

City of Thornton, Colorado



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PURCHASING/ CONTRACT ADMINISTRATION MANUAL

Prepared In Accordance With the
City of Thornton Purchasing Ordinance

BY

Note: **Com. Fin.**
The City's Purchasing Ordinance and Policy Manual are currently
under revision. Completion scheduled in 2005

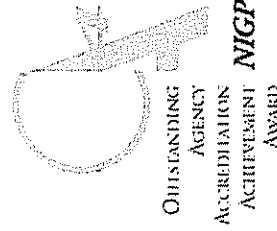
FEBRUARY 1998

Certificate of Achievement

*Having demonstrated Excellence in Public Procurement
through the Accomplishment of Rigorous Standards and Best Practices,
The National Institute of Governmental Purchasing is Hereby Honored
and Privileged to Recognize the*

CITY OF THORNTON, COLORADO
PURCHASING DIVISION

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Certificate Number 4*



*Rick Grimm, CPPPO, CTPPB
Chief Executive Officer*

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**CHAPTER 26
PURCHASING**

ARTICLE I

DEFINITIONS

Section 26-1. Definitions

The words defined in this Article shall have the meaning set forth below whenever they appear in this Chapter, unless the context in which they are used clearly requires a different meaning; or a different definition is prescribed for a particular Article or provision:

Bid means any competitive solicitation of offers.

Business means any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture, or any other private legal entity.

Change Order means a written order signed by the City Manager, or his designee, directing the contractor to make changes which the changes clause of the contract authorizes the City Manager, or his designee, to order without the consent of the contractor.

City means the City of Thornton, Colorado a municipal corporation doing business at 9500 Civic Center Drive, Thornton, Colorado.

City Council means the legislative and governing body of the City.

City Manager means the chief administrative officer of the City.

Competitive Sealed Bidding means a process used to acquire supplies and services that involves the review of written sealed bids presented by bidders for contracts exceeding \$25,000. Such bids include the use of public notices and may be awarded on the basis of the criteria contained in the bid documents.

Confidential Information means any information which is available to an employee only because of the employee's status as an employee of this City and is not a matter of public knowledge or available to the public on request.

Construction means the process of building, altering, repairing, improving, or demolishing any public structure or building, or other public improvements of any kind to any public real property.

Contract means all types of City agreements, regardless of what they may be called, for the procurement or disposal of supplies, services, or construction. The term shall not include intergovernmental agreements or any interest in real property by the City or another governmental body.

Contract Modification means any written alteration in specifications, delivery point, rate of delivery, period of performance, price, quantity, or other provisions of any contract accomplished by mutual action of the parties to the contract.

Contractor means any person having a contract with a governmental body. Interchangeable with Supplier.

Cooperative Purchasing means procurement conducted by, or on behalf, of, more than one governmental body.

Data means recorded information, regardless of form or characteristic.

Designee means a duly authorized representative of a person holding a superior position.

Employee means an individual drawing a salary from a governmental body, whether elected or not and any non-compensated individual performing personal services for any governmental body.

Governmental Body means any department, division, commission, council, board, bureau, committee, institution, legislative body, agency, government corporation, or other establishment of this City.

Invitation for Bids means all documents, whether attached or incorporated by reference, utilized for soliciting bids.

May denotes the permissive.

Person means any business, individual, union, committee, club, other organization, or group of individuals.

Procurement means buying, purchasing, renting, leasing, or otherwise acquiring any supplies, services, or construction. It also includes all functions that pertain to the obtaining of any supply, service, or construction, including description of requirements, selecting and solicitation of sources, preparation and award of contracts, and all phases of contract administration.

Professional Services means services of a specialized consulting nature including but not limited to architecture, engineering, and accounting, the final product of which is predominantly oral or written advice or information and other services as promulgated by the City Manager, or his designee but excluding legal services.

Purchase Description means the words used in a solicitation to describe the supplies, services, or construction to be purchased, and includes specifications attached to, or made part of, the solicitation.

Purchasing Agent means any person duly authorized to enter into and administer contracts and make written determinations with respect thereto. The term also includes an authorized representative acting within the limits of authority.

Regulation means a governmental body's statement, having general or particular applicability and future effect, designed to implement, interpret, or prescribe law or policy, or describing organization, procedure, or practice requirements, which have been promulgated by the City Manager.

Request For Proposals (RFP) means a process used to acquire supplies and services that involves the review of written proposals and the use of negotiations with the most qualified bidder(s). This process may also include the use of a Request for Information (RFI) as a preliminary step to the RFP process in an attempt to gather information and pre-qualify prospective bidders.

Responsible Bidder of Offeror means a person who has the capability in all respects to perform fully the contract requirements, and the integrity and reliability which will assure good faith performance.

Services means the furnishing of labor, time, or effort by a contractor, not involving the delivery of specific end product other than reports which are merely incidental to the required performance. This term shall not include employment agreements, or collective bargaining agreements.

Shall denotes the imperative.

Specification means any description of the physical or functional characteristics, or the nature of a supply, service, or construction item. It may include a description of any requirement for inspecting, testing, or preparing a supply, service, or construction item for delivery.

Supplier means any person having or soliciting a contract, Professional Service Agreement, purchase order arrangement or any other agreement to provide goods or services with a governmental body. Interchangeable with Contractor.

Supplies means all property, including but not limited to; equipment, materials, printing, insurance, and leases by the City of real or personal property owned by a nongovernmental person; the term does not include City-owned real property (whether leased or sold by the City to another party), the purchase of real property by the City, water or mineral rights, worker's compensation insurance, or benefit insurance for City employees and officers.

Using Department means any governmental body of the City which utilizes any supplies, services, or construction procured under this Chapter.

ARTICLE II

PURCHASING - GENERAL PROVISIONS

Section 26-2. Short Title

This Chapter may be known and cited as the "Thornton Purchasing Ordinance".

Section 26-3. Singular - Plural and Gender Policies

In this Chapter, unless the context requires otherwise:

- (a) words in the singular number include the plural, and those in the plural include the singular; and
- (b) words of a particular gender include any gender and the neuter gender may refer to any gender.

Section 26-4. Supplementary General Principals of Law Applicable

Unless displaced by the particular provisions of this Chapter, the principals of law and equity, including the Uniform Commercial Code of Colorado, the law merchant, and law relative to capacity to contract, agency, fraud, misrepresentation, duress, coercion, mistake, or bankruptcy shall supplement the provisions of this Chapter.

Section 26-5. Requirement of Good Faith

This Chapter requires all parties involved in the negotiation, performance, or administration of City contracts to act in good faith.

Section 26-6. Application of City Procurement

This Chapter shall apply to every expenditure of public funds irrespective of their source, including federal assistance monies, except that this Chapter shall not apply to either grants or contracts between the City and its political subdivisions or other governments, or housing rehabilitation contracts. It shall also apply to the disposal of City supplies and equipment. Nothing in this Chapter or in regulations promulgated hereunder shall prevent any governmental body or political subdivision from complying with the terms and conditions of any grant, gift, bequest or cooperative agreement. This Chapter does not create or confer any right or entitlement upon any person to bid on or receive any award of any City contract. The purpose of this Chapter is to codify and standardize the City's procurement procedures for the orderly and efficient administration thereof.

Section 26-7. Severability

If any provision of this Chapter or any application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of this Chapter which can be given effect without the invalid provision or application, and to this end the provisions of this Chapter are declared to be severable.

Section 26-8. Public Access to Procurement Information

Procurement information shall be a public record to the extent provided in CRS 24-72-203, 24-72-204, and 24-72-205, and shall be available to the public as provided in such statute.

Section 26-9. Purchasing Purposes and Policies

The City Manager shall:

- (a) simplify, clarify, and modernize the procedures governing procurement by the City; and
- (b) continue the development of procurement policies and practices; and
- (c) make as consistent as possible the procurement regulations of the City; and
- (d) provide for increased public confidence in the procedures followed in public procurement; and
- (e) ensure the fair and equitable treatment of all persons who deal with the procurement system of the City; and
- (f) provide increased economy in City procurement activities and maximize to the fullest extent practicable the purchasing value of public funds of the City; and
- (g) foster effective broad-based competition within the free enterprise system; and
- (h) provide safeguards for the maintenance of a procurement system of quality and integrity.

ARTICLE III

PURCHASE AUTHORIZATION

Section 26-10. Scope of Purchasing Authority

- (a) The City Manager shall have the authority, power, and duty to make all budgeted purchases for all supplies, construction, and services for the City. All purchases shall be made in accordance with the policies prescribed in this Chapter and under policies promulgated by the City Manager.
- (b) The City Manager may appoint one or more Purchasing Agents, and may delegate to such Purchasing Agents any part or all of the duties and responsibilities provided by this Chapter.
- (c) The City Manager will exercise general supervision and control over all inventories of supplies belonging to the City.

- (d) The City Manager shall sell, trade, or otherwise dispose of surplus supplies and equipment belonging to the City under policies promulgated by the City Manager or City Council.
- (e) In his sole discretion and in the best interests of the City, the City Manager or his designee may waive any irregularity in any bid or proposal; may reject any or all bids or proposals; and may award only part of a bid or proposal.

Section 26-11. Unauthorized Purchases

Except as otherwise provided by this Chapter, or by policies promulgated by the City Manager, it shall be unlawful for any City employee to order the purchase of any material, supply, equipment, construction, or service other than through the City Manager or Purchasing Agent. Any agreement made contrary to this Chapter, or made contrary to policies promulgated by the City Manager shall not bind the City to any such unauthorized agreement.

Section 26-12. Cooperative Purchasing

The City Manager shall have the authority to join with any other governmental bodies to the extent authorized by City Charter, including but not limited to, the State of Colorado and the Multiple Assembly of Procurement Officials (MAPO), in cooperative purchasing in the best interest of this City, notwithstanding any provisions of this Chapter to the contrary.

Section 26-13. Collection of Data Concerning Public Procurement

All using departments shall furnish such reports as the City Manager, or his designee may require concerning, usage, needs, and stocks on hand, and the City Manager, or his designee shall have authority to prescribe forms or format to be used by the using departments in requisitioning, ordering, and reporting of supplies, services, and construction.

Section 26-14. Contracts Approved by City Council; Exceptions

- (a) City Council shall approve all intergovernmental agreements and all revocable permits by resolution. Except, the City Manager or his designee may approve the receiving of any easement, utility permit, or similar document including those between govern-mental bodies, but excluding revocable permits, concerning the use of real property when such document is necessary for the routine conduct of City business and does not involve an amount in excess of \$10,000; such documents are predominantly unilateral in nature and are not deemed to be intergovernmental agreements for purposes of this Chapter.
- (b) City Council shall approve the sale of any real property. The City Manager or his designee may approve the purchase of any real property for a value as is approved in the annual budget appropriation. The City may adopt regulations establishing further guidelines for the purchase, sale, or lease of real property.

- (c) City Council shall approve by Ordinance the rental or leasing by the City of another person's real property, including options to purchase, for any term in excess of one year, but no such term shall exceed 40 years. This shall not be construed to apply to leasing or purchasing water or water rights. The City Manager may approve the rental or leasing of any City-owned real property pursuant to regulations promulgated by him and may also approve the rental or leasing by the City of another person's real property for a term not to exceed one year, which term may be renewable.

ARTICLE IV

REQUISITIONS

Section 26-15. Requisitions and Estimates

Each director of a using department, or the director's designee, shall make and file detailed requisitions or estimates of his department's requirements for supplies and contractual services in such manner, at such times, and for such future periods under policies promulgated by the City Manager.

Section 26-16. Revisory Power

The City Manager, or his designee shall examine each requisition or estimate, and may revise it as to quantity, quality, specification, source, and/or estimated cost. Such revisions will be completed under policies promulgated by the City Manager.

Section 26-17. Encumbrance within Appropriations

Except in cases of emergency, the City Manager shall not issue or authorize any order for delivery on a contract or purchase agreement until it is determined that there is a sufficient unencumbered appropriation balance in excess of all unpaid obligations to defray the amount of such order.

Section 26-18. Price Agreements

The director of a using department, or his designee, may submit requisitions for supplies and equipment available by the terms of a predetermined price agreement or other contract made by the City Manager, or his designee.

Section 26-19. Requisition Authorization

Except as otherwise provided by the City Manager, or his designee, all requisitions shall be properly authorized by the using department under policies promulgated by the City Manager.

ARTICLE V

SPECIFICATIONS

Section 26-20. Duties of the City Manager

The City Manager, or his designee shall promulgate policies governing the preparation, maintenance, and content of specifications for supplies, services, and construction required by the City. The City Manager, or his designee shall prepare, issue, revise, maintain, and monitor the use of specifications for supplies, services, and construction required by the City.

Section 26-21. Relationship with Using Departments

The City Manager, or his designee shall obtain expert advice and assistance from personnel of using departments in the development of specifications, and may delegate to a using department the authority to prepare and utilize its own specifications, under policies promulgated by the City Manager.

Section 26-22. Maximum Practicable Competition

All specifications shall seek to promote overall economy for the purposes intended and encourage competition in satisfying the City's needs, and shall not be unduly restrictive so as to limit competition.

Section 26-23. Specifications Prepared by Architects and Engineers

The requirements of this Article regarding the purposes and non-restrictiveness of specifications shall apply to all specifications including, but not limited to, those prepared by architects, engineers, designers, and draftsmen for public contracts.

ARTICLE VI

COMPETITIVE SEALED BIDDING

Section 26-24. Conditions for Use

Except as otherwise provided by policies promulgated by the City Manager, or in cases of emergency, all contracts exceeding \$25,000 shall be awarded by means of competitive sealed bidding.

Section 26-25. Invitation for Bids

An invitation for Bids shall be issued and shall include a purchase description, and all contractual terms and conditions applicable to the procurement.

Section 26-26. Public Notice

Adequate public notice of the Invitation for Bids shall be given a reasonable time prior to the date set forth for the opening of bids, in accordance with policies promulgated by the City Manager. Such notice may include publication in a newspaper of general circulation a reasonable time prior to bid opening.

Section 26-27. Bid Opening

Bids shall be opened publicly in the presence of one or more witnesses at the time and place designated in the Invitation for Bids. The amount of each bid, and such other relevant information as may be specified by regulation, together with the name of each bidder shall be recorded; the record and each bid shall be open to public inspection.

Section 26-28. Bid Acceptance and Bid Evaluation

Bids shall be unconditionally accepted without alteration or correction, except as authorized in this Chapter, or by policies promulgated by the City Manager. Bids shall be evaluated based on the requirements set forth in the Invitation for Bids, which may include criteria to determine acceptability such as inspection, testing, quality, workmanship, delivery, and suitability for a particular purpose. Those criteria that will affect the bid price and be considered in evaluation for award shall be objectively measurable, such as discounts, transportation costs, and total or life cycle costs. The Invitation for Bids shall set forth the evaluation criteria to be used. No criteria may be used in bid evaluation that are not set forth in the Invitation for Bids.

Section 26-29. Correction or Withdrawal of Bids; Cancellation of Awards

Correction or withdrawal of inadvertently erroneous bids before or after award, or cancellation of awards or contracts based on such bid mistakes, shall be permitted in accordance with policies promulgated by the City Manager. After bid opening no changes in bid prices or other provisions of bids prejudicial to the interest of the City or fair competition shall be permitted. Except as otherwise provided by regulation, all decisions to permit the correction or withdrawal of bids, or to cancel awards or contracts based on bid mistakes, shall be supported by a written determination made by the City Manager or his designee.

Section 26-30. Award

The contract shall be awarded with reasonable promptness to the lowest responsible and responsive bidder whose bid meets the requirements and criteria set forth in the Invitation for Bids, unless the City Manager or his designee shall determine that the public interest will be better served by accepting a higher bid. When the award is not given to the lowest bidder, a complete statement of the reasons for placing the order with another bidder shall be made available to all bidders upon request. If all bids received are for the same total amount or unit price, all bid criteria being equal, the contract may be awarded to a bidder residing in or having a place of business in the City of Thornton; but if none of the tie bidders resides in or has a place of business in the City of Thornton; the City may negotiate with one or more tie bidders for a reduction of price in the best interest of the City. In the event all bids exceed available funds, the City Manager, or his designee, is authorized in situations where time or

economic considerations preclude re-solicitation of work of a reduced scope to negotiate an adjustment of the bid price, including changes in bid requirements, with the low responsive and responsible bidder in order to bring the bid within the amount of available funds.

Section 26-31. Multi-Step Sealed Bidding

When it is considered impractical to initially prepare a purchase description to support an award based on price, an Invitation for Bids may be issued requesting the submission of unpriced offers to be followed by an Invitation for Bids limited to those bidders whose offers have been qualified under the criteria set forth in the first solicitation.

Section 26-32. Sole Source Procurement

A contract may be awarded for supplies, services, or construction without competition when, under policies promulgated by the City Manager, he or his designee determines in writing that there is only one source for the required supplies, services, or construction. Service and/or maintenance agreements offered by the manufacturer, or a supplier who is the only factory-authorized supplier in the Denver metro area shall be deemed to be sole source without further justification.

Section 26-33. Emergency Procurement

Notwithstanding any other provision of this Chapter, the City Manager, or his designee, may make or authorize others to make emergency procurement, when there exists a threat to public health, welfare, or safety under emergency conditions as defined in regulations promulgated by the City Manager. A written determination of the basis for the emergency and for the selection of the particular contractor shall be included in the final contract file.

Section 26-34. Non-Competitive Negotiation

When sole source or emergency procurement situations arise or when standard competitive processes are deemed non-practicable, the City Manager or his designee may enter into non-competitive negotiations in the best interest of the City. A written determination of the basis for the non-competitive negotiation and supplier selection shall be included in the contract file.

Section 26-35. Cancellation of Invitations for Bids

An Invitation for Bids, or any other solicitation may be canceled, or any or all bids or proposals may be rejected in whole or in part as may be specified in the solicitation, when it is in the best interests of the City in accordance with regulations promulgated by the City Manager. The reasons therefore shall be made part of the contract file.

Section 26-36. Responsibility of Bidders and Offerors

- (a) Determination of non-responsibility - A written determination of non-responsibility of a bidder or offeror shall be made in accordance with regulations promulgated by the City Manager. The failure of a bidder or offeror to promptly supply information in connection with an inquiry with respect to responsibility may be grounds for a determination of non-responsibility with respect to such bidder or offeror.
- (b) Right of non-disclosure - Information furnished by a bidder or offeror pursuant to this section shall not be disclosed outside the office of the City Manager or his designee without the prior written consent by the bidder or offeror.

Section 26-37. Pre-qualification of Suppliers

Prospective suppliers may be pre-qualified for particular types of supplies, services, and construction. Solicitation mailing lists of potential contractors shall include, but shall not be limited to, such pre-qualified suppliers.

Section 26-38. Multi-Term Contracts

- (a) Specified Period - Unless otherwise provided by law, a contract for supplies or services may be entered into for any period of time deemed to be in the best interest of the City provided the term of the contract and conditions of renewal or extension, if any, are included in the solicitation and funds are available for the first fiscal period at the time of contracting. Payment and performance obligations for succeeding fiscal periods shall be subject to the availability and appropriation of funds therefore.
- (b) Determination prior to use - Prior to the utilization of a multi-term contract, it shall be determined:
 - (1) that estimated requirements cover the period of the contract and that there is a reasonable probability they will continue to do so; and
 - (2) that such a contract will serve the best interests and needs of the City by encouraging effective competition or otherwise promoting economy and efficiency in City procurement.
- (c) Cancellation due to Unavailability of funds in Succeeding Fiscal Periods - In the event the legislative body of the City of Thornton fails to appropriate funds for the continuation of a multi-term agreement for any fiscal year past the first fiscal year, the City may, at the beginning of the fiscal year for which its legislative body does not appropriate funds and upon thirty (30) days prior written notice, terminate such contract without penalty and thereupon be released of further obligation.

Section 26-39. Right to Inspect Plant

The City may, at a reasonable time, inspect the part of the plant or place of business of a contractor or any subcontractor which is related to the performance of any contract awarded, or to be awarded by the City.

Section 26-40. Contract Audit

The City shall be entitled to audit the books and records of a contractor or any subcontractor under any negotiated contract or subcontract other than a firm fixed-price contract to the extent that such books and records relate to the performance of such contract or subcontract. Such books and records shall be maintained by the contractor for a period of three years from the date of final payment under the prime contract and by the subcontractor for a period of three years from the date of final payment under the subcontract, unless a shorter period is otherwise authorized in writing. Failure to maintain said records and/or refusal to allow access may be grounds for debarment or suspension from future work.

Section 26-41. Reporting of Anti-Competitive Practices

When for any reason, collusion or other anti-competitive practices are suspected among any bidders or offerors, a notice of the relevant facts shall be transmitted to the City Attorney to determine if further action legally is warranted. If such activity is proven to be true it will be considered grounds for debarment or suspension from future City purchases.

Section 26-42. Retention of Procurement Records

All procurement records shall be retained and disposed of in accordance with record retention guidelines and schedules approved by the City Attorney. All retained documents shall be made available to the City Attorney, or his designee, upon request and proper receipt therefore.

Section 26-43. Record of Sole Source and Emergency Procurement

- (a) Contents of Record - The City Manager, or his designee, shall maintain a record listing of all sole source and emergency procurement transactions. The records shall contain:
 - (1) each contractor's name;
 - (2) the amount and type of each contract; and
 - (3) a listing of the supplies, services, or construction procured under each contract.
- (b) Submission to City Manager - A copy of such record shall be submitted to the City Manager or his designee on an annual basis. The record shall be available for public inspection.

ARTICLE VII

INFORMAL COMPETITIVE BIDDING

Section 26-44. Conditions for Use

Except as otherwise provided by policies promulgated by the City Manager, all purchases for up to \$10,000 may be awarded by means of informal competitive bidding.

Section 26-45. Bidders List

The City Manager, or his designee may maintain a qualified bidders list.

Section 26-46. Departmental Responsibility

The City Manager, or his authorized designees, shall be responsible except as otherwise provided under policies promulgated by the City Manager; for obtaining all informal competitive bids and shall maintain documents prescribed by the City Manager on all such transactions.

Section 26-47. City Manager's Approval

Except as otherwise provided by policies promulgated by the City Manager, and prior to the award of any contract or order of purchase by means of informal competitive bidding, the City Manager or his designee shall approve the procurement.

Section 26-48. Petty Cash Purchases

Under policies promulgated by the City Manager, purchases for not more than \$75 may be obtained by means of petty cash when circumstances warrant such a purchase.

Section 26-49. Field Purchase Methods

The City Manager, or his designees may use approved field purchase methods for small incidental purchases not exceeding \$2,500. All purchases shall be made in accordance with policies promulgated by the City Manager.

Section 26-50. Informal Purchases to \$10,000

Under policies promulgated by the City Manager, the City Manager, or his designees, may purchase supplies, services, and construction not exceeding \$10,000, by means of informal purchase procedures. A minimum of two competitive quotations, either oral or written shall be obtained prior to any purchase exceeding \$2,500, up to \$10,000.

Section 26-51. Informal Purchases Exceeding \$10,000

In accordance with policies promulgated by the City Manager, the City Manager, or his designees, may purchase supplies, services, and construction not exceeding \$25,000 by means of informal purchase procedures. A minimum of three written competitive quotations shall be obtained prior to any purchase exceeding \$10,000, and up to \$25,000.

Section 26-52. Waiver of Public Notice

Public notice will not be required for purchases made under informal competitive bidding procedures.

ARTICLE VIII

PROCUREMENT OF CONSTRUCTION

Section 26-53. Bid Security

Bid security shall be required for all competitive sealed bidding for construction contracts when the price is estimated to exceed \$50,000. Bid security shall be a bond provided by a surety company authorized to do business in this State, or the equivalent in certified funds, or otherwise supplied in a form satisfactory to the City. Nothing herein prevents the requirement of such bonds on construction contracts under \$50,000 when the circumstances warrant.

Section 26-54. Amount of Bid Security

Bid security shall be in an amount equal to five percent of the total amount of bid.

Section 26-55. Rejection of Bids for Noncompliance with Bid Security Requirements

When the Invitation for Bids requires security, noncompliance requires that the bid be rejected.

Section 26-56. Withdrawal of Bids

After the bids are opened, they shall be irrevocable for the period specified in the Invitation for Bids, except as provided in Section 26-29 (COMPETITIVE SEALED BIDDING, CORRECTION OR WITHDRAWAL OF BIDS; CANCELLATION OF AWARDS). If a bidder is permitted to withdraw its bid before award, no action shall be had against the bidder or the bid security.

Section 26-57. Contract Performance and Payment Bonds

- (a) When Bonds are Required and Amounts - When a construction contract is awarded in excess of \$50,000, the following bonds or security shall be delivered to the City and shall become binding on the parties upon the execution of the contract:

- (1) a performance bond satisfactory to the City, executed by a surety company authorized to do business in this State, or otherwise secured in a manner satisfactory to the City, in an amount equal to 100% of the price specified in the contract; and
 - (2) a payment bond satisfactory to the City, executed by a surety company authorized to do business in this State or otherwise secured in a manner satisfactory to the City, for the protection of all persons supplying labor and material to the Contractor or its subcontractors for the performance of the work provided for in the contract. The bond shall be in an amount equal to 100% of the price specified in the contract.
- (b) Authority to Require Additional Bonds - Nothing in this section shall be construed to limit the authority of the City to require a bond or other security in addition to those bonds, or in circumstances other than specified in subsection (a) of this section.

