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## BUSINESS POLICY MEMORANDUM 2-08

**EFFECTIVE DATE:** September 30, 2022

**DATE REVISED:** September 30, 2022

**DATE ISSUED:** This BPM supersedes the Index dated June 6, 2019

**NO./SUBJECT:** BPM 2-08 Index

**AUTHOR/  
DEPARTMENT:** Purchasing Manager / Finance

### I. POLICY

This Index replaces all Purchasing Procedure Letters (PPL) and moves them into BPM 2-08 and provides an index of each procedure. This BPM is available on Human Resources' SharePoint site with a link to the BPM provided on the Purchasing SharePoint site.

### II. SCOPE

This policy applies to all city employees and departments

### III. RESPONSIBILITIES

The Purchasing Manager will periodically review and update this policy.

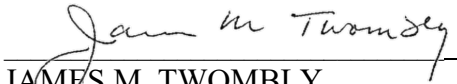
### IV. PROCEDURES

NO.	TITLE	DATE
2-08-1	RESERVED	
2-08-2	PURCHASING DEFINITIONS	09/30/2022
2-08-3	EXCEPTIONS TO STANDARD PURCHASING PROCEDURES	09/30/2022
2-08-4	PROFESSIONAL SERVICES PROCUREMENT PROCESS	09/30/2022
2-08-5	PROCESSING PURCHASES SUBJECT TO FORMAL BIDDING	09/30/2022
2-08-6	COMPLETING PURCHASING AGENDA ITEM COMMENTARIES	09/30/2022
2-08-7	NEGOTIATED PURCHASES	09/30/2022
2-08-8	EMERGENCY PURCHASE & RATIFICATION ACTIONS	09/30/2022
2-08-9	PROCUREMENTS UNDER \$25,000	09/30/2022
2-08-10	CHANGE ORDERS OR AMENDMENTS FOR COMMODITIES, SERVICES, AND PROFESSIONAL SERVICES	09/30/2022
2-08-11	SMALL BUSINESS ENTERPRISE PROGRAM (SBE)	09/30/2022
2-08-12	CONTRACT PERIODS BEYOND FIVE (5) YEARS	09/30/2022

2-08-13	PROCUREMENT PROCESS APPROVAL PROCEDURES FOR USE OF REQUEST FOR PROPOSALS (RFPS)	09/30/2022
2-08-14	PURCHASES LESS THAN \$25,000	09/30/2022
2-08-15	PROCESSING PURCHASE REQUISITIONS OF \$25,000 OR MORE	09/30/2022
2-08-16	PROCESSING DISCREPANCY REPORTS	09/30/2022
2-09-17	BID OPENINGS, AWARDS AND COUNCIL AGENDA COMMENTARIES FOR CONSTRUCTION PROJECTS OF \$25,000 OR MORE	09/30/2022
2-08-18	CONSTRUCTION MANAGER / GENERAL CONTRACTOR DESIGN / BUILD PROCUREMENT PROCESS	09/30/2022
2-08-19	CONSTRUCTION CONTRACT PAYMENTS	09/30/2022
2-08-20	RESERVED (PREVIOUSLY CITY SHARE CONTRACTS)	
2-08-21	BID PACKAGES AND PROCEDURES FOR CONSTRUCTION PROJECTS OF \$25,000 OR MORE	09/30/2022
2-08-22	CLOSEOUT PROCEDURES FOR CONSTRUCTION CONTRACTS	09/30/2022
2-08-23	ADDENDA	09/30/2022
2-08-24	RESERVED (PREVIOUSLY FIELD ORDERS FOR CONSTRUCTION CONTRACTS)	
2-08-25	CHANGE ORDERS FOR CONSTRUCTION CONTRACTS	09/30/2022
2-08-26	SOLICITATION PROTEST PROCEDURES	09/30/2022
2-08-27	SUSPENSION AND DEBARMENT PROCEDURES	09/30/2022

V. **APPROVAL**

Approved upon signature of City Manager

  
\_\_\_\_\_  
JAMES M. TWOMBLY  
City Manager

09-22-22  
\_\_\_\_\_  
Date



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## BUSINESS POLICY MEMORANDUM 2-08-2

**EFFECTIVE DATE:** September 30, 2022

**DATE REVISED:** September 30, 2022

**DATE ISSUED:** This BPM supersedes PPL 1-2 dated January 16, 2012.

**NO./SUBJECT:** BPM 2-08-2 PURCHASING DEFINITIONS

**AUTHOR/**

**DEPARTMENT:** Purchasing Manager / Finance

### I. POLICY

Define requirements of \$25,000 or more that are subject to the purchasing process.

