



**TOWN OF LARKSPUR
RESOLUTION NO. 2022-28**

A RESOLUTION APPROVING A TOWN PURCHASING POLICY

WHEREAS, the Town of Larkspur is a home rule municipality duly organized and existing under the Constitution of the State of Colorado and the Home Rule Charter of the Town; and

WHEREAS, the Town of Larkspur has discovered multiple previous purchasing policies, some of which contradict portions of one another; and

WHEREAS, the Town Council of the Town of Larkspur (the “Council”) has determined that it is in the best interest of the Town to establish certain policies and procedures to be used by the Town in purchasing goods and services for the Town and to set forth those policies and procedures by resolution.

NOW, THEREFORE, BE IT HEREBY RESOLVED THAT THE TOWN COUNCIL OF THE TOWN OF LARKSPUR:

1. The Council adopts and enacts the Purchasing Policy, attached hereto as Exhibit A, and incorporated herein.
2. Severability: If any Article, Section, paragraph, sentence, clause, or phrase of this Resolution is held to be unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of this Resolution. The Board of Trustees declares that it would have passed this Resolution and each part or parts thereof irrespective of the fact that any one part or parts be declared unconstitutional or invalid.
3. Repeal: Existing Resolutions or parts of Resolutions covering the same matters as embraced in this Resolution are hereby repealed and all Resolutions or parts of Resolutions inconsistent with the provisions of this Resolution are hereby repealed, except that this repeal shall not affect or prevent the prosecution or punishment of any person for any act done or committed in violation of any Resolution hereby repealed prior to the taking effect of this Resolution.
4. This resolution to be in full force and effect from and after its passage and approval.


INTRODUCED, PASSED AND ADOPTED AT A REGULAR MEETING OF THE TOWN COUNCIL OF THE TOWN OF LARKSPUR THIS 15th DAY OF DECEMBER 2022



ATTEST:

Votes Approving: 7
Votes Opposed: 0
Absent: 0
Abstained: 0

**TOWN COUNCIL OF THE
TOWN OF LARKSPUR, COLORADO**



Sean Hogan
Town Clerk



Sherilyn West
Mayor

EXHIBIT A

Purchasing, Contracting & Credit Card Purchase Forms

THE TOWN OF LARKSPUR

Purchasing, Contracting and Credit Card Policy

THE TOWN OF LARKSPUR

Purchasing, Contracting and Credit Card Policy

TABLE OF CONTENTS

Purchasing and Contracting Policy and Procedures

Page 3

Purchasing Policy Introduction
Town Representative
Requirements for Formal and Informal Bids
Request for Proposal (RFP) and Request for Quotation (RFQ)
Formal Request for Bid (RFB) Request for Proposal (RFP) Process
Purchase, Contract and Authorization Table
Exceptions
Local Advantage
Cancellation and Rejection of Bids/Proposals

Credit Card Policy and Procedures

Page 8

Policy Procedures

Informal Quotation Form

Page 9

TOWN OF LARKSPUR

Purchasing and Contracting Policy

Introduction

This policy adopted as Exhibit A of Resolution 2022-28 is intended to provide procedures and guidelines for purchasing and contracting activities for the Town of Larkspur. This policy has been designed to:

1. Comply with the State of Colorado, Colorado Revised Statutes, as amended,
2. Encourage maximum competition on the basis of fair and equal opportunity to those qualified and interested bidders, provide a uniform procedure for the procurement of material, equipment, supplies and services,
3. Ensure that the Town is getting the "best overall value" for taxpayer dollars. *Some of the factors considered when determining the "best overall value" are:*
 - *Competitive Price*
 - *Warranty*
 - *Service*
 - *Availability*
 - *Past Performance*
 - *References*
4. Apply to all Town of Larkspur Staff.

Town Representative

The Mayor or the Town Clerk or their designee shall be the Town Representative and shall have the authority to undertake procurement, solicit bids and proposals, make written determinations and recommendations for the Town, and supervise Town purchasing functions. The Town Representative will work to ensure budgetary compliance. All bids and quotations of any kind must be current (within a six-month window).

Requirements for Formal and Informal Bids

Bids are required for purchases outside of normal routine maintenance and standard incidental supplies or repairs for the benefit of the Town.

The Town of Larkspur strives to follow these policies and procedures as written; however, it also realizes there may be circumstances under which doing so may be impossible or impractical. Some bid requests may not have a sufficient number of qualified bidders within the area or a limited number of providers of a good or service. By way of example, and not limitation, if the Town is

unable to secure three bids within two weeks of closing of advertising for bids, the Town Council may elect to select from fewer than three bids in order to move forward with a project.

The Town of Larkspur encourages the Town Representative to search for local vendors. Local vendors include vendors within the Town of Larkspur, vendors located in Douglas County, and vendors previously known and utilized vendors for goods and services. Dollars spent locally turn over in the local community and assist other businesses. The Town does not require that goods and services be purchased locally as fiscal responsibility requires that the tax dollar be spent as wisely as possible. However, it is required that all the Town search and compare local vendors for goods and services to make sure the best, competitive price is selected. A Town contract is required for all services and/or construction projects.

