

City of Craig Purchasing & Procurement Policy

Adopted: January 1, 2026



CITY OF CRAIG, COLORADO

RESOLUTION NO. 36 (2025)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CRAIG, COLORADO, ADOPTING A REVISED PURCHASING AND PROCUREMENT POLICY, REPEALING RESOLUTIONS NO. 24 (2023) AND NO. 11 (2024).

WHEREAS, the City of Craig ("City") is a home rule municipality duly organized and existing under Article XX of the Colorado Constitution and the City's Home Rule Charter approved by the electors; and

WHEREAS, the City of Craig ("City") recognizes the need to clarify and strengthen its purchasing and procurement procedures to ensure fiscal accountability, transparency, and consistency with current state and federal procurement standards; and

WHEREAS, the City's Administration and Finance Department initiated and delegated the process of revising the City's Purchasing and Procurement Policy, with extensive input from department directors and subject-matter staff beginning in early 2024 and finalized in recent months; and

WHEREAS, the City's Finance Committee participated in the final review and recommendation of the document prior to submission to City Council for consideration; and

WHEREAS, the revised City of Craig Purchasing and Procurement Policy ("Policy") establishes clear purchasing authority levels, formal and informal solicitation procedures, ethical standards, vendor selection protocols, and approval thresholds to align with best practices in public administration; and

WHEREAS, the Policy establishes the following general purchasing approval limits:

- Department Director approval for purchases under \$10,000;
- City Manager approval for purchases up to \$25,000; and
- City Council approval for purchases of \$25,000 and above; and

WHEREAS, Section 3.08 of the Craig Municipal Code currently references the City's purchasing and procurement policies and procedures, and such provisions will require formal amendment by ordinance to align with the revised Policy; and

WHEREAS, the City Council desires to adopt the revised Policy by resolution at this time, with the understanding that a companion ordinance revising the Municipal Code will be prepared, introduced, and adopted prior to the conclusion of calendar year 2025; and

WHEREAS, upon adoption of said ordinance, the City of Craig Purchasing and Procurement Policy shall become fully effective beginning January 1, 2026; and

WHEREAS, Resolutions No. 24 (2023) and No. 11 (2024), previously addressing purchasing and procurement procedures, are hereby repealed in their entirety as superseded by this action.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CRAIG, COLORADO:

1. Adoption of the Policy. The City Council hereby adopts the City of Craig Purchasing and Procurement Policy, attached hereto as Exhibit A and incorporated herein by reference, as the official purchasing and procurement policy of the City of Craig.

2. Repeal of Prior Resolutions. Resolutions No. 24 (2023) and No. 11 (2024) are hereby repealed in their entirety.

3. Municipal Code Amendment. City staff, in coordination with the City Attorney, are authorized to prepare and present for first reading an ordinance amending Title 3, Chapter 3.08 of the Craig Municipal Code to reflect the provisions of the newly adopted Policy.

4. Effective Date. The City of Craig Purchasing and Procurement Policy shall take effect January 1, 2026, following formal adoption of the necessary Municipal Code revisions by ordinance.

5. Record of Process. The Council recognizes and commends the Administration and Finance Department, all participating department heads, and the Finance Committee and the Project Manager for their diligent and collaborative effort in revising and finalizing the Policy for Council consideration.

PASSED, APPROVED, AND ADOPTED this 28th day of October, 2025, by the City Council of the City of Craig, Colorado.

CITY OF CRAIG, COLORADO

By: 

Chris Nichols, Mayor

Attest: 

Katie Carmody, City Clerk



Exhibit A: City of Craig Purchasing and Procurement Policy (Adopted 2025)

Purchasing & Procurement Policy – Revision Table

	Purchasing & Procurement Policy Last Updated: 10/23/2025	<u>Chapters 1-21</u> <u>Revision Number: 000</u>
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Table of Contents

CHAPTER 1: INTRODUCTION	1
1.1 PURPOSE AND SCOPE	1
1.2 ETHICS IN PROCUREMENT	1
1.3 CONFLICT OF INTEREST	2
1.4 GIFTS AND GRATUITIES	4
CHAPTER 2: PURCHASING AUTHORITY AND CONTRACT SIGNATURE AUTHORITY	5
CHAPTER 3: PURCHASING APPROVAL LIMITS.....	6
CHAPTER 4: IDENTIFICATION AND SOLICITATION OF VENDORS	8
4.1 LOCAL PREFERENCE POLICY.....	8
4.2 FORMAL SOLICITATION	8
CHAPTER 5: METHODS AND PROCEDURES FOR SOLICITATION AND PURCHASE ORDERS	10
5.1 PROJECT DELIVERY METHODS.....	12
5.2 QUOTATION REQUESTS.....	13
5.3 INVITATIONS FOR BID (IFB).....	14
5.4 REQUESTS FOR PROPOSALS (RFP).....	16
5.5 REQUESTS FOR QUALIFICATIONS (RFQ).....	19
5.6 WAIVER OF MINOR IRREGULARITIES	20
5.7 APPEALS	21
5.8 PURCHASE ORDERS.....	21
CHAPTER 6: PUBLIC NOTICE FOR FORMAL SOLICITATIONS	23
CHAPTER 7: DISTRIBUTION AND SUBMISSION OF FORMAL SOLICITATIONS	24
CHAPTER 8: SOLE SOURCE PROCUREMENT	25
CHAPTER 9: PROCUREMENT OF PROFESSIONAL, TECHNICAL, AND EXPERT SERVICES.....	27
CHAPTER 10: PROCUREMENT INVOLVING FEDERAL GRANTS.....	28
CHAPTER 11: CONTRACT FORMS	30
CHAPTER 12: CONTRACT MODIFICATIONS AND CHANGE ORDERS.....	33
CHAPTER 13: PROTEST OF A CONTRACT AWARD.....	34
CHAPTER 14: MULTI-YEAR CONTRACTS AND RENEWALS.....	36
CHAPTER 15: COOPERATIVE AND PIGGYBACK PURCHASING	37
CHAPTER 16: FLEET	39
CHAPTER 17: INFORMATION TECHNOLOGY.....	41
CHAPTER 18: DISPOSAL OF CITY PROPERTY	45

CHAPTER 19: SELF-PERFORMANCE OF CONSTRUCTION OF PUBLIC IMPROVEMENT WORKS	47
CHAPTER 20: EMERGENCY PURCHASES	49
CHAPTER 21: RECURRING PURCHASES	50
DEFINITIONS	51

CHAPTER 1: INTRODUCTION

1.1 PURPOSE AND SCOPE

The City of Craig Purchasing & Procurement Policy (“Policy”) has been developed and will be applied according to the City’s core values. Those are:

- **Preserving our Heritage and Small-Town Identity**
- **Practicing Fiscal Responsibility and Transparency**
- **Building Infrastructure for Planned Growth**
- **Enhancing Quality of Life and Community Pride**
- **Governing Collaboratively with Stakeholders**
- **Proactively Communicating with our Community**

The Policy establishes the City’s purchasing and procurement policies and practices considering relevant laws, rules, and regulations while encouraging competition, maximizing purchasing power, and providing fair opportunities and equal treatment. The City is committed to the wise and principled use of public funds. The Policy creates general processes that are thoughtful and transparent.

The Policy directs City employees in fulfilling their obligations to the public, grantors, vendors, and contractors in the expenditure of funds.

The Policy is a comprehensive yet practical reference for City employees and external parties involved in the City’s solicitation, purchasing, contracting, and procurement processes.

The Policy establishes policies and procedures representing centralized and decentralized methodologies, reflecting practices and principles widely recognized at regional and national levels. The Policy is subject to regular review and revision to ensure the efficiency and effectiveness of the policies and processes.

1.2 ETHICS IN PROCUREMENT

The City is committed to promoting the highest ethical standards in procurement. Those principles, including those stated below, guide transactions, decisions, and activities involving this Policy and the expenditure of City funds:

1. **Integrity and Transparency**: Purchasing activities should be conducted openly, with the objective of fair competition, ensuring the impartial treatment of those involved.
2. **Conflict of Interest**: Employees involved in procurement will avoid any conflict of interest, perceived or actual, including personal or financial relationship(s) that might

affect, or appear to affect, their impartiality.

3. **Confidentiality**: Confidential information obtained during procurement activities will be respected and protected as provided by law.
4. **Accountability and Responsibility**: Procurement employees will prudently use City resources and be accountable for their actions and decisions, demonstrating responsible stewardship of funds.
5. **Respect for Vendors**: Vendors should have equal access to information and opportunities and be treated in good faith.
6. **Compliance with Laws and Regulations**: Procurement activities will comply with applicable local, state, and federal laws and applicable regulations. The Finance Department will provide Purchasing Manual training, and procurement guidance, to employees.
7. **Promotion of Competitive Procurement**: The City will put forward competitive solicitations, as set forth in the Policy, to ensure it receives the best value.
8. **Zero Tolerance for Corruption**: The City maintains a zero-tolerance rule toward corruption, including fraud, bribery, and collusion. Any questionable activities should be reported to the Finance Department or the City Attorney's office, investigated, and dealt with promptly and thoroughly.

The City strives to establish trust, fairness, and efficiency through its procurement practices. By adhering to the Policy, public interest will be protected and advanced, public funds will be used responsibly, and the City will maintain its long-standing reputation of integrity and accountability.

1.3 CONFLICT OF INTEREST

The holding of City government is a public trust, and all employees shall carry out their duties for the benefit of the public of Craig, Colorado. Conflicts of interest are defined as either financial or personal in nature. A City employee is prohibited from participating in or attempting to influence a City decision when either type of conflict of interest exists. The City of Craig recognizes that Craig is a small community, and it is likely that conflicts will exist. A conflict is considered to exist in procurement of goods or services for any value, from an employee, employee's spouse or immediate family member.

In the case of federally or state funded grants a City employee shall not participate in the selection, Award, or administration of a contract if he or she has a real or apparent conflict of interest per the Uniform Guidance §200.318.

The existence of a conflict of interest does not necessarily mean the City is precluded from doing business with an individual or company identified with a real or perceived conflict (e.g. spouse or family member owned business). Policy requires that disclosure be made to the City Manager with a recommendation that proceeding with the procurement where a conflict of interest exists is in the best interest of the City. When a conflict of interest is identified, the Department Director or designee must immediately declare such interest by delivering a written statement to the Finance Department. If written disclosure is impractical under the circumstances, oral disclosure will suffice until a written disclosure can reasonably be filed. The decision of the City Manager in a conflict-of-interest issue involving a City employee is final.