### II. SCOPE

This policy applies to all City employees and departments.

### III. RESPONSIBILITIES

The Purchasing Manager will periodically review and update this policy.

### IV. PROCEDURES

1. Definitions include but are not limited to:

- a. **Commodities:** Goods, items, supplies, or materials, not including significant construction or labor costs.
- b. **Construction:** Projects for new facilities and maintenance and/or repair work relating to infrastructure or real property.
- c. **Professional Services:** Services that are construction-related, such as architect, engineer, or construction management; auditors, physicians, and other specialized consultants.
- d. **Services:** Services include those contracts where a contractor is given a specific task to complete without involving direct supervision, and does not necessarily involve the delivery of an end product. Examples include custodial, maintenance for equipment, rental, refuse collection, window washing, electrical, plumbing and other skilled trades.

- e. Purchasing Services accepts purchase requests at any time during the year. However, cut off dates apply for actions, which occur at the end and beginning of a fiscal year. Each year, Purchasing Services will distribute instructions identifying end-of-year dates for current and following year procurements.

V. **APPROVAL**

Reference the Index for BPM 2-08 for Jim Twombly's approval.



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## BUSINESS POLICY MEMORANDUM 2-08-3

**EFFECTIVE DATE:** September 30, 2022

**DATE REVISED:** September 30, 2022

**DATE ISSUED:** This BPM supersedes PPL 1-3 dated April 24, 2020

**NO./SUBJECT:** BPM 2-08-3 EXCEPTIONS TO STANDARD PURCHASING PROCEDURES

**AUTHOR/**

**DEPARTMENT:** Purchasing Manager / Finance

### **I. POLICY**

Identify and authorize exceptions to standard purchasing procedures for purchases of \$25,000.00 or more

### **II. SCOPE**

This policy applies to all city employees and departments.

### **III. RESPONSIBILITIES**

The Purchasing Manager will periodically review and update this policy.

### **IV. PROCEDURES**

1. Purchases eligible for exception under this policy do not require a purchase order as they are driven by criteria that fall outside of the explicit principles and application contained in the purchasing code. Use of an exception code shall not relieve a Department from the responsibility to seek the most advantageous proposal for the City. A general fiduciary responsibility remains to effectively spend the City's money. The department shall produce and maintain an explanatory file memorandum for a period of time extending one year past the expiration of the contract, which memorandum sets forth the need for the department to have pursued the exception.
2. Chapter 2, Article VI of the city code designates the Purchasing Services Division of Administrative Services as the central purchasing function for obtaining services and commodities used by departments. Article VI grants administrative authority to the Purchasing Manager to develop rules and procedures regarding the central purchasing function. However, some aspects of the policy may have been derived from other city code sections or other authority.

3. City code also requires that actions authorizing awards of \$25,000 or more be reviewed by City Council. It is the responsibility of department directors to ensure that actions initiated by them comply with all city code requirements and that the City Attorney's office sign off as to form on the exception. This does not in any way waive the requirement to obtain applicable city management or City Council approval before entering into agreements, nor for having required signatures on contracts and agreements.
4. The Purchasing Services Division has identified certain types of acquisitions that are not conducive to the standard procurement procedures of the city. The attachment to this policy contains current authorized exceptions to the standard procedures.
5. Procurement actions identified in the attachment do not require submission of a Purchase Request, Authorization to Bid form, or any other document to Purchasing Services to acquire the services or commodities. The department shall produce and maintain, for a period of time extending one year past the expiration of the contract, an explanatory file memorandum stating the need for the Department to have pursued the exception.
6. Departments requiring services or commodities that have an exception listed in the attachment can process payment by including the appropriate exception code on the accounts payable batch. The department should follow all procedures established for disbursement transactions, including applicable policies. Departments should contact Accounts Payable in the Finance department for assistance in preparing payment batches.
7. In some circumstances, departments may make disbursements that do not initiate from a procurement action (e.g. payment of taxes, refunds, loan payments). In order to make disbursements of this nature, department should use exception code 0.0. (see description in the attachment) when preparing the accounts payable batch.
8. Any questions regarding this policy or the list of exceptions should be directed to the Purchasing Services Manager.
9. Approval of Additional Exceptions:
  - a. If a department believes additional exceptions are needed, the director should submit a complete description and justification of the desired exception, with the suggested procedure authorizing the exception, to the Purchasing Services Manager.
  - b. The Purchasing Services Manager will evaluate the request and determine whether the request should be presented to the Procurement Advisory Committee (PAC), or if it needs other administrative approval action. If approved by the PAC or other approval action, the exception will be added to the approved list.

c.

