

RESOLUTION 2022-04

ST. VRAIN WATER AUTHORITY

BOULDER, LARIMER, AND WELD COUNTIES, COLORADO

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ST. VRAIN WATER AUTHORITY ADOPTING PURCHASING POLICIES AND PROCEDURES

WHEREAS, the St. Vrain Water Authority (“Authority”) is a quasi-municipal and political subdivision of the State of Colorado established pursuant to the St. Vrain Water Authority Establishing Contract dated April 24, 2019 (“Establishing Contract”) entered into by and between the Town of Firestone and the Little Thompson Water District (collectively the “Members” and “Water District”); and

WHEREAS, pursuant to the Establishing Contract and C.R.S. 29-1-204.2, the Authority’s Board of Directors (“Board”) is charged with conducting the business and affairs of the Authority; and

WHEREAS, the Board is expressly authorized to adopt regulations, and by implication policies and procedures respecting the exercise of its powers and for the carrying out the purposes of the Authority; and

WHEREAS, the Board has determined that it is necessary and in the best interest of the Authority to adopt purchasing policies and procedures; and

WHEREAS, the Board has considered and reviewed the attached Purchasing Policies and Procedures that set forth the methods by which the Authority will secure goods, materials, equipment, and supplies needed for the Authority’s water treatment plant and related facilities; and

WHEREAS, the Board desires to adopt said Purchasing Policies and Procedures and has determined that such action is in the best interest of the Authority and its members and constituents.

NOW, THEREFORE, BE IT RESOLVED BY the Board of Directors of the St. Vrain Water Authority that:

1. **Adoption of Purchasing Policies and Procedures**. The Purchasing Policies and Procedures for the St. Vrain Water Authority dated June 13, 2022, as

attached hereto and incorporated herein by this reference are hereby approved and adopted effective as of June 13, 2022.

2. **Interpretation.** The Authority acting through its Board reserves the right to interpret and change or resend in whole or in part the Purchasing Policies and Procedures at any time; and in addition, reserves the right to determine the meaning, purpose, and effect of the same based upon generally accepted rules of interpretation.

3. **Severability.** If any part or provision of this Resolution is judged to be unenforceable or invalid, such judgment shall not effect, impair, or invalidate the remaining provisions of this Resolution, it being the Board's intention that the various provisions hereof are severable.

4. **Prior Acts, Orders, and Resolutions.** All prior acts, orders, and resolutions or parts thereof of the Board which are inconsistent with or in conflict with this Resolution are hereby repealed to the extent only of such inconsistency or conflict.

5. **Effective Date.** The provisions of this Resolution shall take as of June 13, 2022.

APPROVED AND ADOPTED this 13th day of June 2022 by the Board of Directors of the St. Vrain Water Authority by a vote of 4 FOR and 0 AGAINST.

ST. VRAIN WATER AUTHORITY

By: 
Julie Svaldi, President

Attest:


Dave Lindsay, Secretary

PURCHASING POLICIES AND PROCEDURES

ST. VRAIN WATER AUTHORITY

(Adopted June 13, 2022)

ARTICLE I. PURPOSE

1.1 The Establishing Contract for the St. Vrain Water Quality Authority (“Authority”) authorizes the Authority to establish and maintain such purchasing policies and procedures as may be required or convenient for the carrying out of the purposes of the Authority, including but not limited to, policies and procedures that encourage the efficient, economical and timely acquisition of labor, services, materials or supplies, and for the letting of contracts on a fair and competitive basis for the construction of public works and structures. The purpose of these policies and procedures is to foster public confidence in the Authority’s efficiency, integrity, and accountability and to maximize the purchasing power of the Authority’s funds in the procurement of goods, services and facilities best meeting the general and unique specifications required in the operation of the Authority. These policies and procedures (“Policy”) will promote fair and equitable treatment of all persons participating and competing in the purchasing process of the Authority; however, nothing herein is intended to confer any direct or implied right of enforcement on any person or entity due to claim of loss of opportunity or otherwise.

1.2 This Policy contains various methods for securing goods, materials, equipment and supplies (“Materials”) and services such as maintenance, repair, and landscaping services (“Services”) needed for the Authority’s water treatment plant and related facilities, including, but not limited to: (i) a procedure for establishing approved vendor accounts; (ii) a request for proposal process for nonprofessional Services over \$25,000; (iii) an informal bidding process for nonprofessional Services under \$25,000; (iv) an informal bidding process for Materials under \$25,000; (v) a formal bidding process for Materials over \$25,000; (vi) a formal bidding process for construction contracts over \$60,000; and, (vii) an informal bidding process for construction contracts under \$60,000.