1. **Financial Interests:** An employee has a financial interest in a decision of the City when the City decision entails some foreseeable, measurable financial benefit to the employee. A spouse-owned or family member owned business may not supply goods or services valued in any amount to the City without submitting a written conflict of interest statement to the City Manager.
2. **Personal Interests:** A City employee has a personal interest in a decision when his or her independence of judgement or action in the performance of official duties would, in the judgement of a reasonably prudent person, tend to be impaired by some close relationship or association.
3. **Contracts:** Contracts made in violation of the provisions of this Policy, either because they were entered into by a person who has a conflict of interest or because they involved a prohibited sale or purchase, are voidable by the City. At the City's option, all or any designated portion of the monies received by a third party under the contract may have to be refunded to the City unless written disclosure is presented and approved by the City Manager or City Council.
4. **Sales to the City:** City employees and their spouse or relatives are prohibited from having any financial interest in the sale to the City of any real or personal property, unless, after disclosure is made, it is determined by the City Manager that the sale is in the best interest of the City.
5. **Purchases from the City:** City employees may participate the same as any other member of the public in the publicly advertised disposal of City property.
6. **Approved Conflicts:** Certain conflicts are acceptable for goods or services for which there is an obvious need and are provided by national companies, local non-profits, etc. Examples of such companies are the US Postal Service, United Parcel Service, Federal Express, Hospitals, Medical Clinics, and Public or Non-Profit Agencies.

1.4 GIFTS AND GRATUITIES

It is the City's policy that no employee shall accept nor solicit any gifts, entertainment, meals, or gratuities from vendors with a value in excess of \$75.00 per person. A gratuity means a payment, loan, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is received. Failure by a City employee to abide by this policy could result in disciplinary action or termination.

CHAPTER 2: PURCHASING AUTHORITY AND CONTRACT SIGNATURE AUTHORITY

City Council and the City Manager: The City Manager, as appointed by the City Council in accordance with the City Charter, oversees the City Departments, and sets the rules and policies for procuring commodities and services applicable to the departments. Any improper practice or deviation may lead to disciplinary action or termination.

Department Directors: In accordance with the Policy the City Manager delegates purchasing approval to Department Directors based on the dollar amount. A Department Director may delegate to employees who have purchasing responsibilities. The Department Director shall ensure that employees understand and fully and faithfully apply the Policy. Department Directors and employees are responsible for understanding and complying with the Policy. Any improper practice or deviation may lead to disciplinary action or termination.

Finance Department: The Finance Director is responsible for:

1. Overseeing the Finance Department.
2. Protecting the Purchasing & Procurement Policy.
3. Procuring and contracting commodities, services, and construction as provided in the Policy and otherwise provided by law.
4. Providing guidance and training to Department Directors and employees on the Policy.
5. Monitoring compliance with the Policy.
6. Investigating allegations of improper procurement practices.

Contract Signature Authorization

Only the City Manager (or his/her designated representative), the Finance Director (or his/her designated representative), and the Department Director (or his/her designated representative) are authorized to sign contracts which bind the City for the procurement of goods, services, insurance or construction, unless a specific delegation or exemption is made by City Council by resolution, code, regulation or letter of authority to another official or employee. The City Manager will be responsible for approving and signing all multi-year obligations.

CHAPTER 3: PURCHASING APPROVAL LIMITS

Table 1: Purchasing Approval Limits

Dollar Amount	Type of Purchase	Approval
Under \$1,000	No price quotations or informal/formal bidding required.	Department Director
\$1,000 - \$2,500	Informal purchase requiring a minimum of two quotations (written or oral). Services on City Property will require proper insurance coverage.	Department Director
\$2,500 - \$10,000	Informal purchase requiring three informal quotations conforming to a scope of work and/or specifications solicited prior to the purchase of any goods or entering into a contract for services. A written quote provides for a firm written price which is valid for thirty days. Contracts for service on City Property will require proper insurance coverage. At the city's discretion construction projects may require a performance bond.	Department Director
\$10,000 - \$25,000	Informal purchase requiring three informal quotations conforming to a scope of work and/or specifications solicited prior to the purchase of any goods or entering into a contract for services. A written quote provides for a firm written price which is valid for thirty days. Contracts for service on City Property will require proper insurance coverage. At the city's discretion construction projects may require a performance bond.	City Manager
\$25,000 and over	Formal sealed bids or proposals shall be required. Requests for bids or proposals shall be advertised in a newspaper of legal record a minimum of three times and beginning no later than ten days prior to the published bid opening date. Contracts for Service on City Property will require proper insurance coverage. Construction projects may require a performance bond.	City Council

\$1,000 - \$25,000	Sole Source	City Manager
\$25,000 and over	Sole Source	City Council
10% on purchases up to \$100,000 5% on purchases \$100,000 - \$500,000 No preference for purchases over \$500,000	Local Preference (business located in Moffat County, CO) Applies to any purchase over \$10,000.	City Manager or City Council

Notes: This table applies to commodities or services with current-year Appropriated Funds. Unbudgeted expenditures are prohibited except in an emergency or by the City Manager's written directive.

CHAPTER 4: IDENTIFICATION AND SOLICITATION OF VENDORS

The City recognizes that a formal solicitation may only sometimes be the most efficient or effective purchase method. As a result, certain exceptions to the formal solicitation process may be utilized depending on the nature and cost of the purchase. If a vendor is selected using an exception, the Finance Department and Department Director will assist in documenting the exception.

Vendor Contact Before Formal Solicitations

It is acceptable and beneficial to gather information to make informed decisions. Research may include product demonstrations, discussions, or meetings to understand the marketplace and available solutions better; however, it is essential to maintain fairness and transparency during such interactions. The following guidelines should be followed:

1. **No commitment.** Any interactions are solely to gather information and do not indicate any special treatment or obligation for future purchases.
2. **Equal opportunity.** The City Department should offer the same opportunities to ensure that no single vendor has an unfair advantage.
3. **No conflict of interest.** City employees must maintain impartiality and avoid any situation that could create, or appear to create, a conflict of interest. They must not accept gifts, gratuities, or anything of value.
4. **Documentation.** City employees must keep detailed records of all interactions during this research phase to maintain transparency.

4.1 LOCAL PREFERENCE POLICY

The City's procurement policy for local preference may apply to solicitations on purchases of over \$10,000. This policy does not apply to purchases involving state or federal funds, cooperative purchases, or emergency purchases. Local is defined as any principal place of business located in Moffat County, Colorado. Local vendors shall receive a 10% preference over other bidders on purchases up to \$100,000. Local vendors shall receive a 5% preference over other bidders on purchases between \$100,000 and \$500,000. No local preference will be given on purchases above \$500,000. This preference will only be applied when quality, delivery time, and services are essentially equal. Vendors seeking local preference must meet all specifications and requirements in the solicitation documents or requested quotes. The Finance Department retains the right to Award quotes and bids to the vendor who best serves the interest of the City and the public.

4.2 FORMAL SOLICITATION

Formal solicitations are competitive processes and require the following:

1. **Authorization:** Departments must work with the Finance Department and City Clerk to initiate formal solicitations when the amount is covered by an approved or planned budget.
2. **Initiation of a Formal Solicitation.** The City Department initiates a formal solicitation by preparing a written Scope of Work and/or Specifications, which at a minimum will include:
 - a. Description of the goods or services to be procured.
 - b. Quantity and quality of the goods or services to be procured.
 - c. Delivery or performance schedule.
 - d. Method of procurement.
 - e. Criteria for the Award.
3. **Solicitation.** After the Scope of Work and/or Specifications have been written, the Finance Department, in collaboration with the City Department, will identify the appropriate solicitation method and plans, schedules, and procurement procedure.
4. **Legal Review.** The City Attorney's Office will generally be responsible for preparing, reviewing and approving the procurement and contract forms. Only the Finance Department or the City Attorney's Office may modify the solicitation documents terms.
5. **Contract Award.** When a qualified, responsive, and responsible proposer is selected, and if negotiations are required, the Finance Department and the City Department will negotiate a final contract, obtain all required approvals, and execute a contract. If the City Department and the Finance Department disagree about an Award recommendation, they will meet to review the reason(s) for the disagreement. If they cannot resolve the dispute, the City Manager will review and decide. The City Council will consider and approve all recommended Awards during a public meeting which generally occur on the second and fourth Tuesday of each month.
6. **Centralized Documentation and Contract Management:** The City Clerk maintains a complete contract file and all required documentation on formal solicitations.

CHAPTER 5: METHODS AND PROCEDURES FOR SOLICITATION AND PURCHASE ORDERS

The City may use Invitations for Bids (IFB), Requests for Proposals (RFP), and Requests for Qualifications (RFQ) for formal solicitations. Quotation requests may be used to informally obtain cost proposals. The method and procedure shall be determined at the City's sole and absolute discretion as provided in this Policy and determined to be in the City's best interest.

- **Quotation Requests** is an informal method used to solicit vendor quotes to procure commodities, work, or services.
- **Invitation for Bid (IFB)** is a formal method used to solicit vendor bids to procure commodities, work, or services.
- **Request for Proposal (RFP)** is a formal method used to solicit proposals from vendors for the procurement of commodities, work, or services that are complex, customized, innovative, or require a long-term relationship with the vendor.
- **Request for Qualifications (RFQ)** is a formal process by which the City may evaluate the qualifications of various firms interested in providing services. Typically, fees and costs associated with the work are not requested or provided by the vendor.

The type of solicitation may depend on the nature of the procured commodities, work, or services, the project's complexity, or purpose, and the evaluation criteria/evaluation method. The following steps will be used in determining the form of solicitation:

1. **Consult with the Finance Department:** The City Department will consult with the City's Finance Department to ensure the solicitation method is appropriate, legal, and in line with the City's procurement policies and procedures.
2. **Define the Need:** Define the intended purpose of the procurement and specify the commodities, work, or services and the procurement goals. This is essential to choosing the most appropriate solicitation method.
3. **Assess Complexity:** Assess the commodities, work, or services needed. The complexity, technical specifications, level of customization, or the number of variables will be considered when choosing the solicitation method.
4. **Determine the Importance of Price versus Qualifications:** Decide on the relative importance of price versus qualifications or other non-price factors. If price is the primary consideration and the requirements can be clearly defined, an IFB or RFP may be the most appropriate method. If qualifications, innovative solutions, or other non-price factors are more critical, an RFQ may be more suitable.
5. **Consider the Market:** The market conditions and the number of potential vendors, the competitiveness of the market, and the availability of commodities, work, or

services can all impact the choice of solicitation method.

6. **Review Legal or Regulatory Requirements:** The Finance Department, in conjunction with the City Attorney's Office, will ensure the consideration of any relevant legal or regulatory requirements.