Section 26-58. Bond Forms and Copies

- (a) Bond Forms - The City Manager shall promulgate by regulation the form of the bonds required by this section.
- (b) Certified Copies of Bonds - Any person may request and obtain from the City a certified copy of a bond upon payment of the cost of reproduction of the bond and postage if any. A certified copy of a bond shall be prima facie evidence of the contents, execution, and delivery of the original.

Section 26-59. Contract Clauses and Their Administration

- (a) Contract Clauses - The City Manager shall promulgate regulations requiring the inclusion in City construction contracts in clauses providing for adjustments in prices, time of performance, or other contract provisions, as appropriate, and covering the following subjects:
- (1) the unilateral right of the City to order in writing:
 - a. changes in the work within the scope of the contract; and
 - b. changes in the time of performance of the contract that do not alter the scope of the contract work;
 - (2) variations occurring between estimated quantities of work in a contract and actual quantities;
 - (3) suspension of work ordered by the City; and
 - (4) site conditions differing from those indicated in the contract, or ordinarily encountered, except that differing site conditions clauses promulgated by regulation need not be included in a contract:

- a. when the contract is negotiated;
 - b. when the contractor provides the site or design; or
 - c. when the parties have otherwise agreed with respect to the risk of differing site conditions.
- (b) Price Adjustments - Adjustments in price pursuant to clauses promulgated under subsection (a) of this section shall be computed in one or more of the following ways:
- (1) by agreement on a fixed price adjustment before commencement of the pertinent performance or as soon thereafter as practicable;
 - (2) by unit prices specified in the contract or subsequently agreed upon;
 - (3) by the costs attributable to the events or situations under such clauses with adjustment of profit or fee, all as specified in the contract or subsequently agreed upon; or
 - (4) in such other manner as the contracting parties may mutually agree.
- (c) Additional Contract Clauses - The City Manager shall promulgate regulations requiring the inclusion in City construction contracts of clauses providing for appropriate remedies, including but not limited to the following subjects:
- (1) liquidated damages as appropriate;
 - (2) specified excuses for delay or non-performance;
 - (3) termination of the contract for default;
 - (4) termination of the contract in whole or in part for the convenience of the City;
 - (5) no damages for delay; and
 - (6) availability of sufficient funding.
- (d) Modification of Required Clauses - The City Manager, or his designee, may vary the clauses promulgated by regulation under subsection (a) and subsection (c) of this section for inclusion in any particular City construction contract, provided that any variations are supported by a written determination that states the circumstances justifying such variations, and provided that notice of any such material variation be stated in the Invitation for Bids.

Section 26-60. Fiscal Responsibility

Every contract modification, change order, or contract price adjustment under a construction contract with the City shall be subject to prior written certification by the City Manager, or his designee, who shall be responsible for monitoring and reporting upon the status of the costs

of the total project budget or total contract budget. In the event that the contract modification, change order, or contract price adjustment discloses a resulting increase in the total project budget and/or the total contract budget, the City Manager or his designee shall not execute or make such contract modification, change order, or adjustment in contract price unless sufficient funds are available therefore, or the scope of the project or contract is adjusted so as to permit the degree of completion that is feasible within the total project budget and/or total contract budget as it existed prior to the contract modification, change order, or adjustment in contract price under consideration.

ARTICLE IX

PROCUREMENT OF PROFESSIONAL SERVICES

Section 26-61. Applicability

Professional services shall be procured as provided in this section, and under regulations promulgated by the City Manager.

Section 26-62. Policy

It is the policy of this City to competitively solicit and negotiate contracts for professional services on the basis of demonstrated competence and qualifications for the type of service required, and at fair and reasonable prices.

Section 26-63. Selection Committee

A selection committee comprised of individuals appointed by the City Manager or individuals appointed by his designees shall be established under policies promulgated by the City Manager for all professional service contracts in excess of \$10,000. The Selection Committee shall evaluate qualifications and performance data that may be submitted by firms regarding the proposed contract. The Selection Committee shall conduct discussions with one or more firms, regarding the contract and the relative utility of alternative methods of approach for furnishing the required services, and then shall select therefrom, in order of preference, based upon criteria established and published by the Selection Committee, one or more of the firms deemed to be the most highly qualified to provide the services required.

Section 26-64. Negotiation

The Purchasing Agent, or his designee, shall negotiate a contract with the highest qualified firm for professional services for compensation which the Purchasing Agent, or his designee, determines in writing to be fair and reasonable to the City. In making this decision, the Purchasing Agent, or his designee, shall take into account the estimated value, the scope, the complexity, and the professional nature of the services to be rendered. Due to the unique and specialized nature of professional services, such negotiations may include the addition to or alteration of contractual terms contained in the request for proposal and/or the bidder's response thereto, provided such additions or alterations are in the City's best interest. Should the Purchasing Agent, or his designee, be unable to negotiate a satisfactory contract with the firm considered to be the most qualified, at a price the Purchasing Agent, or his designee,

determines to be fair and reasonable to the City, negotiations with that firm shall be formally terminated. The Purchasing Agent, or his designee, shall then undertake negotiations with the second most qualified firm. Failing accord with the second most qualified firm, negotiations shall be formally terminated. The Purchasing Agent, or his designee, shall then undertake negotiations with the third most qualified firm. Should the Purchasing Agent, or his designee, be unable to negotiate a contract at a fair and reasonable price with any of the selected firms, the Purchasing Agent, or his designee, shall select additional firms in order of the competence and qualifications, and the Purchasing Agent, or his designee, shall continue negotiations in accordance with this section until an agreement is reached.

ARTICLE X

PRE-LITIGATION RESOLUTION OF CONTROVERSIES

Section 26-65. Authority to Resolve Protested Solicitations and Awards

- (a) Right to Protest - Any actual or prospective bidder, offerors, suppliers, or contractor who is aggrieved in connection with the solicitation or award of a contract may protest to the City Manager or the Department Head in charge of the divisions of Contracts and Purchasing. The protest shall be submitted in writing within seven calendar days after such aggrieved person knows or should have known of the facts giving rise thereto.
- (b) Authority to Resolve Protests - The City Manager, the Department Head in charge of the divisions of Contracts and Purchasing, or a designee of either officer shall have the authority, prior to the commencement of an action in court concerning the controversy, to settle and resolve a protest of an aggrieved person who knows or should have known of the facts giving rise thereto.
- (c) Decision - If the protest is not resolved by mutual agreement, the City Manager, the Department Head in charge of the divisions of Contracts and Purchasing, or a designee of either officer shall promptly issue a decision in writing. The decision shall state the reasons for the action taken.
- (d) Notice of Decisions - A copy of the decision under subsection (c) of this section shall be mailed or otherwise furnished immediately to the protestant and any other party intervening.
- (e) Finality of Decision - A decision under subsection (c) of this section shall be final and conclusive, unless fraudulent, or any person adversely affected by the decision commences an action in court.

- (f) Stay of Procurements During Protests - In the event of a timely protest under subsection (a) of this section, the City shall not proceed further with the solicitation or with the award of the contract until the City Manager, after consultation with the Department Head in charge of the divisions of Contracts and Purchasing, or a designee of either officer makes a written determination that the award of the contract without delay is necessary to protect substantial interest of the City.
- (g) Entitlement to Costs - In addition to any other relief, when a protest is sustained and the protesting bidder or offeror should have been awarded, the contract under the solicitation but is not, then the protesting bidder or offeror shall be entitled to the reasonable costs incurred in the connection with the solicitation, including bid preparation costs other than attorney's fees.

Section 26-66. Authority to Debar or Suspend

- (a) Authority - After reasonable notice to the person involved and reasonable opportunity for that person to be heard, the City Manager, or his designee, after consultation with the City Attorney shall have the authority to debar a person for cause from consideration for award of contracts. The debarment shall not be for a period of more than three years. The same officer, or his designee, after consultation with the City Attorney, shall have authority to suspend a person from consideration for award of contracts if there is probable cause for suspension. The suspension shall not be for a period exceeding three months. The authority to debar or suspend shall be exercised in accordance with regulations promulgated by the City Manager.
- (b) Causes for Debarment or Suspension - The causes for debarment or suspension include the following:
 - (1) conviction for commission of a criminal offenses as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of such contract or subcontract;
 - (2) conviction under state or federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other offense indicating a lack of business integrity or business honesty which currently, seriously, and directly affects responsibility as a City contractor;
 - (3) conviction under state or federal antitrust statutes arising out of the submission of bids or proposals;
 - (4) violation of contract provisions, as set forth below, of a character which is regarded by the City Manager, or his designee(s) to be so serious as to justify debarment action:
 - a. failure without good cause to perform in accordance with the specifications or within the time limit provided in the contract; or

- b. a recent record of failure to perform or unsatisfactory performance in accordance with the terms of one or more contracts; provided that failure to perform or unsatisfactory performance caused by acts beyond the control of the contractor shall not be considered to be a basis for debarment;
- (5) any other cause the City Manager, or his designee(s) determines to be so serious and compelling as to affect responsibility as a City contractor, including debarment by another governmental entity for cause.
- (c) Decision - The City Manager, or his designee, shall issue a written decision to debar or suspend. The decision shall state the reasons for the action taken.
- (d) Notice of Decision - A copy of the decision under subsection (c) of this section shall be mailed or otherwise furnished immediately to the debarred or suspended person or firm.
- (e) Finality of Decision - A decision under subsection (c) of this section shall be final and conclusive, unless fraudulent, or the debarred or suspended person or firm commences an action in court.

Section 26-67. Authority to Resolve Contract and Breach of Contract Controversies

- (a) Applicability - This section applies to controversies between the City and a contractor and which arise under, or by virtue of, a contract between them. This includes without limitation, controversies based upon breach of contract, mistake, misrepresentation, or other cause of contract modification or rescission.
- (b) Authority - The City Manager, or his designee, is authorized, prior to commencement of an action in a court concerning the controversy, to settle and resolve a controversy described in subsection (a) of this section. This authority shall be exercised in accordance with regulations promulgated by the City Manager.
- (c) Decision - If such a controversy is not resolved by mutual agreement, the City Manager, or his designee shall promptly issue a decision in writing. The decision shall state the reasons for the action taken.
- (d) Notice of Decision - A copy of the decision under subsection (c) of this section shall be mailed or otherwise furnished immediately to the contractor.
- (e) Finality of Decision - The decision under subsection (c) of this section shall be final and conclusive, unless fraudulent, or the contractor commences an action in court.
- (f) Failure to Render a Timely Decision - If the City Manager, or his designee, does not issue the written decision required under subsection (c) of this section within 120 days after written request for a final decision, or within such longer periods as may be agreed upon by the parties, then the contractor may proceed as if an adverse decision had been received.

Section 26-68 Suppliers Not In Good Standing

- (a) Suppliers who are in arrears to the City more than 30 days for unpaid fines, inspection charges, or any other charges shall be deemed to be not in "good standing" and may, at the discretion of the City Manager or his designee, be prevented from participation in any bidding processes until such time as the items in arrears are paid. The City Manager or his designee may reject solicitations and bids from suppliers not in good standing. Bid packages may be withheld from suppliers not in good standing.
- (b) Suppliers who dispute charges due the City may file a protest as outlined in Section 26-65 above. If the supplier wishes to be involved in a bid process during the filing of a protest, he shall pay the disputed amounts in full to the City of Thornton who will hold such amounts in escrow pending a determination of the City Manager or his designee. If the determination is in the City's favor, the funds held in escrow shall be applied to the amount in arrears.

010-95

GENERAL PURCHASING POLICY

**CITY OF THORNTON - PURCHASING AND CONTRACT
ADMINISTRATION DIVISIONS
POLICY STATEMENT**

TITLE: GENERAL PURCHASING POLICY - NO. 010-95

1.0 PURPOSE

- 1.1 The purpose of this policy is to establish a general purchasing policy to be followed in all City procurement transactions.

2.0 SCOPE

- 2.1 This policy applies to all City employees and City sponsored Boards, Councils, Commissions, etc., in all procurement or procurement related transactions, unless otherwise stipulated in City Charter or Code.

3.0 POLICY

- 3.1 Introduction: The purchasing function of the City of Thornton, Colorado involves the procurement of all materials, supplies, equipment, and services at the lowest possible cost, consistent with the quality needed for effective use. Our goal is the promotion of the City's best interest through intelligent action and fair dealing. This will result in obtaining the maximum projective value for each tax dollar expended.
- 3.1.1 Listed herein are the principals and standards of purchasing practice as adopted by the Thornton City Council. This is intended to serve as a continuing reminder of the duties and responsibility involved in procuring required items while at the same time maintaining the City's reputation for fairness and integrity.
- 3.2 Responsibilities: From the inception to the consummation of a transaction between a buyer and seller, many important issues are involved, and the appropriate administration of these issues are vital factors in the successful operation of the City. The City shall adopt a centralized procurement system with control vested exclusively with the divisions of Contracts and Purchasing. The City Manager shall also appoint one or more Purchasing Agents to ensure that procurement transactions are processed in accordance with such regulations.
- 3.3 Gifts and Gratuities: It is the City of Thornton's policy in accordance with Administrative Directive 2-4, that contact with suppliers and/or their representatives must constantly be kept on a plane where there can be no doubt in the propriety of our business relationships. This requirement is particularly important in the case of the City of Thornton as our work is wholly concerned with taxpayer's funding. Our activities are constantly under surveillance by City and other representatives.

- 3.3.1 Most suppliers and Contractors with whom the City does business are reliable firms whose integrity and business ethics are beyond question. It is inevitable, however, that from time to time representatives of firms with whom we have had little or no experience, through various means, attempt to obtain preferential treatment or defraud the City.
- 3.3.2 All employees, irrespective of their offices or department activities whose duties require contact with such firms, must be constantly alert to the possibility that they and the City may be compromised by unethical or dishonest activities on the part of some supplier or Contractor representative. In order to avoid such situations, all employees are advised that the following conduct in the relationship with outside firms, or their representatives is contrary to City policy.
 - 3.3.2.1 Acceptance by any City employee of gifts, personal loans, entertainment or other special considerations which may have the effect of obligating the City, or the employee to the donor(s).
 - 3.3.2.2 Solicitation of any personal gift or gratuity irrespective of its value.
 - 3.3.2.3 Permitting any influence which could conflict with the best interest of the City, or prejudice the City's reputation.
 - 3.3.2.4 Extending any preferential treatment to former City employees, friends, relatives, or other persons.
 - 3.3.2.5 Performance of work or services for remuneration by City employees for or on account of any supplier, Contractor, or their respective representatives.
 - 3.3.2.6 Undisclosed financial interest in supplier or Contractor organizations by a City employee whose position or responsibilities make it possible for them to influence preferential treatment to such organizations.
 - 3.3.2.7 Any action not specifically mentioned previously which may result, or may be reasonably expected to result in detriment to the City of Thornton; or, unfair advantage to a supplier or Contractor in relation to others similarly situated.
- 3.3.3 Association with supplier representatives at luncheons, dinners, or business organization meetings may be helpful in establishing better business understanding provided employees keep themselves free of any obligations. The responsibility for adherence to this policy is a joint one. Individuals who represent the City must be beyond challenge or reproach in every business transaction, and not allow themselves to be put in a position where their judgment may be influenced.

3.3.4 Any employee of the City who is offered or receives such gift or gratuity of more than a nominal value shall refuse it, or return it to the giver in a tactful and dignified manner, advising the giver of the City's policy prohibiting its acceptance. Such instances should be reported to the divisions of Contracts and Purchasing, or the Department Head at the time they occur. Any employee found in noncompliance with this policy shall be subject to disciplinary action.

3.3.5 Refer to Code of Ethics, Chapter 55 and Administrative Directive 2-4 (Gifts and Gratuities).

3.4 **COMPLIANCE**

3.4.1 As provided for in the City of Thornton's Purchasing Ordinance, it shall be unlawful for any employee or representative of the City to purchase any material, supply, equipment, construction or service outside the scope of the policies contained in this manual.

3.4.2 The Purchasing Agents, as appointed by the City Manager or his designee, shall be responsible for ensuring that all procurement transactions are made in accordance with regulations promulgated by the City Manager.

3.5 **EXCEPTIONS**

3.5.1 Except as required by law, the City Manager or his designee may suspend any or all purchasing regulations as deemed necessary in the best interests of the City. Such exceptions shall be filed in writing with the particular transaction involved, and shall outline the circumstances that gave rise to the exception.

3.6 **POLICY REVISIONS**

3.6.1 The City Manager may, at his sole discretion, amend, revise, delete, or add specific policies necessary as deemed in the best interests of the City.

3.7 **NON-COMPLIANCE WITH POLICIES**

3.7.1 Procurement transactions processed outside regulations shall be reported by the Purchasing Agents to the City Manager, through the Department Head in charge of the divisions of Contracts and Purchasing.

3.7.2 When an offense is deemed to be of an extreme nature, the Department Head in charge of the divisions of Contracts and Purchasing may directly recommend that immediate disciplinary action be taken in conjunction with the offending employee's Department Head and the City Manager.

- 3.7.3 Suspension of procurement privileges may be enforced by the Department Head in charge of the divisions of Contracts and Purchasing due to non-adherence to any procurement related regulation contained in City Code, Charter, Ordinance, Administrative Directive, Policy Manual or other communication. Non-adherence to such established regulations, unless otherwise approved by the Purchasing Agents due to special circumstances, shall be communicated to the Department Head in charge of the divisions of Contracts and Purchasing and the appropriate Department Head. Notwithstanding action taken by the Department Head, the Department Head in charge of the divisions of Contracts and Purchasing may determine to revoke all purchasing/contracting privileges from the offending employee. Such action would suspend the offending employee from direct or indirect initiation and participation of the purchasing/contracting function, to the extent and for a period of time determined by the Department Head in charge of the divisions of Contracts and Purchasing. Suspension of purchasing/contracting privileges shall restrict the offending employee from participation in the following functions on behalf of the City, unless otherwise amended by the Department Head in charge of the divisions of Contracts and Purchasing:
- 3.7.3.1 Use/approval of field purchase methods.
- 3.7.3.2 Initiation/approval of check requests.
- 3.7.3.3 Use/administration of petty cash.
- 3.7.3.4 Preparation/approval of purchase requisitions.
- 3.7.3.5 Access to verbal purchase order numbers.
- 3.7.3.6 Use of automated office supply system.
- 3.7.3.7 Routing/payment approval of invoices.
- 3.7.3.8 Initiation of supplier/contractor contact.
- 3.7.3.9 Participation in unsupervised product evaluation.
- 3.7.3.10 Any other action which may be construed as an attempt on the part of the restricted offender to represent themselves as having authority to participate in the purchasing/contracting function on behalf of the City of Thornton.
- 3.7.4 New employees or those newly assigned to participate in procurement activities will be allowed a reasonable orientation period to become familiar with required regulations. Unless determined to be intentional or unconscionable non-adherence to policy, the Purchasing Agents may waive notification of infraction, pending further clarification and instruction. The Purchasing Agents shall make the determination as to when adequate orientation has been allowed.

020-95

DELEGATION OF AUTHORITY

**CITY OF THORNTON - PURCHASING AND CONTRACT
ADMINISTRATION DIVISIONS
POLICY STATEMENT**

TITLE: DELEGATION OF AUTHORITY - NO. 020-95

1.0 PURPOSE

- 1.1 The purpose of this policy is to establish the authority to make purchases for the City of Thornton.

2.0 SCOPE

- 2.1 This policy applies to all City employees and all procurement transactions.

3.0 POLICY

- 3.1 Per Section 5.4 subparagraph (j) of the Thornton City Charter, the City Manager has been charged with the duty to act as Purchasing Agent for the City of Thornton. To insure that these duties are fulfilled, the City Manager hereby delegates his purchasing authority as follows: (Reference Administrative Directive 1-4 for additional delegation of authority).

- 3.2 The City Manager's duties and responsibilities as Purchasing Agent for the City are delegated jointly to the Department Head in charge of the divisions of Contracts and Purchasing, the Purchasing Manager and the Contract Manager, hereafter referred to as Purchasing Agents. In such capacity, these individuals shall establish rules and regulations to be followed by all City employees, Boards, Councils and Commissions with respect to all procurement transactions. These Purchasing Agents are also delegated the responsibility to sell, trade, or otherwise dispose of surplus property and equipment as prescribed in this manual. In addition, the Purchasing Agents are delegated the responsibility of collecting any and all data necessary to meet the public procurement requirements. The Purchasing Manager and Contract Manager may also coordinate and recommend cooperative purchasing arrangements with the State of Colorado, the Multiple Assembly of Procurement Officials (MAPO) or other governmental agencies.

- 3.3 The Department Heads are delegated the authority to approve expenditures of all funds within their annual budget apportionment. Expenditures in excess of the annual budget apportionment and/or unbudgeted expenditures shall require approval by the City Manager or his designee.

- 3.3.1 The Department Heads may delegate this approval authority for any amount not to exceed \$25,000. Any transaction in excess of \$25,000 shall be approved in writing by the Department Head.
- 3.3.2 Department Head designees shall have no authority to further delegate expenditure approval.
- 3.3.3 Limits of approval authority shall be collected and monitored by the City Manager or his designee. No other personnel shall have the authority to approve expenditures aside from this policy.

030-95

SPECIFICATIONS

CITY OF THORNTON - PURCHASING AND CONTRACT
ADMINISTRATION DIVISIONS
POLICY STATEMENT

TITLE: SPECIFICATIONS/SCOPE OF SERVICES - NO. 030-95

1.0 PURPOSE

- 1.1 The purpose of this policy is to provide rules governing the preparation, maintenance and content of specifications for the purchase of any equipment, material or supply required by the City including professional services.

2.0 SCOPE

- 2.1 This policy applies to all specifications and procurement transactions.

3.0 POLICY

- 3.1 All specifications shall be written or described in a manner to promote the maximum amount of practicable competition.
- 3.2 Operating Departments within the City may prepare and utilize their own Specifications/Scope of Services so long as they are not unduly restrictive. In addition, Specifications/Scope of Services may be obtained from other governmental agencies, supplier brochures or through the resources provided by the divisions of Contracts and Purchasing. Specifications will be reviewed by the divisions of Contracts and Purchasing to insure that adequate competition is available for the purchase. Specifications and Scopes are to be communicated clearly and completely by operating departments to insure prompt and accurate acquisition can be accommodated. Insufficient Specifications and Scopes may be returned for clarification or correction.
- 3.3 Specifications/Scope of Services used for informal purchases may also be written or described by any Operating Department but may not be unduly restrictive in nature so as to provide only one source for the purchase.
- 3.4 Specifications/Scope of Services prepared by a third party (Architects, Engineers, etc.) must also be written in a fashion to promote economy and competition.
- 3.5 Brand name specifications i.e., Acme Corporation, model #1602, no substitute, may be used when only one product will meet the intended need or if there is justified need for limited standardization. The Operating Department or Division will be required to provide written justification for this type of specification to meet external auditing requirements at the direction of the Purchasing Agents.

4.0 PROCEDURE

- 4.1 When preparing an automated requisition, insert the Specification or Scope in a clear, complete manner on line #1, "Description/Specifications" section on the third screen.
- 4.2 If your requirement falls within the limits of a formal solicitation, contact the divisions of Contracts and Purchasing to discuss the Specifications/Scope.
- 4.3 If the need arises for use of a brand name, no substitute specification, due to specific requirements or standardization concerns, the requestor must submit a written explanation on line 11, "Comments/Special Requirements" section on the first screen of the automated requisition, (see Policy No. 140-95). Typically, several alternate sources can be identified to meet competitive requirements. If no alternate sources can be identified, include a sole source justification form, (see Policy No. 110-95).
- 4.4 When using a brand name to communicate the general type and quality of an item the term "or equal/or equivalent" is used, i.e., Acme Corporation, model #1602, or EQUAL. This terminology does not require that the alternate item meet the exact specifications of the specified brand(s). The product proposed may be different from the specified product, however, if it produces the same end result in an effective manner, it may be considered as an equal to the specified product(s). Whenever possible and applicable more than one brand name will be specified using this technique. Minimum general specifications will also be included in addition to brand names, i.e., general size, horse power, weight, etc., when applicable. The City reserves the right to approve all "or equal" items.
- 4.5 If you require assistance in the development of a Specification or Scope, contact a representative from the divisions of Contracts and Purchasing. Other agencies or using firms can also be excellent sources for Specification/Scope development. You may also contact supplier sources for assistance; however, be cautious of sales pressure and receipt of restrictive specifications. It is suggested you contact more than one supplier if using seller's input. Advise the divisions of Contracts and Purchasing of which suppliers you have contacted for assistance.

