ORDINANCE NO. 9
SERIES 2018

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GUNNISON, COLORADO, REPEALING AND REENACTING CHAPTER 2.20, PURCHASING POLICY AND PROCEDURE, OF THE CITY OF GUNNISON MUNICIPAL CODE

WHEREAS, Article XI, Section 11.8, of the City of Gunnison Municipal Home Rule Charter provides that “The Council shall establish by ordinance the procedure for entering into contracts for purchases and contracts for construction of public works...”; and

WHEREAS, in consultation with the City Attorney, the City Manager and Director of Finance recommended to the City Council certain revisions to Chapter 2.20, Purchasing Policy and Procedure, of the City of Gunnison Municipal Code, intended to address payment bonds for contracts for more than $50,000, performance bond for contracts for more than $50,000 for at least fifty percent (50%) of the contract amount, and the Colorado labor requirement for public works projects exceeding $50,000, unless waived by the City; and

WHEREAS, upon adding those provisions to Chapter 2.20, it was determined that the entire Chapter should be re-written to better organize and simplify the provisions; and

WHEREAS, City staff recommends that Council repeal and reenact Chapter 2.20, Purchasing Policy and Procedure, as such is set forth below.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GUNNISON, COLORADO, ORDAINS THAT:

Chapter 2.20, Purchasing Policy and Procedure, of the City of Gunnison Municipal Code is hereby repealed and reenacted to read as follows:

2.20.010 – Definitions

A. “Change Order” means work that is added to or deleted from the original scope of work of a contract, however, depending on the magnitude of the change, it may or may not alter the original contract amount and/or completion date.

B. “Cooperative Purchasing” involves sharing procurement contracts between governments. Cooperative procurement contracts are usually based on the common requirements of multiple governments. There are several types of cooperative purchasing arrangements, but the type the City will use the majority of the time will be so-called “piggyback options”. These occur when one or more organizations represent their requirements and include an option for other organizations to “ride” or “bridge” the contract as awarded.

C. “Emergency Conditions” means situations in which the health, welfare, and/or safety of employees or the public are endangered. This includes those instances when immediate repair to City property, equipment, or vehicles is necessary under the circumstances mentioned above.

D. “Invitation for Bid (IFB)” means a “formal” bid that may require advertising, bonds, and sealed bids. The department head or designee is responsible for the bid package and vendor eligibility. The specifications, delivery requirements, plans, drawings, and other items must be determined and finalized prior to the bid package being provided. Eligibility may be determined from a pre-qualification process, general advertising of project, or any other method deemed appropriate.

E. “Liquidated Damages” is a contractual clause where the City can collect as compensation upon a specific breach (e.g., late performance).

F. “Payment Bond” is a type of bond covers a percentage of the contract amount. A claim on a performance bond can be used to perform unfinished work or defective work on a project.
G. “Petty Cash Fund Administrator” is the employee responsible for administering a petty cash fund.

H. “Performance Bond” is a type of bond designed to provide security to subcontractors and materials suppliers to ensure payment for their work, labor and/or materials on the project.

I. “Public Works Project” is a contract of the City for the construction, alteration, repair, or maintenance of any building, structure, highway, bridge, viaduct, pipeline, public works, real property as defined in section 24-30-1301(15) of the Colorado Revised Statutes, or any other work dealing with construction, which includes, but need not be limited to, moving, demolition or excavation performed in conjunction with such work.

J. “Professional Services” are services within the scope of the practice of architecture, consulting, engineering, professional land surveying, legal counsel, financial advisers, banks, or other service type industry.

K. “Request for Proposal (RFP)” is 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 Qualifications (RFQ) as a preliminary step to the RFP process in an attempt to gather information and pre-qualify prospective bidders.

L. “Request for Qualification (RFQ)” is a process used to identify qualified providers of specified services to be used in the RFP process.

M. “Requesting Department” mean the department asking to purchase goods or services to be used for City business.

N. “Retainage” means a portion of the agreed upon contract price deliberately withheld until the work is substantially complete to assure that contractor or subcontractor will satisfy its obligations and complete a construction project. Once work is deemed satisfactory, the retainage is released.

O. “Sole Source Purchase” is procurement of goods or services can only be obtained from a single supplier capable of meeting all specifications and purchase requirements or when it is in the City’s best interests.