**V. APPROVAL**

Reference the Index for BPM 2-08 for Jim Twombly's approval.

## ATTACHMENT TO BPM 2-08-3

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### AUTHORIZED EXCEPTIONS TO PURCHASING STANDARD PROCEDURES

#### GROUP 1 – ALL DEPARTMENTS

##### 1. A. Intergovernmental Agreements

Department directors are authorized to negotiate agreements with other federal, state, county, district, local governments and other political subdivisions where the agreement provides that the City will pay the other agency for services to be provided. The other agency will be responsible for the award and administration of any contracts that may result from the agreement. Intergovernmental agreements must have final approval by the City Council and then be signed by the mayor, after review by the City Attorney's Office.

##### 1. B. Moving Expenses

Under certain circumstances, a department director may wish to reimburse a new employee's moving and relocation expenses. There are a number of methods to procure and reimburse the moving expense, but if the method used is a direct city payment to a moving company, this exception to a purchase order may be used. The city or the employee must obtain at least 3 quotes and select the moving company that is lowest cost depending on the contract.

##### 1. C. Membership Dues, Entry Fees, Subscriptions, Reference Books

Departments are authorized to procure membership dues, entry fees, subscriptions, and instructional and reference books. The individual(s) receiving a membership or subscription must be listed on the payment batch.

##### 1. D. Registrations

Departments are authorized to register directly for seminars, conferences and similar meetings. Approval to register for the course must be obtained by the department director in accordance with applicable policies.

##### 1. E. Travel-related Procurement – Advances, Airline Tickets, Hotel Reservations, Car Rentals

Departments are authorized to procure travel-related services required for official travel. Traveling employees are expected to search for and utilize the best priced travel option and department directors should authorize travel by the least expensive mode, after considering trip requirements. See other applicable policies.

##### 1. G. Catering Services

Departments are authorized to enter into agreements with various catering firms for food, beverages and related services associated with specific City-sponsored events. All long-term agreements must



be approved by the City Attorney and the Risk Manager to assure proper wording of general conditions and insurance requirements.

**1. H. Advertisements**

Departments are authorized to place advertisements in various publications or other medium.

**1. I. Instructors for Training Purposes**

Departments and the Manager of Training may hire instructors for specific training classes, and order special class books, materials and films, which directly support training classes or workshops.

**1. J. Court Reporters/Interpreters**

Departments requiring the services of court reporters/interpreters (generally City Attorney, Civil Service Commission, Board of Appeals, Municipal Court and Human Resources Department) are authorized to enter into agreements with court reporters/interpreters.

**1. K. Patents, Copyrights and Royalties**

Departments are authorized to enter into agreements to utilize patents, copyrights or incur royalty fees.

**1. L. Rental, Leasing and Acquisition of Real Property**

City Code Section 2-667(g) exempts the leasing, rental or acquiring of real property and improvements thereon from central purchasing procedures. However, leasing or rental agreements and acquisition of real property must be coordinated through the Real Property Division of the Public Works Department in accordance with applicable policies.

**1. M. Utility Bills**

Departments may enter into agreements for services including water/sewer, telephone, electricity and natural gas transmission. This exemption also includes procurement of services for city owned cell phones, pager rental, airtime, and maintenance services.

**1. N. Agreements with non-Governmental Agencies**

The City may enter into agreements with non-governmental agencies (other than vendors, suppliers or service providers) to aid the agency in its mission so long as their goal is supportive of, or complimentary to, a published or stated City goal or objective (by way of example, but not by way of eliminating future possibilities not currently listed, the Colfax Marathon, Sand Creek Regional Trail, Comitis Crisis Center, DABA, Mile High Youth Corps, etc.).

**1. O. Contract Employees**

Departments are authorized to enter into agreements with individuals as contract employees. Such contracts must comply with city policy regarding contract employees including adding such individuals to the city's payroll. This provision also applies to payments to third parties (e.g. insurance) on behalf of these employees.

In addition, this exception applies to temporary employees provided by third party agencies where the City pays the third party agency for services provided.

**1. P. Postage from U.S. Postmaster**

Departments are authorized to obtain U.S. postage from the U.S. Postmaster for use on official City business communications.

**1. Q. Contracts with Artists**

Departments may contract with artists if they have followed the provisions set in City Code 34-131 and 132 (a) and (b).

**1. R. Medical Treatment of Detained Persons**

Medical treatment may be obtained for persons detained by police or court officers when it is not appropriate to seek such treatment from the hospital contracted by the City to provide such services.