040-95

SUPPLIER'S LIST/SUPPLIER CONTACT

**CITY OF THORNTON - PURCHASING AND CONTRACT
ADMINISTRATION DIVISIONS
POLICY STATEMENT**

TITLE: SUPPLIER'S LIST/SUPPLIER CONTACT - NO. 040-95

1.0 PURPOSE

- 1.1 The purpose of this policy is to establish the approved method of identifying supplier sources and guidelines concerning supplier interaction with City staff.

2.0 SCOPE

- 2.1 This policy applies to all employees and all supplier contacts except those for construction services and professional services.

3.0 POLICY

- 3.1 All purchases in excess of \$2,500 for goods or services may be restricted to suppliers identified on the supplier's list. Purchases for \$2,500 or less, field purchase methods, petty cash and approved check requests are NOT included in this restriction.
- 3.2 A supplier's list shall be developed, monitored and maintained by the divisions of Contracts and Purchasing.
- 3.3 A supplier information form shall be submitted by the applicant on the City's standard form (see attached). This information will be used to determine that no conflict of interest exists; and that they are capable of performing in a responsible and responsive fashion. Failure by the applicant to respond to all requested information on the form may result in that supplier not being placed on the supplier list. Forms which are rejected may be resubmitted for consideration at such time that additional requirements can be met, or adequate information can be provided.
- 3.4 The information from the form submitted by the supplier regarding the company and the National Institute of Governmental Purchasing (NIGP) commodity codes shall be entered into the data base maintained by the divisions of Contracts and Purchasing. Suppliers will be selected as related needs arise.
- 3.5 The City may use the data base of suppliers as its first source to obtain contacts for competitive quotes/bids. However, the City is under no obligation to contact every supplier on file when obtaining competitive quotes/bids.

- 3.6 The Purchasing Agents may give authorization to do business with a company prior to completion of the form if deemed in the best interest of the City. A form will then be provided to all such firms for completion.
- 3.7 To prevent disruption to operations, suppliers will be discouraged from initiating "cold calls" or unscheduled solicitations with operating departments. Suppliers wishing to initiate sales calls may do so by arranging an appointment with the divisions of Contracts and Purchasing, who will coordinate the routing of information or set up additional contact with operating departments if the need for direct communication is required. Operating departments, approached by suppliers directly, are strongly encouraged to refer them to the divisions of Contracts and Purchasing as opposed to accommodating impromptu sales calls.
- 3.8 Operating departments may initiate contact with suppliers for the purpose of obtaining product/service information. While this practice is recognized as an expeditious method of specification and budget development and, as an increased opportunity for operations to directly keep abreast of new technology, it also requires participants to exercise good judgement and proper representation on behalf of the City of Thornton. It is the responsibility of each participant to understand and comply with standards set forth in this manual and as promoted by the divisions of Contracts and Purchasing. Any substantial or chronic departure from these standards will be considered a serious issue and will be communicated to the Department Head level for disposition. The divisions of Contracts and Purchasing will be available to discuss and clarify proper standards upon request.
- 3.8.1 Operating departments are prohibited from any action which obligates or may be construed as having the effect of obligating the City of Thornton to purchase agreements in excess of approved limits, assignment of future consideration; or, any action which provides, or could be construed as having the effect of providing, unfair advantage to particular suppliers.
- 3.8.2 All interaction with suppliers shall be maintained in a professional, businesslike manner. Operating departments are prohibited from any action which threatens or may be construed as having the effect of threatening a supplier with suspension or debarment from vying for City business. The divisions of Contracts and Purchasing shall handle all issues of supplier deficiency and status.

- 3.8.3 The divisions of Contracts and Purchasing shall maintain control of all communications relating to centralized acquisition processes. This will prevent biased evaluations and any compromise of confidential information. It will additionally preserve the competitiveness and integrity of such acquisition efforts. Once a request enters the acquisition stage, no employee may discuss the requirement with participating firms unless otherwise directed by the Contracts/Purchasing representative assigned to the project. Any attempt by participating firms to establish informal communications during the acquisition process, outside the divisions of Contracts and Purchasing, will be viewed negatively and may result in rejection of the offending firm's offer.
- 3.8.4 Operating departments will be expected to notify the divisions of Contracts and Purchasing of all pending product evaluation. This will allow simultaneous evaluation if deemed necessary. This cooperative communication is intended to expedite the centralized acquisition phase.
- 3.8.5 Operating departments will be expected to notify the divisions of Contracts and Purchasing of supplier communications that have taken place regarding goods or services that may eventually be submitted for centralized acquisition. This cooperative communication is intended to expedite the centralized acquisition phase and introduce potential, upcoming requirements to the divisions of Contracts and Purchasing.
- 3.8.6 Operating departments are encouraged to reject unscheduled "cold call" visitations by suppliers. The divisions of Contracts and Purchasing is prepared to screen suppliers and prevent unnecessary interruption to operating department schedules. Acceptance of such calls will stimulate more "drop-in" sales visits and can become extremely time consuming.
- 3.8.7 Operating departments are prohibited from implementing regularly scheduled sales conferences that may provide or be construed as having the effect of providing unbalanced exposure, to the benefit of any particular firm(s). Any proposed, prescheduled sales conferences to be held over an extended period of time, must be brought to the attention of the divisions of Contracts and Purchasing for pre-approval.
- 3.9 All independent Contractors providing on-site services to the City shall be required to provide proof of insurance, and limits of liability, and Workers' Compensation Insurance with limits identified by the City's Risk Manager.
- 3.10 Supplier service and performance problems will be referred to the Purchasing and Contract Administration Divisions for resolution. In all aspects of supplier contact, City employees shall conduct themselves in an ethical manner, (see Policy No. 010-95 and Administrative Directive 2-4).

- 3.11 Thornton City Charter Section 7.4 prohibits the City's making of contracts with firms which employ certain relatives of City employees unless the City Council determines that making such contracts is in the best interest of the City. The designated relatives are the spouse, children, or the spouse of any child of the employee, (refer to Policy No. 010-95 for additional information).

4.0 PROCEDURES

- 4.1 Firms wishing to be included on the City's supplier listing may directly contact the divisions of Contracts and Purchasing for assistance. Operating departments initiating supplier inquiries should direct firms not yet on the City's supplier listing to the divisions of Contracts and Purchasing for assistance.
- 4.2 If operating departments are contacted by suppliers during centralized acquisition processes, refer all such calls, without comment, to the Contracts and Purchasing representative assigned to the project.
- 4.3 If operating departments have arranged product inspection with a supplier, advise the divisions of Contracts and Purchasing of the demonstration. Please provide as much notice as possible.
- 4.4 If operating departments have initiated and conducted supplier visitations regarding goods or services that may eventually be submitted for centralized acquisition, please advise the divisions of Contracts and Purchasing of those contacts.
- 4.5 If operating departments are approached by suppliers on a "cold call" basis, please refer them to the divisions of Contracts and Purchasing.
- 4.6 Operating departments wishing to conduct reoccurring supplier visitations over an extended period of time are to contact the divisions of Contracts and Purchasing for pre-approval.
- 4.7 Contact the divisions of Contracts and Purchasing staff for any clarification or assistance concerning supplier issues.



City Of Thornton

Purchasing Division
9500 Civic Center Drive
Thornton, CO 80229
Phone: (303) 538-7328
FAX: (303) 538-7556

Vendor List Information Form

- ☐ New Information
☐ Information Update

Respond As Thoroughly As Possible

Company Name			Account Representative		
Contact Address			Remittance Address		
City	State	Zip	City	State	Zip
Phone ()	FAX ()		Phone ()	FAX ()	

Type of Organization: ☐ Individual ☐ Partnership ☐ Corporation ☐ Other _____

You must provide applicable Federal Tax Identification or Social Security Number! All applicants are required to provide their Federal Tax Identification Number (T.I.N.). If your business is a one person operation, you must provide your Social Security Number in lieu of a Tax Identification Number.

Federal Tax Identification Number: _____ Social Security Number: _____

Type of Firm: ☐ Retailer ☐ Wholesaler ☐ Distributor ☐ Manufacturer ☐ Combination ☐ Other _____

Thornton City Charter Section 7.4 prohibits the City from making contracts with firms which employ certain relatives of City employees unless the City Council determines that making such contracts is in the City's best interest. The designated relatives are the spouse, children, or the spouse of any child of the employee. The following questions must be answered!

To the best of your knowledge, does your firm employ any of the designated relatives of the City of Thornton employees as stated above? ☐ Yes ☐ No
If yes, provide the following information:

Relative's Name: _____ Job Title: _____

City Employee's Name: _____

Check Boxes Applicable

- ☒ Our Company Is Within City Of Thornton Boundaries
- ☐ We Are An Equal Opportunity Employer
- ☐ We are A Wholly Owned Subsidiary Of: _____
- ☐ We Are A Minority Owned Business

This Form Will Not Be Processed Without A Signature!

I certify the information contained herein is true and correct to the best of my knowledge.

Signature: _____

Title: _____ Date: _____

Submittal of this form does not serve as pre-qualification for construction or professional services and does not guarantee automatic solicitation for bids, proposals, quotes, etc

CLASS/COMMODITY CODES

Please indicate which products or services your company can provide by checking the box in front of the commodity.

- | | | |
|--|--|--|
| ☐ 005 Abrasives | ☐ 052 Art objects | ☐ 100 Barrels, drums, kegs, and containers |
| ☐ 010 Acoustical tile, insulating materials, and supplies | ☐ 055 Automobile and truck accessories | ☐ 105 Bearings (except wheel bearings and seals — see class code 060) |
| ☐ 015 Addressing, copying, mimeograph, and spirit duplicating machine supplies | ☐ 060 Automobile and truck maintenance items and replacement parts | ☐ 110 Belts and belting: conveyor, elevator, power transmissions, and V belts |
| ☐ 020 Agricultural implements and accessories | ☐ 065 Automobile bodies and special body accessories for trucks (except school buses) | ☐ 115 Biochemicals, research |
| ☐ 022 Agricultural major implement and accessory parts | ☐ 070 Automotive major transportation equipment | ☐ 120 Boats, motors, and marine and wildlife supplies |
| ☐ 025 Air compressors and accessories | ☐ 075 Automotive shop equipment and supplies | ☐ 125 Bookbinding supplies |
| ☐ 031 Air conditioning, heating, and ventilating: Equipment, parts and accessories (see related items in class 740) | ☐ 080 Badges and other identification equipment and supplies | ☐ 135 Bricks and other clay products, refractory materials and stone products |
| ☒ 035 Aircraft, equipment parts, and supplies | ☐ 085 Bags, bagging, ties, and erosion control equipment | ☐ 140 Broom, brush, and mop manufacturing machinery and supplies |
| ☐ 040 Animals, bees, livestock, and poultry | ☐ 090 Bakery equipment, commercial | ☐ 145 Brushes (not otherwise classified) |
| ☐ 045 Appliances and equipment, household type | ☐ 095 Barber and beauty shop equipment and supplies | ☐ 150 Builder's supplies |
| ☐ 050 Art equipment and supplies | | ☐ 155 Building, fabricated |

Continued ➞

☐ 160 Butcher shop and meat processing equipment
☐ 165 Cafeteria and kitchen equipment — commercial
☐ 175 Chemical laboratory equipment and supplies
☐ 180 Chemical raw materials (in large quantities primarily for janitorial and laundry products manufacturing)
☐ 190 Chemicals, commercial, in bulk amounts (minimum package size 5 gallons or 40 pounds)
☐ 192 Cleaning compositions and solvents (not otherwise classified)
☐ 193 Clinical laboratory reagents and tests (blood grouping, diagnostic, drug monitoring, etc.)
☐ 195 Clocks, timers, watches, and jewelers' and watchmakers' tools and equipment
☐ 200 Clothing and apparel
☐ 205 Computers, data processing and word processing systems, and accessories
☐ 210 Concrete and corrugated metal culverts, pipes, and other products
☐ 220 Controlling, indication, and recording instruments and supplies
☐ 225 Coolers, drinking water
☐ 232 Crafts general
☐ 233 Crafts specialized
☐ 240 Cutlery, dishes, flatware, glassware, trays, utensils, and supplies
☐ 245 Dairy equipment and supplies
☐ 250 Data processing cards and paper
☐ 255 Decalcomanias
☐ 260 Dental equipment and supplies
☐ 265 Draperies, curtains, and upholstery material (including automobile)
☐ 270 Drugs, pharmaceuticals and biologicals (for human therapeutic use)
☐ 275 Food, staple, edible
☐ 280 Electrical cables and wires (not electronic)
☐ 285 Electrical equipment and supplies (except cables and wires)
☐ 287 Electronic components, replacement parts, and accessories, and miscellaneous electronic equipment (not for testing or analyzing — see 730)
☐ 290 Energy collecting equipment and accessories: solar and wind
☐ 295 Elevators, building type
☐ 300 Embossing and engraving
☐ 305 Engineering equipment, surveying equipment, drawing instruments and supplies
☐ 310 Envelopes, plain or printed
☐ 315 Epoxy based formulations (2-component) (for 1-component oil-modified epoxy coatings—see class 630)
☐ 320 Fasteners, fastening devices, package stitching, strapping, and tying equipment and supplies
☐ 325 Feed and bedding (for animal and fowl)
☐ 330 Fencing
☐ 335 Fertilizers and soil conditioners
☐ 340 Fire protection equipment and supplies
☐ 345 First aid and safety equipment and supplies (except nuclear and welding)
☐ 350 Flags, flag poles, banners, and accessories
☐ 360 Floor coverings, floor covering installation and removal equipment and supplies
☐ 365 Floor maintenance machines, parts and accessories
☐ 370 Food processing and canning equipment
☐ 375 Food, bakery products (not frozen)
☐ 380 Foods, dairy products, fresh
☐ 385 Foods, freeze-dried and frozen, prepared ready-to-eat (convenience)
☐ 390 Food, perishable
☐ 395 Forms, continuous (computer paper) and snap-out; and binders
☐ 400 Foundry castings, equipment, and supplies, and machine shop work
☐ 405 Fuel, oil, grease and lubricants
☐ 410 Furniture, hospital-specialized
☐ 415 Furniture, laboratory-specialized
☐ 420 Furniture, non-office
☐ 425 Furniture, office
☐ 430 Gases: hospital, laboratory and welding, and equipment (see class 675 for fumigant gases)
☐ 435 Germicides, hospital and personal sanitation products (for health care personnel)
☐ 440 Glass and glazing supplies
☐ 445 Tools, hand (not otherwise classified)
☐ 450 Hardware, shell hardware, and allied items

☐ 460 Hose, all kinds (except automobile, fire, paint sprayer, and welding)
☐ 465 Hospital equipment - general and specialized
☐ 470 Hospital equipment-mobility and speech impaired
☐ 475 Hospital sundries
☐ 485 Janitorial supplies, general line
☐ 490 (Major) Laboratory equipment and accessories (for general analytical and research use): nuclear, optical, and physical
☐ 493 (Major) Laboratory equipment and accessories: biochemistry, environmental science, etc.
☐ 495 (Major) Laboratory and field equipment and supplies: biology, botany, geology, microbiology, zoology, etc.
☐ 500 Laundry and dry cleaning equipment, commercial
☐ 505 Laundry and dry cleaning supplies
☐ 510 Laundry textiles and supplies
☐ 515 Lawn equipment (see also class 020 for large tractor crop mowers, pasture shredders, and fertilizer distributors)
☐ 520 Leather, shoe findings, harness and saddles
☐ 525 Library machines and supplies (not furniture, class 420, or binding materials, class 125)
☐ 530 Luggage, briefcases, purses, and wallets
☐ 540 Lumber, plywood, pressboard, sheetrock, shingles, sidings, and stakes
☐ 545 Machinery and heavy hardware
☐ 550 Markers, plaques, signs, and traffic control devices
☐ 555 Marking devices
☐ 560 Material handling equipment and allied items (see class 850 for quilted covers and pads for furniture, appliances, etc.)
☐ 565 Mattress manufacturing machinery and supplies
☐ 570 Metal bars, plates, rods, sheets, strips, structural shapes, tubing, and fabricated items
☐ 575 Microfiche, microfilm, microfilming equipment and supplies
☐ 578 Miscellaneous (not itemized in any other class) Specify: _____
☐ 580 Musical instruments and supplies
☐ 590 Notions and sewing supplies, all kinds
☐ 595 Nursery stock, equipment, and supplies
☐ 600 Office machines, equipment, and accessories
☐ 605 Office mechanical aides, small machines, and apparatuses
☐ 610 Office supplies, carbon paper, and ribbons, all types
☐ 615 Office supplies (not otherwise classified)
☐ 620 Office supplies: erasers, ink, leads, pens, pencils, etc.
☐ 625 Optical equipment and supplies
☐ 630 Paint, protective coatings, varnish, wallpaper, and related products
☐ 635 Painting equipment and accessories
☐ 640 Paper and plastic products, disposable
☐ 645 Paper (for office and print shop use)
☐ 650 Park, playground, and swimming pool equipment
☐ 655 Photographic equipment and supplies (not including graphic arts, microfilm and X-rays)
☐ 660 Pipes, snuffs, and tobaccos
☐ 665 Plastics, (not dishes) and forming, laminating, and molding equipment
☐ 670 Plumbing equipment, fixtures, and supplies
☐ 675 Poisons: agricultural and industrial
☐ 680 Police equipment and supplies
☐ 685 Poultry equipment and supplies
☐ 695 Printing and silk screening
☐ 700 Printing plant equipment and supplies (except paper)
☐ 705 Printing preparations, etching, photoengraving, typesetting, and preparing mats, negatives, and plates
☐ 710 Prosthetic devices, hearing aides, auditory testing equipment, electronic reading devices, etc.
☐ 715 Publications and audiovisual materials (prepared materials only, not equipment, supplies, or production)
☐ 720 Pumps and pump accessories (except air and gas, automotive fuel and water, hospital, laboratory, marine bailing and bilge, refrigerant, etc.)
☐ 725 Radio and telecommunications equipment and accessories

☐ 730 Radio, television, and electronic testing, measuring, and analyzing equipment and accessories (see also class 840)
☐ 735 Rags, shop towels, and wiping cloths
☐ 740 Refrigeration equipment and accessories
☐ 745 Road and highway building materials (asphaltic)
☐ 750 Road and highway building materials (non asphaltic)
☐ 755 Road and highway equipment and parts: asphalt and concrete handling and processing
☐ 760 Road and highway equipment: earth handling, grading, moving, packing, etc.
☐ 765 Road and highway equipment (except asphalt, concrete, and earth handling equipment—in classes 755 and 760)
☐ 770 Roofing (except wood—see class 540)
☐ 775 Salt (sodium chloride) (except table—see class 275)
☐ 780 Scales and weighing apparatuses (see 175 for laboratory balances)
☐ 785 School and higher education equipment and supplies
☐ 790 Seed, sod, soil, and inoculants
☐ 795 Sewing room and textile machinery, and accessories
☐ 800 Shoes and boots
☐ 803 Sound systems, components, and accessories: group intercom, music, public address, etc.
☐ 805 Sporting and athletic goods
☐ 810 Spraying equipment (except household, nursery plant, and paint)
☐ 815 Steam and hot water specialties, accessories, and supplies
☐ 820 Steam boilers, steam heating, and power plant equipment
☐ 825 Stockman equipment and supplies
☐ 830 Tanks (metal, wood, and synthesis materials): mobile, portable, and stationary
☐ 832 Tape (not data processing, measuring, optical, sewing, sound, or video)
☐ 840 Television equipment and accessories
☐ 845 Testing apparatuses and instruments (not for electrical or electronic measurements)
☐ 850 Textiles, fibers, household linens, and piece goods
☐ 855 Theatrical equipment and supplies
☐ 860 Tickets, coupon books, sales books, script books, etc.
☐ 863 Tires and tubes
☐ 865 Twine
☐ 870 Venetian blinds, awnings, and shades
☐ 875 Veterinary equipment and supplies
☐ 880 Visual education equipment and supplies: (except projection lamps — see class 285)
☐ 885 Water treating chemicals
☐ 890 Water supply and sewage treatment (not for air conditioning, steam boiler, or laboratory reagent water)
☐ 895 Welding equipment and supplies
☐ 898 X-ray and other radiological equipment and supplies (medical)
☐ 905 Aircraft operations
☐ 908 Bookbinding, rebinding, and repairing
☐ 910 Building maintenance and repair service
☐ 915 Communications and media related services
☐ 920 Data processing services and software — purchase only
☐ 924 Educational services
☐ 925 Equipment maintenance, repair, and reconditioning
☐ 930 Equipment rental
☐ 932 Financial services
☐ 935 Health related services (not including human services)
☐ 936 Traffic signal maintenance
☐ 937 Human services
☐ 938 Surveying equipment & personnel
☐ 940 Laundry and cleaning services
☐ 945 Library services (excluding class 908—bookbinding, rebinding, and repairing)
☐ 947 Miscellaneous services
☐ 950 Personnel, temporary (not services)
☐ 955 Public works and related services
☐ 958 Real property rental or lease
☐ 960 Roadside, grounds, and park area services
☐ 965 Security, fire, and safety services
☐ 968 Towing services

050-95

INFORMAL VERBAL QUOTATIONS

**CITY OF THORNTON - PURCHASING AND CONTRACT
ADMINISTRATION DIVISIONS
POLICY STATEMENT**

TITLE: INFORMAL VERBAL QUOTATIONS - NO. 050-95

1.0 PURPOSE

- 1.1 The purpose of this policy is to provide guidelines in the use and preparation of informal verbal quotations.

2.0 SCOPE

- 2.1 This policy applies to all employees and all informal verbal quotations.

3.0 POLICY

- 3.1 Informal verbal/written quotations will allow the divisions of Contracts and Purchasing a means of procuring goods and services in a competitive manner as long as the total dollar amount does not exceed \$10,000.
- 3.2 Per Section 26-50 and 26-51 of the City of Thornton's Purchasing Ordinance, the divisions of Contracts and Purchasing shall be responsible for obtaining quotations under rules promulgated in this policy.
- 3.3 A minimum of two (2) verbal or written quotations are required for purchases over \$2,500 and up to \$10,000. Purchases for \$2,500 or less may be made via a field purchase method (see Policy No. 180-99). No competitive solicitations for purchases of \$2,500 or less will be required, but are recommended if time allows. Purchases exceeding \$2,500 shall be referred to the divisions of Contracts and Purchasing.
- 3.4 Informal verbal/written quotations will be utilized by the Purchasing Agents within the divisions of Contracts and Purchasing as deemed appropriate. The dollar limit for use of informal verbal/written quotes shall be set by the Purchasing Agents but shall not exceed \$10,000 unless otherwise directed by the Purchasing Agents. All authorization to exceed the \$10,000 limit on informal verbal/written quotations utilized within the divisions of Contracts and Purchasing shall require written justification explaining special conditions and will be retained on file in the divisions of Contracts and Purchasing.
- 3.5 All informal verbal/written quotations shall be documented in writing or in the City's automated requisition system.
- 3.6 Public notice will not be required for purchases made under this policy.

- 3.7 Nothing in this policy shall prevent the use of written or formal solicitations when deemed appropriate.
- 3.8 Electronic transmission for the solicitation of offers as well as the receipt of offers is acceptable for the informal quotation process.

4.0 **PROCEDURE**

- 4.1 The following information shall be included in all informal verbal/ written quotation transactions.
 - 4.1.1 Company names from the approved supplier list (a minimum of two [2]).
 - 4.1.2 Names of company representatives.
 - 4.1.3 Company telephone numbers.
 - 4.1.4 Required quantities for each separate item.
 - 4.1.5 A complete description of each item, including all applicable specifications, i.e., color, size, model number, service to be provided, etc. Each supplier will be given the same information and minimum specification. Each supplier shall also be given the opportunity to quote an equal product if brand name specifications have been used in the quotation description (refer to Policy No. 030-95).
 - 4.1.6 Unit price as quoted by supplier.
 - 4.1.7 Total extended price.
 - 4.1.8 Applicable freight charges.
 - 4.1.9 Delivery/completion date.
 - 4.1.10 All applicable warranty information.
 - 4.1.11 Indication of award.
 - 4.1.12 If a verbal purchase order number was required, the purchase order number assigned will be included in the informal verbal quotation format.

060-95

INFORMAL WRITTEN QUOTATIONS

**CITY OF THORNTON - PURCHASING AND CONTRACT
ADMINISTRATION DIVISIONS
POLICY STATEMENT**

TITLE: INFORMAL WRITTEN QUOTATIONS - NO. 060-95

1.0 PURPOSE

- 1.1 The purpose of this policy is to provide guidelines in the use and preparation of informal written quotations.

2.0 SCOPE

- 2.1 This policy applies to all employees and all informal written quotations.

