

RESOLUTION NO. 11A-2019

**A RESOLUTION OF THE GOVERNING BODY OF THE CITY OF RAWLINS,
CARBON COUNTY, WYOMING, AMENDING THE CITY OF RAWLINS
PURCHASING POLICY.**

WHEREAS, the City Council may from time to time amend by resolution a purchasing policy manual which sets forth the regulations which city employees follow in conducting purchasing practices on behalf of the city; and

WHEREAS, the Council now wishes to adopt the amended purchasing policy.

NOW, THEREFORE, BE IT RESOLVED by the governing body of the City of Rawlins, Carbon County, Wyoming as follows:

Section 1: Adoption.

The document entitled "City of Rawlins Purchasing Policy", as presented to the City Council on the 19th of November, 2019, is hereby adopted in its entirety.

Section 2: Recession.

All previous city purchasing policy manuals, policies, and amendments thereto, are hereby rescinded in their entirety.

PASSED, APPROVED AND ADOPTED this 19 day of November 2019.

CITY OF RAWLINS, a Wyoming
municipal corporation



Steven S. Nicholson, Mayor

ATTEST:



Marla K. Brown, City Clerk

STATEMENT OF INTENT

The purpose of the administrative policy for purchasing, bidding and bid specifications is to maintain a responsible and uniform purchasing process for the City of Rawlins, and to ensure compliance with State laws concerning expenditures for public improvements, materials and supplies. This policy describes the purchasing process for all city purchases based on cost and state statute. It identifies the conditions under which expenditures are required to be bid, as well as outlines administrative policies and procedures for purchase not required to be bid.

It is the express intent of the City of Rawlins to comply with all State of Wyoming Statutes and purchasing regulations. A list of expenses incurred will be made the first and third Tuesday of each month to Council for their approval.

The material in this policy is subject to revision by the City Council to meet often rapidly changing developments encountered in the field of purchasing and in our economy. It is the hope of management that this policy will prove beneficial to the City of Rawlins, its employees and citizens.

PURCHASING POLICY

AUTHORITY

To comply with Wyoming State Statutes, Section 15-4-203 (v), the City Manager is designated as Purchasing Agent for the City of Rawlins and is responsible for all purchases and contracts. All provisions of this policy must be followed unless otherwise approved by the City Manager.

TAX EXEMPT

The City of Rawlins, a municipality, is exempt from all city, state and federal sales tax and some excise tax.

COST REDUCTION

It is the responsibility of the employee to promote cost reduction and improve supplier service by prudent investigation of vendor selection. Locating the most efficient and cost effective purchase will be reflected in our overall performance, budget management and efficiency to the public

PURCHASING PROCESSES

Expenditures in the amount of \$.01 through \$34,999.99 need to reflect one of our four primary purchasing processes in detail:

Process 1: Requirement of a Blanket Purchase Order.

Process 2: Requirements of a Purchase Order.

Process 3: Use of the Credit Card.

Process 4: Payroll and Contracts.

Process I: Requirements of a Blanket Purchase:

1. The City of Rawlins will issue blanket purchase orders to any vendor within the City it deems necessary to efficiently speed up the purchasing process. The limit of \$100.00 per item and the total purchase limit of \$500.00 shall be the limit on the total purchase of all items at the point of sale on a given day. All items above the \$100.00 maximum shall meet the requirements of the Purchase Order below.
2. Less than \$100.00 – No requisition required, but the invoice must have the appropriate Council Approved Expense item assigned to it with department head or his designee signature.
3. The list of approved in-City Blanket Purchase Order entities is attached.

Process II: Requirements of a Purchase Order:

1. All purchases of any items not covered by a Blanket Purchase order shall require a requisition from the requesting department.
2. These requisitions must have an appropriate Council Approved Expense Line item assigned to it.
3. All requisitions must have two quotes as determined by the City Manager or his designee, to ensure that the best purchasing practices are being implemented.
4. It is the responsibility of the requesting department to ensure a W9 is on file with the finance department prior to any purchase.
5. These requisitions must have a description of what is being purchased that can be matched up to the definition of the Expense line item assigned.
6. The requisition must have all dollars assigned and added up for verification by finance.
7. The requisition must have the Department Head or Designee signature along with the signature of the Finance Director or Designee for all requisitions without regard to the dollar amount listed.
8. All requisitions that have a total cost of \$500.00 or more must be approved by the City Manager or his designee.
9. The requisition will be delivered to the Accounts Payable Account Clerk for processing and printing of the Purchase Order. The original purchase order and requisition stays at the finance department with a copy being returned to the requesting department.
10. The requesting department has authorization to send the PO or make the phone call to the vendor providing the PO number to same.
11. When the invoice is received at the Finance Department the original will be kept with the original requisition and purchase order and a copy of the invoice will be provided to the requesting department for verification of items purchased.

