



CITY OF ARVADA POLICY AND PROCEDURES

Authorized by City Manager:

Policy No. 3300.08

Effective date: Sep 1, 2021

Revision date(s): _____

TITLE: **Administrative Policy and Procedures Related to the Purchasing Ordinance**

PURPOSE: This procurement management policy (“purchasing policy” or “policy”) is meant to promote the purposes set forth in the Purchasing Ordinance and to provide employees involved in city procurement processes with guidance that allows them to make responsible business decisions on behalf of the city related to the acquisition of necessary goods and services and to the management of city contracts. This policy is intended to support work systems by ensuring they acquire needed goods and services in a timely and cost effective manner, ensuring employees follow appropriate business practices throughout the procurement process, and facilitating proper monitoring of and reporting about the city’s contract activities.

POLICY: It is the policy of the city that employees shall act in accordance with the city’s Purchasing Ordinance and this policy to ensure that city procurement processes are conducted ethically and efficiently. The city recognizes that work systems are in the best position to determine what they need to run their programs, and that the purchasing program is best situated to determine how to most effectively and efficiently purchase goods and services for the city. While this approach recognizes the proficiency of the purchasing program, employees are responsible for understanding the city’s Purchasing Ordinance and this policy, and for using their best business judgment in actions and decisions related to the city’s procurement processes and the management of city contracts.

AUTHORITY: This policy is authorized under Arvada City Code (Code) sec. 82-5, and issued under Code sec. 2-121.

RESCISSION: Approval of this policy by the city manager shall serve to rescind the following city policies:

1000.08	Contract Management (Effective date: May 2, 2018);
3300.04	Purchasing Procedures (Effective date: November 15, 1982);
3300.05	Retaining Professional Consulting Services (Effective date: November 15, 1982) and

3300.06 Selecting Consultants on CDOT Contracts Using Federal Aid
(Effective date: March 8, 2004).

DEFINITIONS: All words, terms, and phrases defined in Chapter 82, Purchasing and Contracts, of the Code are incorporated by reference into this policy. The following words, terms, and phrases, when used in this policy, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Contract coordinator means an employee or employees designated by a director to facilitate the administrative and procedural tasks associated with the management of that work system's or department's contracts through the CMP or otherwise.

Contract management process or *CMP* means a digital process or processes established by the city to manage legal and administrative tasks related to contract projects, including but not limited to requesting a contract, gathering and storing relevant information about contract activities and data, presenting a contract to those authorized to approve them in accordance with the Purchasing Ordinance, ensuring the proper execution of a contract, and managing contract renewals, extensions, and modifications.

Contract request form or *CRF* means an electronic form containing information pertinent to a procurement project that is to be completed and submitted by an employee to the city attorney's office each time a contract to acquire a good or service is needed by a work system, and each time a work system wishes to modify an existing contract. A CRF is one component of the city's CMP.

Insurance means an arrangement or agreement by which a company or public entity provides a guarantee of compensation for a specified loss, damage, or injury in return for consideration, and includes adequate coverage that meets all city requirements as determined by the city's risk manager.

Performance measures means a set of standards or metrics established to measure a contractor's performance in a service contract and in evaluating responses to solicitations.

OBJECTIVES: The city's goal in every transaction is to obtain the best value possible. The city strives to procure goods and services through uniform solicitation procedures that are professional and impartial, and to acquire those goods and services through the use of contracts that have terms and conditions appropriate to protect the city's interests.

CONFLICTS: This policy shall be read in conjunction with Chapter 82, Purchasing and Contracts, of the Code. To every extent possible, this policy should be

construed and applied to promote the purposes of, and interpreted to harmonize, with the provisions of the Purchasing Ordinance. To the extent there are any conflicts between any of these documents, the provisions of the Purchasing Ordinance prevail, and then the provisions of this policy, in that order.

PROCEDURES:

1. EMPLOYEE ROLES AND RESPONSIBILITIES

1.1. Generally. In addition to any duties set forth in the Purchasing Ordinance or elsewhere in this policy, the following employees shall have the responsibilities set forth herein.

1.2. City attorney. The city attorney is responsible for designing or selecting the CMP. The city attorney shall collaborate with the work systems and departments in creating, adopting, and revising processes and procedures to efficiently manage the city's contracts through the CMP. For purposes of this policy, the city attorney or his or her staff may be referred to as "Legal."

