND CONTRACT",
OF THE CHARTER OF CHESAPEAKE BEACH TO INCREASE THE
THRESHOLD FOR THE REQUIREMENT OF APPROVAL OF A
CONTRACT BY THE TOWN COUNCIL FROM \$5,000 TO \$10,000**

WHEREAS, Chesapeake Beach (the "Town") is a municipal corporation in the State of Maryland, organized and operating under a Charter adopted in 1963, in accordance with Article XI E of the Constitution of Maryland; and

WHEREAS, pursuant to Md. Code. Ann., Local Gov't Art., Division II, Title 4, Subtitle 3, the Town Council has the authority to amend the Town's Charter, in accordance with the procedures set forth therein; and

WHEREAS, the Town Charter, in Section C-723 addresses certain requirements with respect to the Town's procurement processes; and

WHEREAS, the Town Council desires to increase the monetary threshold for the requirement that a contract must be approved by the Town Council from \$5,000 to \$10,000.

NOW, THEREFORE, BE IT RESOLVED by the Town Council of Chesapeake Beach, Maryland, that Section C-723, "Purchasing and Contract", of the Charter of Chesapeake Beach is hereby amended as follows:

Section C-723. Purchasing and Contract.

A. Expenditures for supplies, materials, equipment, contractual services and other ordinary and necessary expenditures involving less than Five TEN Thousand Dollars (\$5,000.0010,000) may be made on the sole authority of the TreasurerMAYOR. THE TREASURER SHALL NOTIFY THE TOWN COUNCIL IN WRITING OF ALL EXPENDITURES GREATER THAN FIVE THOUSAND DOLLARS (\$5,000) AND UP TO TEN THOUSAND DOLLARS (\$10,000) NO LATER THAN THIRTY (30) DAYS AFTER THE COST IS INCURRED.

B. All expenditures of more than Five TEN Thousand Dollars (\$5,000.0010,000) shall be made on written contract and shall be made upon Council approval. For all expenditures under Sixty Thousand Dollars (\$60,000), the Treasurer, in consultation with the appropriate

professionals, shall solicit bids or proposals for the cost thereof, by giving notice by mail, telephone, or other appropriate means, to such businesses/persons as the Treasurer may select in order to discourage uniform bidding and to obtain as full and open a competition as possible. At least three such bids or proposals shall be secured whenever possible.

C. On all written contracts involving an expenditure of more than Sixty Thousand Dollars (\$60,000.00), the Treasurer, in consultation with appropriate professionals, shall be required to utilize the formal procedure of competitive bidding and shall publish an advertisement in a newspaper of general circulation in the Town/County for sealed bids based on Town specifications for the work/services. Insofar as it is possible, the written quotations or offers of at least three businesses/persons shall be obtained. Bids shall be submitted sealed to the Treasurer and identified as bids on the envelope. When deemed necessary by the Town, deposits shall be prescribed in the public notices inviting bids. Unsuccessful bidders shall be entitled to a return of their bid deposits where the Town has required such. In any case, where a successful bidder fails to execute a contract within twenty (20) days after the award, his bid deposit shall be taken and considered as liquidated damages, and not as a penalty, for failure of such bidder to execute said contract. Upon the proper execution of such contract by a successful bidder, his bid deposit shall be returned to him. The advertisement required to be published by this section shall be published not less than two times, at weekly intervals; and the award of such contracts shall be made to the lowest responsible bidder following the public opening of bids.

D. All purchases/contracts for which bids are solicited pursuant to this section shall be awarded, with Council approval, to the "lowest responsible bidder." In awarding any such contract, the Council may, in addition to price, consider:

* * *

E. If two or more bidders shall be tied for the lowest bid, quality and service being equal, the contract shall be awarded to a local bidder. If there be no local bidder, or more than one local bidder, the Treasurer shall award the contract to one of the tied bidders by drawing lots in public.

F. The Council shall have the right to reject all bids and re-advertise. The Council also reserves the right to waive any informalities in the formal bidding procedure for good cause. The Town at any time in its discretion may employ its own forces for the construction or reconstruction of public improvements without advertising for (or re-advertising for) or receiving bids. All written contracts shall be protected by such bonds, penalties and conditions as the Council may require.