SCOPE OF WORK

When developing a Scope of Work (SOW), the City Department and/or their Engineer/Consultant will work closely with the Finance Department to ensure that the needs and expectations of the project are clear and sufficiently detailed to reduce ambiguities.

The SOW is critical to forming and enforcing any contract and must clearly describe the commodity, service, and work. The SOW serves as a roadmap for the project, defining the deliverables, timelines, quality standards, and key tasks. A detailed SOW is necessary to ensure clear understanding and expectations between all parties involved.

Components of a Scope of Work

1. **Project Description:** An explanation of the project's purpose and objectives. The project description provides essential context for making and enforcing the purchase and contract terms.
2. **Deliverables:** A detailed list of all items, work, or services to be delivered by the vendor and specifies the acceptance criteria for each deliverable.
3. **Tasks:** Tasks include a breakdown of specific tasks or activities to be performed by the vendor. Each task should be clearly described and associated with a particular deliverable.
4. **Timelines:** A schedule that outlines when tasks or deliverables will be completed, including any milestones or deadlines as required by the City.
5. **Performance or Quality Standards:** The performance standards or benchmarks to measure the quality of the work or the commodities procured must include any specific regulatory or industry standards to be provided by the vendor.
6. **Payment Schedule:** The payment schedule defines the compensation to be paid to the vendor for completing tasks, deliverables, or other mutually agreed metrics, together with deadlines agreed upon between the City and the vendor or service provider.
7. **Project Management:** Details of how the project will be managed, including reporting requirements, schedules, and roles and responsibilities of the parties.
8. **Alternate Bid (Response):** Determine whether alternative methods are allowed or requested and incorporate into the solicitation.

Specifications and Special Provisions

When seeking responses from potential vendors, it is essential to have detailed specifications and/or project special provisions of the physical or functional characteristics of the product, service, or system. Special provisions may be used to supplement the standard specifications.

In developing specifications, the City Department will collaborate with the Project Manager and/or their Engineer/Consultant to ensure the accuracy and completeness of all requirements and expectations. To reduce misunderstandings or disputes, the specifications should be clear and detailed. Specifications should not be written to require a proprietary good or service unless and approved equal is allowed or a sole source is approved.

Key elements of specifications include:

1. **Description of Requirements:** A detailed description of what the City is purchasing, whether a physical commodity, construction, or service. This comprehensive description should state the necessary features, dimensions, performance standards, quality levels, and other relevant details.
2. **Quantity:** The amount of commodities or services needed in terms of number or volume.
3. **Delivery or Performance Schedule:** The date or timeframe within which the commodities or services must be delivered or performed.
4. **Standards and Compliance:** The regulatory or industry standards with which the commodities or services must comply/conform.
5. **Quality Assurance Measures:** The procedures and checks to ensure that the commodities or services meet the specified requirements.
6. **Warranties:** A guarantee to the City that all materials, equipment and workmanship, unless otherwise specified, are suitable for the purpose used, and shall be of good quality and free from faults or defects.

The City is committed to creating comprehensive and fair specifications to ensure the best value, successful procurement outcomes, and positive relationships with vendors.

5.1 PROJECT DELIVERY METHODS

The City will generally use the following project delivery methods:

1. **Design-Bid-Build:** The traditional project delivery method that involves three sequential phases: Design, Procurement, and Construction.
2. **Design-Build:** A project delivery method where one entity (the Design-Build contractor) works under a single contract with the project owner to provide design and construction services.

3. **Construction Manager/General Contractor (CMGC) or Construction Manager at Risk (CMR):** A delivery method where the owner contracts separately with a design firm and a construction manager as a general contractor that works collaboratively to complete the project.

5.2 QUOTATION REQUESTS

A Quotation Request is an informal method used to solicit vendor quotes to procure commodities, work, or services. The process may be used by the City to obtain information regarding costs for budgetary purposes prior to issuing an IFB or RFP.

In general, the Quotation process is as follows:

Initiation: The City Department identifies the need for Quotations.

1. The process is typically used for smaller orders under a certain dollar threshold in accordance with Table 1.
2. It may also be used when the department needs a pre-established relationship with a vendor that can meet the City's needs.

Quotation Preparation: The City Department will solicit verbal quotations and/or prepare a document that includes the following information:

1. A description of the commodities, work, or services being procured;
2. The technical requirements for the commodities, work, or services;
3. The deadline for submitting quotes;
4. The method for submitting quotes.

Quote Submission: Vendors must submit their quotes to the City Department by the deadline. Quotes may be requested and obtained either verbally or in writing, in the response type requested (e.g. e- mail), and include all the information requested in the request for quotations.

Evaluation: The City Department will evaluate all quotes based on the evaluation criteria. The evaluation will focus on the following factors:

1. The completeness and accuracy of the quotes;
2. The responsiveness of the quotes;
3. The vendor's experience and expertise;
4. The vendor's price;
5. Information obtained by a product demonstration that best meets the needs of the City.

Quote Award and Contract Formation: The City Department will Award the contract to the vendor that submits the most responsive and competitive quote.

Clarification and Negotiation: The City Department may seek vendor clarification regarding any aspect of their quotes. If only a single quote is received, the City Department may negotiate terms, conditions, and pricing with vendor.

Quote Rejection: The City Department may reject any quote for reasons including but not limited to non-compliance with the request for quotation requirements, incomplete or conditional quotes, unsatisfactory past performance by a vendor, or the cancelation of the request for quotations.

5.3 INVITATIONS FOR BID (IFB)

An Invitation for Bid (IFB) is a formal method used to solicit vendor bids to procure standardized commodities, work, or services. The IFB process is typically used when the procurement is for commodities, work, or services that are:

1. Range from simple to complex;
2. Well-defined and understood;
3. Not subject to many variations;
4. Price-sensitive.

The IFB process is also used when the City wants to ensure the procurement is conducted fairly and transparently.

In general, the IFB process is as follows:

IFB Development: The City Department and Finance Department will work together to develop the IFB documents. The IFB documents include the following information:

1. A description of the commodities, work, or services being procured;
2. The technical requirements for the commodities, work, or services (including Scope of Work and Plans, if required);
3. Add-Alternates (Alternative Bid) if allowed or requested;
4. The evaluation criteria that will be used to select the vendor;
5. Qualification information;
6. The deadline for submitting bids;
7. The method for submitting bids.

Public Notice and Distribution: The City Clerk publishes a public notice in accordance with Chapter 6 of this policy.

Pre-Bid or Site Visit Meeting: The City Department may hold a pre-bid or site visit meeting to allow potential bidders to ask questions and get clarification on the IFB documents that will be

issued in the form of a written Addendum. The pre-bid meeting may be mandatory, non-mandatory, and held in person or virtually, or any combination thereof.

Addenda and Communication: The City Department and/or their Engineer/Consultant through the City Clerk office will issue an addendum/addenda to address any necessary changes, corrections, or clarifications to the IFB documents. Only the Finance Department or City Clerk will communicate with vendors.

Recordkeeping and Documentation: The City will maintain accurate records of the IFB creation process, including:

1. The IFB documents
2. All approvals of the IFB
3. All stakeholder feedback on the IFB
4. All addenda to the IFB
5. Any other relevant documentation

This documentation will be maintained to help ensure transparency and facilitate any required auditing or review processes.

Bid Submission: Interested bidders must submit bids in accordance with the IFB requirements. Typically, the IFB will require a bid bond, pricing information, compliance with specifications, delivery schedules, warranties, and other relevant details. Bidders must submit their bids in the method required by the IFB before or by the deadline.

Bid Opening: The City opens the sealed bids in a public meeting (this may take place in a virtual setting). The bids are recorded, and the apparent lowest responsive and responsible bidder (Apparent Low Bidder) is identified. An engineer's estimate of probable construction cost may also be read aloud during the bid opening or may be withheld at the City's sole discretion.

Bid Tabulation: The City will compile all bids received and include them in a tabulation that can be used for comparison, analysis, and record keeping.

Bid Evaluation: The City Department evaluates the bids based on the criteria stated in the IFB. The evaluation criteria may include qualification criteria, price, compliance with specifications, experience, past performance, quality, and other relevant considerations, including pre-qualification, if required.

Award: With approval from the City Council the City Department Awards the contract to the Lowest Responsive and Responsible (qualified) Bidder.

Negotiation: Should only a single bidder submit a response to an IFB, the City may openly negotiate with the bidder as necessary.

Contract Execution: The City contracts with the successful bidder. The contract includes the terms, conditions, deliverables, timelines, and other relevant aspects of the purchase.

The IFB documents must be clear, concise, easy to understand and must be complete and accurate and comply with all applicable laws and regulations. The IFB document should include the following information at a minimum:

1. A project definition and planning section that clearly defines the project's scope, objectives, and requirements;
2. An IFB document structure and content section that describes the format and content of the IFB document;
3. A legal and policy compliance section ensures that the IFB document complies with all applicable laws and regulations;
4. A vendor communication section that describes how vendors can communicate with the Finance Department or City Clerk during the bidding process;

5.4 REQUESTS FOR PROPOSALS (RFP)

A Request for Proposal (RFP) is a formal method used to solicit proposals from vendors for the procurement of commodities, work, or services that are complex, customized, innovative, or require a long-term relationship with the vendor. The RFP process is typically used when the City wants to ensure that the best possible vendor is selected for the project.

In general, the RFP process is as follows:

Initiate the RFP: The City Department will initiate the RFP process. The City Department will identify the Project Manager and the relevant stakeholders, and the Finance Department will collaborate to gather the information necessary for the RFP.

Understand the Project Requirements: After initiation, the first step in the RFP process is to understand the requirements. This includes understanding the scope of work, the deliverables, the timeline, and the budget.

Determine the RFP Structure: Once the project requirements are understood, the Finance Department will determine the structure and format of the documents. The RFP should be clear, concise, comprehensive, and written in plain language that is easy to understand. The RFP should also be consistent with the City's procurement policies and procedures.

Define Evaluation Criteria: The next step is to define the evaluation criteria used to assess proposals. The evaluation criteria should be clear, concise, measurable, and weighted to reflect each factor's importance.