1.3. City manager. The city manager is responsible for ensuring the city council receives information about city contracts as set forth herein.

1.3.1. *Memo to city council.* The city manager shall, in a regular and timely manner, submit to the city council a list of all newly awarded, formally solicited contracts of \$50,000.00 up through and including \$499,999.99 that were previously budgeted in the city council approved budget, and a list of all unbudgeted change orders of up and including \$499,999.99 for CIPs. This information shall be provided to the city council by the manager as part of the manager's "Friday memo" to council, unless otherwise directed by council.

1.4. Contract coordinator. Each work system's or department's contract coordinator shall work with the project owner, the purchasing program, and Legal to coordinate the completion of tasks associated with the contracting process, including but not limited to the submission of a CRF, and the execution of each contract. At all times during the procurement process, the contract coordinator will update Legal (via CMP entry) about the status and outcome of contract negotiations, contract compliance issues, key communications, and performance measures assessment results.

1.5. Deputy city manager. The deputy city manager is responsible for reviewing after-the-fact purchase orders and premature contract work notices, and for transmitting information about those orders and notices to the city manager as appropriate.

1.6. Director. Each director shall:

1.6.1. *Training.* Ensure each work system or department employee receives training appropriate to the employee's role about the city's procurement processes. This training shall ensure that each work system or department employee who participates in a city

procurement process is familiar with the Purchasing Ordinance and this policy; and

1.6.2. *Designate a contract coordinator.* Designate as a contract coordinator at least one work system or department employee. This designation may be changed at the sole discretion of the director.

Exceptions:

1. The director may designate the project owner as the contract coordinator for a specific contract project.
2. With the purchasing manager's permission, a director may designate a purchasing program employee as the contract coordinator for a specific project or for all purchasing projects from that work system or department.

1.6.3. *Provide information.* Provide to the city manager timely information about department or work system purchasing matters to assist the city manager in fulfilling his or his obligation to communicate with city council under sec. 1.3 of this policy.

1.7. Project owner. The project owner is a work system or departmental employee who serves as the subject matter expert about the goods or services being acquired by the city, and functions as the primary point of contact with Legal and the purchasing program about substantive matters related to the contract. At all times during the procurement process, the project owner shall ensure pertinent details of the project are communicated to the contract coordinator, if the contract coordinator is different than the project owner. If no contract coordinator has been designated for the project, the project owner shall fulfill the responsibilities of the contract coordinator.

1.8. Purchasing manager. The purchasing manager shall serve as the city's in-house purchasing expert. The purchasing manager shall assist work systems make informed, best value purchasing decisions. The purchasing manager is also responsible for ensuring goods and services are procured and paid for in a streamlined and efficient manner, creating and maintaining forms and databases necessary to facilitate the work of the purchasing program, validating cooperative participation agreements, ensuring compliance with applicable city and Colorado state diversity initiatives relating to purchasing to the extent practicable, encouraging the participation of local businesses in city procurement processes where practicable, and assisting city employees with procurement process tasks.

2. ETHICS IN CITY PROCUREMENT PROCESSES

2.1. Generally. It is the policy of the City of Arvada that employees act in the best interests of the city and avoid conflicts of interest in city procurement processes. Employees should understand that when it comes to conflicts of interest, appearances are as important as reality. Disclosure of real or apparent conflicts is one way to reduce the appearance of impropriety.

2.2. Employee conduct. In addition to the ethics prohibitions set forth in the Purchasing Ordinance, employees shall conduct themselves in accordance with the following:

2.2.1. *Standards.* Each employee who participates directly or indirectly in or is aware of a city procurement process shall act in accordance with the highest legal and ethical standards with regard to that procurement.

2.2.2. *Responsibility.* Each employee who participates directly or indirectly in a procurement process is responsible for ensuring that each action he or she takes in that process comports with the Code and this policy.

2.2.3. *Avoiding conflicts.* An employee shall not make a procurement decision for or on behalf of the city if his or her personal, professional, or economic interests, or those of his or her family, may be affected by that procurement decision in ways that do not accrue to other members of the public.

2.2.4. *Influence or attempt to influence.* An employee shall not engage in an action related to a procurement that would appear to a reasonable person as having been done to influence or attempt to influence a procurement action or decision for the benefit of that employee or that employee's family.