G. In order to achieve price discounts and utilize economically beneficial procurement systems as an alternative to competitive bidding, the Town, subject to the Council's approval, shall have the authority to replace the competitive bidding required by this Section with the following procurement systems for the procurement of specific goods and services or an identifiable class of goods and services:

- (1) Join or participate in intergovernmental purchasing cooperatives.

(2) Utilize the prices and terms obtained by competitive bidding conducted by other public agencies, counties or municipalities within the United States of America.

H. In cases of emergency, purchases may be made and contracts entered into without resort to the provisions of this section. An "emergency," for purposes of this section, shall be deemed to exist when a breakdown in machinery and/or a threatened or actual termination of essential services or a dangerous condition affecting life or property develops. Under such emergency circumstances, the Treasurer shall, however, whenever practical, secure competitive telephone bids and order delivery to be made by the lowest responsible bidder. The Treasurer shall also, not later than the next regular business day thereafter, submit to the Council a tabulation of bids received, if any, and a written explanation of the circumstances of the emergency.

I. The provisions of this section shall not apply to services furnished by Town employees, to professional services, or to such services which are in their nature unusual and not subject to competition.

BE IT FURTHER RESOLVED, that upon the effective date of the amendments set forth herein, any provisions of the Charter of Chesapeake Beach that are inconsistent with the provisions of this Charter Amendment Resolution are hereby repealed.

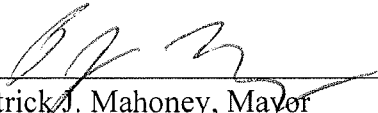
BE IT FURTHER RESOLVED, that pursuant to Md. Code Ann., Local Gov't Art., § 4-304, the Mayor of the Town of Chesapeake Beach shall give notice of this proposed amendment by posting an exact copy of the same at the Town Hall, for a period of at least forty (40) days following its adoption. In addition, a fair summary of this proposed amendment shall be published in a newspaper of general circulation in the Town of Chesapeake Beach not less than four (4) times, at weekly intervals within a period of forty (40) days after the adoption of this resolution.

BE IT FURTHER RESOLVED, that pursuant to Md. Code Ann., Local Gov't Art., § 4-304, the charter amendment proposed by the Town Council for the town of Chesapeake Beach, Maryland shall become and be considered a part of the municipal Charter, according to the terms of this charter amendment resolution, in all respects to be effective and observed as such, upon the fiftieth (50th) day after being so ordained or passed, unless on or before the fortieth (40th) day after being so ordained or passed, there shall be presented to the Town Council, or mailed to it by certified mail, a petition for referendum meeting the requirements of Md. Code Ann., Local Gov't Art., § 4-304(d).

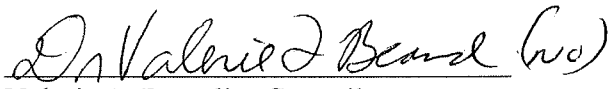
AS CERTIFIED by their signatures below, the members of the Town Council affirm that this Resolution was introduced at the Town Council meeting held on the 21st day of March, 2019 and that after a public hearing on the 18th day of April, 2019, a vote was taken in accordance with Town's regular procedures for the passage of resolutions. The vote of the Council was tallied and 5 votes of approval and 1 votes of disapproval were cast. The resulting majority of all members of the Town Council

(approved/disapproved) the passage of this Resolution this 18th day of April, 2019.
This Resolution shall become effective on the 40th day after enactment.

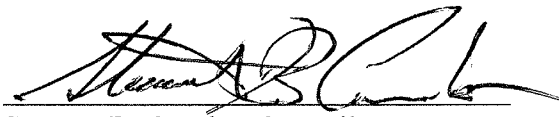
CHESAPEAKE BEACH, MARYLAND



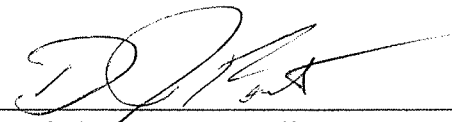
Patrick J. Mahoney, Mayor



Valerie L. Beaudin, Councilwoman




Stewart B. Cumbo, Councilman



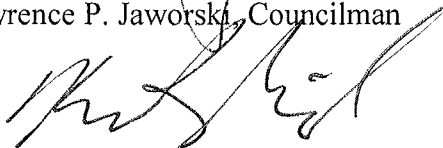
Derek J. Favret, Councilman



Greg J. Morris, Councilman



Lawrence P. Jaworski, Councilman



Keith L. Pardieck, Councilman