ARTICLE II. DEFINITIONS

2.1 “Bid” shall mean an offer for Services or Materials submitted to the Authority in response to an Invitation for Bids.

2.2 “Bidder” shall mean the person, partnership, limited liability company, corporation or association that submits a Bid.

2.3 “Formal Bid” shall mean a Bid received pursuant to the process as described in Article VIII and IX of this Policy.

2.4 “Informal Bid” shall mean a Bid received pursuant to the process as described in Article VII.

2.5 “Invitation for Bids” shall mean all documents, whether attached or incorporated by reference, utilized for soliciting sealed bids.

2.6 “RFP” shall mean any proposal received pursuant to the process as described in Article VI of this Policy.

2.7 “Selected Bid” or “Selected Bidder” shall mean the Bid or Bidder awarded a contract through an informal or formal bidding process.

2.8 “Authority Manager” shall mean the position of Authority Manager as designated by the Board from time to time.

2.9 “Vendor Account” shall mean any account for Materials or Services for which the vendor has been approved, the price or range of prices for the Materials or Services has been established to the Authority’s satisfaction, and the total contract amount is under \$25,000.

**ARTICLE III.
OPERATOR-IN-RESPONSIBLE CHARGE - PURCHASING AUTHORITY
ESTABLISHED VENDOR ACCOUNTS**

Purchases of \$10,000 or less that have been budgeted and appropriated and for which a Vendor Account has been or is in the process of being established by the Authority, may be approved by the Authority’s Operator-in-Responsible Charge after obtaining approval to initiate the purchase from either the Authority’s President, Treasurer, or Authority Manager. Except for emergency purchases as authorized in Article XI below, all purchases by the Authority’s Operator-in-Responsible Charge in an excess of \$10,000, whether the purchase is through an established Vendor Account or not, and even though funds for the purchase have been previously budgeted and appropriated, shall nonetheless require Board approval before the purchase is authorized.

**ARTICLE IV.
CONTRACTS FOR EQUIPMENT, SUPPLIES, AND SERVICES THAT ARE
EXEMPT FROM THIS POLICY**

The following types of contracts, whether for Materials or Services may be entered into and/or awarded, as the case may be, without benefit of a Formal or Informal Bidding Process:

- 4.1 Intergovernmental Agreements.
- 4.2 Extension of an existing agreement with the same vendor under the same conditions at the same or lower price, taking into account inflation.
- 4.3 Procurements made cooperatively with other units of local government utilizing procurement policies and procedures from other governmental agencies.
- 4.4 Materials and or Services required by reason of practicality, such as those necessary to those maintain uniformity of equipment or Services presently in operation.
- 4.5 Management, accounting, auditing, legal and professional service contracts for which the Board has determined that a negotiated contract with a single vendor is in the best interest of the Authority.
- 4.6 Any professional Services contract not listed in Article 4.5 above and for which the Board has determined that it is not in the best interest of the Authority to solicit proposals.
- 4.7 Emergency and sole purchases as defined in this Policy.

**ARTICLE V.
REVIEW OF EXISTING SERVICE AND/OR MATERIAL CONTRACTS**

5.1 The Board may but is not obligated to review on an annual or such time interval as the Board may determine appropriate, all contracts for Services and/or Materials that are of a continuing nature, for the purpose of making a determination as to whether an RFP process, Formal Bidding Process or Informal Bidding Process should be utilized for the continued procurement of such Materials or Services.

**ARTICLE VI.
NONPROFESSIONAL SERVICES – OVER \$25,000**

6.1 Project Scope. With respect to any contract involving nonprofessional Services from a source that is not an approved Vendor Account and which is for an amount over \$25,000 shall be entered into only after a proposed scope of services has been prepared that meets the Authority's needs.

6.2 RFP. Using the proposed scope of services, an RFP shall be issued to firms or suppliers that are identified by the Board as having the expertise needed by the Authority. The RFP shall include an adequate description of the services to be procured and the pertinent contractual terms which may include criteria to determine the acceptability of performance such as inspection, testing, quality, workmanship, delivery time, and suitability for a particular purpose.