2.2.5. *Disclosure.* An employee who has a relationship with or to a bidder that might be perceived by a reasonable person as potentially influencing that employee's objectivity in any procurement process in which the employee is involved shall immediately disclose this situation in writing to his or her supervisor. This includes disclosure by an employee that he or she has entered into negotiations with or received an offer of employment from a bidder or a prospective bidder on a solicitation in which the employee is directly or indirectly participating. It also includes disclosure by an employee who knows or should know that a family member has entered into negotiations with or received an offer of employment from a bidder or prospective bidder on a solicitation in which the employee is directly or indirectly participating.

2.2.6. *Potential conflict of interest.* An employee who knows or should know of a potential conflict of interest related to a procurement process shall, immediately upon learning of the potential conflict, disclose the potential conflict in writing to his or her supervisor.

2.2.7. *Consultation.* An employee who is unsure about whether a particular circumstance constitutes a conflict of interest should consult with his or her supervisor.

2.3. Accountability. In accordance with the city's personnel rules, an employee who violates the provisions of the Purchasing Ordinance or this policy, or other city personnel rules or policies applicable to procurement activities, may be subject to corrective or disciplinary action.

3. SOLICITATIONS GENERALLY

3.1. Solicitation procedures. The type of solicitation used to acquire a particular good or service is determined by the amount of the purchase, among other factors. The purchasing manager is

authorized to determine which solicitation method is most appropriate for a particular solicitation based on the Purchasing Ordinance and this policy. The project owner is responsible for consulting with the purchasing manager as needed in completing all solicitation tasks.

3.1.1. *Posting solicitation information.* Except for employees who work in the purchasing program, no employee shall post information related to any formal solicitation to the city's bidding and purchasing database.

3.2. Project owner tasks. The project owner shall ensure that applicable city ordinances, policies, and rules are followed in every solicitation. The project owner shall complete the following tasks:

3.2.1. *Insurance.* Consult with the risk manager to obtain approved insurance requirements;

3.2.2. *Scope of work.* Ensure the scope of work is as accurate as possible;

3.2.3. *Performance measurements.* Ensure the appropriate performance measures are either set forth in the solicitation, or are otherwise accounted for in a solicitation for a project that require such measures;

3.2.4. *Promote competition.* Ensure the solicitation is not tailored to favor one process, product, type of equipment, or vendor, such that the solicitation provides for open and fair competition;

3.2.5. *Legal requirements.* Ensure the solicitation includes specifications, the city's general terms and conditions, and the city's approved purchasing "Legal Requirements" and "Insurance Requirements" documents, as applicable to the procurement;

3.2.6. *Evaluation criteria.* Ensure the evaluative requirements used to award a contract conform to the technical requirements of each bid;

3.2.7. *Accountability.* To promote accountability in the city's procurement processes, ensure that only city employees are tasked with scoring or assessing the evaluative requirements in the solicitation process, except that members of the city council may also be responsible for these tasks;

3.2.8. *IT impact.* In the case of an acquisition with a computer software or hardware component, make Information Technology (IT) aware of the impending acquisition at the earliest practicable time to allow IT team members to incorporate the newly acquired components into existing city hardware and software systems; and

3.2.9. *Notification.* Notify the successful and other bidders as appropriate.

3.3. Solicitation irregularity. The purchasing manager may waive any minor solicitation defect or irregularity which does not affect the competitiveness of or alter any material term of the solicitation.

3.4 Disqualification or rejection of a submission. A submission not filed by the time deadline stated in the solicitation is ineligible for consideration and will not be considered. A submission that is incomplete, nonconforming, nonresponsive, conditional, or fails to meet the requirements identified in the solicitation or bid specifications may be rejected by the city. The city shall not accept a solicitation submission from, nor award a contract to, a person who is in arrears to the city through debt or contract, who has defaulted on a surety or otherwise defaulted upon any financial obligation to the city, or who is engaged in active or open litigation against the city.