P. “Voucher” is a source document that serves as evidence of some expenditure of the City of Gunnison with appropriate authorization, and substantiates issuance of an accounts payable check or an electronic funds transfer.

2.20.020 – Policy Objectives

The purpose of this purchasing policy is to establish standards for all purchasing activity and procurement procedures. The objectives of the policy are to:

A. Provide for the fair and impartial treatment of persons involved in public purchasing by the City of Gunnison.

B. Procure goods and services at the lowest possible cost with the quality needed for effective use.

C. Minimize or eliminate disruptions in operations resulting from the lack of material, equipment, or supplies.

D. Avoid duplication, waste, and obsolescence with respect to the procurement of goods and services.
E. Provide appropriate budgetary and fiscal control over all municipal expenditures.

F. Comply with the Colorado Revised Statutes, as amended and as applicable.

G. Provide a uniform procedure for the purchase of materials, equipment, and services.

H. Purchase goods and services from local vendors, using local preference as stated in GMC 2.20.120, when their goods and services are economically competitive and their quality is comparable to other goods and services.

I. Require all vendors and other suppliers to fulfill all terms and conditions of contracts and other purchasing agreements.

J. Secure all applicable federal and state tax exemptions appropriate to purchase or contracts for services.

K. Assure applicability to all city departments, including elected offices.

2.20.030 – Roles & Responsibilities

A. Purchases are initiated by the various departments of the City. Their primary responsibilities include the following:

1) Ensure all employees involved in the procurement process are familiar with purchasing policies and procedures.

2) Anticipate purchasing requirements.

3) Ensure adequate funds are available for purchases of goods and services and are specifically included in the budget.

4) Provide all contracts, agreements, and legal instruments to the City Clerk’s office as official custodian.

5) Take appropriate steps to ensure goods and services are purchased from qualified vendors in an efficient and effective manner.

6) Obtain appropriate approvals throughout the purchasing process, with adequate supporting documentation, and ensure the appropriate budget line item is charged in the accounting system.

7) Ensure materials received and the quality of work or services rendered meet the purchasing/contract terms before approving payment.

8) Strive to maintain good relations with the City’s vendors.

B. The Finance Department is responsible for administration of the purchasing policy. Its primary responsibilities include the following:

1) Maintain the City’s accounting system to ensure spending authorization limits pursuant to the approved budget and approval paths are current.

2) Implement procedures to help ensure City staff complies with this purchasing policy.

3) Issue checks to vendors in a timely manner and maintain accounts payable records.
4) Prescribe and maintain such forms as the Finance Director shall find reasonable and necessary to implement and support the purchasing procedures contained within this policy.

2.20.040 – Summary of Purchasing Thresholds

The minimum thresholds as referenced in this purchasing policy are identified below. The City Manager or Department Directors have the discretion to include more stringent thresholds on a case-by-case basis. Thresholds are subject to other provisions and exceptions as enumerated in the applicable subsequent sections of the Purchasing Policy.

A. Signature Authority for Purchases Included in the Budget

<table>
<thead>
<tr>
<th>Department/Role</th>
<th>Threshold</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department Director</td>
<td>$0 - $25,000</td>
</tr>
<tr>
<td>City Manager</td>
<td>$25,001 - $50,000</td>
</tr>
<tr>
<td>City Council</td>
<td>Greater than $50,000</td>
</tr>
</tbody>
</table>

B. City Attorney Review

<table>
<thead>
<tr>
<th>Contract Type</th>
<th>Threshold</th>
</tr>
</thead>
<tbody>
<tr>
<td>City Standard Contract Form</td>
<td>$0 - $25,000</td>
</tr>
<tr>
<td>Specific City Review</td>
<td>Greater than $25,000</td>
</tr>
</tbody>
</table>

C. Competitive Bidding

<table>
<thead>
<tr>
<th>Bidding Type</th>
<th>Threshold</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buyer’s Best Judgement</td>
<td>$0-$5,000</td>
</tr>
<tr>
<td>Informal Purchase</td>
<td>$5,001-$25,000</td>
</tr>
<tr>
<td>Formal Purchase</td>
<td>Greater than $25,000</td>
</tr>
</tbody>
</table>

D. Bid Bond for Public Works Contracts

5% of the estimated project cost $100,000 - $500,000
10% of the estimated project cost Greater than $500,000