12. The invoice copy provided to the requesting department will be returned to finance once verification of the purchased items is documented.
13. The finance department will make every effort to pay the invoice within 30 days of the invoice date.
14. A list of incurred expenses will be placed on the list to Council for approval.

Process III: Requirements of a Credit Card Purchase (those purchases not related to training and travel):

Note: Personnel Policy Section VII Credit Cards. Credit Cards are to be used primarily for travel and conferences/training as stated in section 10 of personnel manual. A small percentage of items may be purchased with credit card to acquire city related materials, service and expense when this is the only way to purchase such as via internet or specialized stores located outside the City of Rawlins.

1. All credit cards are to be checked out from the finance department and returned after the purchase is made.
2. All purchases of any items using a credit card shall require a requisition from the requesting department.
3. These requisitions must have an appropriate Council Approved Line item assigned to it.
4. It is the responsibility of the requesting department to ensure a W9 is on file with the finance department prior to any purchase.
5. All requisitions must have two quotes as determined by the City Manager or his designee, to ensure that the best purchasing practices are being implemented.
6. These requisitions must have a description of what is being purchased that can be matched up to the definition of the line item assigned.
7. The requisition must have all dollars assigned and added up for verification by finance.
8. The requisition must have the Department Head or designee signature along with the signature of the Finance Director or designee for all requisitions without regard to the dollar amount listed.
9. All requisitions for credit card purchases other than travel shall be approved by the City Manager or designee prior to the purchase.
10. The original requisition will stay with the Finance Department and a copy returned to the requesting department with a credit card.
11. Upon completion of 1 through 9 above the requesting department has authorization to make the phone call to the vendor providing or purchase on line through the Internet.
12. The credit card shall be returned to the finance department upon completion of the purchase.
13. The invoice/ticket from the credit card purchase shall be attached to the requisition and a copy provided to the requesting department and returned to finance.
14. The credit card monthly statement and the returned invoice/ticket will be matched up by finance and the statement made available to the accounts payable account clerk.

Process IV: Payroll & Contracts:

- A. Payroll checks to employees and the payroll accounts payable checks are handled internally by the Finance Department. These A/P check amounts are all generated by the Finance Payroll System and the City pays the Federal Government, the State of Wyoming, and employee insurance vendors based upon computer generated figures. The incurred expenses shall be placed on the list for Council approval.
- B. Monthly Recurring Contracts such as utilities bills for electricity, natural gas, phone, internet, trash and other monthly bills such as the monthly site rental for the water plant and newspaper are paid through the finance department and the incurred list of expenses shall be placed on the list for Council approval.
- C. Contract payments for City Council approved and budgeted capital projects such as water and sewer lines, rebuilding reservoirs, rebuilding streets, etc, these expenses incurred are already approved by Council and shall be placed on the expense list for final Council approval.

SPECIALIZED CONTRACTS

Large scale public improvement projects and major purchases may require the use of a specialized contract. Use of a contract other than city forms must be approved by the City Attorney.

INVENTORY CONTROL

All capital or depreciable infrastructure items over \$50,000.00 and \$10,000.00 for vehicles, equipment and other capital purchases shall be added to our Asset Management System. All identifying information must be given to the Finance Department to update the Asset Management Program. Additionally, all inventory of supplies under this threshold, i.e. Water and Sewer supplies held for repairs, shall be handled as expense items and not inventoried for accounting purposes.

SOLE SOURCE PURCHASES

The purchase of new goods or services available from only one source may be exempt from the quote and bid process. Documentation will be required by the City Manager to support SOLE SOURCE designation.

VENDOR SELECTION

Vendors will be selected on a competitive basis. The following will be considered in the selection:

- a. Ability, quality, capacity, time and skill of the vendor to perform the needed service or supply the required materials.
- b. Ability of the vendor to provide future maintenance and service.
- c. Price
- d. Local Business

EMERGENCY PURCHASES

An emergency purchase is defined as a purchase over \$1,000.00 that is essential to the life, health or convenience of the City of Rawlins citizens. This operational necessity must have a written explanation of the circumstances of the emergency shall be forwarded with the requisition to the City Manager or his designee for their signature.

CONTRACT DOCUMENTS AND MAINTENANCE AGREEMENTS

All original contract/leases and/or maintenance agreements will be kept on file in the office of the City Clerk and have prior consent of the Department Head, Finance Director, City Manager, and Council.

GIFTS AND GRATUITIES

The limitations to the City Employees in regard to the acceptance of gifts and gratuities are defined in Wyoming State Statutes 15-1-113, 15-1-128 and Section 3.12 of the City of Rawlins Personnel Policy Manual. The City will not tolerate circumstances that produce or reasonably appear to produce, conflicts between the personal interests of the employee and the interests of the City. Accordingly, the City may terminate, at no charge to the City, any Purchase Order or contract if it is found that gifts or gratuities were offered to a city employee.