3.5 Correction or withdrawal of a bid or solicitation submission. Except as authorized by the Purchasing Ordinance or this policy, a solicitation submission shall be accepted without alteration. The city holds bidders responsible for the accuracy of their submissions. Bidders are responsible for reviewing and understanding all aspects of a solicitation prior to submitting a bid. Prior to submitting a bid, bidders should review the city's general and special contract terms and conditions that apply to the project, including those relating to: insurance requirements, shop drawings, inspection and testing of materials, order of procedure, and stated allowances. Bidders are responsible for examining and understanding any drawings and specifications related to a bid, and for the accuracy of the estimated quantities of goods or services necessary to complete the project on which they are bidding. Bidders must engage in all due diligence necessary to submit an accurate bid, including conducting a site examination, as necessary. A request to correct or withdraw an inadvertently erroneous submission shall be processed as follows:

3.5.1 *Before the bid opening or solicitation deadline.* A bidder who wishes to correct or withdraw a submission before a bid opening or solicitation deadline shall file written notice with the purchasing manager prior to the time set for bid opening or the solicitation deadline.

3.5.2. *After the bid opening or solicitation deadline.* A bidder who wishes to correct or withdraw a submission after the bid opening or solicitation deadline shall file a written request with the purchasing manager. A request to correct or withdraw an inadvertently erroneous bid after the bid opening or solicitation deadline shall be permitted only to the extent the bidder can show by clear and convincing evidence that an unintentional factual mistake was made. A request to correct a bid must also set forth the bid price actually intended. The city shall not accept a request to correct or withdraw a bid or solicitation submission after the bid opening or solicitation deadline where the bidder asserts he or she misunderstood the quantity or nature of the work to be done.

3.5.2.1. Based on the criteria set forth in sec. 3.5.2 above, the purchasing manager may, in his or her sole discretion, permit or deny the correction or withdrawal of a bid or solicitation submission filed after the bid opening or solicitation deadline. The purchasing manager's decision shall be in writing and

shall contain the reason or reasons for the decision.

3.5.3. *Cancellation of award.* The purchasing manager may, at his or her sole option, cancel an award based on a bid mistake.

3.5.4. *Award.* A solicitation shall be awarded to the most qualified responsible and responsive bidder whose submission meets the requirements and criteria set forth in the solicitation. In the event the most qualified responsive bid exceeds the budgeted funds, or all responsive bids exceed the funds allocated for the purchase, the director may in his or her sole discretion reduce the scope of work, reject all bids, or negotiate an adjustment of the bid price with the lowest priced most qualified responsive bidder to bring the bid within the amount of available funds. Any term of a bid which is noted as a variation or an exception in response to a solicitation is subject to negotiation at the sole discretion of the director. If noted in a formal solicitation, the city may negotiate other terms of a bid, when doing so is in the best interests of the city.

3.5.4.1. Failure of a successful bidder to enter in to a contract with the city not later than 45 days following the date of the bid award may be considered by the city to be just cause to rescind the award to that bidder. The city may then award the bid to the next higher most qualified responsive bidder in the same manner as previously described.

3.6 Memo to city council. In order to allow city council time to review each award, work on any contract noted in the city manager's Friday memo to the council shall be held in abeyance for no fewer than five days after the city manager has submitted the memo to the council.

4. **COMPETITIVE SOLICITATION METHODS**

4.1. Generally. The city encourages the use of competitive solicitation methods. The city may use one of any number of competitive solicitation methods. These include documented quotes, and formal solicitations utilizing Requests for Bids (RFB), Requests for Proposals (RFP), and Requests for Qualifications (RFQ). Although the city ordinarily secures vendors by using solicitation methods at the time a good or service is needed, the city may also pre-qualify vendors to submit for certain work projects or for on-call professional services.

4.2. Documented quotes. A documented quote or quotes process shall be used for certain contract projects as set forth in Table 82-41(c) of the Code. A request for a documented quote need not be posted or published. Documented quotes may be returned to the city by any written means convenient to the city, including but not limited to email or other electronic means.

Exception: For acquisitions of software valued at up to and including \$49,999.99, the project owner shall work in conjunction with IT to evaluate a minimum of three software provider options. The project owner and IT are not obligated to contact software vendors directly for documented quotes, but shall do due diligence in ensuring best value software

acquisitions for the city.

For these software acquisitions, the project owner shall keep and maintain a log of tasks completed as part of the city's evaluation process, and a record of the reasons why the project owner and IT determined a particular software vendor should be awarded the software contract.

