

**Poudre River Public Library District
Proposed Procurement Policy**

2.7 Procurement Policy

This Policy shall apply to the procurement of all materials, services and professional services required or used by all departments of the District irrespective of the source of the funds. When any procurement involves the expenditure of federal or state funds, the procurement shall be conducted in accordance with any mandatory applicable federal or state laws or regulations. This Policy does not create or confer any right or entitlement upon any person to bid on or receive an award of any contract.

The purposes of this Policy are to provide for the fair and equitable treatment of all persons involved in public purchasing by the District, to maximize the purchasing value of public funds, to codify and standardize the District's purchasing procedures for the orderly and efficient administration thereof, to provide safeguards for maintaining a procurement system of quality and integrity and to foster effective, broad-based competition within the free enterprise system.

The following Procurement Process will apply to all purchases and expenditures unless an exemption applies, as outlined below. Purchases cannot be split in order to circumvent the approval process. Bulk items should include the total cost for the limit ranges shown.

Purchase Limits	Documentation Required	Approval Required
\$0 - \$7,499	<ul style="list-style-type: none"> • Invoice or receipt • Competitive Quotes encouraged 	<ul style="list-style-type: none"> • Business Unit Manager • Director of Finance
\$7,500 - \$14,999	<ul style="list-style-type: none"> • Purchase Order and invoice • Competitive Quotes encouraged 	<ul style="list-style-type: none"> • Business Unit Manager • Director of Finance
\$15,000 - \$49,999	<ul style="list-style-type: none"> • Purchase Order and invoice • Minimum of three Competitive Quotes 	<ul style="list-style-type: none"> • Business Unit Manager • Director of Finance
\$50,000+	<ul style="list-style-type: none"> • Purchase Order and invoice • Competitive Sealed Bid or Request for Proposal 	<ul style="list-style-type: none"> • Business Unit Manager • Director of Finance • Executive Director

Exemptions to the Procurement Process

- (a) Library collection materials and related services
- (b) Public utility services
- (c) Legal and litigation services
- (d) Activities subject to contracts between the District and other governmental bodies
- (e) Emergency purchases
 - a. In the case of an apparent emergency requiring the immediate purchase of materials, professional services, services or construction, the Executive Director shall have the power to authorize the Business Unit Manager or Director of Finance to secure necessary items in the open market regardless of the amount of the expenditure.
 - b. In no event shall the contract price exceed commercially reasonable prices.
 - c. A full written report of the circumstances of all emergency purchases over one hundred thousand dollars (\$100,000) shall be made by the Executive Director to the Board of

Trustees. The report shall be received by the Board of Trustees in an open meeting, and such report shall be open to public inspection.

(f) Sole Source Exemption

- a. A contract for materials, professional services or services may be awarded without competition if the Director of Finance determines in writing that one (1) or more of the following conditions exists:
 - i. There exists only one (1) responsible source;
 - ii. Although there exists more than one (1) responsible source, a competitive process cannot reasonably be used or, if used, will result in a substantially higher cost to the District, will otherwise injure the District's financial interests or will substantially impede the District's administrative functions or the delivery of services to the public;
 - iii. A particular material or service is required to maintain interchangeability or compatibility as part of an existing integrated system;
 - iv. A particular material, professional service or service is required in order to standardize or maintain standardization for the purpose of reducing financial investment or simplifying administration;
 - v. The material is perishable;
 - vi. The material or service is a musical, dramatic or other fine art performance, service or object;
 - vii. A particular material is required to match materials in use, so as to produce visual harmony;
 - viii. A particular material is required to enable use by a specific individual;
 - ix. A particular material is prescribed by a professional advisor;
 - x. The material, professional service or service is the subject of a change order.
- b. The Business Unit Manager shall submit each determination made under this Subsection (f) to the Director of Finance, who shall approve or reject the procurement.
- c. The Executive Director shall submit all procurements under this Subsection (f) which exceed a cost of one hundred thousand dollars (\$100,000) to the Board of Trustees in an open meeting for final approval.
- d. Any procurement approved under this Subsection (f) by the Executive Director or the Board of Trustees may be used as the basis for a negotiated purchase of additional quantities of the same materials or services at any time within a period of five (5) years from the date of approval; provided, however, that subsequent procurements may be expressly limited to a specific number of purchases or a period of less than five (5) years.