**1. S. Purchase of Goods and Services through Subrecipients with Granted Funds**

This exemption may be used if a grant requires the City to enter into an agreement with a subgrantor/subrecipient. The federal debarment listing must be checked when using this exception code.

**1. X. Confidential Items**

Departments are authorized to enter into confidential agreements not subject to public information disclosure. Use of this code must be approved by the City Attorney's Office. Departments are responsible for maintaining documentation of the approval.

**1. Y. Financial Obligations Resulting from Council Actions**

Departments are authorized to make payments for continuing financial obligations resulting from previous Council actions. These payments do not require additional Council approval.

**1. Z. Health and Safety Requirements**

Departments are authorized to procure health and safety requirements to support city of Aurora personnel during the current emergency. Such requirements include, but are not limited to, Personnel Protective Equipment, hand sanitizer, cleaning supplies, testing supplies, etc.

## **GROUP 2 - CITY ATTORNEY'S OFFICE**

### **2. A. Attorneys/Bond Counsel**

The City Attorney is authorized to retain the services of outside attorneys and bond counsel for the purpose of working on specialized matters or areas by entering into agreements for these services. With the prior permission of the City Attorney, contract attorneys may enter into subcontracts for services that may be billed directly to the City.

### **2. B. Private Detectives**

The City Attorney is authorized to enter into agreements with private detectives as required.

### **2. C. Expert Witnesses or Consultants**

The City Attorney is authorized to enter into agreements with expert witnesses or consultants.

### **2. D. Subscription Research and Training Services**

The City Attorney is authorized, consistent with Section 1.C. of this policy, to procure subscription research and training services for use by the City Attorney's Office.

## **GROUP 3 - FINANCE DEPARTMENT**

### **3. A. Consultants & Services Related to Debt, Investment and Cash Management**

The Finance Department is authorized to procure agreements with experts in financial areas related to debt issuance, investment management, and cash management, including but not limited to underwriters, investment advisors, financial consultants, trustees, safekeeping and other services not covered by the city's depository agreement, bond-paying agents, registrar services, and POS/OS printing.

### **3. B. Reserved**

### **3. C. Reserved**

### **3. D. External Auditors**

The Finance Department is authorized to enter into agreements with certified public accounting firms to perform annual independent governmental audits of all City funds. City code establishes this requirement as well as the requirement that these audits be performed by certified public accountants experienced in municipal accounting who are selected by Council. It has been established that the selection/approval process to award these contracts will be accomplished by the use of the Management and Finance Committee as a first step review, followed by full Council approval on the consent calendar under "General Business" from where a final contract can be issued.

### **3. E. Designation of the City's Depository**

The Finance Department as the City's designated Treasurer is required to deposit all funds in one or more state banks, national banks, savings, and or loan associations having their principal offices in this state which have been approved and designated by resolution (as required by Colorado Revised Statute (C.R.S.)). Since Purchasing processes and procedures could conflict with the direction of C.R.S., the City's resolution process should govern with the Management and Finance Committee as first review, followed by full Council approval on the consent calendar under "Resolutions".

## **GROUP 4 - HUMAN RESOURCES DEPARTMENT/CIVIL SERVICE COMMISSION**

### **4. A. Guest Examiners/Personnel Testing**

The Human Resources Department and Civil Service Commission are authorized to enter into agreements for the services of guest examiners or testing personnel (including psychologists and polygraphists) for hiring and promotional examinations.

### **4. B. Medical Consultants**

The Civil Service Commission is authorized to enter into contracts for "third opinion" on health physical appeals with appropriate specialists on a case-by-case basis.

### **4. C. Attorneys**

The Human Resources Department is authorized to retain a labor attorney, with the approval of the City Attorney, to conduct contract negotiations with police and fire unions and act as a consultant for employee labor concerns. The Career Service Commission is authorized to retain an attorney to provide counsel for hearings and for employment law matters.

### **4. D. Employee Benefit Providers**

The Human Resources Department is authorized to solicit and select employee benefits providers with the assistance of a benefits consultant. Using a competitive process and specialized industry knowledge, the consultant independently evaluates and recommends potential benefit providers.

### **4. E. Contingent Recruiters**

The Human Resources Department is authorized to use multiple contingent recruiters in a recruitment process whereby only the firm who makes the successful placement is paid. Usually payment is made in the form of a percentage of the successful candidate's salary. Therefore, firms are not competing with each other on the basis of qualifications, experience, approach to services, etc., but are competing on the basis of the value their candidates bring to the city.