4.2.1. *Project owner tasks.* In addition to completing the tasks necessary for any procurement, the project owner managing a project for which documented quotes are required shall:

4.2.1.1. Ensure each documented quote carries the vendor's name and all appropriate contact information, the specific nature of the good or service about which the quote applies, the date of the quote, and the quote itself; and

4.2.1.2. Send the documented quote or quotes to the purchasing program.

4.2.2. *Award to other than the lowest bidder.* Subject to the approval of the purchasing manager, a project owner may award a contract to other than the lowest bidder. An award to other than the lowest bidder shall be documented in writing. The writing shall list the documented quotes, and include a detailed explanation containing the reason or reasons for the award.

4.2.3 *Pre-qualified vendors.* Responses to solicitations may be limited to persons who have been pre-qualified by the city through a previous pre-qualification process.

4.2.4. *Confidential.* Documented quotes shall remain confidential until the city either awards the bid or decides to not award the bid. Release of these records after the award or the decision to not award shall be governed by the Colorado Open Records Act.

4.3. Formal solicitations. A formal solicitation process shall be used for certain work as set forth in Table 82-41(c) of the Code. Formal solicitation processes shall be coordinated with the purchasing manager.

4.3.1. *Notice.* Adequate public notice is required for all formal solicitations, except for emergency contracts. Vendors must be given adequate time to prepare and submit formal bids. All formal solicitation processes must be posted by the purchasing manager to the city's selected electronic centralized government bid information platform. A solicitation for a capital improvement project must be posted or published at least 21 days before a vendor response is due, unless the purchasing manager approves a shorter time frame. An electronic RFP solicitation must be posted or published at least 14 days before a vendor response is due, unless the purchasing manager approves a shorter time frame. Electronic RFB/RFQ solicitations must be posted or published for at least seven days.

4.3.2. *Requests for bids.* In the case of an electronic solicitation, the city's selected electronic centralized government bid information platform shall serve as the repository for sealed bids until the time designated in the request.

4.3.3. *Bid submission.* A bid submission shall contain the solicitation name and number for which the bid is being submitted. If the bid requires a bidder to use a specific bid proposal form, the bid must be submitted using that form. The bid proposal form must be complete in all respects and executed when submitted.

4.3.4. *Bid opening.* Sealed formal bids shall be opened in the presence of one or more witnesses and read aloud at the time and place stated in the solicitation. All bid openings shall be open to the public. Should the purchasing manager determine in the purchasing manager's sole discretion that there exists good cause to delay a bid opening, the bid opening may be extended for a reasonable time, not to exceed seven days.

4.3.5. *Confidential.* The results of a bid review shall remain confidential until the city either awards the bid or decides to not award the bid.

4.3.6. *Award.* In accordance with the city's best value procurement strategy, the city may award a project for which a formal solicitation has been used to other than the lowest bidder.

4.4. Pre-qualification generally. Prequalification processes are often appropriate for work or services that are required by the city, but which arise intermittently or on an as-needed basis based on business needs. Using pre-qualified vendors to do work on an on-call or as-needed basis allows the city to respond quickly and effectively to service needs while still benefiting from a broad and competitive solicitation of qualified vendors. Except as set forth in the Purchasing Ordinance or herein, the city may use a prequalification process to fulfill contracts for professional services or other contracts as deemed in the best interests of the city. Work of an emergency nature (e.g., work needed to repair unexpected damage to infrastructure such as a roadway or underground utilities) may be performed on an on-call or as-needed basis under a contract with a vendor who has been pre-qualified by the city to perform that type of work.

4.4.1 *Process and selection of pre-qualified vendors.* A work system or department may pre-qualify vendors for general services or for specialized work. Pre-qualification processes must be formally solicited as RFQs. Each pre-qualification solicitation or process shall contain a time frame during which the pre-qualified vendors may be used by the city, as well as a statement of an annual, aggregate cap on the amount that may be paid out to vendors pre-qualified through that solicitation. In pre-qualifying vendors, the city shall consider:

4.4.1.1. The qualifications of the vendor;

- 4.4.1.2. The vendor's resources;
- 4.4.1.3. The vendor's ability to complete the anticipated contract work;
- 4.4.1.4. The past performance of the vendor on similar projects; and
- 4.4.1.5. Any other relevant information indicative of the vendor's ability to provide the best value to the city given the requirements of anticipated city projects.