Competitive Quote

- (a) Competitive Quotes may be obtained for any purchase between \$0 and \$14,999 and must be obtained for any purchase between \$15,000 and \$49,999.
- (b) Quotes shall be reviewed by the Director of Finance for accuracy and comparability.
- (c) The most qualified vendor shall be awarded the purchase, based on quantitative and qualitative factors identified by the Business Unit Manager, relevant staff and the Director of Finance as well as vendor interviews and documentation.

Competitive Sealed Bid

- (a) Competitive Sealed Bids must be utilized for any purchase above \$50,000, unless one of the following criteria are met, in which case a Request for Proposal may be used:

- 1) Materials and services for which the Director of Finance determines in writing that the use of competitive sealed bidding is either not practicable or not advantageous to the District;
 - 2) Professional services; and
 - 3) District improvements for which the Director of Finance determines that the use of alternative delivery methods will provide substantial benefit to the District while retaining sufficient competitive pricing and/or performance.
- (b) Procurements accomplished pursuant to this Section shall be awarded to the lowest responsive and responsible bidder after competitive sealed bidding.
- (c) An invitation for bids shall be issued and shall include specifications and all contractual terms and conditions applicable to the procurement.
- (d) Public notice shall be given and shall include the bid title as well as the submittal place, date and time. All bids must be received at the place stated in the invitation for bid.
- (e) All bids shall be opened in public at the time and place stated in the invitation for bids. The amount of each bid and such other relevant information as the Business Unit Manager and Director of Finance deem appropriate, together with the name of each bidder, shall be recorded. Thereafter, the record of bids and each bid shall be available for public inspection in the office of the Director of Finance in the same manner as are other public records. In the event of good cause as determined by the Director of Finance, bid openings may be postponed.
- (f) Bids shall be unconditionally accepted without alteration or correction, except as authorized in Subsection (g) of this Section. Bids shall be evaluated based on the requirements set forth in the invitation for bids, which may include criteria and/or processes for determining acceptability, such as inspection, provision of sample materials, testing, quality, workmanship, delivery and suitability for a particular purpose. Those criteria that will affect the bid price shall be objectively measurable, such as discounts, transportation costs and total or life cycle costs. The invitation for bids shall set forth all evaluation criteria to be used. No criteria may be used in bid evaluation that are not set forth in the invitation for bids.
- (g) Correction or withdrawal of inadvertently erroneous bids before or after bid opening, or cancellation of awards or contracts based on such bid mistakes, may be authorized when deemed appropriate by the Director of Finance.
- 1) Bids may be withdrawn by the offeror for any reason prior to bid opening. Any such notice of withdrawal must be received in the office designated in the invitation for bids prior to the time set for bid opening.
 - 2) Mistakes discovered prior to bid opening may be corrected in writing by the bidder. Any such corrections must be received in the office designated in the invitation for bids prior to the time set for bid opening.
 - 3) After bid opening, the following provisions shall apply:
 - i. A low bidder alleging a material mistake of fact may be permitted by the Director of Finance to correct its bid if the mistake is clearly evident on the face of the bid document and the intended correct bid is similarly evident.
 - ii. A low bidder alleging a material mistake of fact may be permitted by the Director of Finance to withdraw its bid: (i) if the mistake is clearly evident on the face of the bid but the intended correct bid is not similarly evident or (ii) if the mistake is not clearly evident on the face of the bid but the bidder submits evidence to the Director of Finance which clearly and convincingly demonstrates that a mistake was made, in which case the bidder must show the nature of the mistake and the bid price actually intended.
 - 4) No changes in bid prices or other provisions of bids prejudicial to the interests of the District or fair competition shall be permitted.