E. Performance Bond for Public Works Contracts

50% of the contract amount Greater than $50,000

F. Payment Bond for Public Works Contracts

50% of the contract amount Greater than $50,000

G. Retainage for Public Works Contracts

5% of the contract amount Greater than $150,000

H. Local Preference

10% of the bid amount $0 - $250,000
3% of the bid amount Greater than $250,000

I. Sole Source Approval

<table>
<thead>
<tr>
<th>Approving Official</th>
<th>Threshold</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance Director</td>
<td>$0 - $25,000</td>
</tr>
<tr>
<td>City Manager</td>
<td>Greater than $25,000</td>
</tr>
</tbody>
</table>

2.20.050 – Approval Authority

A. Approval authority is granted on an individual basis. The various approval thresholds related to this policy are identified in GMC 2.20.040:

B. The Finance Department shall keep a current list of designated staff authorized to approve City expenditures. The list shall include the full signature and initials of each
authorized individual and the authorization level granted to that individual along with the authorized employee delegating authorization where applicable. It is each department’s responsibility to update these signatures when staff changes occur. No purchase shall be divided to circumvent the above approval levels.

C. Directors may request additional approval levels less than those in the table above to reflect intradepartmental procedures, but such requests are subject to approval by the Finance Director and will be implemented only to the extent the City’s purchasing system is able to support any such requests.

D. When a Director is out of the office, he/she may designate a staff member to approve vouchers/invoices in their absence up to the level of the Director’s approval authority. Such designation shall be in writing (or via email) and provided to the Finance Director.

E. Members of the City Council and advisory boards and commissions are required to comply with the terms of this policy and may not commit City funds except as provided for by this policy or by formal action of the City Council.

2.20.060 – Petty Cash

With the exception of the petty cash fund in the Finance Department, a petty cash fund may not be used to pay for purchases. Petty cash funds within other departments may only be used to make change for customer transactions.

General controls for petty cash funds are as follows:

A. New petty cash funds, or changes to amounts of existing funds, must be approved by the Finance Director.

B. Petty cash must be kept in a locked box in a secure location.

C. The Petty Cash Fund Administrator(s) is responsible for ensuring that the cash on hand equals the total authorized amount.

D. The Finance Department or external auditors are authorized to verify that the cash on hand equals the total authorized amount at any time.

The process for a purchase using the Finance Department petty cash fund is as follows:

A. Complete a Petty Cash Request Form, obtaining required approvals, in order to receive the amount needed for the purchase for an amount not exceeding $40. Multiple requests/purchases may not be utilized to circumvent the $40 limit. The Finance Director must approve amounts greater than $40.

B. Attach the invoice/receipt to the Petty Cash Request Form. The employee making the purchase is responsible for any shortfall when returning unused funds.

C. The Finance Department shall issue a check to replenish the petty cash fund.

2.20.070 – Payment Requests

A. Payment requests must be submitted on accounts payable vouchers as established by the Finance Director and include general ledger account coding and appropriate approvals based on the thresholds in GMC 2.20.040. Other requirements for payment requests are as follows:

1) The voucher must include supporting documentation, which includes at least
one of the following items:
- Vendor invoice
- Itemized receipt
- Copy of approved City Council meeting minutes with a motion to make payment to a vendor
- Properly executed contract or agreement that dictates payment to a vendor
- Travel expense form

2) If documentation needs to be included with the check to be sent to the payee, copy and attach the documents to the voucher for Finance to send to the vendor after the check is issued.

2.20.080 – Purchasing Cards

The City has issued purchasing cards to certain staff. Policy and procedures for use of these cards are addressed in a separate policy. All applicable portions of this purchasing policy apply to use of City purchasing cards. Split purchases with credit cards are not permitted if they are made to circumvent this policy.

2.20.090 – Competitive Bidding

Competitive bids are required according to the thresholds identified in GMC 2.20.040. Depending on the nature of the product or service, bids are not necessarily awarded to the lowest bidder. For those situations where the low bid is not accepted, the basis for the award should be documented in writing and included in the documentation submitted with the voucher. Exceptions to the requirement for competitive bidding are prescribed in GMC 2.20.100 and 2.20.110.

A. Bidder’s List. Departments are encouraged, but not required, to maintain bidder’s lists. All formal bids shall be advertised on the City’s web site, and vendors should be encouraged to subscribe to the notification service provided on the site. Public notice may also include publication in the City’s legal newspaper or a newspaper of general circulation.