3.0 POLICY

- 3.1 Informal written quotations will allow the divisions of Contracts and Purchasing a means of procuring goods and services in a competitive manner as long as the total dollar amount does not exceed \$25,000.
- 3.2 Unless otherwise instructed by the City Manager, or his designee, the divisions of Contracts and Purchasing shall be responsible for obtaining informal written quotations under rules promulgated in this policy. A minimum of three (3) informal written quotations are required for purchases over \$10,000 and up to \$25,000.
- 3.3 Informal written quotations will be utilized by Purchasing Agents within the divisions of Contracts and Purchasing as deemed appropriate. The dollar limit for use of informal written quotes shall be set by the Purchasing Agents but shall not exceed \$25,000. All authorization to exceed the \$25,000 limit on informal written quotations utilized by Purchasing Agents within the divisions of Contracts and Purchasing shall require written justification explaining special conditions and will be retained on file in the divisions of Contracts and Purchasing. This justification must be approved by the Department Head in charge of the divisions of Contracts and Purchasing.
- 3.4 All informal written quotations shall be documented on written quotation forms which can be provided by the suppliers being solicited or by the use of an internal format.
- 3.5 Public notice will not be required for purchases made under this policy.
- 3.6 Informal offers submitted via the use of electronic transmission will be acceptable. Such offers must be received according to all submittal deadlines and must contain all required information.

- 3.7 Suppliers may be contacted and given verbal instructions and specifications for requested materials or service, (see Policy No. 030-95). Written instructions and specifications may also be provided.

4.0 PROCEDURE

- 4.1 The following information shall be included in all informal written quotation transactions.
 - 4.1.1 City location, street address, City, State, and zip code. This is where the supplier will return his completed quotation.
 - 4.1.2 Deadline date for submittal of quotations.
 - 4.1.3 All applicable freight terms.
 - 4.1.4 All applicable warranty information.
 - 4.1.5 Delivery time and/or completion date.
 - 4.1.6 All unit pricing and totals.
 - 4.1.7 Time periods for which the quoted prices will be held valid.
 - 4.1.8 An authorized signature from the quoting firm.

070-95

SEALED FORMAL BIDS

**CITY OF THORNTON - PURCHASING AND CONTRACT
ADMINISTRATION DIVISIONS
POLICY STATEMENT**

TITLE: SEALED FORMAL BIDS - NO. 070-95

1.0 PURPOSE

- 1.1 The purpose of this policy is to provide guidelines in the use and preparation of formal sealed competitive bids.

2.0 SCOPE

- 2.1 This policy applies to the procurement of all supplies and services, except those provided in accordance with Section 200-95 and Section 090-95 whose value is estimated to exceed \$25,000 unless otherwise directed by the Purchasing Agents.

3.0 POLICY

- 3.1 While the bid package is the responsibility of the divisions of Contracts and Purchasing, the specifications, delivery requirements, plans and drawings, and other items must be agreed upon by all concerned parties within the City prior to the bid.
- 3.2 A location, date, and hour will be established by the divisions of Contracts and Purchasing for pre-bid orientations and bid openings. All bids will be publicly opened and read aloud before witnesses. No bids will be opened prior to the announced time. No late bids will be accepted. Late bids shall be returned unopened to the submitting firm.
- 3.3 Bid packages will be mailed to qualified bidders at the Purchasing Agent's sole discretion, or picked up in response to bid advertising. This will be done in a manner to ensure that all bidders have sufficient time for necessary computations, research, factory and subcontractor coordination, etc.
- 3.4 Unless otherwise directed by the Purchasing Agents, all formal bids will be announced by public notice. It will be the responsibility of the divisions of Contracts and Purchasing to write and place the notice for all formal bids within the scope of their responsibility.
- 3.5 At the discretion of the Purchasing Agents or as required by law, either a bid bond, performance and payment bonds, insurance certificate, or all three may be required of the bidder. All bonding requirements will be stated in the bid package. The City reserves the right to require any additional bonding or surety as necessary.

- 3.6 Access to the complete bid package will be made available to all departments concerned. However, no original bid documentation shall be removed from the divisions of Contracts and Purchasing for inspection unless otherwise directed by the Purchasing Agents.
- 3.7 Award shall only be made according to criteria set forth in the bid document, unless otherwise instructed by the Department Head in charge of the divisions of Contracts and Purchasing.
- 3.8 The divisions of Contracts and Purchasing will be responsible for the completion of all bid and contract documentation. Bid results will be made available to participating firms upon request. Additionally, the divisions of Contracts and Purchasing will maintain a file on the transaction. The file will contain all documents, relevant correspondence, and any other paper work relating to the bid and purchase. All communication with the bidders will be coordinated and conducted by the divisions of Contracts and Purchasing.
- 3.9 The divisions of Contracts and Purchasing assume all administrative responsibility for formal sealed bids without denying the using departments the right to specify according to their needs.
- 3.10 At the discretion of the Purchasing Agents, the use of multi-step sealed bidding may be utilized for procurement of a complex nature. Pre-bid proposals or requests for information may be issued to solicit information for pre-qualification and/or clarification purposes. No pricing information shall be included in the Requests for Information. Proposals may be opened publicly to disclose names of bidders but shall exclude any release of proposal contents. Upon evaluation and/or negotiation of Requests for Information, prices shall be solicited from all bidders whose proposals are deemed acceptable via the sealed, formal bid procedure.

080-95

***EVALUATION AND AWARD
OF COMPETITIVE BIDS***

CITY OF THORNTON - PURCHASING AND CONTRACT
ADMINISTRATION DIVISIONS
POLICY STATEMENT

TITLE: EVALUATION AND AWARD OF COMPETITIVE BIDS - NO. 080-95

1.0 PURPOSE

- 1.1 The purpose of this policy is to provide guidelines for evaluating and awarding competitive solicitations.

2.0 SCOPE

- 2.1 This policy applies to all employees and all competitive solicitations except those done in accordance with Sections 200-95 and 090-95.

3.0 POLICY

- 3.1 The intent of this policy is to provide a means of evaluating all competitive solicitations that shall result in the award of the solicitation to the lowest responsive and responsible bidder or offeror. Responsiveness generally refers to the adherence to criteria set forth in the solicitation. Responsibility generally refers to the ability of the bidder or offeror to perform satisfactorily.
- 3.2 It is highly unethical to entertain additional or alternate offers from unsuccessful suppliers after results have been disclosed. Such action will be considered as non-compliance with this policy.
- 3.3 Criteria for award shall be included in all formal solicitations and award shall be made exclusively on that criteria, unless an emergency exists or as directed by the Department Head in charge of the divisions of Contracts and Purchasing.
- 3.4 The award of a competitive solicitation may be utilized for a period not to exceed six (6) months unless otherwise directed by the Purchasing Agents. This will be contingent upon the supplier's agreement to hold the quoted prices. The supplier is not however, obligated to do so unless otherwise stipulated in the original bid document. Use of this extension will not effect multi-term or set price agreements.
- 3.5 All information included in any solicitation offer that is of a proprietary nature must be clearly marked as such by the offering firm. The City of Thornton shall be held harmless from any claims arising from the release of proprietary information, not subject to open record laws, which is not clearly marked by the offering firm.

4.0 PROCEDURE

4.1 The following procedures shall be used in the evaluation of all competitive solicitations.

4.1.1 After competitive solicitations are received they will be examined and a variety of factors considered including, but not limited to the following:

- Superior quality and adherence to specifications.
- Adequate maintenance and service.
- Delivery and/or completion time.
- Guarantees and warranties.
- Company's reputation and financial status.
- Past experience and cost with similar or like product or service.
- Anticipated future cost and experience.
- Performance of bidder and bidder's product or other agencies, plants, and firms.
- Prices quoted.
- Overall cost effectiveness and greatest benefit as deemed in the best interest of the City of Thornton.

Any other criteria stated in formal solicitations as deemed in the best interest of the City.

4.1.2 Multiple source award - there may be times that it is necessary or advantageous to make an award to more than one supplier for the same or similar items. Although this need is recognized, care must be exercised to protect the principles of the competitive process. A multiple award may only be made when it is deemed economically justifiable or when a single award will not accommodate the requirement.

4.1.3 In the case of identical pricing being received, a decision will be made by evaluating all award criteria as set forth in the solicitation. The final determination in tie bids will be made by the Purchasing Agents.

4.2 The following procedures shall be used in the award of all competitive solicitations.

- 4.2.1 If the award was not made to the lowest bidder, documentation will be prepared explaining the reasons for determining the successful supplier. This documentation will be attached to the appropriate solicitation documentation.

NOTE: If the award is for a service to be provided by an independent contractor and involves work to be done on City property, i.e., window washing, electrical wiring, etc., proof of insurance must be submitted. This documentation must be provided prior to any work taking place (see Policy No. 040-95).

- 4.2.2 Results of solicitations may be provided after completion of the competitive process. No requirement to initiate contact with unsuccessful suppliers to release solicitation results exists.

090-95

REQUEST FOR PROPOSALS

**CITY OF THORNTON - PURCHASING AND CONTRACT
ADMINISTRATION DIVISIONS
POLICY STATEMENT**

TITLE: REQUEST FOR PROPOSALS - NO. 090-95

1.0 PURPOSE

- 1.1 The purpose of this policy is to establish procedures concerning Requests For Proposals.

2.0 SCOPE

- 2.1 This policy applies to all City Employees and Requests For Proposals except those related to legal services.
- 2.2 The policies and procedures contained in this Section 090-95 may, in the discretion of the Purchasing Agent, be utilized to procure and contract for services and supplies in excess of \$25,000.00 where due to the nature of the services or supplies Competitive Sealed Bidding and Evaluation is not practical, such as where the services or supplies are: 1) incapable of being specifically described or specifically priced; 2) supplied by a significant range of different methods, or 3) required for an indefinite time, amount or extent. In such event, the Purchasing Agents may proceed as determined to be in the best interests of the City to procure such services or supplies by negotiation following the RFP process. Any such Contract or Request for Proposal shall include a provision which shall permit the City to terminate the agreement at any time, with reasonable notice.

3.0 POLICY

- 3.1 The Purchasing Agents shall have the responsibility to competitively select all contractors chosen through an RFP Process, except those of a legal nature unless otherwise instructed. The operating department requesting supplies or services shall supply the following information to the Purchasing Agents:
1. A Scope of Services and/or detailed specifications.
 2. Any background information such as materials or information to be supplied by the City.
 3. A suggested time schedule.
 4. Estimated cost and source of funding.
 5. Any suggested contractors who should be contacted.

6. A minimum of two (2) staff members to participate in the selection process.
7. Other information as necessary to prepare the RFP as requested by the Purchasing Agents.

3.2 A location, date, and hour will be established by the Purchasing Agents for Submittal of Proposals (RFP's). No late Proposals (RFP's) will be accepted. Time will be established by the clock maintained in the divisions of Contracts and Purchasing.

A location, date and hour will be established by the Purchasing Agents for pre-proposal meetings if the Purchasing Agents deems such a meeting appropriate. All such meetings shall be designated mandatory or non mandatory with regards to attendance by prospective offering firms. Failure to attend and be shown on the attendance list for mandatory pre-proposal meetings shall disqualify offering firms from further consideration. Offering firms who arrive after the designated time for mandatory pre-proposal meetings shall also be disqualified from further consideration. An attendance list will be completed for all proposal meetings.

RFP packages will be available for interested firms at the office of the Purchasing Agents or such other place as designated by the Purchasing Agents in the Advertisement for Offers. Cost to offering firms for RFP packages will be established for each RFP by the Purchasing Agents.

3.3 An offering firm may, without prejudice, withdraw a proposal after it has been deposited with the Purchasing Agents, provided the request for such withdrawal is received by the Purchasing Agents, in writing, before the last time set for receiving proposals. Telephonic communications shall not be accepted. After the closing of the proposal, no proposal may be withdrawn by the offering firm for a period of 45 days or as otherwise required by law.

3.4 Each proposal must be submitted in the format specified in the RFP document and must be signed by the offering firm or his duly authorized agent. All blank spaces for proposal prices must be filled in, in ink or typewritten, IN BOTH WORDS AND NUMBERS where called for in the RFP. If there is a discrepancy between the price in words and the price in numbers, the price in words will govern.

3.5 Each proposal (RFP) must be submitted in a sealed envelope bearing on the outside the name of the offering firm, offering firm's address, and the name of the project for which the offer is submitted. If forwarded by mail, the sealed envelope containing the offer must be enclosed in another envelope addressed to the Purchasing Agents.

3.6 Each proposal may at the discretion of the Purchasing Agents and as specified in the RFP, be accompanied by either a certified check made payable to the City of Thornton, a cashier's check made payable to the City of Thornton or a bond, duly executed by the offering firm as principal and having as surety thereon a surety company approved by the City, in the amount of 5% of the offer. Such checks or bonds, of the three lowest offering firms, may be retained by the City for a period of 45 days after the proposal opening.

Approved surety companies will be listed in the latest Federal Register Circular 570 and licensed to do business in the State of Colorado unless otherwise approved by the Purchasing Agents. Checks shall be drawn on the banks that are members of FDIC or the Federal Reserve System. Failure to supply security as listed will result in rejection of the proposal.

3.7 At the discretion of the Purchasing Agents, any offering firm may modify his proposal by telegraphic communication at any time prior to the scheduled time for receiving closing proposals, provided such communication is received by the Purchasing Agents prior to the closing of receiving of proposals, and, provided further, the offering firm provides compelling evidence that a written confirmation of the modification over the signature of the offering firm was mailed prior to the opening of proposals. The communication should not reveal the proposal price but should provide the addition or subtraction or other modification so that the final prices or terms will not be known by the City until the receipt of Proposal period has ended. If written confirmation of the telegraph is not received within two days after the scheduled time for closing for Receipt of Proposal, no consideration will be given to the telegraphic modifications.

3.8 Corporate offering firms to be eligible to enter into a contract with the City of Thornton shall be qualified to do business in the State of Colorado and the City of Thornton. Offering firms shall comply with applicable licensing requirements. Foreign corporations which have not domesticated or otherwise become licensed in the City of Thornton if required shall obtain a permit to do business in Thornton pursuant to Thornton's requirements.

3.9 Unless otherwise directed by the Purchasing Agents, all RFP's for over \$25,000 in value will be announced by public notice. It will be the responsibility of the Purchasing Agents to write and place the public notices for all RFP's within their responsibility.

3.10 If an offering firm who contemplates submitting an offer for proposed work is in doubt as to the precise meaning of any part of the RFP, he may submit to the Purchasing Agents a written request for an interpretation thereof. The offering firm submitting the request will be responsible for its prompt and actual delivery. Any interpretation of such documents will be made by written addendum duly issued, and a copy of such addendum will be mailed or delivered to each offering firm receiving a set of such documents.

No oral interpretation will be binding on the City of Thornton. The Purchasing Agents will be the only individuals responsible for answering. No other interpretation or answers will be supplied offering firms by other City departments without the approval of the Purchasing Agents.

- 3.11 Proposals shall be considered non-conforming and may be rejected for the following reasons as determined by the Purchasing Agents unless otherwise provided by law:
1. If the proposal form as outlined in the RFP by the Purchasing Agents is not used or is altered.
 2. If there are unauthorized additions or conditional offers, or irregularities of any kind which may tend to make the proposal incomplete, indefinite, or ambiguous as to its meaning.
 3. If the offering firm adds any provisions reserving the right to accept or reject any award, or to enter into a contract pursuant to an award.
 4. If the offering firm fails to complete the proposal in any other particulars where information is requested so the offering firm's proposal may be properly evaluated.
- 3.12 The Purchasing Agents will determine the need to post or pre-qualify offering firms and shall implement processes to accomplish qualifying offering firms. Items subject to review will include but not be limited to the offering firms, financial condition, experience, equipment, past performance, personnel, and other pertinent information. The Purchasing Agents shall solely reject or approve any offering firms qualifications.
- 3.13 Completeness of all Proposals will be checked by each offering firm against the Table of Contents. Any missing pages, etc. will be supplied to the offering firm by the Purchasing Agents.
- 3.14 RFP's under \$25,000 in value may be informally solicited as outlined in Section 050-95 and 060-95 at the discretion of the Purchasing Agents.
- 3.15 Insurance provisions for all RFP's will be established by the City's Risk Manager.
- 3.16 The Purchasing Agents will maintain files on each RFP until all services or supplies have been provided at which point such files will be transferred to the City Clerk for storage.
- 3.17 The Purchasing Agents will reserve the right in all RFP's to waive any informalities, irregularities in the proposals, negotiate final terms of the contract, reject any or all of the proposals and to accept the proposals which in the judgment of the Purchasing Agents best serve the interest of the City.

100-95

*EVALUATION AND AWARD
OF REQUESTS FOR PROPOSALS*

**CITY OF THORNTON - PURCHASING AND CONTRACT
ADMINISTRATION DIVISIONS
POLICY STATEMENT**

TITLE: EVALUATION AND AWARD OF REQUESTS FOR PROPOSALS - NO. 100-95

1.0 PURPOSE

- 1.1 The purpose of this policy is to establish procedures for the Selection and Award of Contracts resulting from the Request for Proposals (RFP) process.

2.0 SCOPE

- 2.1 This Policy applies to all City Employees and all Contracts as a result of RFP's.

3.0 POLICY

- 3.1 The Purchasing Agents will competitively solicit and negotiate all Selection Processes and Subsequent Awards of Contracts.
- 3.2 The Purchasing Agents shall establish a "Selection Committee" to review all the proposals received by the established submittal date. The members of the Selection Committee will be chosen by the Purchasing Agents who will act as the chairman of all Selection Committees. A minimum of two individuals will be on all Selection Committees.
- 3.3 The Selection Committee will review each proposal received by the established submittal date and either arrive at a recommended final selection or submit a recommended short list of firms to the Purchasing Agents to be further interviewed. In the latter case the Selection Committee will interview the short listed firms and make a final selection recommendation to the Purchasing Agents. Criteria for selections may include but not be limited to the following:
 - 1. Responsiveness to the needs of the City, both in the time to complete the project and in the scope of services offered.
 - 2. Responsibility of the proposing firm and its experience in dealing with municipal governments in projects of similar size, scope and nature.
 - 3. The proposing firm's engagement team, including the experience and resumes of key personnel assigned to the project.
 - 4. The degree to which the proposal meets or exceeds the terms of the Request for Proposal.

5. Results of reference checks and past performance for other clients.
6. The cost of the services to be provided by the proposing firm and/or the hourly fee structure of the firm.
7. Additional criteria as may be necessary in the opinion of the Purchasing Agents.

The Purchasing Agents or shall review all recommended selections and if he/she concurs with the selection shall award a contract to the successful firm. If the Purchasing Agents determines the selection inappropriate he/she may direct the Committee to further review the proposals and revise their recommendation or he/she can reject all the proposals and start the process over.

- 3.4 The Purchasing Agents may at their discretion negotiate terms and conditions which differ from those contained in the RFP documents or offering firm's response thereto with any offering firm if such different terms and conditions are in the City's best interests.
- 3.5 The Purchasing Agents shall have the right to remove any member of the Selection Committee if in their opinion that member is not adhering to the Selection Criteria outlined herein or is otherwise not performing in a manner that would lead to a fair and equitable selection. A replacement will be designated by the Purchasing Agents.
- 3.6 The Purchasing Agents shall have the right to reject any or all proposals.

110-95

SOLE SOURCE/EMERGENCY

**CITY OF THORNTON - PURCHASING AND CONTRACT
ADMINISTRATION DIVISIONS
POLICY STATEMENT**

TITLE: SOLE SOURCE/EMERGENCY - NO. 110-95

1.0 PURPOSE

- 1.1 The purpose of this policy is to provide guidelines in dealing with sole source or emergency purchases.

2.0 SCOPE

- 2.1 This policy applies to all sole source and emergency procurement transactions.

3.0 POLICY

- 3.1 From time to time it is necessary to purchase a product or service which only one firm can provide. Further, there are times, due to emergency situations that it is not possible to obtain competition prior to making a purchase.
- 3.2 The City of Thornton's Purchasing Ordinance requires that any sole source or emergency procurement transaction be appropriately documented to meet external auditing requirements.
- 3.3 When requesting a purchase order number from the divisions of Contracts and Purchasing or submitting a requisition for processing or otherwise requesting a contract, it will be necessary to advise them that the anticipated purchase is of a sole source nature or that an emergency situation exists which directly effects public health, welfare or safety or will substantially hinder City operations.

4.0 PROCEDURES

- 4.1 The following procedures shall be followed when a sole source or genuine emergency situation exists.
 - 4.1.1 In the case of a sole source transaction, a justification statement, clearly and thoroughly explaining why a sole source is being requested and how it has been determined that only one source exists, shall be included in the comment section of the automated purchase requisition and routed in the normal fashion. In the case of a request for a contract other than a purchase order, a written justification will be submitted to the divisions of Contracts and Purchasing.

- 4.1.2 In the event of an emergency transaction, a justification statement, clearly and thoroughly explaining the circumstances surrounding the emergency shall be included in the comment section of the automated purchase requisition. In the case of a request for a contract other than a purchase order, a written justification will be submitted to the divisions of Contracts and Purchasing.
- 4.1.3 In the event of an emergency crisis, after hours or on a holiday or weekend, the Operating Department/Division may take procurement steps necessary to solve the problem without prior authorization from the divisions of Contracts and Purchasing. They must however, obtain a purchase order number from the divisions of Contracts and Purchasing on the next working day and proceed as explained in Section 4.1.2 of this Policy. In the case of a request for a contract other than a purchase order, the divisions of Contracts and Purchasing must be notified the next working day.
- 4.2. Give complete, detailed explanation of either sole source or emergency situation. Include specific information i.e.:
- 4.2.1 Sole source
- How was a determination made that the item(s) being requested were only available through one source?
 - What contacts were made in an attempt to identify alternate sources?
 - What is the reason that the item(s) specified cannot be substituted with similar products from additional sources?
 - Is there a standardization concern involved?
- 4.2.2 Emergency
- What was the specific situation that directly effected operations, public health, welfare or safety which led to the identification of an emergency situation?
 - What other circumstances were involved which prohibited obtaining competitive sources, etc?
- 4.2.3 Upon receipt of adequate documentation, the divisions of Contracts and Purchasing will assign a number to all sole source justifications. This number may be referenced on future repeat orders in lieu of submitting another justification form. This sole source number shall remain valid for a period not to exceed the current year, unless otherwise directed by the Purchasing Agents.

120-95

MULTI-TERM CONTRACTS

CITY OF THORNTON - PURCHASING AND CONTRACT
ADMINISTRATION DIVISIONS
POLICY STATEMENT

TITLE: MULTI-TERM CONTRACTS - NO. 120-95

1.0 PURPOSE

- 1.1 The purpose of this policy is to establish the approved method concerning the use of multi-term contracts.

2.0 SCOPE

- 2.1 This policy applies to all employees and multi-term contracts.

3.0 POLICY

- 3.1 At the discretion of the Purchasing Agents, a contract for supplies or services may be entered into for any period of time deemed to be in the best interest of the City.
- 3.2 The term of the contract and conditions of renewal or extension, if any, shall be included in the solicitation.
- 3.3 Funds for the multi-term contract must be available for the first fiscal period at the time of contracting. Payment and performance obligations for succeeding fiscal periods shall be subject to the availability and appropriation of funds.
- 3.4 In the event that funds are not appropriated or otherwise made available in a subsequent fiscal period, the contract may be canceled. The Contractor shall be entitled to reimbursement for all service provided up to the cancellation date.

130-95

COOPERATIVE PURCHASING

**CITY OF THORNTON - PURCHASING AND CONTRACT
ADMINISTRATION DIVISIONS
POLICY STATEMENT**

TITLE: COOPERATIVE PURCHASING - NO. 130-95

1.0 PURPOSE

- 1.1 The purpose of this policy is to state the practice for procurement of goods or services which can be purchased cooperatively with other governmental agencies.

2.0 SCOPE

- 2.1 This policy applies to all employees and cooperative purchases.

3.0 POLICY

- 3.1 At the discretion of the Purchasing Agents, cooperative solicitations may be entered into with other governmental agencies when it is determined to be in the best interest of the City.
- 3.2 All cooperative solicitations shall be in accordance with policies and procedures contained in this manual.
- 3.3 The requirements of the City of Thornton shall be the priority concern and no participation in a cooperative solicitation shall be entered into which may substantially hinder or jeopardize City operations.
- 3.4 The City of Thornton is eligible to procure goods and services in conjunction with the State of Colorado, Division of Purchasing and may do so when it is determined to be in the best interest of the City. Purchases made through the State of Colorado may be exempt from any additional competitive solicitation requirements. All purchases made through State Awards are bound by the terms and conditions as set forth by the State of Colorado, Division of Purchasing.
- 3.5 The City of Thornton supports and encourages participation as a charter member of the Colorado Front Range Multiple Assembly of Procurement Officials (MAPO). MAPO was formed for the express purpose of cooperative procurement and operates as a collective, working organization in the administration of competitive solicitations. The City of Thornton is eligible to procure goods and services in conjunction with MAPO when it is determined to be in the best interest of the City. Purchases made through MAPO awards may be exempt from any additional competitive solicitation requirements. All purchases made through MAPO are bound by the terms and conditions as set forth by the MAPO membership.

- 3.6 The City of Thornton may procure goods and services in conjunction with other government agency solicitations. This accommodation is commonly referred to as a "Piggy Back" arrangement which requires the originating agency's endorsement, review of all applicable competitive documentation and the successful supplier's agreement to extend the offer for additional acquisitions. The City of Thornton may enlist this technique when it is determined to be in the best interest of the City. Purchases made via the "Piggy Back" method may be exempt from any additional competitive solicitation requirements. Considering the existence of diverse operational requirements, the City may negotiate minor adjustments to awards of this type.