4.4.2 *Final selection of a pre-qualified vendor to perform a task.* Each task performed by a pre-qualified vendor as a result of a pre-qualification process shall be done under an on-call or as-needed work contract approved by Legal. Once a contract for on-call or as-needed work with a pre-qualified vendor is in place, the project owner shall make a final selection of a vendor by soliciting work on a task basis and in conformance with the solicitation rules set forth in A.C.C. sec. 82-41(c) and this policy. The city may use any reasonable criteria in making the final selection to perform a task, including but not limited to vendor availability and cost.

4.4.3. *Contract; performance measures.* Each on-call or as-needed work contract with a pre-qualified vendor shall state an annual, aggregate cap on expenditures paid out to that vendor (a not-to-exceed amount), and be approved in conformance with the approval limits set forth in sec. 82-62(a) of the Purchasing Ordinance. The project owner may then award tasks to a pre-qualified vendor up to the not-to-exceed amount stated in that vendor's contract for that year. The project owner shall be responsible for tracking aggregate amounts paid to on-call or as-needed vendors, and for tracking performance measures for on-call or as-needed work contracts. If applicable, performance measurement requirements must be as set forth in the terms and conditions of the applicable contract template, or into the terms of a purchase order.

4.4.4. *Posting of awards to pre-qualified bidders.* The purchasing manager shall, within five days of an award of a contract of \$50,000.00 or more to a pre-qualified bidder, publish the award in the city's selected electronic centralized bid information platform.

4.5 Selection of consultants for CDOT contracts. The selection process for design consultants in projects involving a contract between the city and the Colorado Department of Transportation in which federal aid is utilized shall comply with applicable federal regulations and state statutes.

5. NON-COMPETITIVE SOLICITATION METHODS

5.1. Generally. The Purchasing Ordinance authorizes several types of non-competitive solicitation methods for the purchase or acquisition of goods and services, including sole source contracts, no cost contracts, cooperative contracts, and emergency contracts. Any contract required for such purchase or acquisition shall comply with the Purchasing Ordinance and this

policy.

5.2. Sole source contracts. A sole source purchase request shall contain the information set forth in Arvada City Code sec. 82-42(a), outline the need for the proposed good or service, and contain a detailed explanation of the efforts made by the project owner to determine that sole source procurement is in the best interests of the city. The purchasing manager shall create and make available to employees a sole source purchasing form.

5.2.1. *Posting of sole source awards.* The purchasing manager shall, within five days of a sole source award of more than \$50,000.00, publish the award in the city's selected electronic centralized bid information platform.

5.3. Cooperative contracts. The city may take advantage of favorable pricing and terms from valid public entity contracts or agreements that provide for access by local governments, including but not limited to those awarded by the federal government, the Colorado State Purchasing Office, and the Multiple Assembly of Procurement Officials ("MAPO"). A cooperative contract may result in lower costs while still ensuring bid requirements are met.

5.3.1. *Membership required.* The city must be a member of the cooperative through which it purchases a good or service. The purchasing manager shall determine whether a valid cooperative exists and whether Arvada is a member of that cooperative.

5.3.2. *Documentation.* Each purchase order or contract for the acquisition of a good or service purchased through a valid cooperative agreement must contain the cooperative name and the agreement number.

6. RESERVED

7. FORMATION OF PURCHASE ORDERS AND CONTRACTS

7.1. Contract formation; purchase order or contract. The city may use any contract appropriate to a procurement which best promotes the interests of the city. This includes a purchase order. The purchasing manager is best situated to determine when it is in the best interests of the city to use a purchase order or a contract to acquire a good or service. The purchasing manager shall consult with Legal as necessary when determining whether a purchase order or a contract is best suited for the procurement.

7.2. Purchase orders. A purchase order is a type of contract containing minimal terms and conditions related to the acquisition of a good or service. A standard purchase order is generally appropriate when an acquisition involves goods (e.g., equipment, materials, or supplies), and when the purchase involves a known quantity of goods to be purchased for a set price. A blanket purchase order is generally appropriate for annual, fixed-dollar purchases where there is uncertainty about the exact amount of goods the city will need to purchase during a given year.