6.3 Proposed Review and Short List. A committee of at least one Authority member, Authority consultants, or Member consultants shall review all proposals and rank them for the purpose of preparing a shortlist of firms to be interviewed, if necessary. The committee shall also prepare, prior to the interviews, uniform criteria for evaluating the proposals which criteria shall include, if the committee has a way of doing so, may prepare an estimate of the cost of the services to be procured.

The committee shall review the proposals and identify a shortlist which may include only one firm. The Authority may also utilize the services of a technical consultant to review proposals and provide assistance in ranking the proposals. The Authority's technical consultant, however, shall not have the authority to vote on which firm is selected for the shortlist.

6.4 Interviews. The committee, if it feels it is appropriate shall conduct interviews of the shortlisted firm(s) and based thereon and the criteria for selection as described in Article 6.3 above, prepare a recommendation to the Authority's Board of Directors. The Authority's Board of Directors shall have the authority to accept or reject any recommendation supplied by the committee.

6.5 Modifications to Scope. If as a result of the interview process the committee and the technical consultant assisting the committee believe that the scope of requested services should be modified, the Authority's technical consultant or a designated member of the Authority's Board of Directors shall have authority to negotiate with the selected firm for such modifications; provided, however, the modification does not materially change the selected firms' contract price, i.e., the price of the procured services or materials does not increase or decrease by more than ten percent (10%) without the prior approval of the Authority's Board of Directors. Any change in scope or material specification which increases or decreases the contract price by more than ten percent (10%), unless otherwise approved by the Authority's Board of Directors, will need to be submitted to another RFP process.

ARTICLE VII.
INFORMAL BIDDING PROCESS FOR MATERIALS AND
NONPROFESSIONAL SERVICES FOR LESS THAN \$25,000 WHERE THERE IS
NO VENDOR ACCOUNT

7.1 Any contract for Materials or nonprofessional Services for the Authority's water treatment plant and related facilities for which there is no established Vendor Account, shall be entered into in accordance with the following requirements:

a) The Authority's technical consultant or other authorized designee shall solicit at least three (3) written bids for Materials or nonprofessional Services based upon specifications and/or a scope of services prepared and concurrent with the solicitation are submitted to the bidding entities. The Authority's technical consultant or

other authorized designee shall evaluate the bids, rank them and based thereon, make a recommendation to the Authority's Board of Directors.

b) The criteria for ranking the submitted bids shall be as set forth in Article 9.8.

7.2 Any contract for Materials or nonprofessional Services estimated to be for an amount that is more than \$25,000 shall be awarded through the Formal Bidding Processes as set forth in Articles VIII and IX of this Policy.

**ARTICLE VIII.
FORMAL BIDDING PROCESS FOR CONSTRUCTION CONTRACTS AND
MATERIAL CONTRACTS**

8.1 Any construction contract involving an estimated contract price greater than \$60,000, and any contract for Materials involving an estimated contract price of greater than \$25,000 shall be competitively bid in accordance with Article IX below. Any construction contract involving an estimated contract price less than \$60,000, and any nonapproved Vendor Account contract for Materials involving an estimated contract price of less than \$25,000 shall be awarded in accordance with the procedures set forth in Article VII above.

**ARTICLE IX.
FORMAL BIDDING PROCESS**

When competitive bids are required as set forth in Article VIII of this Policy, the following procedures shall be followed:

9.1 Invitation for Bids. An invitation for bids shall be issued and shall include an adequate description of the services or Materials to be purchased and all contractual terms and conditions applicable to the procurement, which may include criteria to determine acceptability such as inspection, testing, quality control, workmanship, delivery, and suitability for a particular purpose.

9.2 Public Notice. The Authority shall give adequate public notice of the invitation for bid at least twenty (20) days prior to the date set forth therein for the opening of bids, unless exigent circumstances require a shorter period as determined by the Authority's Board of Directors. Such notice shall include publication in one or more newspapers of general circulation within the Authority or such other notice as the Authority's Board of Directors deems sufficient to provide public notice.

9.3 Bid Opening. Bids shall be publicly open at the time and place designated in the invitation for bids. The amount of each bid and other relevant information as may

be specified by the invitation for bid and other contract documents shall, together with the name of each bidder, be entered on a record and opened for public inspection.

9.4 Bid Acceptance and Evaluation. Bids shall be unconditionally accepted without alternation or correction, except as authorized in this Policy. Bids shall be evaluated based upon the requirements set forth in this Policy and in the invitation for bids. The Authority's Board of Directors shall not be obligated to select the lowest bidder.