4.0 **PROCEDURE**

- 4.1 All current State Awards will be made available for use by Operating Departments or Divisions in the Purchasing Division.
- 4.2 The Purchasing staff will be available to give direction in the use of State bid documents if required.

140-95

PURCHASE REQUISITIONS/PURCHASE ORDERS

**CITY OF THORNTON - PURCHASING AND CONTRACT
ADMINISTRATION DIVISIONS
POLICY STATEMENT**

TITLE: PURCHASE REQUISITIONS/PURCHASE ORDERS - NO. 140-95

1.0 PURPOSE

- 1.1 The purpose of this policy is to establish the approved method concerning the use and assignment of purchase requisitions and purchase orders.

2.0 SCOPE

- 2.1 This policy applies to all employees, purchase requisitions, and purchase orders.

3.0 POLICY

- 3.1 Purchase requisitions shall be required for all purchases exceeding \$2,500, or as otherwise directed by the Purchasing Agents.
- 3.2 The divisions of Contracts and Purchasing shall audit all purchase requisitions to see that they comply with policies promulgated in this manual.
- 3.3 The minimum approval limits as established in Policy No. 020-95 will be in effect, however, nothing herein shall preclude any Department Head from requiring additional approvals to provide further budgetary control. Requisitions received by the divisions of Contracts and Purchasing without appropriate signatures shall be returned to the originating department.
- 3.4 Completed purchase requisitions shall be routed from the using department to the designated budget approval area. The divisions of Contracts and Purchasing will process requisitions only upon inspection and budgetary approval by the City Manager or his designee.
- 3.5 The divisions of Contracts and Purchasing will inspect requisitions to see that adequate information is included. Requisitions received by the divisions of Contracts and Purchasing that do not meet requirements may be returned to the originator for correction.
- 3.6 Authorized purchase order numbers will be issued exclusively by the divisions of Contracts and Purchasing.

- 3.7 NO EMPLOYEE SHALL INITIATE AN ORDER FOR ANY EQUIPMENT, SUPPLY OR SERVICE WITHOUT FIRST BEING ASSIGNED AN AUTHORIZED PURCHASE ORDER NUMBER FROM THE DIVISIONS OF CONTRACTS AND PURCHASING AS OUTLINED IN THIS POLICY. No City employee shall make verbal or written commitments for the purchase of goods or services without the up front use of an approved acquisition method. The only exceptions will be in cases of justifiable after hours emergency per Policy No. 110-95.
- 3.8 Verbal emergency purchase orders may be approved and issued to operating departments by the divisions of Contracts and Purchasing (see Policy No. 110-95).
- 3.9 Purchase orders shall be prepared upon completion of processing by the Purchasing Agents. Purchase order contracts shall contain all applicable terms, conditions, instructions and specifications to provide a complete and clear contractual document.
- 3.10 The divisions of Contracts and Purchasing shall have revisory authority concerning cost and supplier selection.

4.0 **PROCEDURE**

- 4.1 Operations submitting purchase requisitions will be required to provide the following applicable information via the automated requisition system.
- 4.1.1 Requisition Number: An "N" prompt selection will provide the next available requisition number. You will be unable to proceed without responding to this field.
- 4.1.2 Requestor's Identification: The default will insert the login name. You will be unable to proceed without responding to this field.
- 4.1.3 Requestor's Telephone Extension: You will be unable to proceed without responding to this field.
- 4.1.4 Requisition Date: The default will insert the current date. You will be unable to proceed without responding to this field.
- 4.1.5 Confirming Purchase Order Number: This is an optional field and applies only if a verbal purchase order number has been assigned by the divisions of Contracts and Purchasing. If a verbal purchase order has been assigned, insert that number. Failure to correctly identify confirming requisitions may result in double shipments and subsequent restocking charges. Chronic failure to correctly identify confirming requisitions may result in individual restrictions on the release of verbal numbers.

- 4.1.6 Add-On Purchase Order Number: This is an optional field and applies only if you are adding funds to an existing, active purchase order. Refer to Policy No. 170-95 for additional information.
- 4.1.7 Ship to Location: This is a required field. "Shift ?" will provide options.
- 4.1.8 Location: This is a required field. "Shift ?" will provide options.
- 4.1.9 Department: This is a required field. "Shift ?" will provide options.
- 4.1.10 Level: This is an optional field. Insert applicable floor level.
- 4.1.11 Notify: This is an optional field. Insert applicable contact person at the point of delivery.
- 4.1.12 Comments/Special Requirements: This is an optional field. Insert applicable **INTERNAL** communications, i.e., emergency/sole source justifications, messages to Budget or Purchasing, etc. **DO NOT INSERT SPECIFICATIONS IN THIS SECTION.**
- 4.1.13 G/L Account to Charge: This is a required field. Select the line number which corresponds to the G/L account information. Select the "ADD" prompt. Insert the appropriate G/L account number(s). "Shift ?" will provide options. Insert the dollar amount assigned to the selected G/L account number. NOTE: The G/L information and dollar amounts may be inserted after completion of line items, at your option.
- 4.1.14 Suggested Vendor Name: This is an optional field. Select the line number which corresponds to the Suggested Vendor Name. Select the "ADD" prompt. Insert applicable suggested vendor information (refer to Policy No. 140-95, Section 3.10).
- 4.1.15 Approval Login ID's: This is an optional field. Select the line number which corresponds to the Approval Login ID's. Select the "ADD" prompt. If the requisition originator has approval authority, (refer to Policy No. 020-95) select the "Y" prompt to record the login name. You will be unable to insert someone else's name.
- 4.1.16 Solicitation Codes: For the divisions of Contracts and Purchasing use only.
- 4.1.17 Login ID for Buyer Assigned: For the divisions of Contracts and Purchasing use only.
- 4.1.18 Pre-Encumbrance Code: For Budget use only.
- 4.1.19 Select "ITEM" prompt.
- 4.1.20 Line Item Number: Enter line item number to be inserted or "N" prompt for a new line item. "Shift ?" will provide existing options.

- 4.1.21 Description/Specifications: Insert applicable product/service descriptions/specifications to be assigned to line item number. **DO NOT INSERT INTERNAL COMMENTS IN THIS SECTION.**
- 4.1.22 Quantity: Insert the desired quantity for product/service specified on the corresponding line item.
- 4.1.23 Unit of Issue: This is a required field. Insert the appropriate unit of issue for the product/service specified on the corresponding line item. "Shift ?" will provide options.
- 4.1.24 Estimated Unit Cost: This is a required field. Insert an estimated unit cost for the product/service specified on the corresponding line item.
- 4.1.25 Commodity/Class Code: For the divisions of Contracts and Purchasing use only.
- 4.1.26 Comments: This is an optional field. Insert additional, applicable **INTERNAL** communications. **DO NOT INSERT SPECIFICATIONS IN THIS SECTION.**
- 4.1.27 Buyer Comments: For the divisions of Contracts and Purchasing use only.
- 4.1.28 Select "Save" prompt.
- 4.1.29 Insert additional line items if required.
- 4.1.30 Select "X" prompt to return to header screen.
- 4.1.31 Insert G/L account information if not completed in prior steps.
- 4.1.32 Select the "F'wd" prompt to submit requisition for required additional departmental approvals. If approval is complete, forward the requisition to a Budget Division representative.
- 4.1.33 There will be times when it will be necessary for requestors to have an order called into a supplier in order to expedite the requirement. The Purchasing Agents will accommodate this need within reason. The majority of requirements should be pre-planned to avoid this need and allow adequate time for the Purchasing Agents to complete orders through a standard process. If you need to have an order called in after it has been completed by the divisions of Contracts and Purchasing, include a note in the comment section of your requisition clearly stating this requirement. Unreasonable demand for this accommodation will be communicated to the Department Head in charge of the divisions of Contracts and Purchasing and the appropriate Department Head. If you have received a verbal emergency purchase order number, proceed as described in Policy No. 140-95, Section 4.1.5.

- 4.1.34 Upon budgetary approval, requisitions will be assigned to the Purchasing Agents, within the divisions of Contracts and Purchasing. The Purchasing Agents will conduct all required competitive steps and process orders based on the results of offers solicited, according to all criteria established in this manual.
- 4.1.35 The originating Department/Division will receive a copy of the finalized purchase order. This purchase order copy is used to indicate your authorization for payment. Hold this copy until you take receipt of the requested material. If the order is satisfactorily completed by the supplier, sign the copy of the purchase order, insert the date of completion, and indicate "Ok to Pay". Submit the signed copy to the Accounts Payable Division without delay. Accounts Payable will then match your authorization copy and their purchase order copy with the supplier invoice and finalize payment. Failure to process payment authorization in a timely manner, will be considered non-adherence to policy and will be communicated to the Department Head in charge of the divisions of Contracts and Purchasing and the offender's Department Head. No employee shall intentionally withhold payment authorization, for any reason, unless instructed to do so by the Purchasing Agents.
- In the event that a supplier completes a portion of the order, or back orders certain items, the supplier may request a partial payment for goods or services delivered. Although partial payments are not a standard practice in the City, they may be arranged through the Accounts Payable Division.
- 4.1.36 To cancel or void a requisition or purchase order, contact a representative from the divisions of Contracts and Purchasing.

150-95

BLANKET PURCHASE ORDERS

CITY OF THORNTON - PURCHASING AND CONTRACT
ADMINISTRATION DIVISIONS
POLICY STATEMENT

TITLE: BLANKET PURCHASE ORDERS - NO. 150-95

1.0 PURPOSE

- 1.1 The purpose of this policy is to establish the approved method concerning the use and assignment of blanket purchase orders.

2.0 SCOPE

- 2.1 This policy applies to all employees and blanket purchase orders.

3.0 POLICY

- 3.1 Blanket purchase orders may be requested by operating department heads or their designees in order to encumber funds on a single purchase order for repeated requirements within a given fiscal year. The Purchasing Agents may direct the use of blanket orders as deemed advantageous and appropriate.
- 3.2 Each blanket purchase order shall contain a list of operational staff who are authorized to buy from the blanket order during the year.
- 3.3 Blanket purchase orders shall be bound by all competitive solicitation requirements contained in this manual unless written justification can be provided to support a non-competitive award. Noncompetitive awards may be considered due to supplier location, sole source requirements, equipment standardization, source for original manufacturers supplies/service and/or projected overall cost efficiency.
- 3.4 All requests for add-ons to blanket purchase orders shall be submitted through the automated requisition system and shall state the reason for additional requirements. **Add-ons to blanket orders shall NOT be used to circumvent the competitive process limits.**
- 3.5 A "ceiling" or "not to exceed" amount shall be stated on all blanket purchase orders as an estimated amount. Obtaining add-on authorization **PRIOR TO OVER EXPENDITURE** of this estimated amount will be the responsibility of the person who initiated the order.
- 3.6 Blanket purchase orders may not be used for any capital expenditures.

4.0 PROCEDURE

- 4.1 Operations submitting blanket purchase requisitions will be required to provide the following applicable information via the automated requisition system.
- 4.1.1 Requisition Number: An "N" prompt selection will provide the next available requisition number. You will be unable to proceed without responding to this field.
- 4.1.2 Requestor's Identification: The default will insert the login name. You will be unable to proceed without responding to this field.
- 4.1.3 Requestor's Telephone Extension: You will be unable to proceed without responding to this field.
- 4.1.4 Requisition Date: The default will insert the current date. You will be unable to proceed without responding to this field.
- 4.1.5 Confirming Purchase Order Number: This is an optional field and applies only if a verbal purchase order number has been assigned by the divisions of Contracts and Purchasing. If a verbal purchase order has been assigned, insert that number. Failure to correctly identify confirming requisitions may result in double shipments and subsequent restocking charges. Chronic failure to correctly identify confirming requisitions may result in individual restrictions on the release of verbal numbers.
- 4.1.6 Add-On Purchase Order Number: This is an optional field and applies only if you are adding funds to an existing, active purchase order. Refer to Policy No. 170-95 for additional information.
- 4.1.7 Ship to Location: This is a required field. "Shift ?" will provide options.
- 4.1.8 Location: This is a required field. "Shift ?" will provide options.
- 4.1.9 Department: This is a required field. "Shift ?" will provide options.
- 4.1.10 Level: This is an optional field. Insert applicable floor level.
- 4.1.11 Notify: This is an optional field. Insert applicable contact person at the point of delivery.
- 4.1.12 Comments/Special Requirements: This is an optional field. Insert applicable **INTERNAL** communications, i.e., emergency/sole source justifications, messages to Budget or Purchasing, etc. **DO NOT INSERT SPECIFICATIONS IN THIS SECTION.**

- 4.1.13 G/L Account to Charge: This is a required field. Select the line number which corresponds to the G/L account information. Select the "ADD" prompt. Insert the appropriate G/L account number(s). "Shift ?" will provide options. Insert the dollar amount assigned to the selected G/L account number. NOTE: The G/L information and dollar amounts may be inserted after completion of line items, at your option.
- 4.1.14 Suggested Vendor Name: This is an optional field. Select the line number which corresponds to the Suggested Vendor Name. Select the "ADD" prompt. Insert applicable suggested vendor information (refer to Policy No. 140-95, Section 3.10).
- 4.1.15 Approval Login ID's: This is an optional field. Select the line number which corresponds to the Approval Login ID's. Select the "ADD" prompt. If the requisition originator has approval authority, (refer to Policy No. 020-95) select the "Y" prompt to record the login name. You will be unable to insert someone else's name.
- 4.1.16 Solicitation Codes: For the divisions of Contracts and Purchasing use only.
- 4.1.17 Login ID for Buyer Assigned: For the divisions of Contracts and Purchasing use only.
- 4.1.18 Pre-Encumbrance Code: For Budget use only.
- 4.1.19 Select "ITEM" prompt.
- 4.1.20 Line Item Number: Enter "N" prompt for a new line item. Only one line item will be used on a blanket requisition.
- 4.1.21 Description/Specifications: Insert --- "(current year) BLANKET PURCHASE ORDER for (describe general product or service). Valid from (enter starting date) through December 31, (current year) unless otherwise canceled by the City of Thornton Purchasing Division. Not to exceed amount indicated. Persons authorized to place orders against this order (list staff who will be authorized to buy from the blanket order during the year)." **DO NOT INSERT INTERNAL COMMENTS IN THIS SECTION.**
- 4.1.22 Quantity: Enter "1".
- 4.1.23 Unit of Issue: Enter "LT" (lot)
- 4.1.24 Estimated Unit Cost: Enter the estimated blanket order amount for the requirement.
- 4.1.25 Commodity/Class Code: For the divisions of Contracts and Purchasing use only.

- 4.1.26 Comments: This is an optional field. Insert additional, applicable **INTERNAL** communications. **DO NOT INSERT SPECIFICATIONS IN THIS SECTION.**
- 4.1.27 Buyer Comments: For the divisions of Contracts and Purchasing use only.
- 4.1.28 Select "Save" prompt.
- 4.1.29 Select "X" prompt to return to header screen.
- 4.1.30 Insert G/L account information if not completed in prior steps.
- 4.1.31 Select the "F'wd" prompt to submit requisition for required additional departmental approvals. When approval is complete, forward the requisition to a Budget Division representative.
- 4.1.32 Upon budgetary approval, requisitions will be assigned to the Purchasing Agents, within the divisions of Contracts and Purchasing. The Purchasing Agents will conduct all required competitive steps and process orders based on the results of offers solicited, according to all criteria established in this manual.
- 4.1.33 The originating department/division will receive a copy of the finalized blanket purchase order. This purchase order copy is used to indicate your authorization for payment. When you receive this copy, mark it "OKAY TO PAY PARTIALS", initial the copy and send it via City mail to Accounts Payable. Failure to process payment authorization in a timely manner, will be considered non-adherence to policy and will be communicated to the Department Head in charge of the divisions of Contracts and Purchasing and the offender's Department Head. No employee shall intentionally withhold payment authorization, for any reason, unless instructed to do so by the Purchasing Agents.

160-95

OPEN PURCHASE ORDERS

**CITY OF THORNTON - PURCHASING AND CONTRACT
ADMINISTRATION DIVISIONS
POLICY STATEMENT**

TITLE: OPEN PURCHASE ORDERS - NO. 160-95

1.0 PURPOSE

- 1.1 The purpose of this policy is to establish the approved method concerning the use and assignment of open purchase orders.

2.0 SCOPE

- 2.1 This policy applies to all employees and open purchase orders.

3.0 POLICY

- 3.1 Department Heads or their designees may request open purchase orders in cases when an exact amount for supplies or services on a project cannot be determined prior to completion, (time and material).
- 3.2 Open purchase orders shall be bound by all competitive solicitation requirements contained in this manual unless written justification can be provided by the Department Head or his designee supporting a noncompetitive award. Noncompetitive awards may be considered due to supplier location, sole source requirements, equipment standardization, source for original manufacturers supplies/service and/or projected overall cost efficiency.
- 3.3 **ADD-ONS TO OPEN PURCHASE ORDERS SHALL NOT BE USED TO CIRCUMVENT THE COMPETITIVE PROCESS LIMITS.**
- 3.4 A "ceiling" or "not to exceed" amount shall be stated on all open purchase orders as an estimated amount.
- 3.5 Open orders are to be utilized for projects which are to be completed within a specified amount of time.

4.0 PROCEDURES

- 4.1 Operations submitting open purchase requisitions will be required to provide the following applicable information via the automated requisition system.
 - 4.1.1 Requisition Number: An "N" prompt selection will provide the next available requisition number. You will be unable to proceed without responding to this field.

- 4.1.2 Requestor's Identification: The default will insert the login name. You will be unable to proceed without responding to this field.
- 4.1.3 Requestor's Telephone Extension: You will be unable to proceed without responding to this field.
- 4.1.4 Requisition Date: The default will insert the current date. You will be unable to proceed without responding to this field.
- 4.1.5 Confirming Purchase Order Number: This is an optional field and applies only if a verbal purchase order number has been assigned by the divisions of Contracts and Purchasing. If a verbal purchase order has been assigned, insert that number. Failure to correctly identify confirming requisitions may result in double shipments and subsequent restocking charges. Chronic failure to correctly identify confirming requisitions may result in individual restrictions on the release of verbal numbers.
- 4.1.6 Add-On Purchase Order Number: This is an optional field and applies only if you are adding funds to an existing, active purchase order. Refer to Policy No. 170-95 for additional information.
- 4.1.7 Ship to Location: This is a required field. "Shift ?" will provide options.
- 4.1.8 Location: This is a required field. "Shift ?" will provide options.
- 4.1.9 Department: This is a required field. "Shift ?" will provide options.
- 4.1.10 Level: This is an optional field. Insert applicable floor level.
- 4.1.11 Notify: This is an optional field. Insert applicable contact person at the point of delivery.
- 4.1.12 Comments/Special Requirements: This is an optional field. Insert applicable **INTERNAL** communications, i.e., emergency/sole source justifications, messages to Budget or Purchasing, etc. **DO NOT INSERT SPECIFICATIONS IN THIS SECTION.**
- 4.1.13 G/L Account to Charge: This is a required field. Select the line number which corresponds to the G/L account information. Select the "ADD" prompt. Insert the appropriate G/L account number(s). "Shift ?" will provide options. Insert the dollar amount assigned to the selected G/L account number. NOTE: The G/L information and dollar amounts may be inserted after completion of line items, at your option.
- 4.1.14 Suggested Vendor Name: This is an optional field. Select the line number which corresponds to the Suggested Vendor Name. Select the "ADD" prompt. Insert applicable suggested vendor information (refer to Policy No. 140-95, Section 3.10).

- 4.1.15 Approval Login ID's: This is an optional field. Select the line number which corresponds to the Approval Login ID's. Select the "ADD" prompt. If the requisition originator has approval authority, (refer to Policy No. 020-95) select the "Y" prompt to record the login name. You will be unable to insert someone else's name.
- 4.1.16 Solicitation Codes: For the divisions of Contracts and Purchasing use only.
- 4.1.17 Login ID for Buyer Assigned: For the divisions of Contracts and Purchasing use only.
- 4.1.18 Pre-Encumbrance Code: For Budget use only.
- 4.1.19 Select "ITEM" prompt.
- 4.1.20 Line Item Number: Enter "N" prompt for a new line item. Only one line item will typically be used on an open requisition.
- 4.1.21 Description/Specifications: Insert — "OPEN PURCHASE ORDER for (describe general product or service). Valid from (enter starting date and anticipated ending date). Not to exceed amount indicated." Be sure to allow adequate completion time. **DO NOT INSERT INTERNAL COMMENTS IN THIS SECTION.**
- 4.1.22 Quantity: Enter "1".
- 4.1.23 Unit of Issue: Enter "LT" (lot)
- 4.1.24 Enter a not to exceed amount.
- 4.1.25 Commodity/Class Code: For the divisions of Contracts and Purchasing use only.
- 4.1.26 Comments: This is an optional field. Insert additional, applicable **INTERNAL** communications. **DO NOT INSERT SPECIFICATIONS IN THIS SECTION.**
- 4.1.27 Buyer Comments: For the divisions of Contracts and Purchasing use only.
- 4.1.28 Select "Save" prompt.
- 4.1.29 Select "X" prompt to return to header screen.
- 4.1.30 Insert G/L account information if not completed in prior steps.
- 4.1.31 Select the "F'wd" prompt to submit requisition for required additional departmental approvals. When approval is complete, forward the requisition to a Budget Division representative.

- 4.1.32 Upon budgetary approval, requisitions will be assigned to the Purchasing Agents, within the divisions of Contracts and Purchasing. The Purchasing Agents will conduct all required competitive steps and process orders based on the results of offers solicited, according to all criteria established in this manual.
- 4.1.33 The originating department/division will receive a copy of the finalized open purchase order. This purchase order copy is used to indicate your authorization for payment. Hold this copy until you take receipt of the requested material or until service is completed by the supplier. Upon completion, sign the copy of the open purchase order and indicate "OKAY TO PAY". Submit the signed copy to the Accounts Payable division without delay. Accounts Payable will then match your authorization copy and their purchase order copy with the supplier invoice and finalize payment. Failure to process payment authorization in a timely manner, will be considered non-adherence to policy and will be communicated to the Department Head in charge of the divisions of Contracts and Purchasing and the offender's Department Head. No employee shall intentionally withhold payment authorization, for any reason, unless instructed to do so by the Purchasing Agents.

170-95

ADD-ONS TO PURCHASE ORDERS

CITY OF THORNTON - PURCHASING AND CONTRACT
ADMINISTRATION DIVISIONS
POLICY STATEMENT

TITLE: ADD-ONS TO PURCHASE ORDERS - NO. 170-95

1.0 PURPOSE

- 1.1 The purpose of this policy is to provide guidelines for processing an "add-on" to an existing purchase order.

2.0 SCOPE

- 2.1 This policy applies to all employees and all add-on requirements.

3.0 POLICY

- 3.1 In the event that an insufficient dollar amount was originally indicated on a purchase order due to omissions, typographical errors, additional needs, additional freight costs, etc., the operating department or division will be responsible for authorizing the necessary additional funds to be paid. It will be the responsibility of the originator of the initial order to monitor funds and insure prompt processing of required add-ons. No order is to be knowingly placed against a purchase order containing insufficient funds.
- 3.2 When price discrepancies are discovered in Accounts Payable between the purchase order amount and the invoice amount, payment may automatically be adjusted to cover any additional costs up to a \$100 limit. Discrepancies identified in excess of \$100 will be brought to the attention of the originating department or division and an add-on document will be requested.
- 3.3 Add-ons will be initiated via the automated requisition system.
- 3.4 **PROCESSING ADD-ONS TO CIRCUMVENT ESTABLISHED COMPETITIVE REQUIREMENTS IS STRICTLY PROHIBITED AND SHALL BE ADDRESSED AS A POLICY INFRACTION.**
- 3.5 Add-ons to purchase orders are to be conducted in a timely manner to accommodate prompt payment to suppliers. **OBTAINING ADD-ON AUTHORIZATION TO BLANKET PURCHASE ORDERS, PRIOR TO OVER EXPENDITURE, IS REQUIRED AND SHALL BE THE RESPONSIBILITY OF THE PERSON WHO INITIATED THE ORDER.** Substantial or chronic non-compliance to this criteria may be considered a serious irregularity infraction and may be communicated by the Accounting Division at the Department Head level.