Up to \$5,000:

Town Council and Staff are encouraged to secure reasonable pricing and to the extent possible, distribute purchases equitably among qualified suppliers.

\$5,001 to \$25,000: *(Informal verbal or written bids are required)* Informal bids from at least three (3) sources must be requested. Bids shall be documented on the “**Informal Quotation Form**” or may be supported by written quotations from vendors (faxed/mailed/electronic submittals). This documentation should be filed in the accounting department. The Accounting Manager will review all documentation for budgetary availability and to ensure quotes are reasonable prior to being presented to Council.

\$25,000 and over: *(Informal - Written bids are required)*

Informal bids in an amount greater than or equal to \$25,000 may be permitted in lieu of Formal bids by the express consent of Town Council on a case-by-case basis or where permitted by Statute. Written bids from at least three (3) sources must be requested. Faxed/mailed/electronic quotations are acceptable. Purchases must be supported by written quotations from vendors. Bids shall be documented on the “**Informal Quotation Form**” and shall be supported by written quotations from vendors (faxed/mailed/electronic submittals). ***This documentation should be filed with Town Staff.*** The Accounting Manager will review all documentation for budgetary availability and to ensure quotes are reasonable prior to being presented to Council.

\$25,000 and over *(Formal bids are required)*

Request for Bid (RFB) / Request for Proposal (RFP)

The term “formal bid” is used to identify solicitations that represent major purchases by the Town of Larkspur. The difference between a formal bid and an informal bid is that a formal bid must be sealed, in writing, and publicly advertised.

The formal RFB or RFP must be in writing, posted on the Town’s website, and publicly advertised for at least fourteen (14) days prior to the date set for opening. The RFB and RFP must be submitted to the Town in a sealed envelope marked with the name of the request as indicated in the

instructions. The issuance of an RFB or RFP is best accomplished by a cooperative effort between the Accounting Manager and the Town Representative.

All RFB or RFP's, including those prepared by outside consultants, will be processed through the Town Representative and shall be opened before the public at a date, time and place designated in the RFB or RFP. The RFB or RFP shall be analyzed (based upon the "best overall value" to the Town) and documented including staff recommendation. This documentation should be filed in the accounting department.

Formal Request for Bid (RFB) / Request for Proposal (RFP)
FOR EXPENSES IN EXCESS OF \$25,000.00

<u>What to Do:</u>	<u>Who Does it:</u>
1. Notify the Town Council of the need to issue a formal bid/RFP/RFQ	1. Town Staff
2. Review for budgetary availability	2. Accounting Manager
3. Determine needs and develop specifications	3. Town Staff
4. Prepare bid document/RFP to be reviewed by Town Attorney's Office	4. Town Staff
5. Advertise and solicit sealed bids Public notice of the bid shall be given at least 14 days prior to the date set for opening.	5. Town Staff
6. Bid/RFP opening	6. Town Staff
7. Bids/RFP's are analyzed and spreadsheet prepared	7. Town Staff
8. Make award recommendations to the Town Council for formal award and contractual approval	8. Town Staff
9. Notice of award and thank you letters	9. Town Staff
10. Prepare Contract	10. Town Staff and Town Attorney, if needed
11. Send Contract to Bidder, Obtain Signatures	11. Town Staff
12. Sign contract	12. The Mayor or their designee
13. Public legal notice pursuant to applicable Contracts prior to making Final contract disbursement pursuant to CRS 38-26-107.	12. Town Staff in coordination with Town Attorney.

The accounting department will maintain a Contract File for each Contract, including the Formal Bid or RFP. Each file will contain a list of the vendors and newspapers and/or websites who received the solicitation, copies of the bids or proposals received from vendors, bid or proposal analysis sheet, award letter, contract, and thank you letters.

Purchase, Contract and Authorization Table

Expenditure Limits	Formal/ Informal Bid Method	Authorized Personnel to Make Purchase	Required Documents
Up to \$5,000	Competitive Pricing is encouraged, local preference and multiple bids are encouraged.	Mayor or Town Representative	Voucher and invoice or contract Town Contract (for Services or Construction)
\$5,001 to \$25,000	Request for an Informal Verbal (or Written) Bid from 3 sources. Telephone, email, faxed or mailed quotations are acceptable.	Mayor or Town Representative After Council approval by motion	Voucher and invoice or contract Town Contract (for Services or Construction)
\$25,000 and greater (if formal process is waived by Council)	Written Bid request to 3 sources. Email, faxed or mailed quotations are acceptable.	Town Council (Motion required)	Town Contract (for Services or Construction) Purchase Order and Voucher and invoice/or contract terms
\$25,000 and greater (if formal process required)	Formal sealed Bid / RFP Process. 14 day advertised public notice and on Town website.	Town Council (Resolution required)	Town Contract (for Services or Construction) Purchase Order and Voucher and invoice/or contract terms