- 5) All decisions to permit the correction or withdrawal of bids or to cancel awards or contracts based on bid mistakes will be supported by a written determination made by the Director of Finance.
- (h) The contract shall be awarded with reasonable promptness by written notice to the lowest responsive and responsible bidder whose bid meets the requirements and criteria set forth in the invitation for bids. If the lowest responsive and responsible bid exceeds budgeted funds and either time constraints or economic considerations preclude resolicitation of work of a reduced scope, the Director of Finance is authorized to negotiate an adjustment of the bid price with the lowest responsive and responsible bidder, to modify the scope of work or to negotiate other terms and conditions so as to bring the bid within the amount of available funds.

Request for Proposal

- (a) Requests for Proposal (RFPs) may be utilized in lieu of Competitive Sealed Bids for any purchase above \$50,000 based on the qualifying criteria in Competitive Sealed Bid Subsection (a).
- (b) Requests for Proposal shall be developed by the Business Unit Manager with assistance from the Director of Finance.
- (c) Requests for Proposal shall state evaluation factors and their relative importance.
- (d) Public notice shall be given and shall include the proposal title as well as the submittal place, date and time. All proposals must be received at the place stated in the Request for Proposal.
- (e) Proposals shall be opened so as to avoid disclosure of contents to competing offerors during the process of negotiation. A list of proposals shall be maintained containing the name of each offeror and shall be open for public inspection or disclosure after the time set for submittal of the proposals.
- (f) After proposal opening, interviews may be conducted with the highest ranked responsible offeror or offerors for the purpose of clarification and to assure full understanding of, and responsiveness to, solicitation requirements. Offerors selected for interview shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals. Revisions may be permitted after submissions and prior to award in order to reflect clarifications in the proposal's scope of work or amount. In conducting interviews, there shall be no disclosure by the District or any officer, employee or committee thereof, of any information derived from proposals submitted by competing offerors, nor any disclosure of information discussed by the evaluation committee in selecting the highest ranked offerors.
- (g) The contract shall be awarded with reasonable promptness by written notice to the responsible offeror whose proposal is determined in writing to be the most advantageous to the District, taking into consideration the evaluation factors set forth in the Request for Proposal. No other factors or criteria shall be used in the evaluation.
- (h) After the contract has been awarded and executed in writing with the selected offeror, the total points of the evaluation committee will be retained by the Director of Finance for a period of time consistent with the District's record retention policy. Individual rating sheets, total points, rankings of offerors and notes prepared or utilized by members of the evaluation committee shall not be made available for public inspection or disclosure.
- (i) The name of the awarded firm may be disclosed to the public after the date of the written notice of award.
- (j) The Business Unit Manager and Director of Finance are authorized to negotiate contract terms, including but not limited to the final price and precise scope of work with the selected offeror.

Responsibility of Bidders and Offerors

- (a) In determining whether a bidder or offeror is responsible, the following criteria shall be considered:

- 1) The ability, capacity and skill of the bidder or offeror to perform the contract or provide the services required;
 - 2) Whether the bidder or offeror can perform the contract or provide the service promptly and within the time specified without delay or interference;
 - 3) The character, integrity, reputation, judgment, experience and efficiency of the bidder or offeror;
 - 4) The quality of the bidder's or offeror's performance of previous contracts or services;
 - 5) The previous and existing compliance by the bidder or offeror with laws and ordinances relating to the contract or service;
 - 6) The sufficiency of the financial resources and ability of the bidder or offeror to perform the contract or provide the service;
 - 7) The quality, availability and adaptability of the materials and services to the particular use required;
 - 8) The ability of the bidder or offeror to provide future maintenance and service for the use of the subject of the contract;
 - 9) Any other circumstances which will affect the bidder's or offeror's performance of the contract.
- (b) The Business Unit Manager and Director of Finance shall have the authority to reject all bids or proposals or any portions thereof when the interests of the District and the public will be served thereby. All such decisions will be supported by a written determination made by the Director of Finance.
- (c) No bidder or offeror shall be in default on the performance of any other contract with the District or in the payment of any monies due to the District.

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