4.0 PROCEDURE

- 4.1 Operations submitting add-on purchase requisitions will be required to provide the following applicable information via the automated requisition system.
- 4.1.1 Requisition Number: An "N" prompt selection will provide the next available requisition number. You will be unable to proceed without responding to this field.
- 4.1.2 Requestor's Identification: The default will insert the login name. You will be unable to proceed without responding to this field.
- 4.1.3 Requestor's Telephone Extension: You will be unable to proceed without responding to this field.
- 4.1.4 Requisition Date: The default will insert the current date. You will be unable to proceed without responding to this field.
- 4.1.5 N/A
- 4.1.6 Add-On Purchase Order Number: Insert the purchase order number you wish to add on to.
- 4.1.7 Ship to Location: This is a required field. "Shift ?" will provide options.
- 4.1.8 Location: This is a required field. "Shift ?" will provide options.
- 4.1.9 Department: This is a required field. "Shift ?" will provide options.
- 4.1.10 Level: This is an optional field. Insert applicable floor level.
- 4.1.11 Notify: This is an optional field. Insert applicable contact person at the point of delivery.
- 4.1.12 Comments/Special Requirements: This is an optional field. Insert applicable **INTERNAL** communications, i.e., emergency/sole source justifications, messages to Budget or Purchasing, etc. **DO NOT INSERT SPECIFICATIONS IN THIS SECTION.**
- 4.1.13 G/L Account to Charge: This is a required field. Select the line number which corresponds to the G/L account information. Select the "ADD" prompt. Insert the appropriate G/L account number(s). "Shift ?" will provide options. Insert the dollar amount assigned to the selected G/L account number. NOTE: The G/L information and dollar amounts may be inserted after completion of line items, at your option.
- 4.1.14 Suggested Vendor Name: This is an optional field. Select the line number which corresponds to the Suggested Vendor Name. Select the "ADD" prompt. Insert applicable suggested vendor information (refer to Policy No. 140-95, Section 3.10).

- 4.1.15 Approval Login ID's: This is an optional field. Select the line number which corresponds to the Approval Login ID's. Select the "ADD" prompt. If the requisition originator has approval authority, (refer to Policy No. 020-95) select the "Y" prompt to record the login name. You will be unable to insert someone else's name.
- 4.1.16 Solicitation Codes: For the divisions of Contracts and Purchasing use only.
- 4.1.17 Login ID for Buyer Assigned: For the divisions of Contracts and Purchasing use only.
- 4.1.18 Pre-Encumbrance Code: For Budget use only.
- 4.1.19 Select "ITEM" prompt.
- 4.1.20 Line Item Number: Enter line item number to be inserted or "N" prompt for a new line item. "Shift ?" will provide existing options.
- 4.1.21 Description/Specifications: Insert — "ADD-ON TO ACCOMMODATE ADDITIONAL REQUIREMENTS. (explain requirements)." Only one line item will be used on an add-on requisition.
- 4.1.22 Quantity: Enter "1".
- 4.1.23 Unit of Issue: Enter "LT" (lot)
- 4.1.24 Estimated Unit Cost: Enter the desired add-on amount.
- 4.1.25 Commodity/Class Code: For the divisions of Contracts and Purchasing use only.
- 4.1.26 Comments: This is an optional field. Insert additional, applicable **INTERNAL** communications. **DO NOT INSERT SPECIFICATIONS IN THIS SECTION.**
- 4.1.27 Buyer Comments: For the divisions of Contracts and Purchasing use only.
- 4.1.28 Select "Save" prompt.
- 4.1.29 Select "X" prompt to return to header screen.
- 4.1.30 Insert G/L account information if not completed in prior steps.
- 4.1.31 Select the "F'wd" prompt to submit requisition for required additional departmental approvals. If approval is complete, forward the requisition to a Budget Division representative.

4.1.32 If you wish to take exception to additional charges which have been identified on a supplier's invoice, contact the Purchasing Division.

NOTE: Limited use of verbal purchase orders and your close attention to all information submitted on the original purchase requisition will reduce the chances of having to process extra paperwork and pay additional charges.

180-99

PURCHASING CARDS

CITY OF THORNTON - PURCHASING AND CONTRACT
ADMINISTRATION DIVISIONS
POLICY STATEMENT

TITLE: PURCHASING CARDS - NO. 180-99

1.0 PURPOSE

- 1.1 The purpose of this policy is to govern the use of the City's Purchasing Card system.

2.0 SCOPE

- 2.1 This policy applies to all City Purchasing Cardholders, and all Purchasing Card transactions.

3.0 POLICY

- 3.1 Purchasing Cards will allow approved cardholders to transact their own purchases as long as the single transaction dollar amount does not exceed \$2,500. All purchases exceeding \$2,500 will be handled centrally within the Purchasing or Contracts Division, unless otherwise directed by the Purchasing Agents.
- 3.2 Purchasing Cards may be used at any supplier that accepts the designated card. Purchasing Cards may not be used for "after the fact" transactions. No City employee shall make verbal or written commitments for the purchase of goods or services without the up front use of an approved acquisition method. The only exception shall be in cases of justifiable after hours emergency per Policy No. 110-95. Patronage of suppliers within the City of Thornton for non-competitive field purchases is considered to be in the best interest of the City and its business community in all cases where reasonable availability, quality and value can be obtained from City suppliers, it is required that field purchases be transacted with these local firms. The Purchasing Card will be accepted for authorized purchases of generally approved goods and services. Businesses determined not to offer goods and services commonly accepted for City use have been blocked and will be rejected at the point of sale.
- 3.3 Purchasing Cards may not be grouped or used on consecutive transactions to the same supplier or in any other manner to circumvent the \$2,500 limit. Such action will be considered a policy infraction.
- 3.4 Issuance of Purchasing Cards and assignment of individual spending limits will require approval by the Department Head or their designated Division Manager. Spending limits will not be changed without approval of the appropriate Department Head. Transactions falling outside assigned limits will be rejected at the point of sale.

- 3.5 Only authorized purchases made on behalf of the City of Thornton are allowable. Use of the Purchasing Card for personal charges is not authorized except where personal and City travel and entertainment charges would be unreasonably difficult to separate, i.e., personal telephone calls incorporated into a hotel bill. This type of combinational charge may be transacted with a Purchasing Card if the personal portion is reimbursed to the City via an expense report. All other personal charges on City Purchasing Cards are strictly prohibited.
- 3.6 The Purchasing Card must be used only by the assigned cardholder. No cardholder may assign, loan or otherwise transfer use of their card to any other person. Each Purchasing Card will be issued in the name of the individual cardholder and all transactions made against the card will be considered the cardholder's responsibility.
- 3.7 The Purchasing Card may be used in person, via telephone, fax or SECURED Internet sites. The Purchasing Card is to be securely maintained at all times by the cardholder. Lost or stolen cards must be reported IMMEDIATELY to the designated bank's customer service department and then to the City's Purchasing Card Administrator.
- 3.8 Cardholders are responsible for informing suppliers that the City of Thornton is exempt from sales tax. There may be some instances where our tax-exempt status will not be recognized and accepted, i.e., out of state lodging. In such cases, the cardholder will indicate the situation on their reconciliation.
- 3.9 Refunds and exchanges must be credited directly to the Purchasing Card account. Under no circumstances shall cash be received for refunds or exchanges.
- 3.10 Periodic transaction reports will be provided to cardholders for required reconciliation and account adjustment.
- 3.11 Cardholders will be responsible for the proper use and security of their assigned card. Lost or stolen cards must be reported immediately.
- 3.12 Each cardholder will be required to sign an Internal CardHolder Agreement.
- 3.13 The Purchasing Agents may at any time audit, restrict, or rescind Purchasing Card activity.

4.0 PROCEDURE

- 4.1 If you wish to participate in the Purchasing Card Program, you can request an application form from the Purchasing Card Administrator in the Finance Department. You will be required to complete all of the sections of the application and obtain your Department Head's approval. The completed application is then submitted to the Purchasing Card Administrator in the Finance Department. Your application will be processed and your card ordered.

- 4.2 When your card arrives, you will be notified. You will be given a short orientation on the use of your Purchasing Card and asked to sign a Purchasing Card Cardholder Agreement. When this process is complete, your card will be issued to you for use.
- 4.3 When you receive your new card, sign the back of the card and call Wells Fargo Customer Service to have your account activated.
- 4.4 Each City of Thornton Purchasing Card has been assigned a daily, and monthly credit limit determined by your Department Head. There is also a single transaction limit of no more than \$2,500. Credit limits may not be changed without the approval of your Department Head.
- 4.5 The Purchasing Card will be accepted for authorized purchases of generally approved goods and services. Businesses determined not to offer goods and services commonly accepted for City use have been blocked from accepting Purchasing Cards. Transactions falling outside assigned credit limits or the approved merchant categories will be declined at the point of sale.
- 4.6 If your card is declined by a supplier and you feel the decline should not have occurred, you should contact Wells Fargo Bank Customer Service at 1-800-932-0036. This number will also be included on the back of your card. Wells Fargo will help you determine if you were declined because of merchant blocking or if you have exceeded the control limits placed on your card.
- 4.7 A central invoice covering all City of Thornton Purchasing Card transactions will be paid by the Finance Department. Default accounts have been set up within your Department where each transaction will be automatically charged, once your reconciliation is received in Finance. You will have the capability of moving transactions to non-default accounts if you wish. However, default accounts should be used whenever possible.
- 4.8 It is required that you retain all receipts for goods and services provided. If you purchase via phone, secured Internet, or mail, instruct the supplier to include a receipt upon delivery of the goods or services. If a receipt is lost or unobtainable, you will be required to complete the Purchasing Card Missing Receipt Form that will be provided by the Finance Department.

Every cardholder will receive a report identifying each transaction made against their Purchasing Card during the billing cycle. The report will be sent to the Email address indicated on your cardholder application. All sales receipts must be reconciled against the report. You will then need to forward all documentation to your approving supervisor or manager. If your account does not require additional approval within your department, you may forward the documentation directly to the Purchasing Card Administrator in the Finance Department. You are required to submit your documentation for each billing cycle to your approving supervisor or manager, or to the Finance Department if no approval is required, within five (5) working days from the date your transaction report was transmitted.

4.9 Approving supervisors or managers will be required to approve the documents and forward to the Purchasing Card Administrator within ten (10) working days from the date the transaction report was transmitted to the cardholder.

4.10 A transaction log will be provided by the Finance Department to assist you with your record keeping.

4.11 Reconciliation of your transaction report is very important to determine if you made a particular purchase, the amount of the transaction is correct, or if you have a quality or service issue. There may be an occasion when you find items on your transaction report that does not correlate with your retained receipts.

Your first recourse is to contact the supplier involved to try to resolve the error. If a supplier agrees that an error has been made, they will credit your account. Make a copy of your transaction report and highlight the transaction in question as a reminder that the item is still pending resolution.

Be sure to check that the credit is received on your next transaction report.

4.12 All travel and entertainment transactions on the Purchasing Card must be reported on an expense report. Purchasing Card receipts for travel and entertainment transactions must be included with the expense report not the Purchasing Card transaction log. The absence of such receipts with the Purchasing Card transaction log must be noted by writing "T & E" next to the transaction. Administrative Directive 3-1 and Resolution Number 98-120 provide the guidelines for travel and entertainment expenses for employees and council, respectively.

4.13 If you are unable to resolve an issue with the supplier, contact the Wells Fargo Customer Service Department at 1-800-932-0036. When calling, be sure to have detailed information regarding the dispute. State that you would like to dispute a charge on your Purchasing Card. You are required by law to submit the information in writing to initiate a claims dispute with Wells Fargo. The amount of the next transaction report will be reduced by the amount of the disputed item until the dispute is resolved.

Any charge you wish to dispute must be identified in writing within thirty (30) days of the transaction report date. Disputes will then be resolved by Wells Fargo in conjunction with MasterCard.

4.14 Descriptions of purchased items are to be written on receipts when the receipt does not give a reasonably complete description of the purchased item.



MEMORANDUM

City Managers Department

DATE: April 22, 1999
TO: Purchasing Card Holders
FROM: Jack Ethredge, City Manager
SUBJECT: City of Thornton Purchasing Cards

As an approved user of a City of Thornton Purchasing Card you are being entrusted with a powerful and valuable tool. This enhancement to our purchasing system is designed to provide you with a highly improved level of flexibility when making small dollar purchases for the City.

Along with the added empowerment that you will enjoy as a participant in this program, comes the requirement for you to accept individual responsibility for the proper use of the Card issued in your name. It is my expectation that you will take this responsibility very seriously.

Each participant will be required to comply fully and without exception to the policies and procedures set forth to administrate this program. Failure to comply with these standards will be deemed unacceptable.

I am confident you will use this privilege appropriately and that it will prove to be a substantial benefit in the execution of your duties.

A handwritten signature in black ink, appearing to read "Jack Ethredge", written over a horizontal line.

Jack Ethredge
City Manager

INTRODUCTION

Welcome to the City of Thornton Purchasing Card Program.

The purpose of the Purchasing Card Program is to streamline and simplify the purchasing and payment process for small dollar transactions. The program is designed to shorten the approval process, reduce paperwork and administrative costs related to the use of purchase orders, field purchase orders, petty cash, check requests and expense reimbursements. The goal of this program is to:

- Reduce the cost of processing small dollar purchases
- Receive faster delivery of required merchandise
- Simplify the payment process
- Provide cardholders with empowerment to choose

The Purchasing Card is not intended to avoid or circumvent established purchasing policy and procedure, but is to be used in accordance with the guidelines set forth in this manual. You are expected to treat this program with the same sense of responsibility and security that you would use with your personal credit cards.

All Purchasing Cards are issued upon approval from your Department Head and card usage may be audited, restricted or rescinded at any time. You are the only person authorized to use your card and it is only to be used for authorized purchases.

Report keeping is essential to the success of this program. This is not an extraordinary requirement since current small dollar acquisition processes require the retention of receipts.

Finally, please remember that you are consuming City funds each time you use your Purchasing Card. This is a responsibility that must not be taken lightly. We hope the benefits of this program will be an effective enhancement in the execution of your daily tasks.

GENERAL INFORMATION

- The Purchasing Card Program carries corporate, not individual liability. The Purchasing Card does not impact your personal credit rating in any way.
- The Purchasing Card may be used at any supplier that accepts MasterCard credit cards.
- Your departmental accounts will not incur any fees related to the use of your Purchasing Card.
- Suppliers will be paid by Wells Fargo Bank within three business days of your transaction.
- The Purchasing Card system provides a convenient method of supporting local Thornton businesses. It is expected that you will patronize Thornton firms when conducting your field purchases whenever reasonable availability, quality and value can be obtained.

SUMMARY

The City of Thornton Purchasing Card Program provides an opportunity to reduce the time it takes to process low dollar purchases and to reduce administrative costs.

In addition, it will allow cardholders to conduct field type purchases in a convenient and efficient manner.

The Purchasing Card Program in conjunction with increased field purchase levels, will allow the Purchasing Division to operate in a more strategic manner and focus on areas of greatest potential savings and increased service to our customers.

We ask you to exercise good judgment and act within your authorized limits when using your card. The Purchasing Card is issued in your name and all activity will be assumed to have been incurred by you. We ask that you maintain simple but accurate records and receipts for auditing purposes.

The Purchasing Division is working to continually improve the way we conduct business and your feedback is vital in helping us achieve that goal.

Thank you for your cooperative participation in the City of Thornton Purchasing Card Program.

CONTACT LIST

Beth Stover, City Purchasing Card Administrator, 303-538-7325
Wells Fargo Customer Service (24 Hours/7 Days Per Week), 1-800-932-0036
Buz Hedglin, Purchasing Manager, 303-538-7644
Susan White, Buyer II, 303-538-7588



CITY OF THORNTON
PURCHASING CARD MISSING RECEIPT

Please type or print legibly.

I, _____ have either misplaced or did not receive a
Purchasing Card receipt totaling \$_____.

This form is submitted in lieu of the original receipt.

Supplier:_____

Date of Transaction:_____

ITEMS PURCHASED	AMOUNT

I certify that the amounts shown above were expended for official City of Thornton
business.

Cardholder Signature

Date



For the Period _____ to _____

Date Ordered	Date Delivered	Total \$ Amount	Supplier Name	General Description
TOTAL		\$		



CITY OF THORNTON
PURCHASING CARD APPLICATION

Department: _____ Acct # _____

Division: _____

Please type or print legibly. Incomplete applications cannot be processed.

Cardholder Name (Last, First, Middle Initial)	Cardholder Email Address
Job Title	Approving Supervisor or Manager
Social Security No.	Complete Business Mailing Address
Complete Business Phone No.	Complete Business Fax No.
TRANSACTION LIMITS	
Single \$2,500	Daily No. of Transactions Allowed
Daily Dollar Limit \$	Monthly No. of Transactions Allowed
Monthly Dollar Limit \$	Apply Standard City Limits ☐ Line ☐ Supervisory ☐ Executive

Cardholder Signature

Date

Department Head Approval

Date

Purchasing Manager Approval

Date



CITY OF THORNTON
PURCHASING CARD PROGRAM
INTERNAL CARD HOLDER AGREEMENT

I _____ agree to the following conditions regarding my use of the City of Thornton Purchasing Card.

1. I understand that I am being entrusted with a tool that will allow me to make financial commitments on behalf of the City of Thornton. I will make every reasonable effort to obtain the best value on behalf of the City.
2. I will not, under any circumstances, allow any other person to use my Purchasing Card and I will ensure that my Card is securely maintained at all times.
3. I will not, under any circumstances, use my Purchasing Card to make personal purchases for myself or any other person except as allowed by Purchasing Policy 180-99, for combinational travel and entertainment expenses, to be reimbursed to the City via an expense report.
4. I understand my Purchasing Card may be used for business expenses only.
5. I will diligently strive to obtain receipts which detail goods or services purchased.
6. I agree to patronize businesses within Thornton City limits for my field purchases whenever reasonable availability, quality and value can be obtained.
7. I agree to use my Purchasing Card in a manner that will, under no circumstances, be of a personal or private financial benefit. I will avoid all transactions that are or may be perceived as an impropriety.
8. I will comply with all established policy and procedure regarding the use of my Purchasing Card. I will submit my statement, along with all corresponding receipts, to my authorized Approver within five (5) working days of distribution of cardholder statements. Failure to do so may result in revocation of my use privileges. Non compliance may further result in the purchases not submitted, being considered personal and reimbursable to the City.
9. I am aware of my Purchasing card limits and will abide by those limits. I will not execute multiple transactions to circumvent my Purchasing Card limits.
10. I have been advised of the policies and procedures related to the use of my Purchasing Card and I understand the regulations.
11. I agree that should I willfully or negligently violate the terms of this Agreement and use my card for personal purpose or gain, that I will reimburse the City of Thornton for all incurred charges and any fees related to the collection of those charges.
12. I understand that should I willfully or negligently violate the policies and procedures established for the use of the City of Thornton Purchasing Card it may result in disciplinary action up to and including termination.

Cardholder Signature

Date

THORNTON PURCHASING CARD

STANDARD CITY LIMITS

	*Single	Number of	Total Dollar	Number of	Total Dollar
	Transaction	Transactions	Amount	Transactions	Amount
	Dollar Limit	Allowed Per	Allowed Per	Allowed Per	Allowed Per
		Day	Day	Month	Month
LINE	\$ 2,500.00	15	\$ 5,000.00	50	\$ 15,000.00
SUPERVISORY	\$ 2,500.00	20	\$ 7,000.00	75	\$ 20,000.00
EXECUTIVE	\$ 2,500.00	30	\$ 10,000.00	100	\$ 25,000.00
The standard limits provided above are only suggestions. Department Heads may raise or lower limits for individual card holders as they deem appropriate. *The single transaction limit of \$2,500 may not be increased, but may be lowered at the option of the Department Head.					

DR 0160 (07/92)
COLORADO DEPARTMENT OF REVENUE
1375 SHERMAN STREET
DENVER CO 80261

LICENSE IS
TRANSFERABLE

CERTIFICATE OF EXEMPTION FOR SALES AND USE TAX ONLY

USE ACCOUNT NUMBER for all references	LIABILITY INFORMATION	ISSUE DATE
98-02541-0000	12-044-9200 N 010180	MAY 18 1995

9500 CIVIC CENTER DR THORNTON CO

THORNTON CITY OF
THORNTON CITY OF
ATTN: TREASURER
9500 CIVIC CENTER DR
THORNTON CO 80229

Terence Hagen
Executive Director
Department of Revenue

190-95

SURPLUS MAINTENANCE/TRANSFER/DISPOSAL

**CITY OF THORNTON - PURCHASING AND CONTRACT
ADMINISTRATION DIVISIONS
POLICY STATEMENT**

TITLE: SURPLUS MAINTENANCE/TRANSFER/DISPOSAL - NO. 190-95

1.0 PURPOSE

- 1.1 The purpose of the policy is to establish guidelines for the maintenance, transfer and disposal of all City owned equipment, supplies, and personal property.

2.0 SCOPE

- 2.1 This policy applies to all employees and all City owned equipment, supplies and personal property. (Real estate is specifically excluded).

3.0 POLICY

- 3.1 The Purchasing Agents shall have the responsibility of disposing of all City owned equipment, supplies and personal property upon final authorization of surplus status by the City Manager or his designee. The Purchasing Agents shall further have the authority to transfer such commodities which are deemed usable to other departments or divisions.
- 3.2 All City owned surplus equipment, supplies and personal property, determined to have sellable value, shall be disposed of via formal sealed bid, public auction or trade-in as deemed appropriate by the Purchasing Agents.
- 3.3 City owned surplus equipment and supplies determined to have minimal or no sellable value may be disposed of upon inspection by the Purchasing Agents and approval by the City Manager or his designee.
- 3.4 City owned surplus equipment or supplies may be approved for donation or permanent transfer to charitable organizations by City Council.
- 3.5 City owned surplus equipment or supplies may be approved for sale or permanent transfer to other governmental agencies by the City Manager or his designee.
- 3.6 No equipment, supplies, personal property or parts thereof, shall be sold, traded, borrowed, removed from City property or otherwise disposed of or transferred outside the scope of this policy.

- 3.7 The Purchasing Agents shall work in conjunction with departments and divisions in establishing applicable, appropriate minimum sale amounts. Final determination of minimum sale amounts shall be the responsibility of the Purchasing Agents.
- 3.8 The Accounting Division shall be informed of all sale, trade-in, donation, disposal and/or transfer of equipment or property applicable to fixed asset records, according to processes established in the Accounting Division.
- 3.9 Nothing contained in this policy shall be construed to prohibit the return of material which has been received in error.
- 3.10 All surplus equipment, supplies and personal property determined to have value shall be maintained, prior to disposal, in a manner which will not lead to de-valuation due to condition. Parts stripping shall be prohibited unless otherwise approved by the Purchasing Agents.
- 3.11 Each department or division submitting surplus items for disposal consideration shall be responsible for maintaining such items in an appropriate manner at their location until the time of disposal.
- 3.12 Departments or divisions submitting surplus items for disposal may be required to provide delivery of such items to the sale location. Items being picked up for disposal shall be clearly marked and readily available for transport to sale location.
- 3.13 All payment to the City for the purchase of surplus equipment, supplies or property shall be made in cash or by certified check unless otherwise approved by the City Manager or his designee.
- 3.14 Unless otherwise stipulated by the City Manager or his designee, City employees shall not be prohibited from participation in public solicitation for sale of surplus. All terms and conditions of the public sale shall apply to City employee participants.
- 3.15 Items turned in as surplus having additional useful life may be redistributed by the Purchasing Division to other operations on a first come, first served basis.

4.0 PROCEDURE

- 4.1 The Purchasing Division will coordinate surplus lists and surplus pick-up with all City operations.
- 4.2 Refer to the Administrative Directive, "Use of City Property, Equipment or Funds", in your Employee Handbook for additional information.

200-95

CONSTRUCTION BIDS

CITY OF THORNTON - PURCHASING AND CONTRACT
ADMINISTRATION DIVISIONS
POLICY STATEMENT

TITLE: CONSTRUCTION BIDS - NO. 200-95

1.0 PURPOSE

- 1.1 The purpose of this policy is to establish procedure for the acquisition of Construction Services.

2.0 SCOPE

- 2.1 This policy applies to all employees and all City construction bids.

3.0 POLICY

- 3.1 The Purchasing Agents shall have the responsibility to competitively bid all construction bids. The operating department shall supply all technical specifications and drawings for construction bids as well as completed right-of-way acquisition forms.
- 3.2 A location, date, and hour will be established by the Purchasing Agents for bid openings. All bids will be publicly opened and read aloud before witnesses. No bids will be opened prior to the announced time. No late bids will be accepted. Time will be established by the clock maintained in the divisions of Contracts and Purchasing.
- 3.3 A location, date, and hour will be established by the Purchasing Agents for pre-bid meetings if they deem such a meeting appropriate. All such meetings shall be designated mandatory or non-mandatory with regards to attendance by prospective bidders. Failure to attend and be shown on the attendance list for mandatory pre-bid meetings shall disqualify bidders from further consideration. Bidders who arrive after the designated time for mandatory pre-bid meetings shall also be disqualified from further consideration. An attendance list will be completed for all pre-bid meetings.
- 3.4 Bid packages will be available for bidders at the offices of the Purchasing Agents or such other place as designated by the Purchasing Agents in the advertisement for bids. Cost to bidders for bid packages will be established for each bid by the Purchasing Agents. At the Purchasing Agent's sole discretion, bid packages may be mailed to bidders.

3.5 A bidder may, without prejudice, withdraw a bid proposal after it has been deposited with the Purchasing Agents, provided the request for such withdrawal is received by the Purchasing Agents, in writing, or by telegram before the time set for opening proposals. Telephonic or fax communications shall not be accepted. After opening of bids, no proposal may be withdrawn by the bidder for a period of 45 days or as otherwise required by law.