Draft the RFP Document: The Project Manager and the City Department and/or their Engineer/Consultant will draft the RFP document. The RFP document should include the

following sections:

1. **Introduction:** This section overviews the project and the RFP process.
2. **Project Overview:** This section provides a detailed project description, including the scope of work, deliverables, and timeline.
3. **Administrative Information:** This section includes information about the RFP process, such as the deadline for submitting proposals, the deadline for questions to be asked and addendum issuance, the method for submitting proposals, and the contact information for the Finance Department and City Clerk.
4. **Evaluation Criteria:** This section describes the criteria used to evaluate proposals, such as technical expertise, experience, qualifications, familiarity with the local community, price, and compliance and weighted to reflect each factor's importance.
5. **Contract Terms:** This section outlines the terms and conditions of the contract, such as the price, the delivery schedule, and the warranty.
6. **Submission Requirements:** This section describes the requirements for submitting proposals, such as the format of the proposal and the information that must be included.
7. **Other Relevant, Project-Specific Conditions, Terms, and Requirements:** This section may include additional information specific to the project, such as security requirements or environmental regulations.
8. **Add-Alternates (Alternative Bid)** if allowed or requested;

Stakeholder Input and Review: The City Department and/or their Engineer/Consultant will seek input and feedback from relevant stakeholders, other City Departments, or subject matter experts. They will incorporate their insights to ensure the RFP document accurately reflects the project's needs and requirements.

Publish and Advertise the RFP: The City Clerk publishes a public notice in accordance with Chapter 6 of this policy.

Address Vendor Inquiries: The City will establish a mechanism for promptly addressing inquiries, providing clarifications, responding to all vendor inquiries reasonably and consistently, and ensuring equal access to information.

Addenda and Communication: The City will issue an addendum/addenda to address any necessary changes, corrections, or clarifications to the RFP documents. Only the Finance Department or City Clerk will communicate with vendors.

Recordkeeping and Documentation: The City will maintain accurate records of the RFP creation process, including:

1. The RFP documents
2. All approvals of the RFP

3. All stakeholder feedback on the RFP
4. All addenda to the RFP
5. Any other relevant documentation

This documentation will be maintained to help ensure transparency and facilitate any required auditing or review processes.

Evaluation and Vendor Selection: The City Department and/or their Engineer/Consultant will evaluate the proposals received in response to the RFP and select a vendor that meets the project's requirements and is the best value for the City. The evaluation criteria will be based on the factors outlined in the RFP, such as technical expertise, experience, qualifications, familiarity with the local community, price, schedule, warranties and compliance.

The City Department and/or their Engineer/Consultant will use a scoring system to evaluate the proposals. This will be used to determine which vendor(s) move forward into the next phase(s) of the process, or to determine the winning vendor.

Shortlisting of Firms: The City Department will shortlist firms whose RFPs best align with the City's needs to determine which firms may be eligible to participate in an upcoming solicitation, or to determine which firms may move onto interviews, further evaluation, and potential Award, as deemed in the best interest of the City. The shortlisting process will be based on the criteria provided in the RFP request.

Contract Negotiation and Execution: The City will initiate contract negotiations with the selected vendor to finalize the terms, conditions, and deliverables. The City and the vendor will sign the contract, which will be by applicable laws, rules, and regulations. The City will draft the contract, and the City Attorney will review the contract and provide any necessary legal advice.

RFP Selection by Committee

The City may use a committee to select vendors for RFPs. If used, the committee will be comprised of City employees from various departments with expertise relevant to the goods and services being procured, potential stakeholders (if applicable), other government/quasi-government employees with relevant expertise, and Finance Department staff.

The committee will use a scoring rubric to evaluate proposals. The rubric will be developed by the City and described in the RFP. The rubric may include cost, quality of goods or services, vendor qualifications, familiarity with the local community, and other pertinent factors.

Each committee member will independently review and score each proposal using the scoring rubric. This process is intended to ensure various perspectives and limit the potential for bias.

After the independent review, the committee will meet to discuss the scoring. During those discussions, committee members may explain their scoring, ask questions regarding others' understanding and consideration of the proposal.

If the committee finds significant differences in scores for a given proposal, the committee members will discuss the differences to ensure an understanding of the merits, or lack thereof, for each proposal.

After all the scores are finalized, the City Department will calculate the average score for each proposal and rank each from highest to lowest. The proposal(s) with the highest ranking(s) will be selected as the vendor(s) to move forward into the next phase(s) of the process, or to determine the winning vendor.

If requested, the City Department will communicate the scoring results to the proposers for their own proposals. A vendor may request feedback on its proposal upon written request. The City Department may provide input or decline to do so; any feedback provided will be based on the process for that solicitation and the records of that process.

By communicating about the City's selection process, it is anticipated that vendors will improve the quality and responsiveness of proposals and, in turn, continue to foster fairness and accountability by the City to ensure the best outcome for the City and its citizens.

5.5 REQUESTS FOR QUALIFICATIONS (RFQ)

A Request for Qualifications (RFQ), sometimes referred to as Statements of Qualifications, is a formal process by which the City may evaluate the qualifications of various firms interested in providing services. An RFQ allows a firm to present its capabilities, skills, and experience related to specific services the City needs, and to gauge potential competition in the marketplace, prior to issuing a contract. Typically, fees and costs associated with the work are not requested or provided by the vendor.

In general, the RFQ process is as follows:

Initiation of RFQ: When specialized services are needed, the department and the City Department and/or their Engineer/Consultant will prepare an RFQ that clearly defines the Scope of Services, the desired qualifications, familiarity with the local community, and other relevant information.

Publish and Advertise the RFQ: The City Clerk publishes a public notice in accordance with Chapter 6 of this policy.

Distribution of RFQ Request: The City will distribute the RFQ request to firms that are or may be interested in responding to the RFQ. The request will be posted on the City's website, advertised in the local newspaper, and on procurement portals as determined by the City at its sole discretion.

Address Vendor Inquiries: The City will establish a mechanism for promptly addressing inquiries, providing clarifications, responding to all vendor inquiries reasonably and consistently, and ensuring equal access to information.

Addenda and Communication: The City will issue an addendum/addenda to address any

necessary changes, corrections, or clarifications to the RFQ documents. Only the Finance Department or City Clerk will communicate with vendors.

Recordkeeping and Documentation: The City will maintain accurate records of the RFQ creation process, including:

1. The RFQ documents
2. All approvals of the RFQ
3. All stakeholder feedback on the RFQ
4. All addenda to the RFQ
5. Any other relevant documentation

This documentation will be maintained to help ensure transparency and facilitate any required auditing or review processes.

Receipt of RFQs: Responses to RFQs must be timely and, in the format, stated in the solicitation.

Review of RFQs: The City Department and/or their Engineer/Consultant and the Project Manager will review all responses to RFQs for compliance with the request, giving particular attention to the firm's history, qualifications of key personnel, past projects, references, and unique capabilities of the firm.

Shortlisting of Firms: The City Department will shortlist firms whose RFQs best align with the City's needs to determine which firms may be eligible to participate in an upcoming solicitation, or to determine which firms may move onto interviews, further evaluation, and potential Award, as deemed in the best interest of the City. The shortlisting process will be based on the criteria provided in the RFQ request.

Follow-Up Interviews or Presentations: The City Department and/or their Engineer/Consultant may invite shortlisted firms for interviews, presentations, and further evaluation.

Final Selection and Notification: The selection of a firm will be after careful analysis of the RFQ response(s), interviews/presentations, and the firm's ability to meet the City's needs. The City Department will notify the selected firm and initiate contract negotiations.

5.6 WAIVER OF MINOR IRREGULARITIES

Minor irregularities are mistakes or omissions that do not affect the price, quality, quantity, or delivery schedule of the procured goods or services. Minor irregularities may include, but are not limited to:

1. Clerical errors;
2. Omissions of non-essential information;

3. Slight deviations from the formal solicitation instructions that do not affect the procurement processes completeness, competitiveness, and fairness.

The City reserves the right to waive minor irregularities in submitted proposals, bids, or contract documents, if the irregularities do not confer a competitive advantage, constitute non-compliance with fundamental terms, or irreparably compromise the integrity of the procurement process.

The Finance Department, in consultation with the City Department and City Attorney's office, has sole discretion to waive minor irregularities and will consider them on a case-by-case basis. All decisions regarding the waiver of minor irregularities will be documented and maintained as part of the procurement record.

5.7 APPEALS

If a vendor believes his/her/its proposal or bid was unfairly disqualified due to a minor irregularity, he/she/it may appeal the decision to the Finance Department. The City Attorney will review the decision and make a final determination.

If the vendor is still not satisfied with the decision of the Finance Department, he/she/it may appeal the decision to the City Manager. The City Manager will review the decision, make a final determination, and issue a written finding.

5.8 PURCHASE ORDERS

A purchase order is a document that states the terms and conditions of a proposed transaction and creates a contractual relationship between a vendor and the City. It describes the quantity and quality of the required goods and includes other information such as shipping terms, delivery dates and location, and prices quoted in the solicitation response. The purchase order shall encumber the applicable appropriations account.

When to Use a Purchase Order

Purchase orders are required for all invoiced purchases of commodities, materials or supplies and services with an expected expenditure of City funds of \$10,000 or more unless previously approved or otherwise requested by the Finance Director.

Process

Finance Department personnel shall complete all purchase orders in the City's Financial System. The requesting City Department shall send a copy to the Vendor.

Subsequent Changes or Cancellations

Whenever a change of any kind on a purchase order is required, the originating department shall forward a Purchase Order Change Request that provides the information to be changed and a justification for Purchase Order Change. Requests shall be directed to the Finance

Department via e-mail or through the City's Financial System.

User Approval

Purchase orders must be approved for payment in accordance with final approval authority requirements set forth in Chapters 2 and 3.

Receiving Procedure

When the material or service is delivered to the City Department, the authorized agent of the department, as assigned by the Department Director, shall inventory and inspect the delivery to ensure the material(s) and/or service(s) are as listed on the shipping document and are in acceptable condition. If all materials are received in acceptable condition, the receiving City Department shall submit the invoice for processing the invoice for payment.

Partial payments shall be processed based on items actually received. Down payment and prepayment is acceptable on a case-by-case basis as approved by the Finance Director. If materials and/or services received are damaged or defective, they should not be used. If possible, notation should be made upon the receipt in the presence of the delivery agent. Department personnel shall notify Department Director and the Finance Department immediately when damaged or defective commodities are received.

Purchase Order Exemptions or Exceptions

- Colleges, universities, higher education, school districts
- Annual software renewals
- Title companies and real estate firms
- Utilities
- Other government and quasi-government agreements
- Loan and debt payments

CHAPTER 6: PUBLIC NOTICE FOR FORMAL SOLICITATIONS

A Public Notice for a formal solicitation is an official announcement or advertisement published by the City to inform the public of the City's intent to solicit the purchase of goods and services.

Public Notices are intended to attract potential vendors. They are posted on the City's website, advertised in the local newspaper, and on procurement portals as determined by the City at its sole discretion. The public notice shall be advertised a minimum of three times and beginning no later than ten days prior to the published solicitation opening date.