B. Types of Bids.

1) Informal Purchase. A minimum of three informal written bids conforming to bid specifications shall be solicited prior to the purchase of any goods or entering into a contract for services. An informal written bid shall be a firm written price or quote for specific goods or services, which is valid for no less than 30 days. There is no requirement for notice.

2) Formal Purchase. Formal Invitation for Bid (IFB) or Request for Proposals (RFP) shall be required. Request for bids shall be advertised in a newspaper of legal record and the City’s website a minimum of 10 days prior to the date set forth for bid opening. All solicitations requiring contracts, bonds or insurance according to GMC 2.20.140 shall be reviewed by the City Attorney.

C. Bid Evaluation. Bids shall be evaluated based on the requirements set forth in the bid package, 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 for life cycle costs. The bid package sets forth the evaluation criteria to be used. No criteria may be used in bid evaluation that is not set forth in the bid package.

D. Bid Security. Bid security in accordance with the thresholds in GMC 2.20.040 shall be required for all competitive sealed bidding for Public Works Contracts. 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. When the invitation for bid requires security, noncompliance requires that the bid be rejected.

E. Colorado Labor. Contractors who are working under a Public Works Contract exceeding $50,000 must meet the eighty percent (80%) Colorado labor requirements, unless waived by the City Council pursuant to the Colorado Revised Statutes.

F. 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 bid package, unless the City Manager or his designee shall determine that the public interest will be better served by accepting a different 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.

G. Cancellation of Invitation 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. The reasons therefore shall be put in writing and made part of the contract file.

2.20.100 – Formal/Informal Bid Exceptions

A. Governmental Purchases. Purchases from federal, state or other local government units and purchases made through other governmental entities as may be authorized by ordinance or statute.

B. Equipment and Compatibility. Equipment repairs and purchases where use of any other than specific vendors would result in incompatible component parts or would otherwise disrupt or impair services being provided.

C. Single Vendor Availability. Sole source purchases may be made if it has been determined that there is only one good or service that can reasonably meet the need and there is only one vendor who can provide the good or service and is in the best interest of the City. If the requesting department believes use of a sole source provider is appropriate, documentation supporting this decision should be included with the voucher and approved by the department director. Sole source purchases must be approved according to the thresholds in GMC 2.20.040.

2.20.110 – Cooperative Purchasing

A. City staff may use State of Colorado bids (solicited through the Bid Information and Distribution System), bids from the Multiple Assembly of Procurement Officials (MAPO), the General Services Administration (GSA) or Sourcewell (formerly National Joint Power Alliance) to get the benefit of the pricing available through those procurement systems. Similar organizations may be added to the above list with the approval of the Finance Director. While exempt from the formal bid process, these purchases are subject to the normal approval process. Depending on the nature of the product or service, bids are not necessarily awarded to the lowest cost vendor.

B. Cooperative purchasing may also include the bidding like requirements with other governmental entities to purchase in quantities. This practice may sometimes be beneficial for all entities involved as it may result in lower per-unit costs, while still assuring bid requirements are met. When cooperative bidding is done, each entity shall supply its own requirements; however, one entity shall be chosen to administer the bid process. Bid awards are to be determined either on an individual basis or as a total, whichever is the most cost-effective to all bidders. Depending on the nature of the product or service, bids are not necessarily awarded to the lowest cost bidder.

C. In accordance with Section 11.6 of the City of Gunnison Municipal Home Rule Charter, the Council may, by resolution or by ordinance, enter into contracts or
agreements with other governmental units or special districts for the use of buildings, equipment, or facilities, and for furnishing or receiving commodities or services.

2.20.120 – Local Preference

It is the intention of the City of Gunnison whenever possible to use, without significant additional cost to the taxpayers, local businesses for the purchase of goods and supplies and all general services. The City intends to give local businesses an advantage in the bidding process according to the thresholds outlined in GMC 2.20.040 so that funds received from such contracts will be spent by the employees of local businesses in the local economy. For the purposes of this policy, a “local business” shall be defined as any business located or based in Gunnison County. A local business shall be awarded a contract if its bid is within the local preference percentage of the lowest responsible bidder who does not have the local business designation. In the event that the two lowest responsible bidders each have a local business designation, the lowest responsible bidder shall be awarded the contract. The provisions of the local preference shall be suspended if prohibited by an external source including, but not limited to, grantors, creditors, contractual agreements, or force of law. The provisions for local preference apply to consideration of cost only. Bids that include other requirements regarding product specifications, vendor qualifications, or other criteria based on the nature of the product or service, may not necessarily be awarded to the lowest cost bidder.