3.6 Each bid must be submitted on the Bid Proposal provided and must be signed by the bidder or his duly authorized agent. All blank spaces for bid prices must be filled in, in ink or typewritten, IN BOTH WORDS AND NUMBERS where called for in the Bid Proposal. If there is a discrepancy between the price in words and the price in numbers, the price in words will govern.

3.7 Each bid must be submitted in a sealed envelope bearing on the outside the name of the bidder, bidder's address and the name of the project for which the bid is submitted. If forwarded by mail, the sealed envelope containing the bids must be enclosed in another envelop addressed to the Purchasing Agents.

All bids must be accompanied by a Certified Check, Cashiers Check or Bid Bond in an amount of not less than 5% of the amount of the proposal.

Approved bonding companies will be listed in the latest Federal Register Circular 570 and licensed to do business in the state of Colorado. Checks must be drawn on banks that are members of the FDIC Federal Reserve System. Failure to supply Bid Security as listed will result in rejection of the bidder's bid. The Purchasing Agents may approve other sureties as they deem appropriate.

Upon the successful bidder's failure or refusal to execute and deliver the contract and bonds required within (10) consecutive calendar days from and including the date bidder has received notice of the acceptance of his bid, he shall forfeit to the City, as a penalty for such failure or refusal, the security deposited with his bid. Notice of the City's intent to award shall either be hand delivered by the Purchasing Agents to the bidder's address, as given on the contract documents, or mailed to such address, first class, United States mail, return receipt requested. Delivery or mailing of said notice to said address shall constitute the notice herein required without the requirement of an acknowledgment of receipt from the bidder.

Simultaneously with the delivery of the executed contract, the contractor shall furnish a surety bond or bonds as security for faithful performance of this contract and for the payment of all persons performing labor on the project under this contract and bonds shall be from a duly authorized surety company satisfactory to the Purchasing Agents. Attorney's-In-Fact who sign bid bonds or contract bonds must file with each bond a certified and effectively dated copy of their Power of Attorney.

In the instance of such a forfeiture, the contract will then be awarded to the next lowest bidder. The process will continue at the option of the Purchasing Agents until a bidder meets the requirements of the bid document and executes the contract.

- 3.8 Any bidder may modify his bid by telegraphic communication at any time prior to the scheduled time for opening proposals, provided such telegraphic communication is received by the Purchasing Agents prior to the opening of proposals, and, provided further, the bidder provides compelling evidence that a written confirmation of the telegraphic modification over the signature of the bidder was mailed prior to the opening of proposals. The telegraphic communication should not reveal the bid price but should provide the addition or subtraction or other modification so that the final prices or terms will not be known by the Purchasing Agents until the sealed bid is opened. If written confirmation of the telegraphic communication is not received within two days after the scheduled time for opening proposals, no consideration will be given to the telegraphic modifications.
- 3.9 Corporate bidders to be eligible to enter into contracts with the City shall be qualified to do business in the state of Colorado and the City of Thornton. Bidders shall comply with applicable licensing requirements. Foreign corporations which have not domesticated or otherwise become licensed in the City of Thornton shall obtain a permit to do business in Thornton pursuant to Thornton's requirements.
- 3.10 Unless otherwise directed by the Purchasing Agents, all construction bids over \$25,000 in value will be announced by public notice. It will be the responsibility of the Purchasing Agents to write and place the public notices for all construction bids within their responsibility.
- 3.11 If a bidder who contemplates submitting a bid for proposed work is in doubt as to the precise meaning of any part of the proposed contract documents, he may submit to the Purchasing Agents a written request for an interpretation thereof. The bidder submitting the request will be responsible for its prompt and actual delivery. Any interpretation of such documents will be made by addendum duly issued, and a copy of such addendum will be mailed or delivered to each bidder receiving a set of such documents. The Purchasing Agents will be the only individual responsible for answering such inquiries. No other interpretations or answers will be supplied to the bidders by other City departments without the approval of the Purchasing Agents. No oral interpretations will be binding upon the City.
- 3.12 Proposals shall be considered non-conforming and may be rejected for the following reasons as deemed by the Purchasing Agents unless otherwise provided by law:
1. If the proposal form furnished to the bidder by the Purchasing Agents is not used or is altered.

2. If there are unauthorized additions or conditional bids, or irregularities of any kind which may tend to make the proposal incomplete, indefinite, or ambiguous as to its meaning.
3. If the bidder adds any provisions reserving the right to accept or reject any award, or to enter into a contract pursuant to an award.
4. If the unit or lump sum prices contained in the bid schedule are obviously unbalanced either in excess or below the reasonable cost analysis values.
5. If the bidder fails to insert a unit price for every pay item indicated.
6. If the bidder fails to complete the proposal in any other particulars where information is requested so bidder's proposal may be properly evaluated.

- 3.13 The Purchasing Agents will determine the need to post or pre-qualify bidders and shall implement processes to accomplish qualifying bidders. Items subject to review will include but not be limited to the bidders, financial condition, experience, equipment, past performance, personnel, and other pertinent information. The Purchasing Agents shall solely reject or approve any bidders qualifications.
- 3.14 Completeness of all bid packages will be checked by each bidder against the bid package's Table of Contents. Any missing pages, etc. will be supplied to the bidder by the Purchasing Agents.
- 3.15 Construction bids up to \$25,000 in value may be informally solicited as outlined in Sections 050-95 and 060-95 at the discretion of the Purchasing Agents.
- 3.16 Insurance provisions for all construction contracts will be established by the City's Risk Manager.
- 3.17 The Purchasing Agents will maintain files on each construction bid until final warranty acceptance is issued at which point such files will be transferred to the City Clerk for storage.
- 3.18 The Purchasing Agents will reserve the right in all construction bids to waive any informalities, or irregularities in the bids, to reject any or all of the bids or parts of the bids and to accept the bids which in the judgement of the Purchasing Agents best serve the interests of the City.
- 3.19 The Purchasing Agents will conduct public bid openings on all construction bids valued at more than \$25,000. All bids received by the time and date specified in the advertisement for bids will be opened and read aloud. No bids will be accepted after the time specified in the public notice. All bids must be received in the office of the Purchasing Agents. Bids otherwise received will be rejected and returned to the bidder.

210-95

***EVALUATION AND AWARD
OF CONSTRUCTION BIDS***

**CITY OF THORNTON - PURCHASING AND CONTRACT
ADMINISTRATION DIVISIONS
POLICY STATEMENT**

TITLE: EVALUATION AND AWARD OF CONSTRUCTION BIDS - NO. 210-95

1.0 PURPOSE

- 1.1 The purpose of this policy is to establish guidelines for the evaluation and award of construction bids.

2.0 SCOPE

- 2.1 This policy applies to all City employees and all construction bids.

3.0 POLICY

- 3.1 The Purchasing Agents will evaluate and award all construction bids for the City.
- 3.2 The Purchasing Agents will review each bid received and verify the accuracy of any extensions. A bid tabulation will be completed for each bid that lists all items bid on, and the price bid by each bidder.
- 3.3 In reviewing bids the following shall be applied by the Purchasing Agents:
 - 1. Written amounts will govern over numerical sums. Unit prices will be used to verify extensions and will govern.
 - 2. Lowest cost will be the primary award consideration.
 - 3. Other criteria as noted in the bid proposal will be used by the Purchasing Agents in selecting a contractor.
- 3.4 In the event of a tie bid, the Purchasing Agents will determine the most qualified bidder and award the contract to that bidder. Specific unit prices, experience and financial condition may be used to make the determination.
- 3.5 Upon post or pre-qualifying the bidders and determining the lowest responsive and responsible bidder the Purchasing Agents may award the contract to that bidder.

- 3.6 The successful bidder will be required to execute the contract and deliver Performance and Payment Bonds within 10 days of award. Failure to execute the contract and supply the required bonds will result in forfeiture of the bidder's bid security. In the event of such a forfeiture the Purchasing Agent, at his option, will award the project to the next lowest bidder or bidders in secession until a contract is executed and the bonds supplied to the City.

220-95

CONSTRUCTION CONTRACTS

CITY OF THORNTON - PURCHASING AND CONTRACT
ADMINISTRATION DIVISIONS
POLICY STATEMENT

TITLE: CONSTRUCTION CONTRACTS - NO. 220-95

1.0 PURPOSE

- 1.1 The Purpose of this policy is to establish standards for construction contracts.

2.0 SCOPE

- 2.1 This policy shall apply to all City employees and all construction contracts in excess of \$25,000.

3.0 POLICY

- 3.1 All construction contracts in excess of \$25,000 shall be in a format established by the Purchasing Agents. This requirement can also be applied to contracts of \$25,000 or less, if the Purchasing Agents so determines.
- 3.2 All construction contracts will be prepared in quadruplicate and given to the successful bidder upon award of the contract for execution. Within 10 days of award the successful bidder will return the 4 executed contracts and completed bonds (Section 230-95) to the Purchasing Agents. The Purchasing Agents will then route the contracts to the City Attorney's Office for legal review and signature, then to the City Manager, and/or the Department Head in charge of the divisions of Contracts and Purchasing and the City Manager or his designee for signature, and to the City Clerk's Office for attestation.
- 3.3 The fully executed contracts will be distributed to the contractor, his surety, the City Clerk's Office and the Purchasing Agents.
- 3.4 The Purchasing Agents will notify the operating department that the contract has been executed. The operating department will schedule and conduct a Pre-Construction Conference with the contractor.
- 3.5 Notice to Proceed will be issued to the contractor at the Pre-Construction Conference by the Purchasing Agents. The Notice to Proceed will set out the contract completion date and the amount of liquidated damages. The contractor must commence work within 10 days of the Notice to Proceed.
- 3.6 The Purchasing Agents shall insert clauses as follows in each construction contract:

1. VARIATION FROM ESTIMATED QUANTITIES

The contractor may reasonably expect a variation in estimated quantities such that the total payment for the completed work may range from 75 to 125 percent of the total amount of the contract based on the estimated quantities. The contractor shall not be allowed any claims for anticipated profits, for loss of profits, or for any damages because of a difference between the estimate of any item and the amount of the item actually required or for the elimination or reduction of the items of the proposal or any of the work as may be required to bring the cost of the work within the limits of available funds.

2. CHANGED OR EXTRA WORK

A. The City, reserves the right at any time during the progress of the work to make necessary alterations of, deviations from, additions to, or deletions from the contract, or may require the performance of extra work neither covered by the specifications nor included in the Proposal, but forming a part of the work contracted for; provided however, the contractor shall not proceed with any such change or extra work without a written Contract Change Order approved by the City. No Contract Change Order will be executed by the City unless the appropriation therefore is sufficient for completion of the work and the specific Contract Change Order. Such changes or extra work shall in no way injuriously affect to invalidate the contract or the contractor's bond, but the difference in cost shall be added to or deducted from the amount of the contract as the case may be. Adjustments, if any, in the amounts to be paid to the contractor by reason of any such change or extra work shall be determined by one of the following methods in the order as listed:

- | | |
|-------------|--|
| 1. Method A | Unit prices contained in the contractor's proposal for the same type or class of work. |
| 2. Method B | By an acceptable unit sum price proposal from the contractor. |
| 3. Method C | By an acceptable lump sum price proposal from the contractor. |
| 4. Method D | If neither Method "B" or "C" can be agreed upon before the change or extra work is started, then the contractor shall be paid the "actual field cost" of the work completed by his own forces plus fifteen (15) percent. |

- B. Whenever any change or extra work is to be done, for which unit prices for the same type or class of work are contained in the contract documents, such work shall be done and shall be measured and paid for pursuant to Method "A" hereinabove set forth and the applicable portion of the contract documents.
- C. Methods "B" and "C" shall include an itemized cost breakdown for overhead and profit. In determining the amount payable to the contractor, an additional five percent (5%) may be added to the amount payable to a subcontractor, but no "pyramiding" or additional percentage shall be authorized for any work done by a subcontractor.
- D. Resort will not be had, in any case, to "Method D" until negotiation has been entered into by the parties hereto under Methods "B" or "C" as hereinabove set forth.
- E. When any change or extra work is performed under "Method D", the term "actual field cost" of such change or extra work is hereby defined to be and shall include:
 - 1. The actual payroll cost of all workmen such as foremen, equipment operators, mechanics, and laborers, for the time actually performing the change or extra work.
 - 2. All materials and supplies incorporated in the change or extra work.
 - 3. All machinery and equipment for the time actually employed or used in the performance of the change or extra work based on the Colorado State Department of Transportation's Equipment Schedule in force at the date of the Contract Change Order.
 - 4. Any transportation charges necessarily incurred in connection with any equipment authorized by the City for use on said change or extra work but which is not already on site.
 - 5. All power, fuel, lubricants, water, and similar operating expenses as well as other expendable materials.
 - 6. All incidental expenses incurred as a direct result of such change or extra work, including payroll taxes and a prorata portion of premium in the Performance Bond and Labor and Materials Payment Bond, and where the premiums therefor are based on payroll costs, on Public Liability and Property Damage Insurance, Workmens' Compensation Insurance, and Occupational Disease Disability Insurance, Builder's Risk, and other insurance required by the contract.

7. No repairs, replacements, or other forms of overhead expense shall be included in "actual field costs".
- F. The City may direct the form in which the accounts of the actual field costs shall be kept and may also specify in writing, before the work commences, the method of doing the work and the type and kind of machinery and equipment, if required, which shall be used in the performance of any change or extra work under Method "D". In the event that machinery and heavy construction equipment are required for such change or extra work, the authorization and basis of payment for the use thereof shall be stipulated in the written Contract Change Order.
- G. The fifteen (15) percent of the "actual field cost" to be paid to the contractor shall cover and be full compensation for the contractor's profits, home office, overhead, general superintendence, and field office expense, and all other elements of cost not embraced within the "actual field cost" as defined herein. In determining the amount payable to the contractor, an additional five percent (5%) may be added to the amount payable to a subcontractor, but no "Pyramiding" or additional percentage shall be authorized for any work done by subcontractors.
- H. No claim for any change or extra work of any kind shall be allowed unless the work is ordered and approved in writing by the City in the form of a Change Order.
- I. No anticipated profits shall be allowed for work deleted.
- J. The contractor shall furnish satisfactory bills, payrolls, and vouchers covering all items of cost and when requested by the City, give the City access to accounts relating thereto.
- K. Any change or extra work shall be considered a part of the contract, subject to all of its terms, conditions, stipulations, review, guaranties, and tests and may be performed without notice to the surety on the contractor's bond. The contractor and surety hereby agree to these provisions.

3. CLAIMS FOR CONCEALED OR UNKNOWN CONDITIONS

If conditions are encountered at the site which are (1) sub-surface or otherwise concealed physical conditions which differ materially from those indicated in the contract documents or (2) unknown physical conditions of an unusual nature, which differ materially from those ordinarily found to exist and generally recognized as inherent in construction activities of the character provided for in the contract documents, then written notice by the observing party shall be given to the other party promptly before conditions are disturbed and in no event later than 10 days after first observance

of the conditions. The City shall promptly investigate such conditions and, if they differ materially and cause an increase or decrease in the contractor's cost of, or time required for, performance of any part of the work, shall provide an equitable adjustment in the contract amount or contract period, or both. If the City determines that the conditions at the site are not materially different from those indicated in the contract documents and that no change in the terms of the contract is justified, the City shall so notify the contractor in writing, stating the reasons. Claims by either party in opposition to such determination must be made in writing, stating reasons, within 10 days after the City has given notice of the decision.

4. SUSPENSION OF WORK BY OWNER

The City shall have the right to suspend and reinstate execution of the whole or any part of the work contracted for without invalidating the provisions of the contract in any way for such period or periods of time as the City may deem necessary due to unsuitable weather or such other conditions considered unfavorable for the suitable prosecution of the work, including, in part, failure of the contractor to supply labor, materials, or equipment meeting the requirements for the contract documents; or failure to carry out instructions or to perform such other provisions of the contract considered unfavorable for the orderly or suitable prosecution of the work. During periods of suspension, the contractor shall properly protect the work from possible injury. Orders for suspension or reinstatement of the work shall be issued by the City to the contractor in writing.

5. RIGHT OF OWNER TO TERMINATE CONTRACT

Should it appear at any time that the work is not being prosecuted with sufficient competence or rapidity to insure the proper completion of the work within the stipulated time, and if upon seven (7) consecutive calendar days' written notice to the contractor, he fails to increase the quality or the quantity of his work or both, the City reserves the right to annul and cancel the contract and relet the work or any part thereof, or at the City's option to complete it by day labor. The contractor shall not be entitled to any claims for damages on account of such annulment, and he will be held liable for costs and expenses incurred in reletting or completing the work under the contract. All money due the contractor will be retained until the work is completed and all expenses and costs have been deducted and any money due the City, after such deductions have been made, shall be paid by the contractor or his surety who hereby agrees to these provisions.

6. TERMINATION FOR CONVENIENCE

- A. Termination Notice - The City may terminate work under this contract in whole or in part if such determination is in the City's best interest. Contract termination will be initiated by the City's written contract termination notice to the contract. The notice will specify the effective date.
- B. Canceled commitments - The contractor, after receiving the Contract Termination Notice, shall cancel any outstanding commitments for procurement of materials, supplies, equipment and miscellaneous items. In addition, the contractor shall use reasonable effort to cancel or divert any outstanding subcontracted commitments to the extent they relate to any work terminated. With respect to such canceled commitments the contractor shall:
 - 1. Settle all outstanding liabilities and all claims arising out of these canceled commitments. Such settlements shall be approved by the City and shall be final; and
 - 2. Assign to the City all of the rights, title and interest of the contractor under the terminated orders and subcontracts as directed by the City. The City will then have the right to settle or pay any or all claims arising out of the termination of these commitments.
- C. Termination Claim - The contractor shall submit the termination claim to the City within 90 days after the termination notice effective date. During the 90 day period, the contractor may make a written request for a time extension in preparing the claim. Any time extension must be approved by the City. If the contractor fails to submit the termination claim within the time allowed, the City may determine the amount due the contractor, if any, by reason of the termination.
- D. Payment - Subject to paragraph (C) above, the contractor and City may agree upon the whole or any part of the amount to be paid the contractor as a result of the termination. The amount may include reasonable cancellation charges incurred by the contractor. The amount may also include any reasonable loss upon outstanding commitments for subcontracts which the contractor is unable to cancel, provided the contractor has proven reasonable effort to divert the commitments to other activities. The amount agreed upon shall be embodied in a Contract Change Order and the contractor shall be paid that amount. Payments claimed and agreed to pursuant to termination shall be based on the contract unit prices. Payment for partially completed lump sum items may be made in the proportion that the partially completed work is to the total lump sum item. Where work performed is of a nature that it is impossible to separate the costs of uncompleted work from

completed units, the contractor shall be paid the actual cost incurred for the necessary preparatory work and other work accomplished.

The City may from time to time, under the terms and conditions it may prescribe, make partial payment against costs incurred by the contractor in connection with the contract termination. The total of such payments shall not exceed the amount, as determined by the City, the contractor will be entitled to hereunder.

- E. Disposition of Work and Inventory - The contractor shall transfer title and deliver to the City, such items which, if the contract had been completed, would have been furnished to the City including:

1. Completed and partially completed work; and
2. Materials or equipment produced or in process or acquired in connection with the performance of the work terminated by the notice.

Other than the above, any termination inventory resulting from the contract termination may, with written approval of the City, be sold or acquired by the contractor under the conditions prescribed by and at prices approved by the City. The proceeds of any such disposition shall be applied to reduce any payments to the contractor under this contract, or shall otherwise be credited to the cost of work covered by this contract, or paid in a manner as directed by the City. Until final disposition, the contractor shall protect and preserve all the material related to this contract which is in his possession and in which the City has or may have an interest.

- F. Cost Records - The contractor agrees to make cost records available to the extent necessary to determine the validity and amount of each item claimed.
- G. Contractual Responsibilities - Termination of a contract or portion thereof shall not relieve the contractor of contractual responsibilities for the work completed, nor shall it relieve the surety of its obligation for and concerning any just claim arising out of the work performed.

7. LIQUIDATED DAMAGES - TIME AN ESSENTIAL ELEMENT

- A. It is mutually understood and agreed by and between the parties to the contract that in the execution of the same, time is an essential element of the contract, and it is important that the work progress vigorously to completion.

- B. The contractor agrees that said work shall be prosecuted regularly, diligently, and uninterrupted at such rate of progress as will insure full completion thereof within the time specified. It is expressly understood and agreed, by and between the contractor and the City, that the completion time set forth in the contract documents is a reasonable time for the completion of the work, taking into consideration the average of the preceding ten years climatic range during the specified contract time based on U.S. Weather Bureau statistics for the locality where the work is performed and the usual industrial conditions prevailing in that locality.
- C. If the contractor neglects, fails, or refuses to complete the work within the contract time, then for each calendar day after the end of the contract time, substantial completion of the work is not achieved, the amount per calendar day specified in the contract documents form shall be assessed by the City, not as a penalty, but as a predetermined and agreed upon liquidated damage.
- D. The said amount is fixed and agreed upon by and between the contractor and the City because of the impracticability and extreme difficulty of fixing and ascertaining the actual damages the City would sustain in the event the work is not completed within the contract time.
- E. The City shall have the right to deduct said liquidated damages from any money due, or to become due to said contractor and to sue for and recover any additional compensation for damages for non-performance of the contract at the time stipulated and provided for in the contract documents.
- F. The assessment of liquidated damages for failure to complete the work within the contract time shall not constitute a waiver of the City's right to collect any additional damages which the City may sustain by failure of the contractor to carry out the terms of this contract.

8. CONTRACT IN DEFAULT

The City may declare the contract in default for any one or more of the following reasons as determined by the City in its sole discretion:

- A. Failure to complete the work within the contract time or any proper extension thereof granted by the City.
- B. Failure or refusal to comply with an instruction of the City within a reasonable time.
- C. Failure or refusal to remove rejected materials.

- D. Failure or refusal to perform any work or repair on any defective or unacceptable work.
- E. Bankruptcy or insolvency, or the making of an assignment for the benefit of creditors.
- F. Failure to provide a qualified superintendent, or sufficient and competent workmen or subcontractors to carry on the work in a satisfactory, good and workmanlike manner; or failure to prosecute the work in accordance with the agreed schedule of completion.
- G. Failure to provide proper materials, equipment, or supplies.
- H. Failure to comply with any important provisions of the contract documents as determined by the Purchasing Agents.
- I. Disregard of laws, ordinances, rules, or regulations or order of any public body having jurisdiction, or the violation of any construction or safety codes.
- J. Failure to prosecute the work with sufficient competence or rapidity to insure the proper completion of the work within the stipulated time.

9. CONTRACT IN DEFAULT - PROCEDURE FOR DECLARING

The Purchasing Agents may declare the contract in default by giving written notice to the contractor and his surety to that effect. Said notice shall contain the reason or reasons for default and shall fix a day certain, not less than seven (7) consecutive calendar days after the date of said notice, when the contract shall be declared in default, unless the contractor or his surety remedies the default to City's satisfaction or makes satisfactory arrangements with the City for its remedy prior to the day certain fixed in said notice for declaring the contract in default. The City may, at its sole option, extend the day certain for declaring the contract in default without prejudice to the City's right to thereafter declare the contract in default. If the contractor or his surety fail to remedy the default or make arrangements for its remedy prior to the date set for declaring the contract in default, or any extension thereof, the contract shall be declared in default.

10. EXTENSION OF CONTRACT TIME

- A. The contractor expressly covenants and agrees that in undertaking to complete the work within the contract time, he has taken into consideration and made allowances for all delays and hindrances incidental to such work, whether growing out of delays in securing materials, equipment or workmen, normal inclement weather, or otherwise.

B. If the contractor is delayed at any time in the progress of the work by an act or omission of the City, or its designated representative, any separate contractor employed by the City, or by changes ordered in the work, industry-wide labor strikes, fire, epidemics, quarantine restrictions, freight embargoes, unavoidable casualties, abnormal weather conditions, any causes beyond the contractor's control, or by any other cause which the City determines may justify the delay, then the contract time shall be extended for such reasonable time as the City may determine based on the timing and submittal requirements of this section provided, however, that such delay could not have been avoided by the exercise of due diligence by the contractor.

C. No extension of the contract time will be granted for:

1. Variations between the original contract quantities and actual quantities which cannot be predetermined and which variance (plus or minus) is less than twenty five percent (25%) of the contract quantities.
2. Rain, snow, wind, flood, or natural phenomena of normal intensity for the locality where the work is performed.
3. Acts or omissions of the contractor or its subcontractors.
4. Delays occurring concurrently (either at the same time, on the same critical path or on a concurrent critical path) with delays attributable to acts or omissions of the contractor or its subcontractors.

D. A request for an extension of the contract time shall be made in writing to the City not later than seven (7) days after the commencement of the delay. In the case of a continuing delay for the same cause only one request is necessary.