Key Components of Public Notice

1. The solicitation title and number, and/or clear and concise description of the goods and services.
2. Instructions for obtaining greater detail about the solicitation.
3. The date, time, and location of a pre-bid meeting, if applicable.
4. A deadline for interested parties to ask questions and a deadline for an addendum to be issued.
5. The date, time, and location for submitting a response to the solicitation.
6. Contact information for questions or clarifications about the solicitation.

The primary purpose of the Public Notice is to provide potential vendors with a reasonable opportunity to know of, and respond to, the solicitation, promote competition, and obtain the best value for the City.

CHAPTER 7: DISTRIBUTION AND SUBMISSION OF FORMAL SOLICITATIONS

The City uses an online platform (currently BidNet Direct) to distribute and collect formal solicitations. The online platform(s) the City uses are subject to change. The City reserves the right to use any other platform or means to provide a Public Notice of solicitation.

Methods

1. The City generally distributes formal solicitations via BidNet and posted on the City website. Vendors' registration and agreement to the BidNet terms of service are required to access City solicitations posted there.
2. Each posting on BidNet contains the full solicitation document, including specifications, terms and conditions, submission instructions, and other pertinent information.
3. The City will post solicitations to BidNet concurrently with the release of the Public Notice.
4. The City will post any necessary post-distribution changes or clarifications as an addendum/addenda or other modification(s) to a solicitation on BidNet.

Submission of Formal Solicitations

1. Vendors have the option to submit responses to solicitations via email, mail, hand delivery or using BidNet. BidNet provides an efficient, digital, and time-stamped process for the vendor and the City.
2. Bid submissions must include all documents required by the solicitation and comply with the solicitation's terms and conditions.
3. Vendors must timely submit solicitations as specified in the Public Notice and solicitation documents. BidNet automatically enforces deadlines and will not accept late submissions.
4. Vendors may amend submissions before the deadline by withdrawing and resubmitting a bid(s). Post-deadline modifications will not be accepted.
5. BidNet maintains a digital time stamp for all submissions. The BidNet records provide the vendor and the City with a verifiable record in case of a question/dispute about a submission.

CHAPTER 8: SOLE SOURCE PROCUREMENT

A sole source procurement is when the City purchases commodities, work, or services from a single vendor without conducting a competitive solicitation. This is intended to be used in rare circumstances and is only allowed when the City can justify that no other vendor can meet its needs.

Sole Source Approval Criteria

The City may approve a sole source procurement if it meets one or more of the following criteria:

1. **Uniqueness**: Is unique and unavailable from any other source due to proprietary rights, patents, copyrights, secret processes, or monopoly control.
2. **Compatibility**: There is a need for compatibility with existing equipment, technologies, or processes, and only a specific product or service can satisfy that need.
3. **Urgency**: Delay would lead to serious injury, death, or significant financial loss.
4. **Expertise**: The vendor has unique experience, expertise, or capabilities unavailable elsewhere.
5. **Standardization**: There is a need to standardize specific equipment or supplies to reduce training, inventory, or maintenance costs, and only one vendor can meet this need.
6. Written demonstration and justification is available which reasonably and practicably establishes that the selection of a sole source vendor is in the best interest of the City.

Sole Source Procurement Process

The City Department must submit a written request for sole source procurement. The request must include:

1. A detailed scope of work or specifications for the commodities, work, or non-professional services being procured.
2. A narrative explanation of why no other vendor can meet the City's needs.
3. The department's budget for procurement.

The Finance Department will review the request and determine whether it meets the criteria for sole source procurement. If it does, the City Department will seek approval from the City Manager or City Council. If approved the City will negotiate a contract with the selected vendor.

Contract Issuance

After the sole source contract is negotiated, it will be reviewed and approved by the City Attorney's Office and/or appropriate approvers based upon the contract amount.

CHAPTER 9: PROCUREMENT OF PROFESSIONAL, TECHNICAL, AND EXPERT SERVICES

Purpose

The City often requires the expertise and services of private contractors, land or housing developers or consultants for complex studies or projects, procedure development, audits, staff training, facility design, and specialized products. This section outlines the policy and procedures for acquiring professional, technical, and expert services. This section pertains to use of the non-competitive selection process, if it is determined to be in the City's best interest. If this method is utilized, the department must work with the Finance Department to process the request. If the utilization of this method is denied, then the process will follow the procurement method best suited as outlined in Chapter 5 of this policy.

Authority

- (a) **Under \$25,000:** For services costing less than \$25,000, and with approval by the City Manager, any department may procure land developers, licensed professionals or independent consultants without competition. Department Directors are responsible for selection, considering qualifications, experience, references, and cost.
- (b) **\$25,000 and over:** Services at or exceeding \$25,000 may be procured without competition with City Council approval. Department Directors must provide City Council with written justification and recommendation.
- (c) **Legal counsel contracts:** Legal counsel contracts require City Attorney approval or their designated representative.

Please note that this policy aims to maintain transparency and efficiency in the procurement process for professional services. It aligns with best practices and ensures that the City follows a standardized approach for service acquisition.

CHAPTER 10: PROCUREMENT INVOLVING FEDERAL GRANTS

This policy sets the guidelines for procurements funded by federal grants by the Uniform Guidance for Federal Awards. The policy applies to all procurements connected with federal grants or Awards, including direct and pass-through grants or Awards managed by the State of Colorado. Where applicable other requirements as dictated by the granting agency shall be adhered to. These requirements include, but are not limited to, Disadvantaged Business Enterprises, Davis-Bacon Wages, On The Job Training, Build American Buy America, etc.

In all cases Title VI of the Civil Rights Act of 1964 makes it federal law that prohibits discrimination based on race, color, or national origin.

Policy Guidelines

1. **Competition**: The City will ensure fair and open competition for all procurement operations unless a sole source is requested and approved. This means that the City will not impose unnecessary qualifications or excessive bonding requirements and will not permit uncompetitive pricing practices or conflicts of interest. Departments may only specify Brand Name products if alternatives are allowed.
2. **Policy Documentation**: The City will document its procurement policies and processes. This includes describing the requirements of the commodities, work, or services to be procured precisely, listing all conditions bidders must meet, and specifying the factors used to evaluate bids.
3. **Reasonable and Necessary Costs**: The City will reasonably confirm that all costs incurred in procurement operations are appropriate and necessary. City departments should refrain from purchasing duplicative or unnecessary items and consolidate or separate procurements when necessary.
4. **Record Maintenance**: The City will keep records of each procurement. This includes documenting the rationale for the procurement method, contract type, contractor selection or rejection, and the contract price justification.
5. **Conflict of Interest**: City officials, employees, and agents should avoid any actual or perceived conflict of interest while participating in the selection, Award, or administration of contracts funded by federal funds. Accepting gratuities, favors, or anything of monetary value from contractors or subcontractors is prohibited.
6. **Contract Administration**: The City will require that contractors abide by the terms, conditions, and specifications of their contracts/purchase orders.
7. **Procurement Methods**: The City will adopt one of these methods: small purchases, formal solicitations, or sole source.

8. **Contractor Selection:** The City will proactively solicit minority businesses, women's businesses, and labor surplus area firms as required by the grant.
9. **Contract Clauses:** The City will incorporate all pertinent provisions listed in Appendix II to Part 200—Contract Provisions for Non-Federal Entity Contracts Under Federal Awards in all contracts.
10. **Suspension and Debarment:** The City will determine that neither the entity nor the principals it plans to transact with is excluded or disqualified from Federal projects or receipt of Federal funds.
11. **Cost and Price Analysis:** The City will perform a cost or price analysis for every procurement operation that meets the formal solicitation threshold.
12. **Bonding Requirements:** For contracts or subcontracts related to construction or facility improvement requiring a solicitation, the City will follow specific minimum bonding requirements unless the federal awarding agency or pass-through entity has accepted the City's bonding policy and requirements and determined that the federal interest is adequately safeguarded.

CHAPTER 11: CONTRACT FORMS

When the City purchases commodities, work, or services that exceed the formal solicitation threshold, the contract will be governed by the terms and conditions provided by or approved by the City Attorney's Office. Any alterations or additions to the approved contract form must be approved by the City Attorney.

The City Attorney's Office will establish the binding contract terms and conditions to comply with applicable law and to promote the City's best interests. The City Attorney's Office will also establish the Finance Department's authority to modify or waive specific contract terms.

Bid Security

Bid security (a bid bond) guarantees that a bidder will not withdraw its bid. Bid security is typically required for purchases that exceed the formal solicitation threshold in accordance with Table 1.

The Finance Department may or may not require bid security for any solicitation at its discretion, not exceeding 5% of the bid response value. A bidder must include the required bid security in the solicitation to ensure the City may not dismiss a bid as non-responsive for non-compliance.

Bids are binding for the duration specified in the solicitation once opened or a minimum of 60 days following the bid opening date. A bidder may retract its bid only before the deadline for submissions.

Acceptable forms of bid security include:

1. A one-time bid bond issued by a company licensed to issue bonds in Colorado.
2. A bank cashier's check payable to the City of Craig for 5% of the bid response.
3. A bank-certified check payable to the City of Craig for 5% of the bid response.
4. An irrevocable letter of credit in a format acceptable to the City.

Bonds for Construction Contracts

The City may require separate performance, labor and materials, payment, and maintenance bonds for all construction, work, and public improvement contracts exceeding \$50,000. The bonds must be for 100% of the contract price.

Discretionary Bonds: Performance, payments, material, and maintenance bonds may also be required on contracts under \$50,000 if the Finance Department, in consultation with the City Attorney, deems the bonds to be in the City's best interest.

Delivery and Satisfaction: The contractor must deliver all required bonds to the Finance Department within ten days after receiving the Notice of Award or upon execution of the contract. Failure to do so may result in the contractor's bid or contract being rejected or terminated for default.

Bond Form: The bonds must be submitted in a format approved by the City.

Bond Waiver: The City may waive the requirement for performance, payments, material, and maintenance bonds and accept cash deposited into an escrow account with the City for a specified period if the terms of the surety alternative are acceptable to both contract parties. A cash deposit of 100% of the total contract value to insure against all costs associated with a performance breach may be a satisfactory condition of an alternate surety.

Additional Bonding: If a surety on the contractor's bond(s) becomes revoked during a contract, the City retains the right to require additional and sufficient sureties, which the contractor must furnish within ten calendar days after written notice, at the contractor's expense. The surety bond(s) will cover the entire contract amount, notwithstanding the total contract amount changes.

Insurance - General:

Certificates of insurance shall be completed by the Contractor's insurance agent as evidence that policies providing the required coverages, conditions, and minimum limits are in full force and effect, and shall be reviewed and approved by the City prior to commencement of services under the Contract. Each certificate shall identify the Contract and shall provide that the coverages afforded under the policies shall not be canceled, terminated or materially changed until at least 30 days prior written notice has been given to the City. Any statement on the certificates which describe this 30-day prior written notice as being less than obligatory shall be stricken by the insurance agent completing the certificates. The City reserves the right to request and receive a certified copy of any policy and any endorsement thereto.