2.20.130 – Change Orders

If a change order increases the dollar amount of the purchase above the approval level of the approver of the purchase, additional approval will be required based on the thresholds in GMC 2.20.040.

2.20.140 – Contract Terms/City Attorney Review

A. Term. All service contracts must specifically state the term of the contract and the options for renewing the contract (if applicable) beyond the original term. In no case shall any service contract have an indefinite term. Generally, contracts should begin and end within the current fiscal year where practical. It must also be expressly stated in any multi-year service contract—which is any contract with a term extending beyond the current fiscal year—that all financial obligations of the City beyond the current fiscal year are subject to annual appropriation.

B. Insurance. Contract documents must require the contractor to procure and maintain minimum insurance coverage at the direction of or as prescribed by standard contract forms by the City Attorney.

C. Performance Bond. A performance bond, satisfactory to the City and in accordance with the thresholds in GMC 2.20.040, executed by a surety company authorized to do business in this state, or otherwise secured in a manner satisfactory to the City, shall be delivered to the City and shall become binding on the parties upon execution of Public Works Contracts.

D. Payment Bond. A payment bond, satisfactory to the City and in accordance with the thresholds in GMC 2.20.040, 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 Public Works Contracts.

E. Retainage. The contract shall include provisions for retainage of contract sums as prescribed by state law, and may include provisions for retainage in contracts not covered by state law.

F. Liquidated Damages. The City may, by contract, require the contractor to waive, release, or extinguish its rights to recover costs or damages, or obtain an equitable
adjustment, for delays in performing such contract if such delay is caused, in whole or in part, by the acts or omissions of the City or its agents, if the contract provides that an extension of time for completion of the work is the contractor’s remedy for such delay. Such clause is valid and enforceable, any provision of state law to the contrary notwithstanding.

G. Final Payment. The City may include provisions to withhold the final payment until at least ten days after notice of intention to pay is published at least twice in a newspaper of general circulation in the City and after the City has received a release of statements of claim or liens. Other similar provisions may be included such as a requirement to provide a list of subcontractors, an affidavit attesting that all subcontractors have been paid and/or have each subcontractor provide a release of statements of claim or liens. Proof of publication should be submitted to the Finance Department. Claims against the contract shall be filed as prescribed by state law.

H. Review. Contracts are to be reviewed by the City Attorney based on the thresholds in GMC 2.20.040. Generally, all contracts/agreements should use the City’s standard form. Exceptions can only be approved by the City Attorney or City Manager.

I. Signature Authority. Directors and the City Manager may execute contracts with contractual commitments up to their approval authority as presented in GMC 2.20.040. All other contracts are to be approved by the City Council. The City Council may delegate signature authority to the City Manager for specific contracts or contractual commitments.

2.20.150 – Independent Contractor Policy

The City’s Finance Director or designee shall make the determination whether an individual is an independent contractor, as compared to an employee, and shall approve any contract arrangements.

The rules for determining whether an individual is or isn’t an independent contractor are complex. The determination needs to be made on a case by case basis as required by governing law.

2.20.160 – Professional Services

Professional services include architectural, engineering, financial, legal, consulting or other similar services. Requests for Proposal, Requests for Qualifications or a similar process are typically used to solicit professional services. Evaluation of responses to such requests should consider whether the bidder:

A. Possesses adequate technical and financial resources to perform the project or services or the ability to obtain the resources required for performance;

B. Possesses necessary experience, organizational and technical skills in the relevant fields or the ability to obtain them, including without limitation arrangements with subcontractors;

C. Proposes a reasonable approach to achieve the project or service objectives in an acceptable timeframe;

D. Has a satisfactory record of performance in developing and implementing similar projects or providing similar services in other jurisdictions; and

E. Will perform the project or services at a reasonable cost compared with the level of effort expended.

Written justification for the service provider selected shall be attached to the voucher.
Approval of professional services are subject to the same approval thresholds and processes as any other expenditure.