The contractor shall support its request for an adjustment of the contract time with a submittal including a schedule which shows how and where a delay on the then-current critical path occurred and its effect on the contract time. The submittal shall also include an explanation of the contractor's efforts to reschedule the work in order to mitigate the effect of the delay and/or prevent further delays resulting from such cause.

E. If abnormal weather conditions are the basis for a request for an adjustment of the contract time, such request shall be supported by data substantiating that weather conditions during the period of time impacted were unusually severe for the time period, and could not have been reasonably anticipated. To establish the existence of abnormal weather, the contractor must submit documentation which shows that the weather data for the Denver area published by the National

Climatic Data Center during the same month over the prior ten-year period. Regardless of actual weather conditions, any day in which the contractor is able to work eighty percent (80%) or more of its scheduled work force shall not be counted as an abnormal weather day for purposes of calculating a weather- related extension of the contract time. The existence of abnormal weather shall not relieve the contractor of the burden of proving that the abnormal weather delayed specific activities that were on the then-current critical path that controlled the overall completion of the work.

- F. Failure to strictly comply with the timing and submittal requirements of this section shall constitute a waiver of any request for an extension of the contract time.
- G. Notwithstanding anything to the contrary in the contract documents, an extension in the contract time, to the extent permitted under this section, shall be the sole remedy of the contractor for any delay in the commencement, prosecution or completion of the work, hindrance or obstruction in the performance of the work, loss of productivity, or other similar claims, whether or not such delays are foreseeable. In no event shall the contractor be entitled to any compensation or recovery of any damages, in connection with any delay, including, without limitation, consequential damages, lost opportunity costs, impact damages, loss of productivity damages or other similar remuneration. The City's exercise of any of its rights or remedies under the contract documents regardless of the extent or frequency of the City's exercise of such rights of remedies shall not be construed as active interference with the contractor's performance of the work.
- H. All contract time extensions shall be by written Change Order. No oral time extensions shall be granted by the City or relied upon by the contractor.

11. APPROPRIATIONS

Appropriations for the "PROJECT" are sufficient for its completion

- 3.7 The Purchasing Agents may vary the clauses contained in Section 3.6 if it is determined to be necessary to properly execute the project. Such variations shall be justified and noted in the project file.
- 3.8 In the event of any dispute arising under a Contract, venue shall lie in the District Court in and for the County of Adams, State of Colorado, notwithstanding that either of the parties hereto may find it necessary to take some action in furtherance hereof outside said County.

230-95

PERFORMANCE AND PAYMENT BONDS

**CITY OF THORNTON - PURCHASING AND CONTRACT
ADMINISTRATION DIVISIONS
POLICY STATEMENT**

TITLE: PERFORMANCE & PAYMENT BONDS - NO. 230-95

1.0 PURPOSE

- 1.1 The purpose of this policy is to establish standards for performance and payments bonds.

2.0 SCOPE

- 2.1 This policy shall apply to all City Employees and all bids requiring bonds.

3.0 POLICY

- 3.1 All construction bids in excess of \$25,000 will be required to have a performance bond in the amount of 100% of the contract amount and a labor and materials payment bond in the amount of 100% of the contract amount.
- 3.2 Performance and or payment bonds for bids other than construction shall be as determined by the Purchasing Agents and so stated in the bid documents.
- 3.3 The Purchasing Agents shall approve all sureties and shall require that they be listed in the most recent Federal Register circular 570. Sureties not listed in circular 570 may be considered if they have a BESTS rating of B or above at the Purchasing Agents's option. All sureties shall be licensed to do business in the State of Colorado.
- 3.4 Bonds shall be supplied in the format included at the end of this section unless otherwise determined by the Purchasing Agents.
- 3.5 All bonds must be in a form acceptable to the City Attorney.

PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS: That _____
(full name and address or legal title of Contractor)
_____ as Principal, hereinafter called Contractor,
and _____ as Surety, hereinafter called
(full name and address or legal title of Surety)

Surety, are held and firmly bound unto the CITY OF THORNTON as Obligee, hereinafter called Owner, in the amount of _____ Dollars (\$_____) for the payment whereof Contractor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, Contractor has by written agreement dated _____, 19____, entered into a contract with Owner for _____

(full name, address, and description of project)
in accordance with Drawings and Specifications prepared by _____
(full name and address or legal

title of Engineer)

which contract is by reference made a part hereof, and is hereinafter referred to as the Contract.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that, if Contractor shall promptly and faithfully perform said Contract then this obligation shall be null and void; otherwise it shall remain in full force and effect.

The Surety hereby waives notice of any alteration of the contract or extension of time made by Owner.

Whenever Contractor shall be, and declared by Owner to be in default under the Contract, the Owner having performed Owner's obligations thereunder, the Surety may promptly remedy the default, or shall promptly:

1. Complete the Contract in accordance with its terms and conditions or
2. Obtain a bid or bids for completing the Contract in accordance with its terms and conditions, and upon determination by Surety of the lowest responsible bidder, or, if the Owner elects, upon determination by the Owner and the Surety jointly of the lowest responsible bidder, arrange for a contract between such bidder and Owner, and make available as Work progresses (even though there should be a default or a succession of defaults under the contract or contracts of completion arranged under this paragraph) sufficient funds to pay the cost of completion less the balance of the contract price but not exceeding, including other costs and damages for which the Surety may be liable hereunder, the amount set forth in the first paragraph hereof. The term "balance of the contract price" as used in this paragraph, shall mean the total amount payable by Owner to Contractor under the Contract and any Contract Change Orders thereto, less the amount properly paid by Owner to Contractor.

Any suit under this bond must be instituted before the expiration of two (2) years from the date on which final payment under the Contract falls due.

No right of action shall accrue on this bond to or for the use of any person or corporation other than the Owner named herein or the heirs, executors, administrators or successors of the Owner.

Signed and sealed this _____ day of _____, 19____.

_____	_____
Witness	Principal
_____	_____
Title	Title
_____	_____
Witness	Surety
_____	_____
Title	Title

LABOR AND MATERIAL PAYMENT BOND

THIS BOND IS ISSUED SIMULTANEOUSLY WITH PERFORMANCE BOND IN FAVOR OF THE OWNER CONDITIONED ON THE FULL AND FAITHFUL PERFORMANCE OF THE CONTRACT.

KNOW ALL MEN BY THESE PRESENTS: that _____
 _____ (full name and address or legal title of Contractor)
 _____ as Principal, hereinafter called Principal,
 and, _____ as Surety, hereinafter called

 (full name and address or legal title of Surety)

Surety, are held and firmly bound unto the CITY OF THORNTON as Obligee, hereinafter called Owner, for the use and benefit of claimants as hereinbelow defined, in the amount of _____ Dollars (\$ _____), for the payment whereof
(a sum equal to at least the contract price)

Principal and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, Principal has by written agreement dated _____, 19____, entered into a contract with Owner for _____

(full name, address and description of project)
in accordance with Drawings and Specifications prepared by _____
_____ which contract is by _____

(full name and address or legal title of Architect)
reference made a part hereof, and is hereinafter referred to as the Contract.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that, if Principal shall promptly make payment to all claimants as hereinafter defined, for all labor and material used or reasonably required for use in the performance of the Contract, then this obligation shall be void, otherwise it shall remain in full force and effect, subject, however, to the following conditions:

1. A claimant is defined as one having a direct contract with the Principal or with a Subcontractor of the Principal for labor, material or both, used or reasonably required for use in the performance of the Contract, labor and material being construed to include that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental of equipment directly applicable to the Contract.
2. The above named Principal and Surety hereby jointly and severally agree with the Owner that every claimant as herein defined, who has not been paid in full before the expiration of a period of ninety (90) days after the date on which the last of such claimant's work or labor was done or performed, or materials were furnished by such claimant, may sue on this bond for the use of such claimant, prosecute the suit to final judgment for such sum or sums as may be justly due claimant, and have execution thereon. The Owner shall not be liable for the payment of any costs or expenses of any such suit.

3. No suit or action shall be commenced hereunder by any claimant:
- a. Unless claimant, other than one having a direct contract with the Principal, shall have given written notice to any two of the following: the Principal, the Owner, or the Surety above named, within ninety (90) days after such claimant did or performed the last of the work or labor, or furnished the last of the materials for which said claim is made, stating with substantial accuracy the amount claimed and the name of the party to whom the materials were furnished, or for whom the work or labor was done or performed. Such notice shall be served by mailing the same by registered mail or certified mail, postage prepaid, in an envelope addressed to the Principal, Owner or Surety, at any place where an office is regularly maintained for the transaction of business, or served in any manner in which legal process may be served in the state in which the aforesaid Project is located, save that such service need not be made by a public officer.
 - b. After the expiration of six (6) months following the date on which Principal ceased Work on said Contract, it being understood, however, that if any limitation embodied in this bond is prohibited by any law controlling the construction hereof such limitation shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.
 - c. Other than in a state court of competent jurisdiction in and for the county or other political subdivision of the state in which the Project, or any part thereof is situated, or in the United States District Court for the District in which the Project, or any part thereof, is situated, and not elsewhere.
4. The amount of this bond shall be reduced by and to the extent of any payment or payments made in good faith hereunder, inclusive of the payment by Surety of mechanics' liens or claims which may be filed of record against said improvement, whether or not claim for the amount of such lien be presented under and against this bond.

Signed and sealed this _____ day of _____ 19__.

_____	_____
Witness	Principal
_____	_____
Title	Title
_____	_____
Witness	Surety
_____	_____
Title	Title

240-95

CONSTRUCTION CONTRACT PAYMENTS

**CITY OF THORNTON - PURCHASING AND CONTRACT
ADMINISTRATION DIVISIONS
POLICY STATEMENT**

TITLE: CONSTRUCTION CONTRACT PAYMENTS - NO. 240-95

1.0 PURPOSE

- 1.1 The purpose of this policy is to establish standards for processing payments under construction contracts.

2.0 SCOPE

- 2.1 This policy shall apply to all City Employees and all construction contracts.

3.0 POLICY

- 3.1 Payments required under construction contracts shall be processed by the divisions of Contracts and Purchasing at least monthly for the duration of each contract.
- 3.2 The format of the payment shall be in a format prescribed by the Purchasing Agents.
- 3.3 The Purchasing Agents shall establish dates for each contract for submission of the monthly payment.
- 3.4 Payments for each pay request shall be rendered within 30 days of the billing period specified in the contract.
- 3.5 Pursuant to Title 24, Article 91, Colorado Revised Statutes as amended, the Purchasing Agents will retain from progress payments until payment is due under the terms and conditions governing final payments settlements amounts as follows:
 - 3.5.1 Retention of 10 percent of progress payments until the work is 50 percent satisfactorily completed as determined by the Purchasing Agents.
 - 3.5.2 After the work is 50 percent satisfactorily completed, no further retainage shall be withheld from each subsequent progress payment unless, in the opinion of the Purchasing Agents, satisfactory progress is not being made.

- 3.5.3 The contractor may substitute acceptable securities, as defined in and pursuant to CRS 24-91-101 et. seq., for the whole or any portion of the retainage. Acceptable securities are limited to federal securities, Colorado state and political general obligations bonds, certificates of deposit insured by the FDIC or the FSLIC, or similar negotiable securities as determined by the Purchasing Agents.
- 3.5.4 The retainage will not be paid until the work is completed and the final settlement date has occurred.
- The Purchasing Agents may, as approved by the Finance Director and City Attorney make other retainage arrangements as they determine best meet the City's requirements.
- 3.6 All payment requests will be reviewed by the City Engineer or Division Head in charge of the project who will inspect and verify the contractor's request and sign the payment request and forward it to the Purchasing Agents for further processing.
- 3.7 The Purchasing Agents shall review the payment request and forward it to Accounts Payable for payment. All payments will be distributed to the contractor by Accounts Payable unless otherwise directed by the Purchasing Agents.
- 3.8 The Purchasing Agents may withhold payment or, on account of subsequently discovered evidence, may nullify the whole or part of any payment request of such extent as may be necessary to protect the City from loss on account of any one or more of the following:
1. Defective work not remedied.
 2. Claims filed or notice indicating probable filing of claims of other parties against the contractor.
 3. Failure of the contractor to make payments properly to subcontractors for labor, material, equipment or equipment rental.
 4. A reasonable doubt that the contract can be completed for the balance then unpaid.
 5. Damage to another contractor.
 6. Failure or refusal by the contractor to comply with an instruction of the City within a reasonable time.
 7. Unsatisfactory prosecution of the work.
 8. Liquidated damages payable by the contractor.
 9. Any other violation of or failure to comply with the provisions of the contract documents.

10. Being in arrears to the City for any invoices.

11. Failure to supply an acceptable updated schedule.

When the above grounds are removed, payment shall be made for amounts withheld because of them. The right to withhold payment however, shall not preclude the Purchasing Agents from their right to declare the contractor in default.

3.9 The Purchasing Agents shall process all contracts through the Final Settlement process as follows:

1. A Final Close Out Procedure form as attached will be initiated by the operating Department in charge of the project and forwarded to the Purchasing Agents.
2. The Purchasing Agents will insert a Notice of Final Settlement in the form attached once per week for two weeks in the current Public Notice Newspaper selected by the City. Additional insertions in additional newspapers will be done at the direction of the Purchasing Agents.
3. A minimum of ten days after the second insertion of the Notice of Final Settlement the Contract Manager shall deliver Final payment to the contractor less only amounts withheld for verified statements of claims received by the City Clerk or funds due the City.
4. Any unresolved verified statement of claim will be referred to the City Attorney's office for disposition and or resolution.

FINAL CLOSEOUT PROCEDURE		
CONTRACT: _____		
TO BE COMPLETED BY CONSTRUCTION MANAGEMENT SERVICES		
1.	Punchlist Completed	
2.	All Invoices (Insp. OT, Re-Testing, Any Other) to A/P	
3.	Final Change Order Signed By Division Head	
4.	Final Pay Estimate Attached and Ready for Cont. Mgr. Sig.	
5.	Warranty Letter Attached	
The above items have been completed and/or are attached _____		
Division Head Date		
TO BE COMPLETED BY CONTRACT ADMINISTRATION		
1.	All Invoices Are Paid	
2.	Final Change Order Executed	
3.	Final Pay Estimate Executed	
4.	Check With City Clerk for Claims	
5.	Advertised:	1st _____ 2nd _____
	Final Settlement Date	
	Check Release Date	
	Check Amount	
	Note for A/P:	
1.	Check to Contract Admin. By	
2.	Settlement Date	
3.	Need a Separate Check If Applicable	
CLAIM INFORMATION IF APPLICABLE		
CLAIM AMOUNT	DATE CLAIM RELEASED	DATE MONEY RELEASED AND AMOUNT

NOTICE OF CONTRACTORS FINAL SETTLEMENT

Notice is hereby given that on the _____ day of _____, 1997, Final Settlement will be made by the City of Thornton, Colorado, with:

Hereinafter called "Contractor", for and on account of the contract for construction of
Project No. _____,

1. Any person, co-partnership, association or corporation who has an unpaid claim against the said project, for or on account of the furnishing of labor, materials, team hire, sustenance, provisions, provendor or other supplies used or consumed by such Contractor, or any of his subcontractors, in or about the performance of said work, may at any time up to and including said date of such Final Settlement, file a verified statement of the amount due and unpaid on account of such claims.
2. All such claims shall be filed with the City Clerk at 9500 Civic Center Drive, Thornton, CO 80229.
3. Failure on the part of the creditor to file such a statement prior to such Final Settlement will relieve the City of Thornton from any and all liability for such claim.

CITY OF THORNTON, COLORADO

Jerry D. Dye
Contract Manager

First Published:
Last Published:

cc: CP/#

250-95

CONSTRUCTION CHANGE ORDERS

**CITY OF THORNTON - PURCHASING AND CONTRACT
ADMINISTRATION DIVISIONS
POLICY STATEMENT**

TITLE: CONSTRUCTION CHANGE ORDERS - NO. 250-95

1.0 PURPOSE

- 1.1 The purpose of this policy is to establish standards for processing changes to construction contracts.

2.0 SCOPE

- 2.1 This policy shall apply to all City employees and all construction contracts.

3.0 POLICY

- 3.1 Changes to construction contracts shall be processed by the Purchasing Agents in the format attached.

- 3.2 All change orders for \$100,000 or less shall be executed by the City Engineer, the Division Head in charge of the project, the Assistant City Manager, the Finance Director, and the Contractor.

 All change orders of more than \$100,000 of the original contract amount shall be executed by the City Manager.

- 3.3 No City employee is authorized to issue change orders except as noted above or as noted in Section 110-95 Emergencies.

260-95

PROFESSIONAL SERVICES AGREEMENT

CITY OF THORNTON - PURCHASING AND CONTRACT
ADMINISTRATION DIVISIONS
POLICY STATEMENT

TITLE: PROFESSIONAL SERVICES AGREEMENT - NO. 260-95

1.0 PURPOSE

- 1.1 The purpose of this policy is to establish procedures for Professional Services Agreements.

2.0 SCOPE

- 2.1 This policy applies to all City employees and Professional Services Agreements.

3.0 POLICY

- 3.1 The Purchasing Agents shall establish the format for Professional Services Agreements.
- 3.2 All professional services will be done under the terms of an agreement prepared by the Purchasing Agents unless otherwise authorized by the Purchasing Agents.
- 3.3 Insurance limits and/or terms for agreement will be established by the City's Risk Manager.
- 3.4 The Purchasing Agents shall have the authority to vary the terms of the City's Professional Services Agreement as necessary to meet the City's best interests.

270-95

LEGAL PROFESSIONAL SERVICES

**CITY OF THORNTON - PURCHASING AND CONTRACT
ADMINISTRATION DIVISIONS
POLICY STATEMENT**

TITLE: LEGAL PROFESSIONAL SERVICES - NO. 270-95

1.0 PURPOSE

- 1.1 The purpose of this policy is to establish procedures for the acquisition of legal professional services.

2.0 SCOPE

- 2.1 This policy applies to all City employees and all legal professional services.

3.0 POLICY

- 3.1 The City Attorney shall determine the appropriate method to acquire and administer legal professional services.

280-95

AMENDMENTS TO

PROFESSIONAL SERVICES AGREEMENTS

**CITY OF THORNTON - PURCHASING AND CONTRACT
ADMINISTRATION DIVISIONS
POLICY STATEMENT**

TITLE: AMENDMENTS TO PROFESSIONAL SERVICES AGREEMENTS - NO. 280-95

1.0 PURPOSE

- 1.1 The purpose of this policy is to establish procedures for amending Professional Services Agreements.

2.0 SCOPE

- 2.1 This policy applies to all City employees and Amendments to Professional Services Agreements.

3.0 POLICY

- 3.1 The Purchasing Agents shall process all Amendments to Professional Services Agreements.
- 3.2 Requests for Amendments to Professional Services Agreements will be forwarded to the Purchasing Agents. Negotiations concerning Amendments will be authorized by the Purchasing Agents only. No written or oral direction concerning changed services shall be given to a contractor without the express authorization of the Purchasing Agents.
- 3.3 All Amendments to Professional Services Agreements will be in a written format established by the Purchasing Agents.
- 3.4 All Amendments for \$100,000 or less to Professional Services Agreements will be executed by the contractor, the Assistant City Manager and the Finance Director. The City Attorney will review and approve the format of all Amendments. The City Manager will sign all Amendments for more than \$100,000.
- 3.5 No City employee is authorized to amend Professional Services Agreements except as noted above or as noted in Section 110-95 Emergencies.

290-95

PAYMENT PROCESS

FOR PROFESSIONAL SERVICES

**CITY OF THORNTON - PURCHASING AND CONTRACT
ADMINISTRATION DIVISIONS
POLICY STATEMENT**

TITLE: PAYMENT PROCESS FOR PROFESSIONAL SERVICES - NO. 290-95

1.0 PURPOSE

- 1.1 The purpose of this policy is to establish procedures for the payments of services rendered under Professional Services Agreements.

2.0 SCOPE

- 2.1 This policy applies to all City employees and agreements for Professional Services.

3.0 POLICY

- 3.1 The Purchasing Agents shall establish standard payment processes so as to insure accurate and timely payment of all professional services rendered.

- 3.2 Consultants shall submit invoices for payment to the City's Accounts Payable Department on a monthly basis. Invoices received by Accounts Payable will be forwarded to the individual or department who the services are being performed for.

 The department or individual will timely review the invoice and verify its accuracy, note any discrepancies or problems, authorize payment by initialing the invoice, and forward the invoice to the Purchasing Agents for review. The Purchasing Agents will review the invoice to determine that it involves work covered under a contract, and that charges are contractually allowed and then authorize payment by initialing the bill and forwarding it to Accounts Payable. Accounts Payable will issue a payment upon receipt of the approved invoice.

- 3.3 The Purchasing Agents will have the authority to deny payment to any consultant who does not provide services in accordance to the particular agreement's terms until such time as the consultant and the Purchasing Agents resolve the disputed portion of an invoice.

- 3.4 Under no conditions will City Staff pay consultants other than by this process. The Purchasing Agents shall report non-compliance with these provisions.

- 3.5 The Purchasing Agents may at their discretion direct alternate methods of payment if they are in the City's best interests.

300-95

PRE-LITIGATION

RESOLUTION OF CONTROVERSIES

**CITY OF THORNTON - PURCHASING AND CONTRACT
ADMINISTRATION DIVISIONS
POLICY STATEMENT**

TITLE: PRELITIGATION RESOLUTION OF CONTROVERSIES - NO. 300-95

1.0 PURPOSE

- 1.1 The purpose of this policy is to establish the format for resolution of controversies concerning contracts.

2.0 SCOPE

- 2.1 This policy applies to all City employees in all procurement or procurement related transactions.

3.0 POLICY

- 3.1 Any actual or prospective bidder, offeror, or contractor who is aggrieved in the connection with the solicitation or award of a contract may protest to the Purchasing Agents. The protest shall be submitted in writing within seven (7) calendar days after such aggrieved person knows or should have known of the facts giving rise thereto.
 - 3.1.1 The Purchasing Agents shall have the authority, prior to the commencement of an action in court concerning the controversy, to settle and resolve a protest of an aggrieved bidder, offeror, or contractor, actual or prospective, concerning the solicitation or award of a contract.
 - 3.1.2 If the protest is not resolved by mutual agreement, the Purchasing Agents shall promptly issue a decision in writing and state the reasons for the action taken. A copy of the decision shall be mailed or otherwise furnished immediately to the protestant and any other party intervening.
 - 3.1.3 In the event of a timely protest as described herein, the City shall not proceed further with the solicitation or award of the contract unless the Purchasing Agents makes a written determination that the award of the contract without delay is necessary to protect the substantial interest of the City.
 - 3.1.4 In addition to any other relief, when a protest is sustained and the protesting bidder or offeror should have been awarded the contract under the solicitation but is not, then the protesting bidder or offeror shall be entitled to the reasonable costs incurred in connection with the solicitation. No party can recover profits which it anticipates would have been made if that party had been awarded the contract. Attorney's fees associated with the filing and the prosecution of the protest are not recoverable.

- 3.2 Suppliers who are in arrears to the City more than 30 days for unpaid fines, inspection charges, or any other charges shall be deemed to be not in "good standing" and may at the discretion of the City Manger or his designee be prevented from participation in any bidding processes until such time as the items in arrears are paid. The City Manager or his designee can reject solicitations and bids from suppliers not in good standing. Bid packages can be withheld from suppliers not in good standing.
- 3.2.1 Suppliers who dispute charges due the City may file a protest as outlined above in Section 300-95. If the supplier wishes to be involved in a bid process during the filing of a protest, he shall pay the disputed amounts in full to the City of Thornton who will hold such amounts in escrow pending a determination of the City Manager or his designee. If the determination is in the City's favor the funds held in escrow shall be applied to the amount in arrears.

310-95

DEBARMENT AND SUSPENSION OF SUPPLIERS

**CITY OF THORNTON - PURCHASING AND CONTRACT
ADMINISTRATION DIVISIONS
POLICY STATEMENT**

TITLE: DEBARMENT AND SUSPENSION OF SUPPLIERS - NO. 310-95

1.0 PURPOSE

- 1.1 The purpose of this policy is to establish the procedures for debarring or suspending City suppliers.

2.0 SCOPE

- 2.1 This policy applies to all City employees in all procurement or procurement related transactions.

3.0 POLICY

- 3.1 Contractors may be debarred or suspended at the sole discretion of the Purchasing Agents. Suspensions shall be for periods of 3 months or less. Debarments shall be for periods of not more than 3 years nor less than 3 months.
- 3.1.1 Causes for debarment or suspension include but are not limited to the following:
 - 1. Conviction of commission of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of such contract or subcontract.
 - 2. Conviction under state or federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other offense indicating a lack of business integrity or business honesty which currently, seriously, and directly affects responsibility as a City contractor.
 - 3. Conviction under state or federal antitrust statutes arising out of the submission of bids or proposals.
 - 4. Violation of contract provisions, as set forth below, of a character which is regarded by the Purchasing Agents, or his designee(s) to be so serious as to justify debarment or suspension action:
 - a. Failure without good cause to perform in accordance with the specifications or within the time limit provided in the contract; or