



Procurement Code Revisions

City Council – August 2, 2022

City Staff Representatives:

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Purpose

To update and reorganize the City's Procurement Code to allow for a more efficient and responsive procurement and contracting process while maintaining a focus on ensuring City funds are used responsibly.



Financially Responsible



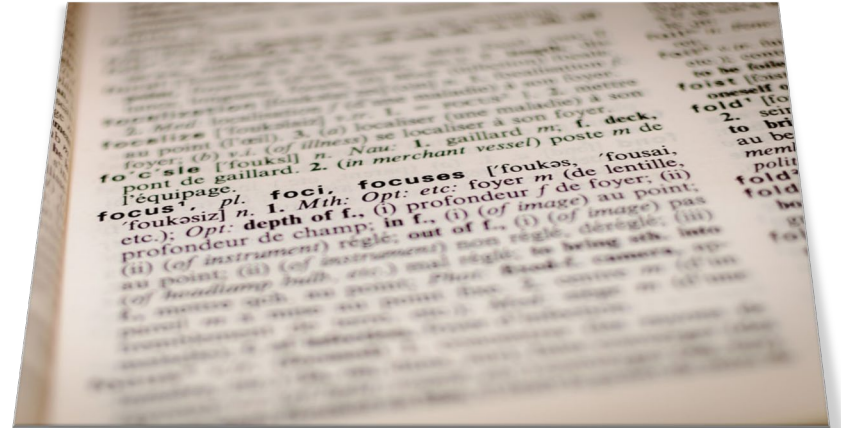
Goals and Objectives

- Update and clarify definitions
- Simplify language and focus
- Reorganize to follow logical process
- Create efficiency in the process
- Define the protest procedure
- Update the procurement thresholds



Updated Definitions

- Bid bond
- Change order
- Competitive bid or bidding
- Cooperative purchasing
- Emergency conditions
- Proposal
- Request for proposal
- Single-source procurement and sole-source procurement





New Definitions

- Amendment
- Formal solicitation
- Informal solicitation
- Invitation to bid (ITB)
- Materials
- Micro purchase
- Simplified Acquisition Procedures (SAP)
- Solicitation





Reorganize the code to follow the process

Procurement Process Overview





Create Efficiencies in the Process

- Use of consistent language and definitions
- Clearly define which services are exempt from procurement
- Shift in management of Master Price Agreements
- Focus to get more services under Master Price Agreements
- No longer require publication of bids in newspapers
- Current thresholds are causing added work without added value

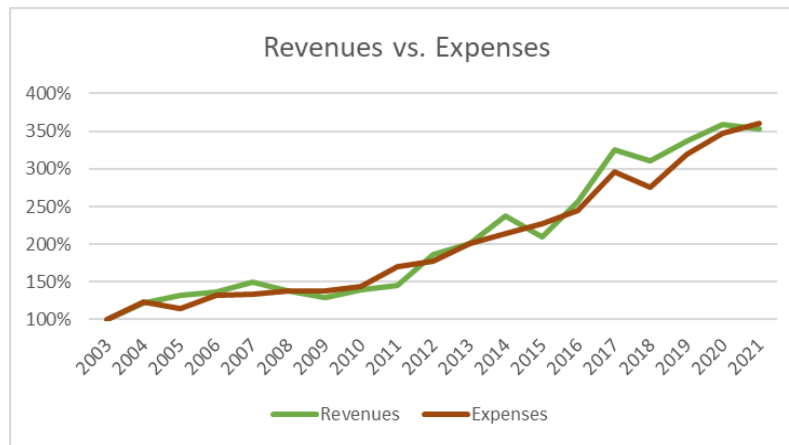
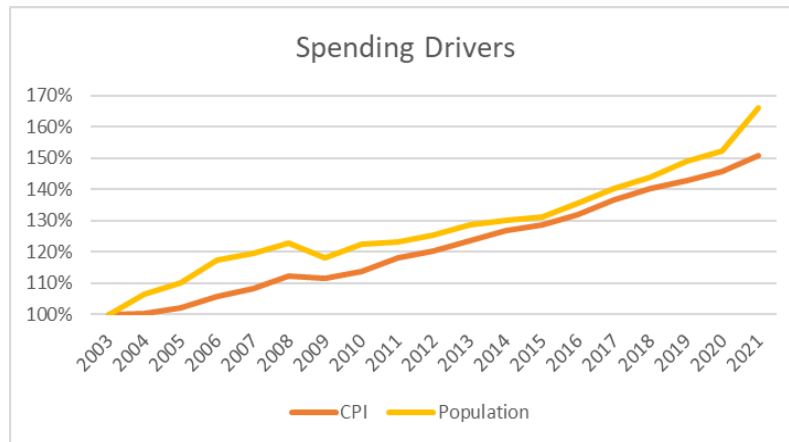




Metric History

Over the past 19 years:

- CPI/Inflation - Increased 51%
- Population - Increased 66%
- Revenue & Expenses - Increased 355%
- Procurement Thresholds - 0%





Proposed thresholds

Purchase Type	Current	Proposed	Approver
Micro-Purchase	<\$2,500	<\$10,000	Department Director
Informal	\$2,500 - \$25k	\$10k-\$50k	Department Director
Formal	\$25k - \$50k	\$50k – \$100k	City Manager
Formal	\$50k and higher	\$100k and higher	City Council



Micro Purchases

Purchases made using Simplified Acquisition Procedures (SAP). By using SAP we are able to complete simple purchases while reducing the amount of work and time required.

- Up to \$10,000
- Quick and efficient purchasing
- Must comply with other Code sections (e.g. Conflicts of Interest, insurance, etc.)
- Approved by the Department Director

Examples:

- Site surveys and smaller studies and assessments
- Facilities materials (doors, office furniture, glass for conference rooms)
- Equipment services and repairs
- Smaller software and technology services



Informal Solicitation

The process of seeking at least three (3) written quotes for goods or services.

- For purchase ranging from \$10K - \$50K
- Requires documented (written) quotes
- Good faith effort to obtain 3 quotes or responses
- Must comply with other Code sections (e.g. Conflicts of Interest, Insurance, etc.)
- Approved by the Department Director

Examples:

- Engineering services for specific, smaller projects
- Parks and Recreational equipment (e.g. gym equipment, drone)
- Some more complex studies (e.g. Impact Fee Study)
- Software and technology products and services



Formal Solicitation

A competitive solicitation process involving the posting of a Request for Proposal or Invitation to Bid on a public forum, a formal review of proposals/bids, and the awarding of a contract.

- For purchases greater than \$50K
- Well defined scope of work and evaluation criteria
- Specific submission deadline and format
- Documented evaluation and selection process
- Up to \$100K approved by the City Manager.
- Greater than \$100K approved by City Council

Examples:

- 2.0MG High Zone Tank Construction
- 144th & Sable Traffic Signal
- Parks Mowing Services



Emergency Procurement

- Streamlined the Code to be more efficient
- Code delegates policy development to the City Manager
- Goal is to allow for quick response time in an emergency
- Life safety is the top priority





Options for Council

- Approve the Procurement Code Ordinance as presented.
- Reject and ask that staff reevaluate the proposal.
- Reject and leave the Procurement Code in place as written.