2.20.170 – Authority to Debar or Suspend

After reasonable notice to the person involved and reasonable opportunity for that person to be heard, the City Manager or designee, after the approval of the City Council, is authorized to debar a person for cause from consideration for award of contracts. The debarment shall be for a period of not more than three years. After the approval of the City Council, the City Manager is authorized to suspend a person from consideration for award of contracts if there is probable cause to believe that the person has engaged in any activity which might lead to debarment. The suspension shall be for a period not to exceed three months. The causes for disbarment include:

A. Conviction or 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;

B. 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;

C. Conviction under state or federal antitrust statutes arising out of the submission of bids or proposals;

1) Violation of contract provisions, as set forth below, of a character which is regarded by City Manager to be so serious as to justify debarment action;

2) Deliberate failure without good cause to perform in accordance with the specifications or within the time limit provided in the contract;

D. A recent record of failure to perform or of 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.

After approval of a debarment or suspension by City Council, the City Manager shall issue a written order to debar or suspend which order shall be immediately mailed, by first class mail, or personally delivered to the debarred or suspended person. The order shall state the reasons for the action taken.

2.20.180 – Miscellaneous Purchasing Provisions

A. Computer Hardware/Software/Printers. All such purchases shall be made through or in coordination with the Information Technology Department.

B. Exempt Items. Certain expenditures are not subject to this policy. Such exempt items include debt service, payroll related disbursements and investment transactions.

C. Gift Cards/Certificates. Any gift cards/certificates purchased for an employee of the City is taxable through payroll and must be pre-approved by the City Manager or Finance Director in writing. A listing of employees receiving gift cards must be submitted to payroll for processing.

D. Personal Purchases. No personal purchases may be made using City funds, even with employee reimbursement.

E. Professional Dues and Licenses. Professional dues, licenses, and memberships to associations and organizations that benefit the City will be paid from City funds but
shall be the responsibility of the employee to obtain and maintain. Examples would include, but are not limited to: professional engineer license, water/wastewater treatment operator’s licenses, professional certifications, etc.

F. Sales Tax. Sales tax is not to be charged on any purchase by the City within the State of Colorado. The City’s tax exempt number is 98-06327000 and should be given to the vendor before the sale is completed. A copy of the City’s tax-exempt certificate is available from Finance. Some types of purchases may be exempted from this provision at the discretion of the City Manager or Finance Director.

2.20.190 – Emergency Procurement

Notwithstanding any other provision of this policy, the City Manager or designee may make or authorize others to make emergency procurement when there exists a threat to public health, welfare, or safety under emergency conditions. The required purchasing procedures stipulated in other areas of this policy may be waived for emergency purchases where necessary. A written determination of the basis for emergency and for the purchase or selection of the particular vendor or contractor shall be included with the purchase documentation. A summary of all emergency purchases shall be submitted for review by the City Council at the earliest Council meeting possible if in excess of $25,000.

2.20.200 – Audit Procedures

Periodically, Finance staff will review samples of check requests, new vendor requests and remittance address changes to ensure that City staff is complying with policy. Errors/violations of policy will be communicated to the Finance Director and department directors, as appropriate, in addition to communicating with the responsible staff. Additional training will be provided or other appropriate actions taken as required.

2.20.210 – Ethical Responsibilities

All city personnel are obligated to establish and maintain ethical relationships with all vendors or suppliers of city goods and services. The following are examples of unacceptable city employee relationships with vendors or suppliers. The list is not intended to be all-inclusive. City employees must also consider the appearance of fairness and propriety in their relationships with city vendors or suppliers.

A. Seeking or accepting directly from any persons, partnerships, corporations, or other business entities or representatives which are doing or seeking to do business with the city of Gunnison, services, cash or loans, vacations or pleasure trips, or any gifts exceeding the value of $50.00.

B. Knowingly over- or underestimating the requirements of this policy and/or bids or failing to disclose the existing requirements in order to avoid doing business with a particular vendor or supplier.

C. Misrepresenting competitors’ prices, quality, or services in order to obtain concessions from vendors or suppliers.

D. Having personal investments in any business entity which will create a substantial conflict between private interests and public duties when the city of Gunnison employee is involved in making a particular purchasing decision.

Inexpensive advertising items bearing the name of a vendor (i.e. pens, pencils, paper weights, cups, caps, candy, calendars, etc.) are not considered articles of value or gifts in relation to this policy.
INTRODUCED, READ, PASSED AND ORDERED PUBLISHED this 25th day of September, 2018, on first reading, and introduced, read, and adopted on second and final reading this 9th day of October, 2018.

Mayor

SEAL:

ATTEST:

City Clerk

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