PURCHASES OVER \$35,000.00

- A. When the estimated cost of the purchase of new equipment or property, except vehicles exceeds \$35,000.00 according to Wyoming State Statutes 15-1-113, or other applicable statutes, the competitive bid process will ensue and be conducted in the following manner:
1. An invitation for Bids will be published weekly for a minimum of two (2) weeks, in at least one newspaper of general circulation within the city. Depending on the nature of the procurement, the notice may be published in other trade journals and periodicals of major circulation. Bids may also be solicited from responsible prospective suppliers by sending them a copy of such notice. The invitation for bid will include but is not limited to the following:
 - a. General description of the item or services.
 - b. Bid bond and performance bond requirements.
 - c. Must provide a copy of State of Wyoming Sales Tax permit.
 - d. Locations where bid forms and specifications may be obtained.
 - e. Time and location for turning in bids.
 - f. Time and location of pre-bid conference.
 - g. The City of Rawlins right to reject all bids if necessary.
 - h. The City of Rawlins right to waive any minor defect or irregularity of the bid.

- B. All "Vehicles" must be competitively bid, those vehicle listed on the state bid or at state surplus that meet the bid requirement for the vehicle shall also be included as a response to the competitive bid process. Any trade-in vehicles will be included in the bid announcement.
- C. Invitations will be turned into the City Clerk's office for publication and filing.
- 1.) Sealed bids will be opened in the public at the time and place stated in the invitation. All persons who desire shall have an opportunity to inspect all bids when they are opened.
 - 2.) Tabulations will be prepared by the Department Head for review of the City Manager and Finance Director.
 - 3.) The City Council may award the contract, after considering staff recommendation, at the next regularly scheduled council meeting.
 - 4.) Bid deposits or surety, when required, shall be prescribed in the public notices inviting bids. Unsuccessful bidders shall be entitled to return of deposit or surety. A successful bidder, upon failure on his part to enter into a contract within the time specified after written notification of the bid award, shall forfeit any surety deposited within the city.

PROFESSIONAL SERVICES

When the City Manager deems it advisable, a notice of request for proposal will be published weekly for a minimum of two (2) weeks, in at least one newspaper of general circulation within the community. Depending on the nature of services, the notice may be published in other trade journals and periodicals of major circulation. The City Manager may also solicit proposals from responsible parties by sending them a copy of the request for proposal. The request for proposal should include, but not be limited to, the following information:

- a. Details of the services required.
- b. Scope of work.
- c. Type of contract desired (billing information).
- d. Time and location for turning in proposals.
- e. Time and location of pre-proposal.
- f. Schedule for consideration of proposals.
- g. Insurance requirements for professional liability, errors and omissions.

If needed a pre-proposal conference will be held to clarify the details of the request for proposal.

The proposal will be considered for quality of service, cost and availability by the City Manager, Director of Finance and other appropriate staff members.

The City Council will award all contracts, considering the staff recommendations, EXCEPT Professional Service contracts that are less than \$25,000.00 which may be granted by the City Manager.

PROJECT PAYMENT PROCEDURE

To comply with Section 16-6-116 and 16-6-701 Wyoming Statutes, Annotated, Republished Edition, 1977. "When any public work is let by contract the commission, board or person under whose direction or supervision the work is being carried on and conducted and upon whose approval intermediate and final estimate are paid for the construction of the work, forty (40) days before the final estimate is paid, shall cause to be published in a newspaper of general circulation, published nearest the point at which the work is being carried on, once a week for three (3) consecutive weeks, and also to post in three (3) conspicuous places on the work, a notice setting forth in substance, that the commission, board or person has accepted the work as completed according to the plans and specification and rules set forth in the contract between the commission, board or person and the contractor, and that the contractor is entitled to final settlement therefore. The notice shall also set forth that upon the 41st day (and the notice shall specify the exact date) after the first publication of the notice the commission, board or person under whose direction or supervision the work has been carried on will pay to the contractor the full amount due under the contract. This section does not relieve the contractor and the sureties on his bond from any claims for work or labor done or materials or supplies furnished in the execution of the contract."

SALE AND DISPOSAL OF CITY SURPLUS PROPERTY

Department Heads shall advise the City Manager or his/her designee in writing of any equipment or supplies ready for surplus. Should a value of \$500.00 or more be placed on the supplies or equipment the following will then take place:

1. The City Council must declare the item SURPLUS.
2. A public auction will be held with the advertisement of the intended sale being published for three (3) consecutive weeks. A request for sealed bids will follow the same procedure.
3. The item will be awarded to the highest responsible bidder, except where otherwise stated in Wyoming Statute 15-1-112.
4. Notify the Finance Department that any inventoried item must be removed from the inventory list.

The Finance Department must be notified when any asset within the Asset Management System is disposed of regardless of value.

CONTRACTS & MONTHLY UTILITY PAYMENTS

Any contracts or monthly utility expenses will not require a requisition or review from departments or City Manager. The invoices will be coded by the AP clerk and go directly to the finance director where he/she will review and sign them.