Failure on the part of the Contractor to procure or maintain policies providing the required coverages, conditions, and minimum limits shall constitute a material breach of contract upon which the City may immediately terminate the Contract, or at its discretion City may procure or renew any such policy or any extended reporting period thereto and may pay any and all premiums in connection therewith, and all monies so paid by the City shall be repaid by Contractor to the City upon demand, or the City may offset the cost of the premiums against any monies due to Contractor from the City. The City reserves the right to request and receive a certified copy of any policy and any endorsement thereto.

The City shall be named as an Additional Insured on any insurance policy required by the Contract with a waiver of subrogation in favor of the City.

Insurance – Construction Contracts:

The Contractor shall maintain insurance coverage for the work that is subject to the Contract/Agreement including, but not limited to:

Commercial General Liability: \$1,000,000 per occurrence / \$2,000,000 aggregate

Workers' Compensation: Statutory per Colorado law

Automobile Liability: \$1,000,000 combined single limit

Insurance - Professional Services, Design, and Consulting Contracts:

The Contractor shall maintain insurance coverage for the work that is subject to the Contract/Agreement including, but not limited to:

Professional Liability: \$1,000,000 per occurrence / \$1,000,000 aggregate and keep coverage in force through the contract and 2–3 years after completion

Commercial General Liability: \$1,000,000 per occurrence / \$2,000,000 aggregate

Workers' Compensation: Statutory per Colorado law

Automobile Liability: \$1,000,000 combined single limit

CHAPTER 12: CONTRACT MODIFICATIONS AND CHANGE ORDERS

Any modification to an executed contract resulting in a price change must be processed through the Finance Department and include all necessary documentation and approvals. The Department Director is responsible for contract administration, ensuring fulfillment of performance standards, and managing change orders or amendments.

Authorization and Approval

1. The Department Director may approve non-formal and/or formal contract amendments or change orders to contracts that raise the price by **less than \$10,000** (pending Items 2 or 3 of this section).
2. The City Manager must approve non-formal and/or formal contract amendments or change orders that increase the cost of the contract over **\$25,000**.
3. Contract modifications and change orders that result in a new contract total that is less than the approved budget does not require approval by the City Council. Any contract modification or change order that results in a new contract total above the approved budget amount shall be reviewed and approved by City Council prior to execution.

CHAPTER 13: PROTEST OF A CONTRACT AWARD

If a Vendor believes that the City failed to adhere to the Policy in evaluating a solicitation, the vendor may protest an Award as follows:

Grounds for Protest

A vendor may protest an Award if:

1. The City has violated its own rules or procedures.
2. The City has violated City, state, or federal law.
3. The City has demonstrably acted arbitrarily or capriciously against the public interest.

Exclusions

The following are not grounds for protest:

1. The vendor disagrees with the terms and conditions of a solicitation or any clarification(s) or amendment(s) unless the vendor credibly alleges that the same violates Policy or applicable law.
2. The vendor's dissatisfaction with an Award decision unless the vendor credibly alleges that the Award violates the Policy or applicable law.

Time Limits for Protest

A vendor must make an Award Protest within five (5) business days following the announcement of an Award. The City will not consider an Award Protest that is not timely filed.

Protest Submission

1. An Award Protest must be submitted in writing and be mailed, e-mailed, or hand-delivered to the City's Finance Department.
2. The Award Protest must include the name, address, and contact information of the protesting vendor, the title and reference number of the solicitation, and a detailed statement of the grounds for the protest.
3. All factual and legal documentation must be sufficiently detailed to establish the allegations made in support of the protest.

The Finance Department may dismiss any protest that excludes required information.

Stay of Purchasing

Upon receipt of a protest before an Award, the City may postpone the Award until after the protest is resolved.

Protest Review

Upon receipt of a protest, the Finance Department will, in consultation with the City Attorney, review the protest to determine whether it is timely and includes all required information. If the protest is timely and facially sufficient, the Finance Department will conduct a further review.

Decision and Communication

1. The Finance Department will decide on the protest within fifteen (15) business days of receipt.
2. The Finance Department will communicate the decision, including the reasons, in writing to the protester.
3. The decision of the Finance Department is final and binding.

Remedies

If the Finance Department determines that a protest is valid, the City may take any of the following actions:

1. Revise the solicitation.
2. Re-evaluate proposals or bids.
3. Cancel the RFP or IFB.
4. Make another Award decision.

CHAPTER 14: MULTI-YEAR CONTRACTS AND RENEWALS

Multi-year contracts and renewals can be valuable for the City. Still, they must be carefully managed to deliver value and prevent cost overruns and must explicitly provide that any multi-year contract is subject to annual appropriation of funds as required by Article X, Section 20 of the Colorado Constitution. The following conditions should be met before a multi-year contract or renewal is awarded:

1. **Renegotiation clause:** The contract may include a renegotiation clause that allows either party to request a renegotiation of the contract if there are significant market shifts or changes in the involved parties' needs. This will help ensure that the contract remains fair and equitable for both parties.
2. **Periodic review:** The contract should be annually reviewed to ensure continued value to the City. This review should consider factors such as the current market conditions, and the City's annual budget/annual appropriations.
3. **Transparency:** All cost components in the contract must be precise. A potential warranted price increase should only apply to the base price and not include any add-on fees or charges. This will help ensure that the City knows all the costs associated with the contract.
4. **Renewal Options:** Annual commodity, work, and service contracts may be renewed by the Finance Department up to three additional contract periods, based on satisfactory performance of the contractor.

Unforeseen increases may be allowed on a case-by-case basis.

CHAPTER 15: COOPERATIVE AND PIGGYBACK PURCHASING

Cooperative purchasing is a strategic approach where two or more public entities collaborate to purchase commodities, work, or services with the intent of contracting with the same vendor (although this may not always be the result). This can offer numerous benefits, including:

1. **Minimized administrative costs:** By pooling resources, public entities can save money on procurement-related expenses such as advertising, bid preparation, and contract administration.
2. **Prevention of duplicated efforts:** Cooperative purchasing can help to ensure that public entities are not duplicating their efforts by purchasing the same products or services from different vendors. This can save time and money.
3. **Access to competitive pricing:** Cooperative purchasing can give public entities access to competitive pricing that they might not achieve independently. This is because Group Purchasing Organizations (GPOs) have the buying power to negotiate better deals with vendors.
4. **Shared expertise:** Cooperative purchasing can help public entities to share expertise and knowledge about procurement. This can lead to more efficient and effective procurement processes.
5. **Efficient use of resources:** Cooperative purchasing can help public entities to use their resources more efficiently. This is because GPOs can help to consolidate procurement requirements and negotiate better terms and conditions with vendors.

The City Department shall first consider local options for procuring its goods or services before pursuing a cooperative or piggyback purchase.

Participation in Cooperative and Piggyback Purchasing

The Finance Department has the authority to participate in, sponsor, or manage cooperative purchasing agreements with one or more public bodies. As described in this chapter, cooperative purchasing is exempt from this policy's competitive bidding and advertising requirements.

The Finance Department is also authorized to engage the Colorado Division of Purchasing, subdivisions of the state, other governmental entities, or other established cooperative purchasing groups (e.g. Sourcewell, NAPO, Buyboard, NPPgov, Omina Partners, Savik, etc.) for purchasing commodities, materials, or equipment, provided the engagement aligns with the City's best interests.

When the Finance Department identifies that another jurisdiction or cooperative has a competitive agreement for the same products or services that the City needs, the City may

purchase under such agreements (also known as "piggybacking").

Criteria for Selecting GPOs

The City will use GPOs that adhere to the following principles:

1. **Transparency**: All processes, decisions, and agreements should be open and transparent, allowing members to understand awards and the calculation of costs.
2. **Fair Competition**: GPOs allow vendors a fair and equal opportunity to compete for contracts, including providing transparent and non-discriminatory tender documentation and selection criteria.
3. **Accountability**: Consistent mechanisms for accountability, including regular audits and financial reports and transparent processes for dispute resolution, should be available.
4. **Ethical Conduct**: The GPO should have clear guidelines prohibiting conspiracy, corruption, or conflict of interest.
5. **Value for Money/Delivery Schedule**: The primary purpose of a cooperative purchasing consortium is to leverage collective buying power to achieve better value, however, delivery schedule may also be a determining factor for its use.
6. **Compliance with Laws and Regulations**: The GPO should comply with all relevant local, state, and federal laws and regulations, including purchasing, competition, and data protection.
7. **Membership Criteria and Rights**: The GPO should have clear criteria for membership and respect all members' rights, including participation in decision-making processes.
8. **Management and Governance**: The GPO should have effective management and governance structures, clear roles and responsibilities, and mechanisms for oversight and control.

Purchasing on Behalf of Other Governmental Entities

The Finance Department may assist in competitive solicitations for other governmental agencies; however, the responsibility to evaluate the responses and make decisions based on their established Award criteria lies with the requesting agency.

CHAPTER 16: FLEET

This Chapter implements a proactive, standardized approach to replacing City-owned vehicles and equipment, and assists in providing safe, reliable vehicles and equipment for City employees while minimizing lifecycle costs.

Replacement Criteria

The City uses an evidence-based approach to determine when fleet vehicles and equipment are due for replacement. The replacement decision considers the following factors:

1. Age;
2. Mileage;
3. Maintenance and repair costs;
4. Fuel efficiency;
5. Environmental impact;
6. Reliability;
7. Safety;
8. Lifecycle analysis.

The City conducts an in-depth lifecycle cost analysis for each vehicle and piece of equipment in the City's fleet. This analysis identifies the optimal replacement interval considering the following costs:

1. Acquisition cost;
2. Operating and maintenance costs;
3. Potential for unscheduled repairs;
4. Downtime implications;
5. Expected resale value.

The results of these analyses guide replacement planning and budgeting.

Budgeting and Funding

Each department will include estimated fleet replacement costs in its annual budget submissions, which the City's Finance Department reviews as part of the overall budget review.

Vehicle and Equipment Standards

To ensure operational consistency, manage maintenance costs, and uphold high safety standards, the City establishes and maintains vehicle and equipment standards. These standards specify vehicle types and necessary features or equipment for specific functions and roles. The standards also guide the selection of replacement vehicles and equipment.

Purchasing Process

All purchasing activities related to replacing vehicles and equipment must comply with the City's procurement policy. The Finance Department, and the requesting department will collaboratively evaluate and select vendors through a competitive bidding process, by leasing, or by utilizing a Group Purchasing Organization (GPO).