9.5 Substantially Similar Bids. When substantially similar bids are received from different bidders for identical Services or Materials, the Authority's technical consultant or designee will offer those bidders the opportunity to rebid. When two or more bids are substantially similar and bidders have had the opportunity to rebid, the Authority's technical consultant or its designee will give preference in awarding the contract either to a local bidder or to a bidder with whom the Authority's has previously contracted. If no local bidder or previous contractor is a bidder, the Authority may use other criteria it determines appropriate in awarding the contract.

9.6 Award. The contract shall be awarded with reasonable promptness by appropriate written notice to the bidder whose proposal the Authority's Board of Directors determines to be the most advantageous to the Authority, taking into consideration the evaluation factors set forth in this regulation. In the event the selected bid exceeds available funds as certified by the Authority and such bid does not exceed such funds by more than ten percent (10%), the Authority is authorized, when time or economic considerations preclude re-solicitation of work of a reduced scope, to negotiate an adjustment to the bid price with the selected bidder in order to bring the bid within the amount of available funds.

9.7 Pre-Qualification - Services. When it is considered impractical to initially prepare a purchase description to support an award based on price, and establish potential bidders qualifications to perform services or provide materials prior to soliciting bids, an Request for Qualifications may be issued requesting the submission of un-priced offers and qualifications to be followed by an invitation for bid submitted to those bidders whose qualifications have been determined to be technically acceptable under the criteria set forth in the first solicitation.

9.8 Criteria. Award of contracts using the prequalification method described in Section 9.7 above will be based on the following criteria:

- a) Past experience with the Authority.
- b) Knowledge of the Authority and region.
- c) Philosophy regarding the nature of the project.
- d) Availability of time.

- e) Quality of project service, material, maintenance, or other warranties.
- f) Price.
- g) Such other criteria as provided in the invitation to bids.

9.9 Prequalification – Construction Contracts. With respect to construction contracts, the Authority may utilize in whole or in part an integrated project delivery method and award construction contracts based upon on what constitutes the best value to the Authority as determined by the Board.

**ARTICLE X.
SOLE SOURCE PURCHASES**

The Authority is authorized to approve contracts for any amount, without an Informal or Formal Bidding Process, for goods or services, that in the opinion of the Authority’s Board of Directors are best obtained from a single or sole source due to one or more factors including, but not limited to specialized skills, special knowledge and/or experience, unique and relevant experience, knowledge of the Authority and geographic region, or exceptional qualifications or reputation in the field. When authorizing such contracts, the Authority’s Board of Directors shall by motion or resolution describe the factors that cause it to approve such contract without a competitive bidding process.

**ARTICLE XI.
EMERGENCY PROCUREMENTS**

When by reason of emergency or eminent public necessity, it is not feasible or practical to follow the procurement methods set forth herein or to obtain prior Authority Board of Director approval, and it is necessary to authorize the purchase of or contract for Materials and/or Services for emergency repair or maintenance work, the Authority’s Operator-in-Responsible Charge is authorized to purchase and/or contract for such Materials and/or Services on the Authority’s behalf, as necessary under the circumstances in the reasonable determination of the Operator-in-Responsible Charge. As soon as practical after the purchase, the Authority’s Operator-in-Responsible Charge shall notify the Authority’s Board of Directors of purchases costing more than \$10,000.

**ARTICLE XII.
PROHIBITION AGAINST DIVISION**

No procurement transaction shall be divided or separated into separate parts for the purpose of circumventing the dollar value limitations set forth in this Policy.

**ARTICLE XIII.
CONFLICT OF INTEREST**

Every Authority Board member or employee is expressly prohibited from knowingly:

- a) Under estimating or exaggerating requirements to a perspective bidder for the purpose of influencing bids.
- b) Misrepresenting the quality of a bidder's products or services.
- c) Obtaining a direct or indirect financial benefit from a transaction or contract with the Authority in violation of the Standards of Conduct as set forth in Title 24-18-101 C.R.S. et seq.

**ARTICLE XIV.
COMPLIANCE WITH STATUTES**

In addition to the requirements of this Policy, the procurement of Materials and services by the Authority is subject to and shall comply with all applicable Colorado statutes, including but not limited to 38-26-101 C.R.S., *et. seq.* 24-91-101 C.R.S., *et. seq.* and 8-5-101 C.R.S. *et. seq.*