



Article 3-8 Contracts and Purchases Update

Council Meeting – April 9, 2024

City Staff Representatives:

Kelsey Archuleta, Procurement & Contracts Manager
Michael Davis, Assistant City Attorney



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PURPOSE:

- Clarify specific sections of Article 3-8 to ensure consistent and appropriate application of procedures;
- Propose updates to City Code which will improve operational efficiency; and
- Define vendor suspension and debarment procedures.



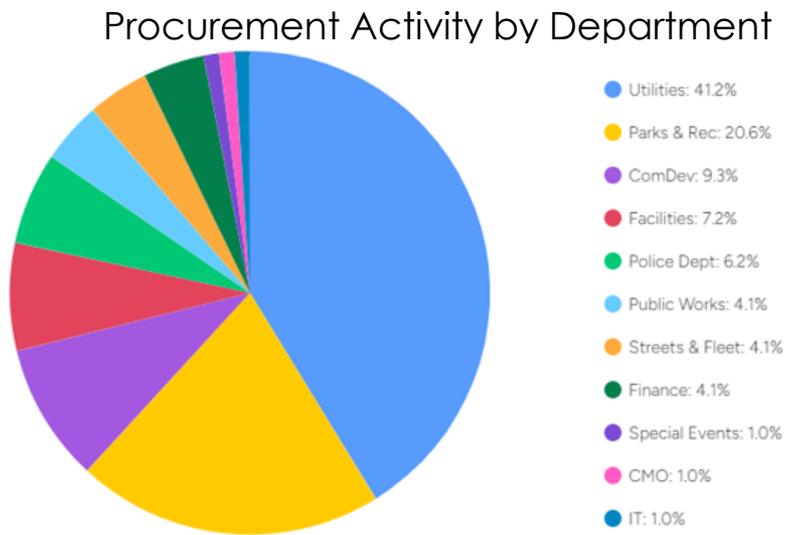
2023 KEY DATA POINTS:

Total Contracts Executed:
431

Contracts Approved by Council:
66

Formal Solicitations:
41

Average Number of Days to Procure:
63
(over \$50k)





Section 3-8-30 – Authority for award

PROPOSED REVISION:

Award of all contracts for materials, services, and construction shall be awarded by...

- Department Director \$0.01-\$50,000.00
- **City Manager \$50,000.01-\$500,000.00**
- **City Council \$500,000.01+**



Article 3-8 Contracts and Purchases

PROPOSED CLARIFICATIONS:

Section 3-8-30 (a)

- ...greater than \$50,000 but equal to or less than \$500,000 shall be awarded through formal solicitation procedures by the City Manager...

Section 3-8-30 (b)

- ...greater than \$500,000 shall be awarded through formal solicitation procedures by the City Council...



FINANCE

Section 3-8-80 – Bid Bond and bid deposit; when required

PROPOSED REVISION:

- Bid bond required for all construction projects over \$500,000
- City Manager may require bid bond for other projects of any other value



Section 3-8-110 – Award of contract; criteria for consideration

PROPOSED REVISION:

- Subsection 8 revised to correct punctuation; language does not change
- Subsection 9 revised to correct punctuation; language does not change
- Subsection 10 created pursuant to addition of Section 3-8-200
Suspension and debarment



Section 3-8-170 – Amendment or change order to contract

PROPOSED REVISION:

- City Manager may execute change orders, in the aggregate up, to 10% or \$500,000 of the original contract amount, whichever is greater.
- City Manager may bring a change order which is within their authority to City Council for approval at their discretion.



Section 3-8-180 – Master price agreements; extension and amendment

PROPOSED REVISION:

- Grant authority to City Manager to execute an extension or amendment to an existing master price agreement (MPA)

Requirements for extension of MPA:

- Vendor performance is satisfactory;
- Terms and conditions of agreement have been fulfilled;
- Funds for extension and/or amendment have been appropriated;
- and
- **Annual not to exceed amount has not increased from original MPA.**



Section 3-8-200 - Suspension and debarment

DEFINITION:

Administrative action taken by the City to prevent non-responsible entities or individuals from being awarded future contracts.



Section 3-8-200 - Suspension and debarment

GENERAL PROCEDURE:

- Person or entity shall be notified and given reasonable opportunity to be heard
- Finance Director shall furnish written decision to affected person or entity
- Suspension/debarment shall be citywide for a specified period of time
- Person or entity may appeal to the City Manager by written submission following notice of decision from the Finance Director
- City Manager may hold informal meeting and furnish final decision as to the City, in writing, to the person or entity



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Questions and Feedback