

SUPERIOR METROPOLITAN DISTRICT NO. 1
RESOLUTION NO. SMD#1-10
SERIES 2020

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUPERIOR
METROPOLITAN DISTRICT NO. 1 APPROVING MODIFICATIONS TO
ITS PURCHASING POLICY

WHEREAS, the Board of Directors has adopted a purchasing policy, which is the same policy adopted by the Town of Superior;

WHEREAS, the Town of Superior has approved modifications to its purchasing policy;

WHEREAS, the Board of Directors desires to adopt the same modifications approved by the Town of Superior; and

WHEREAS, the Board of Directors desires that its purchasing policy automatically be updated in the future, without further action by SMD1, to remain the same as the Town of Superior's purchasing policy as amended by the Town's Board of Trustees.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SUPERIOR METROPOLITAN DISTRICT NO. 1 as follows:

Section 1. The Purchasing Policy attached hereto is hereby approved and adopted, and shall automatically be modified, without further action by the Board of Directors, to remain the same as the Town of Superior's purchasing policy as that policy is modified by the Town's Board of Trustees.

ADOPTED this 26th day of October, 2020.

Clint Folsom

Clint Folsom, President



TOWN OF SUPERIOR PURCHASING POLICY

1. PURPOSE:

To provide guidance to the Town Board and staff in an effort to set forth a standard of integrity when purchasing goods and services on behalf of the Town, provide for the most efficient use of taxpayer's dollars, provide for timely purchases, and follow common sense and good business practices. This policy applies to purchases for the Town of Superior, Superior Metropolitan District No. 1 and the Superior/McCaslin Interchange Metropolitan District (collectively, the "Town").

2. PRIORITIES:

In selecting products and service providers, the Town considers and weighs all of the following criteria:

A. Pricing: Ensure that the Town receives the required product or service at the lowest possible cost and highest value.

B. Competition: Provide vendors an equal opportunity to sell to the Town.

C. Quality: Using the purchasing and bidding parameters identified within this policy document, it will be the intent to acquire the highest quality product and service for the Town.

D. Environmentally preferable purchasing (EPP): This policy will give preference to products that minimize environmental impacts over the lifetime of the product. At a minimum, the Town will consider a product's energy profile and recycled material content, toxicity, and impact on air and water resources, and the purchase of Energy-Star® certified products (or equivalent) when available.

EPP is the purchase of products and services that have a lesser or reduced effect on human health and the environment when compared to competing products and services that serve the same purpose. This comparison will take into consideration the "life cycle costs" of the product, such as raw materials acquisition, production, manufacturing, packaging, distribution, reuse, operation, maintenance, disposal, energy efficiency, product performance, durability, safety, the needs of the purchaser, and cost.

The Town will use the following action steps to move toward sustainable purchasing practices:

- Purchase products that are made from recycled content.
- Conserve energy and reduce electricity costs.
- Purchase durable products that do not have to be replaced as often as their competition.
- Ask all bidders to submit proposals on recycled paper, double sided copies, and without extra materials not requested. Where electronic submittals are possible, request bids in this format.

- Purchase products in bulk to reduce costs, packaging, and transportation impacts.
- Purchase electric vehicles and equipment when financially viable.

3. **PROCESS:**

In an attempt to acquire the highest quality products and services at the lowest cost, the following purchasing processes will be used:

A. Quotes: For purchases between \$2,000 and \$15,000, a minimum of three (3) quotes will be solicited/received from qualified vendors. If, despite solicitation for quotes, less than three (3) quotes are received, the Town Manager may chose a vendor from the quotes that were received.

B. Request for Bids and Proposals: For purchases greater than \$15,000, a bidding process soliciting formal bids or a request for proposals ("RFP") will be used. Specifications or a scope of services will be developed and included in the bid or RFP.

C. Advertising: At a minimum, all formal bids and RFPs will be advertised in at least one of the following locations:

- A newspaper of general circulation in the Town
- Other publications of limited circulation or trade journals
- Electronic purchasing web sites

In addition, all formal bids and RFPs will be posted on the Town's website. Also, any vendor who requests to be included on the Town's bid list will receive copies of relevant solicitations.

D. Term/Duration: For non-recurring and one-time acquisitions, depending on the monetary level of the purchases (see table in Section 4.A.), a competitive procurement process will be used. For the purchase of recurring products and services, formal bids will be solicited at least every four (4) years, if not more frequently, as determined by the Town Manager.

4. **POLICIES:**

A. Purchasing Levels/Approval Requirements: Find below a table which establishes purchasing/bidding levels and approval requirements for all budgeted acquisitions:

THRESHOLDS FOR PROCUREMENTS

Dollar Limit	Bids/Proposal	Approvals
Up to \$2,000	None Required	- Department Head
\$2,001 - \$15,000	A Minimum of Three (3) Required Quotes	- Department Head
\$15,001 - \$25,000	Formal Bid or Proposal Required	- Department Head
\$25,001 - \$100,000	Formal Bid or Proposal Required	- Department Head - Town Manager
Over \$100,000	Formal Bid or Proposal Required	- Department Head - Town Manager - Town Board

Splitting purchases to circumvent this Policy is prohibited.

B. Change Orders: Any change order which in total increases the aggregate acquisition cost by more than 15%, will require approval by the party who originally approved the purchase. Additionally, any change order which increases the cost to the next dollar limit threshold, will require approvals of the appropriate individual/entity at that threshold.

C. Contracts/Record Maintenance: All original agreements/contracts shall be provided to the Town Clerk for maintenance with the Town records.

5. EXCEPTIONS:

A. Cooperative Purchasing: Products or services for which other public agencies have gone through a competitive bidding process and are able to have their bid prices extended to the Town are exempt from the competitive bidding guidelines. The Town may also participate in joint bidding with other agencies if it is in the best interest of Superior to do so.

B. Sole Source Purchases: Purchase of products or services which can be provided by only one (1) supplier or only from one (1) source due to patent, copyright or other issues are exempt from the competitive bidding guidelines. Examples would include utility providers, upgrade to existing software, water share/ditch assessments, travel and education expenses.

C. Emergencies: The provisions of the Purchasing Policy may be suspended by the Town Manager for emergency needs. Emergency needs are those unforeseeable purchases necessary to be made on the day of the need to continue uninterrupted service to the citizens of Superior. In the event of an emergency need, the Board of Trustees will be notified if the purchase exceeds \$100,000.

D. Non-Budgeted Purchases: Any non-budgeted purchases in excess of \$100,000 will require Board of Trustees approval. For purposes of this subsection, “non-budgeted” means operating or capital expenses not included in the Town’s annual budget.

E. Severance and Settlement Payments: All settlement and severance payments, regardless of the amount, require Board of Trustees review prior to execution.