7.2.1. *Contents.* Each purchase order shall contain the requisition date, the item to be purchased, and include the city solicitation number, item number, description, and quantity or amount purchased), account to be charged, cooperative agreement number if applicable, shipping costs if any, and an authorized signature.

7.2.2. *Approval.* All purchase orders of \$10,000.00 or more shall be sent to and approved by the purchasing manager before the receipt of goods or services. No invoice may be approved by the purchasing manager prior to the approval of a purchase order.

7.2.3. *After-the-fact purchase orders.* A purchase order received by the purchasing manager after the city has already received the goods or services acquired under that purchase order shall be deemed an after-the-fact purchase order. The purchasing manager shall notify the deputy city manager each time an after-the-fact purchase order occurs.

7.3. **Contracts.** A contract is generally appropriate when an acquisition requires training by a contractor of city employees by a contractor, the installation of products or equipment by a contractor on or about city facilities, the phased acquisition of goods and services, the execution of a licensing agreement, or a long-term contract. A contract is also appropriate for construction or other activities that carry substantial risks for the city. Legal shall determine what legal provisions are appropriate for each city contract.

7.3.1. *Contract terms.* City contracts shall contain standard contract clauses approved by Legal. Any deviation from a standard contract term must be approved by Legal. All contractors engaged in work for the city must agree to abide by applicable laws, statutes, ordinances, rules, and regulations throughout the term of the contract.

7.3.4. *Submitting a CRF.* If a contract is needed, the contract coordinator shall submit a CRF. No CRF shall be submitted until all relevant contract information is available and in substantially final form. Relevant information includes but is not limited to information that is necessary to draft a contract or that will become a part of the contract, such as the contractor's proposal/quote, scope of work, insurance requirements, sole source form, etc. Failure to submit all relevant contract information may result in project delays.

7.3.5. *Project owner responsibilities.* The project owner responsible for a project for which a contract is required shall:

7.3.5.1. Timely notify the purchasing manager of a bid award;

7.3.5.2. After negotiations have been finalized, ensure the final scope of work has been submitted as part of the CRF;

7.3.5.3. When appropriate, ensure performance measures and reporting procedures have been established and provided with the vendor's response;

7.3.5.4. Attach all relevant documents to the CRF or otherwise make them

available to Legal at generally the same time the CRF is submitted: and

7.3.5.5. Upon receipt of a draft contract from Legal, review the contract to ensure it properly captures the scope of work, terms and conditions specific to the project, and other project details, and notify the staff attorney about any suggested revisions and comments.

7.3.6. *Premature work without a contract.* The purchasing manager shall notify the deputy city manager each time a project owner authorizes work for which no contract has been executed or no purchase order has been issued. The notice shall detail the nature of the work and the apparent reason or reasons why the work was started before being approved in accordance with the Purchasing Ordinance.

7.4 Execution of contracts - signatures.

7.4.1. *Electronic signatures.* Subject to any limitations in the Colorado Uniform Electronic Transactions Act, by entering into a contract with the city, a contractor agrees to the use of electronic signatures. Notwithstanding the foregoing, the city may require that any contract be executed with manual signatures.

7.4.2. *Manual signatures.* The following contracts shall be signed with a manual or original signature:

7.4.2.1. Bonds issued to finance a capital improvement project;

7.4.3.2. Deeds;

7.4.3.3. Easements;

7.4.3.4. Development agreements;

7.4.3.5. Annexation agreements;

7.4.3.6. Subordination agreements; and

7.4.3.7. Liens and lien releases.

7.4.3. *Execution of contracts.* The project owner is responsible for ensuring each contract is fully and appropriately executed as set forth in the Purchasing Ordinance, and for ensuring the purchasing program and Legal receives notice that each contract has been fully executed.

8. CONTRACT ADMINISTRATION

8.1. Generally. The director is responsible for ensuring each contractor performs in accordance with purchase order terms or contract requirements. Should an issue involving contract

performance or payment, or other contract administration arise, the director should contact the purchasing manager for assistance.

8.2. Contract modifications. All contract amendments or revisions are modifications. All contract modifications must follow the approval authority rules set forth in the Purchasing Ordinance. No additional monetary modification authority may be built into an award prior to the time the need for a modification arises.

9. AMERICANS WITH DISABILITIES (ADA) POLICY. All procurement processes shall comport with the city's ADA Contractors, Licensing, and Certification policy.