

SUBJECT: AMENDING 3.08.220 SOLICITATION AND ACCEPTANCE OF BIDS;
3.08.260 COMPETITIVE SEALED PROPOSALS; NEGOTIATED PROCUREMENT





AGENDA OF: November 16, 2021

ASSEMBLY ACTION:

Adopted Without Objection
12-7-21 

MANAGER RECOMMENDATION: Introduce and set for public hearing.

APPROVED BY MIKE BROWN, BOROUGH MANAGER: 

Route To:	Department/Individual	Initials	Remarks
	Purchasing Director		
	Finance Director		
	Borough Attorney		
	Borough Clerk		

ATTACHMENT (S): Fiscal Note: YES ____ NO ____ X ____
Ordinance Serial No. 21- (4 pp)

SUMMARY STATEMENT: The Matanuska-Susitna Borough Purchasing Division issues approximately 175 formal solicitations annually. Borough code currently requires that all formal solicitations be advertised in a local newspaper. This requirement was established in the original MSB Code adopted, a time when printed media was the primary means of notification.

In July 2019 the MSB began utilizing an online distribution system, Bonfire, for providing notification and documents to prospective bidders and proposers. During the initial rollout, we began to see a marked increase not only in document takers, but also responses. We were reaching a wider audience and increasing competition.

Approximately 1 year into use we surveyed our bidding community and found less than 2 percent of them rely on newspaper ads for notification of opportunities. Bonfire is a much more effective method of notifying bidders as email notices are sent to all interested contractors when new opportunities are posted. The service is free to contractors, and reaches vendors outside of

local newspaper circulation.

The annual cost of advertising 175 solicitations through the local newspaper is approximately \$40,000 with costs rising when state or federal funding requires additional advertising. Our cost to utilize Bonfire for all services is \$13,500 annually.

The attached ordinance will eliminate the need to advertise in the newspaper saving a minimum of \$40,000 annually.

Receiving Bids and Proposals

MSB Code currently requires that bidders and proposers deliver a written bid or proposal to the Purchasing Officer. When COVID 19 hit in March of 2020, in an effort to reduce the spread, local offices were closed to the public making delivery of bids impossible.

To continue operations, through a manager's waiver, another capability of Bonfire was utilized, electronic submission of sealed bids and proposal. Bonfire is designed to securely receive sealed bids and proposals, time stamp them and serve as a secure evaluation platform for proposal.

Electronic submission of bids and proposal is the standard procedure in all levels of government. Since implementation via the Managers waiver, the system has been a success. Electronic bidding platforms also provide robust audit trails, allowing for fact based decisions if problems arise.

The attached ordinance will allow for the use of electronic bid and proposal submission.

RECOMMENDATION OF ADMINISTRATION: Administration recommends approval of the attached ordinance amending MSB 3.08.220 and MSB 3.08.260.