Leasing

All leases must be approved by the Finance Department and City Manager. Lease agreements shall be reviewed by the Finance Department and, if required, by legal counsel prior to execution. Vehicle leasing will be considered only when it is more cost-effective or operationally practical than purchasing or other alternatives. Written justification, including cost comparison and operational need, must accompany any lease request. Lease terms shall not exceed 5-years without prior approval from the City Council. Only reputable vendors with demonstrated financial stability may be used. Departments are responsible for proper care, maintenance, and timely return of leased vehicles or equipment. Lease costs shall be budgeted and monitored by the Finance Department. Any early termination fees, excess mileage charges, or damages are the responsibility of the leasing department.

Alternative Fuel and Sustainable Vehicles

The City will include sustainability considerations in the lifecycle cost analysis and balance those considerations against other factors, such as reliability and suitability for the intended use.

Disposal

The City will dispose of decommissioned vehicles and equipment according to City and state regulations. The City will attempt to maximize resale or trade-in value and consider the environmental impact of disposal methods. The City Department will notify the Fleet Manager and the Finance Department of capital asset disposal.

CHAPTER 17: INFORMATION TECHNOLOGY

This policy applies to all hardware and software acquisitions, usage, and installations, irrespective of price. Information Technology (IT) encompasses computer, network, and data storage systems for creating, processing, storing, securing, and exchanging all electronic data forms. Due to unique requirements the city's water, wastewater and police departments may follow a different policy than outlined herein.

Purpose

The purpose of this policy is to ensure that all new technology, software, hardware, and other technological purchases or implementations are properly vetted and approved by the IT Department. This process will maintain consistency, security, compatibility, and compliance with organizational goals, thereby minimizing risks associated with unauthorized, incompatible, or insecure technology within the organization.

Responsibilities

1. The IT Department is responsible for managing IT systems, ensuring their efficient operation, and safeguarding the security of data and networks.
2. City-owned devices are only permitted to have software and hardware that the City has licensed and installed.
3. The IT Department authorizes all hardware and software items, significant upgrades or version changes to software, and items requiring technical support from City departments or infrastructure systems.

IT Security and Infrastructure

1. Maintaining IT security measures to safeguard sensitive data, protect infrastructure, and mitigate cybersecurity risks is essential.
2. IT security software and infrastructure necessitate discrete, specialized expertise and technical knowledge for effective implementation.
3. The rapidly evolving cybersecurity landscape requires the swift adoption of the latest technologies and security measures.
4. The timely purchasing of IT security solutions is crucial to maintaining the confidentiality and integrity of sensitive data and critical infrastructure.

Policy Statement

1. **Approval Requirement:** No new technology or technological purchases (including software, hardware, services, and subscriptions) may be acquired, implemented, or deployed within the organization without prior review and approval from the IT Department.

2. **Vetting Process:** All new technology will undergo a formal vetting process to assess factors such as compatibility, security, performance, compliance, cost, and potential impact on current infrastructure.
3. **Documentation:** All requests for new technology must be documented and submitted to the IT Department, including detailed descriptions of the intended technology, use cases, and expected outcomes.
4. **Evaluation Criteria:** The IT Department will evaluate technologies based on the following factors:
 - **Security:** Assessment of any potential security risks, vulnerabilities, and compatibility with the organization's existing security infrastructure.
 - **Compliance:** Confirmation that the technology meets any regulatory requirements and aligns with industry standards and best practices.
 - **Integration:** Assessment of the compatibility of the technology with the existing hardware, software, and systems in place.
 - **Cost/Benefit Analysis:** An evaluation of the cost of the technology relative to the benefits it is expected to provide.
 - **Scalability and Support:** Consideration of whether the technology can scale with the organization's needs and if sufficient vendor support is available.
 - **User Experience:** Ensuring that the technology is user-friendly, improves efficiency, and supports organizational goals.

Technology Procurement Process

1. **Initial Request:**

Any department, team, or individual wishing to procure new technology must submit a formal request to the IT Department. The request should include:

- A description of the technology
- Use case(s) and intended benefits
- A cost estimate (if available)
- Any potential vendors or suppliers

2. **IT Department Review:**

The IT Department will review the submitted request and perform the following:

- Security and compliance assessment
- Compatibility check with existing systems
- Cost/benefit analysis
- Identify any potential risks or limitations
- If required, liaise with the requesting department for additional details.

3. **Approval/Disapproval:**

After evaluation, the IT Department will issue a decision:

- **Approval:** If the technology meets all evaluation criteria, it will be approved for purchase and implementation.
- **Conditional Approval:** If the technology requires further modifications or has certain limitations, the IT Department may approve it under specific conditions (e.g., additional security measures, system upgrades).
- **Disapproval:** If the technology does not meet organizational standards or presents significant risks, it will be denied.

4. **Procurement & Implementation:**

Upon approval, the requesting department can proceed with procurement. The IT Department will support the installation, configuration, and integration of the technology, ensuring that it is deployed in alignment with organizational standards.

5. **Post-Implementation Review:**

After deployment, the IT Department will perform a post-implementation review to evaluate the technology's effectiveness, address any emerging issues, and ensure it is functioning as expected.

Exceptions

- In cases of urgent technology requirements (e.g., business continuity, critical security patches), exceptions may be made, but approval from the IT Department must be obtained prior to purchase or implementation.
- Any exceptions must be documented and reviewed by the IT Department to ensure proper risk mitigation.

Responsibilities

- **IT Department:** Responsible for evaluating, approving, and supporting the deployment of new technologies. They will ensure that all technology acquisitions align with organizational standards, security protocols, and compliance regulations.
- **All Departments/Employees:** Responsible for submitting requests for new technology and complying with this policy. Employees must not acquire or implement any technology without obtaining IT Department approval.

Enforcement

Failure to comply with this policy may result in the denial of reimbursement for unauthorized technology purchases or implementations. Continued non-compliance may result in disciplinary actions in accordance with the organization's guidelines.

By implementing this policy, the organization ensures that all new technology is carefully

reviewed to mitigate risks, support organizational goals, and maintain a secure, efficient IT infrastructure.

GASB 96 Reporting

The IT Department (and the Finance Department if needed) will send documentation related to subscription-based information technology arrangements (SBITAs) to the Finance Department to comply with the requirements of GASB 96, Accounting and Financial Reporting for Special Purpose Governments. GASB 96 requires governments to disclose certain information about their procurement activities, including:

1. The total expenditure for goods and services acquired during the reporting period.
2. The types of goods and services acquired.
3. The methods used to procure goods and services.
4. The amounts paid to each vendor.

CHAPTER 18: DISPOSAL OF CITY PROPERTY

This chapter establishes the process for the disposal of City-owned commodities and equipment, excluding property seized or acquired by the Police Department.

Authority

1. The IT Department can designate computers and computer-related equipment as surplus.
2. The Department Directors can label other property as surplus.
3. The Finance Department has the authority to determine the disposition of surplus property.

Methods of Disposal

In cases where the City cannot sell surplus property to a third party for value, the following methods of disposal may be used in order of priority:

1. Transfer to other City departments: Departments should offer surplus City property they no longer need to other City departments. Departments may either transfer surplus property directly to other City departments or send the items to the Finance Department for distribution to other departments as needed.
2. Exchange or trade-in: When purchasing new commodities, it is possible to exchange or trade in existing items, partially or entirely, as a form of payment.
3. Donation: A City Department may donate surplus property to another governmental or non-profit agency.
4. Transfer to local non-profit: A City Department may transfer surplus property to a non-profit entity serving local needs. Entities include any quasi-government or other non-profit agencies applying for City assistance.
5. Public auction: The City may sell any surplus property through a public auction. All surplus shall be subject to taxation.
6. If after the above methods, surplus property still remains, the City may dispose of remaining surplus property at its discretion.

Prohibited Dispositions

City employees and their immediate family members are prohibited from purchasing surplus property unless such purchases occur at a public auction.

Disposal of Assets Funded by Grants

Any supplies, commodities, or infrastructure that was acquired through grant funding shall be

disposed of in accordance with the granting agency requirements.

CHAPTER 19: SELF-PERFORMANCE OF CONSTRUCTION OF PUBLIC IMPROVEMENT WORKS

This Chapter establishes and describes the City's self-performance policy for the construction of public improvement works. The policy provides a means for the City to obtain cost-effective and high-quality construction of certain projects.

To maintain transparency, fairness, and accuracy under this policy, the City:

1. Will annually, with and through the budget adoption, identify and recommend to the City Council opportunities for the City to self-perform certain construction projects;
2. With the adoption of the annual budget that identifies self-performance projects the City Council will be deemed to have conditionally approved self-performance and the City staff may plan for that work to be self-performed; however,

Self-Performance of Construction of Public Improvement Works will be a recognized exception to a competitive solicitation process. The City Council will confirm City self- performance of those project(s) identified in the approved annual budget, or such project(s) that may sometimes arise from time to time that are not identified in the budget, when the City Council reasonably finds that the estimated cost of materials and supplies to perform the project(s) identified and recommended to the City Council as an opportunity for the City to self-perform are reasonable at the time the project is to be constructed and that the following criteria are met:

1. The City forces have a thorough understanding of the task(s) to be completed; and,
2. The City forces have trade-specific experience which will result in an accurate, efficient, dependable schedule(s) and performance of the work; and,
3. That the City forces follow and enforce safety standards, and that their work will perform the work safely and support the City's safety policies and practices; and,
4. The City has adequate labor, they have investigated the material options and determined availability and proper cost of materials and supplies and have considered the market relating to both, and that the City forces have recommended products and means and method of construction that will provide the best value to the City for each project.

The City recognizes and agrees that self-performing is not right for every project; however, with the identification of opportunities for self-performance of certain projects in the annual budget or such project(s) that may sometimes arise from time to time that are not identified in the budget, and confirmation of self-performance prior to commencement of the project(s) as provided in this policy, the City is afforded the opportunity for added value and efficiency by

self-performance of certain project(s).

Self-performance by the City of some projects creates knowledge and experience among the City staff and improves the ability of the Staff to assess contractor's work for those projects that are competitively bid. With that knowledge the City staff is better equipped to hold contractors accountable in terms of staffing, scheduling, estimating, and quality and maximizes the stewardship of public money.

CHAPTER 20: EMERGENCY PURCHASES

Emergency purchases are made to protect the public health of citizens or when immediate repair is necessary to prevent further damage to public property, machinery or equipment. In addition, an emergency purchase is when the functioning and operation of a City Department would be seriously hampered or delayed through use of the normal purchasing process.