Purchases or Services not Requiring Bidding Procedure

The Town Council may approve a purchase without bid under the following conditions subject to departmental budget availability:

- 1) The item to be purchased is under State or Federal Bid lists
- 2) Grants, Contracts or Agreements between The Town of Larkspur and other governments or agencies.
- 3) Legal Documents, Publications, and expenditures specifically required by State Statute.
- 4) Licenses, permits, easements, leases or other rights to use real property for less than one year.
- 5) The purchase of real property.
- 6) Acquisition of professional services of legal counsel and expert witnesses.
- 7) There is only one known source of purchase, and there is no comparable substitute product or service. ***Written documentation supporting the sole source must be provided.***
- 8) A specific type or brand of supply or part is necessary for acceptable operation of a machine

or device, or as required by warranty or contract on the machine or device. ***Written documentation supporting the purchase of a specific brand or part necessary for acceptable operation of a machine or device, or a copy of a particular warranty or contract for a machine or device, must be provided.***

9) The item or service is required on an emergency basis.

10) The item was previously awarded within the past six (6) months.

Exceptions

The Town Council specifically reserves the right to seek, consider and/or act on a proposed purchase of services or goods on a case-by-case basis in a manner other than that set forth above, provided that in doing so the Council specifically sets forth on the record its reasons for concluding that an exception to these policies and procedures should be made in that specific instance. The decision of the Council to alter the policies or procedures in a specific instance shall not obligate the Town in any manner to make similar alterations in other instances.

Local Advantage

The Town of Larkspur will make every effort to purchase from and utilize the services of businesses and contractors located within The Town of Larkspur if the purchase fits into the category of "best overall value." It must be noted that The Town of Larkspur employees have a responsibility to the taxpayers of the Town to ensure that bids are awarded to vendors offering their products or services at the "*best overall value*" to the Town.

Bidders with a business address within the Town are considered "local contractors" and will be afforded a five (5) percent local contractor preference computed off the low bid amount.

Cancellation and Rejection of Bids

The Town of Larkspur reserves the right to reject any and all bids or cancel a request for bid or proposal and any options within. The low bid may not be the winning bid.

An invitation to bid, request for proposal, or other solicitation may be cancelled, or any or all bids or proposals may be rejected, in whole or part, as may be specified in the solicitation when it is in the best interest of the Town.

If in the event the Town does not receive a formal bid or RFP after proper public notice and legal advertisement, the Town may cancel the bid or RFP and seek a supplier or service and obtain a bid or RFP without further public notice or legal advertisement.

THE TOWN OF LARKSPUR

Credit Card Policy and Procedures

Policy

Town credit card purchases are to be used only for incidentals where the use of another form of payment is inefficient, unrealistic, and/or ineffective. Some examples include but are not limited to small purchases at home supply stores, automobile parts vendors, restaurants for approved work-related meetings, online purchases, and vendors who only accept electronic payment via credit card.

Town credit card purchases are NOT intended to avoid or bypass appropriate purchasing or contract procedures. The Town credit card compliments the existing purchasing procedure available.

All Town credit card usage shall be for Town business only. No personal use of a Town credit card is allowed. Credit cards shall not be used for cash advances or to purchase fuel for privately owned vehicles, alcoholic beverages of any kind, or controlled substances.

Accidental charges due to human error can occur and may be taken into consideration if a purchase is in violation of this credit card policy. Any employee having made an accidental charge in human error must immediately report the matter to their Town Representative upon discovery and immediately make payment in the full amount of the accidental charge to The Town of Larkspur and obtain a receipt. Any accidental charge and subsequent payment to The Town of Larkspur with receipt shall be documented on the Credit Card Purchase Information Form.

Failure to comply with credit card policy and procedures may result in cancellation of the card, and/or disciplinary action, including termination.

Credit Card Limits: Town Credit Card monthly maximum limit is determined by the Town Representative.

Procedures

1. Credit card receipts must be coded and turned into accounting. Employees shall be solely responsible for obtaining copies of lost or misplaced receipts. A written explanation for a lost receipt must be approved by the Accounting Manager. It must contain sufficient information to describe the item or service purchased, cost, date of purchase, and vendor name and location. This statement must be acknowledged by the employee as a valid Town purchase. Any purchases without a receipt or an approved written explanation are considered unauthorized purchases and subject to immediate repayment to the Town.
2. Individual cardholder changes must be made through the Accounting Manager and may only be authorized by the Town Clerk or by approval of the Town Council. If a card is lost or stolen, it is imperative that you contact the Town Clerk's office immediately.

Informal Quotation Form

Project or Item: _____

Date: _____

Staff Requesting Quote: _____

Company	Contact	Quote