Authority

In case of an emergency affecting the public peace, health or safety, the City Manager may waive all provisions for competitive bidding. In such instances, the City Manager may direct the appropriate Department Director or Finance Department to procure such emergency needs by informal open market procedure, as expeditiously as possible, at no more than commercial prices. When an emergency purchase expenditure exceeds \$25,000, a full report of the circumstances necessitating the emergency action shall be presented at the next City Council meeting.

Emergency Purchase Procedures

The following are the criteria for determining whether to use emergency purchase procedures:

1. An equipment breakdown or act of God threatens to terminate essential services; or
2. A piece of equipment requires immediate repair to prevent further damage to public property, machinery or equipment; or
3. A dangerous condition or immediate need for supplies, equipment or services threatens public safety, health or welfare.

The following are procedures to be followed for emergency purchase situations:

1. In the event of an actual emergency during nonworking hours, the Department Director or designee may purchase directly any supplies whose immediate procurement is essential to protect the life, health or safety of the public. When expenditure exceeds \$25,000, the Department Director or designee shall submit, by close of business the next work day, a requisition with a copy of the delivery document and a written report explaining the circumstances of the emergency to the Finance Department.
2. During normal City business hours, the Department shall notify the Finance Department of the emergency situation and request verbal approval to proceed with the emergency purchase. The Department shall provide the following:
 - a. The nature of the emergency;
 - b. The estimated cost of the services/goods required; and
 - c. The vendor recommended to receive the order.

CHAPTER 21: RECURRING PURCHASES

The purpose of this policy is to provide a standardized, efficient, and transparent process for procuring goods and services that are required on a repeated and predictable basis. This includes, but is not limited to, subscriptions, maintenance agreements, leases, utilities, and routine supplies. The policy is designed to reduce administrative overhead, control spending, and ensure that the organization obtains the best overall value from its long-standing vendor relationships. Typically, a Blanket Order or Blanket Purchase Contract/Agreement will be utilized for recurring purchases.

Recurring Purchase Procedures

The following are procedures to be followed for recurring purchase situations:

1. **Request for Recurring Purchase:** All requests for recurring purchases must be submitted to the Finance Department and Finance Department. The requestor must provide clear business justification, an estimate of the total annual cost, and the desired frequency and term for the purchase.
2. **Budget Alignment:** The request must be accompanied by evidence of Appropriated Funds. The Finance Department will determine if the amount of Appropriated Funds is sufficient for the recurring purchase to occur.
3. **Review and Approval:** The Finance Department will review all requests for recurring purchases. Approvals will follow the City's hierarchy of approvals established in this Policy.
4. **Regular Review:** All long-standing contracts and recurring purchases will be reviewed by the Finance Department and Finance Department on an annual basis. This review will assess vendor performance, expenditures compared with budget, and continued business need.
5. **Periodic Rebid:** While long-standing vendor relationships are valuable, the City will periodically re-bid contracts, typically to occur every 2-3 years. This ensure that the City continues to obtain the best value in the changing market.

DEFINITIONS

1. **Alternate Bid (Response):** A bid submitted with a significant variation to a primary provision, specification, term, or condition of the solicitation.
2. **Apparent Low Bidder:** The Apparent Low Bidder is the bidder that submits the lowest bid in response to an Invitation For Bid or Request For Proposal. The Apparent Low Bidder is the initial determination based on the bid price alone prior to determining whether the bid is responsive and responsible.
3. **Appropriated Funds:** A specific amount of public funds set aside by the City for a particular purpose.
4. **Award:** The final approval by the City of a bid or proposal from a bidder resulting in the issuance of a purchase order and/or contract.
5. **Award Protest:** A formal written objection lodged by an unsuccessful bidder regarding the entity's decision to award a contract.
6. **Bid:** A competitive proposal submitted by a vendor in response to an Invitation for Bids (IFB).
7. **Bid Bond:** A third party (the surety) provides a financial guarantee to ensure the bidder refrains from withdrawing their bid, and executes the contract.
8. **Bid Deposit:** A bidder's monetary guarantee ensures that the successful bidder refrains from withdrawing their bid, and will enter a contract.
9. **Bid Opening:** The formal process during which sealed bids are publicly unsealed and recorded.
10. **Bid Protest:** A formal complaint lodged against the procedures or decisions made by a procurement authority during the contract awarding process.
11. **Bidder:** A vendor who submits a bid in response to an Invitation for Bids (IFB) or another type of formal solicitation.
12. **Blanket Order:** An agreement to purchase goods or services from a specific vendor over a period, capped at a maximum total cost.
13. **Blanket Purchase Contract/Agreement.** A procurement method for fulfilling the anticipated recurring needs for supplies or services through the award of competitive line-item contracts or discounts from a supplier/manufacturer, or service provider, usually through competition. BPAs are used to reduce the administrative expenses resulting from small and/or recurring requirements.
14. **Brand Name:** A unique identifier specific to a particular seller or manufacturer used in specifications to describe a product.
15. **Brand Name (or Equivalent):** One or more manufacturer's brand names used in a specification to represent certain quality, performance, and other notable characteristics.

16. **Centralized Purchasing:** A consolidated approach to procurement where an organization's single Finance Department manages and conducts all formal procurement.
17. **Change Order:** A formal written modification to the original terms of a contract or purchase order that usually results in a modification of contract price and/or delivery/project schedule.
18. **Collusion:** The secret cooperation between two or more parties to achieve a fraudulent or unlawful end – in violation of antitrust laws.
19. **Commodity:** A marketable item or product to satisfy a need or want.
20. **Construction Manager/General Contractor (CMGC) or Construction Manager at Risk (CMR):** A delivery method where the owner contracts separately with a design firm and a construction manager as a general contractor that works collaboratively to complete the project.
21. **Cooperative Purchasing:** A procurement method where multiple government agencies collaborate to leverage collective buying power, resulting in potential cost savings, standardized terms, and reduced administrative efforts.
22. **Department Director:** A senior-level manager who oversees the operations, performance, and strategic direction of a specific City Department within the organization.
23. **Design-Bid-Build:** The traditional project delivery method involves three sequential phases: design, procurement, and construction.
24. **Design-Build:** A project delivery method where one entity—the design-build team—works under a single contract with the project owner to provide design and construction services.
25. **Employee:** An individual who works part-time or full-time for the City.
26. **Form, Fit, and Function:** The physical and performance characteristics or specifications uniquely identify a component or device and determine its interchangeability in a system or equipment.
27. **Invitation for Bid (IFB):** A procurement method used to solicit competitive sealed bid responses, sometimes called formal bids, when the price is the basis for the award.
28. **Invoice:** A document listing the goods or services provided and the sum due.
29. **Lowest Responsive and Responsible Bidder:** The bidder fully complied with all the bid requirements, provides qualification information whose past performance, reputation, and financial capability are deemed acceptable, and who has offered the most advantageous pricing or cost benefit.
30. **Minor Informality/Irregularity:** A minor non-compliance in a bid that is merely a matter of form, not substance.
31. **Net Price:** After all discounts, rebates, etc., have been allowed. **Non-Budgeted Purchase:**

A purchase not included in the original budget.

- 32. **Non-Professional Service:** Any service not specifically identified as a professional service.
- 33. **Non-Responsible (Bid):** A bid response to a solicitation where the bidder does not have the ability or capability to fully perform the solicitation's requirements. A business entity or individual who does not possess the integrity and reliability to assure contractual performance.
- 34. **Non-Responsive (Bid):** A response to a solicitation that does not conform to the mandatory or essential requirements contained in the solicitation.
- 35. **Obsolete Supplies/Equipment:** Items that are no longer in use or are unusable due to needing to be updated because of new technology, regulations, or procedures instituted by the entity.
- 36. **Offeror:** An individual or business that submits an offer in response to a solicitation.
- 37. **Official Responsibility:** The direct administrative or operating authority to approve, disapprove, or otherwise immediate governmental action.
- 38. **Performance:** The fulfillment of the obligations, duties, and responsibilities specified in a contract or agreement, encompassing the successful delivery of goods, completion of services, and achievement of specified outcomes in a timely, efficient, and satisfactory manner, all according to the standards and conditions outlined in the contract.
- 39. **Piggyback (Piggyback Cooperatives):** A form of intergovernmental cooperative purchasing in which an entity is given the pricing and terms of a contract entered by another entity.
- 40. **Professional Services:** Unique services provided by firms or individuals with specialized skills, expertise, or knowledge. These services typically include architectural, engineering, legal, financial, consulting, and other professional services.
- 41. **Protest:** A written objection by an interested party to a solicitation or award of a contract intended to receive a remedial result.
- 42. **Proposal.** An offer to provide commodities, work, or services.
- 43. **Proposer:** An individual or vendor who submits a proposal in response to a Request for Proposals.
- 44. **Procurement:** A range of activities such as identifying needs, defining specifications, selecting the appropriate procurement method, evaluating, and selecting vendors or contractors, managing contracts, and managing vendor relationships.
- 45. **Public Notice:** An announcement by an entity concerning a solicitation or other information of public interest.
- 46. **Purchasing:** The specific act of buying goods, services, or works, often after the Procurement process.
- 47. **Qualified Bidder:** A bidder determined by the purchasing organization to meet the

minimum standards of business competence, reputation, financial ability, and product quality.

48. **Quasi-Government:** Organizations funded by the government but operated independently.
49. **Quotation Request:** A competitive bid, price quotation, or proposal for supplies or services conveyed via letter, fax, email, or another manner that does not require a formal sealed bid or proposal, public opening, or other formalities.
50. **Response:** The formal submission made by a vendor or contractor in response to a procurement solicitation issued by the City. Such solicitations may take the form of a Quotation Request, Invitation for Bid (IFB), Requests for Proposals (RFP) or Requests for Qualifications (RFQ).
51. **Responsible Bidder/Proposer/Offeror:** A vendor capable of fully performing the contract requirements.
52. **Responsive Bid/Proposal/Offer:** A bid, proposal, or offer that fully conforms to the solicitation and its requirements in all material respects.
53. **Solicitation:** A formal or informal request to vendors for a bid, proposal, quote, or information.
54. **Small Purchases:** Expenditures below the threshold for formal solicitations.
55. **Surety:** A third-party company that guarantees payment of claims arising when a vendor fails to perform per the contract.
56. **Tabulation of Bids/Responses:** Recording responses to solicitations for comparison, analysis, and record keeping.
57. **Vendor:** A business, company, individual, or entity selling goods, services, or works. Vendors provide the products or services requested in the City's procurement process.
58. **Waiver of Minor Irregularity or Informality:** The disregarding of minor errors or technical non-conformance in the offer that does not confer a competitive advantage or constitutes non-compliance with the fundamental integrity of the procurement process.