Should the City decide to retain a specific search firm for selected recruitments, the selection process is to be conducted through the Office of Purchasing Services.

#### **4. F. Executive Search and Recruiting Firms**

The Human Resources Department is authorized to retain executive search and recruiting firms from the list of executive search firms as maintained by HR for recruitment of division managers, department directors, executive staff, or other key positions as determined by the City Manager.

#### **4. G. Gift Cards for Employees**

Human Resources is authorized to purchase gift cards to support citywide employee appreciation and recognition programs including but not limited to the Immediate Appreciation Program and Win with Wellness, etc.

#### **4. H. Workplace Investigators**

The Human Resources Department is authorized to retain Workplace Investigator Firms from the list of executive search firms as maintained by HR for the purpose of addressing workplace harassment, sexual harassment, discrimination and other types of workplace conduct, as determined by the City Manager.

### **GROUP 5 – LIBRARY AND CULTURAL SERVICES DEPARTMENT**

#### **5. D. Library Material**

The Library Division is authorized to purchase books, book-binding, magazines, serials, journals, pamphlets, documents, audio-visual materials, and art prints for use in city libraries. This approval initially stemmed from the authority of resolution #79-04 approved by Council. However, this approval does not extend to other supplies such as furniture or other equipment.

### **GROUP 6 – PARKS, RECREATION, OPEN SPACE DEPARTMENT**

#### **6. A. Golf Resale Awards**

The Parks, Recreation, and Open Space Department is authorized to obtain merchandise for resale at golf pro shops, recreation facilities, pools, etc. and for team sport participants.

#### **6. B. Recreation Instructors and Sports Officials**

The Recreation Division of the Parks, Recreation, and Open Space Department is authorized to enter into agreements for the employment of instructors and sports officials for recreation programs. If these individuals are classified as City employees under the Fair Labor Standards Act (FLSA), then they must be paid through the City's payroll.

#### **6. C. Participant Programs**

The Recreation Division of the Parks, Recreation, and Open Space Department is authorized to enter into short-term agreements with restaurants, entertainment facilities, tourist attractions, theaters, bands, sport centers, museums, zoos, cultural centers, planetariums and similar vendors for the purpose of providing programs to be paid for by participants in the programs.

## **GROUP 7 - POLICE DEPARTMENT**

### **7. A. DUI Nurses**

The Police Department is authorized to enter into agreements with qualified nurses to administer tests for suspected DUI/DWI drivers on an as-required basis.

### **7. B. Confidential Psychiatric and Medical Examinations**

The Police Department is authorized to procure confidential psychiatric and medical examinations of Police Department staff when so authorized by the Chief of Police.

### **7. D. Canines for Police Service**

The Police Department is authorized to purchase canines, including drug detection dogs, dogs for the K-9 units, and bloodhounds for tracking. This exception applies to the purchase of the animals only and does not extend to purchases of goods or services used for the health, comfort and maintenance of the animals.

### **7. E. Consultants for Homicide and Violent Crime Investigations**

The Police Department is authorized to obtain the services of consultants who specialize in providing crucial services (such as forensic scientists) to support homicide and violent crime investigations. This exception applies to all specialists essential to the timeliness of investigations. However, services required where the urgency element does not exist should be obtained using standard purchasing procedures.

### **7. F. Purchases Involving the Use of Police Forfeiture Funds**

United States Department of Justice Rules and Regulations and Colorado statutory law specifically control the purposes for which and procedures by which criminal forfeiture funds may be expended and also preempt the application of any local policies, procedures, rules or regulations regarding such expenditures.

### **7. G. Process Servers**

The Police Department is authorized to hire process servers exclusively for programs such as the photo red light program. Retired police officers are the only allowed service providers.

## **GROUP 8 - PUBLIC WORKS DEPARTMENT**

### **8. A. Appraisals**

The Public Works Department is authorized to enter into agreements with qualified appraisers to obtain current valuations of properties as required by various City agencies.

### **8. B. Contract Snow Removal**

The Public Works Department, through its Streets Division, is authorized to hire contractors for augmentation of snow removal efforts. Purchasing Services will provide annual contracts from which Streets should select contractors.

## **GROUP 9 - AURORA WATER DEPARTMENT**

### **9. A. Water Rights**

The Aurora Water Department is authorized to enter into agreements relating to the purchase and sale of water, water rights and related matters.

### **9. B. Arkansas Valley Revegetation Project**

The Aurora Water Department is authorized to procure goods and services for this remotely located project when it is deemed to be in the best interest of the City to use local vendors.

### **9. C. Attorneys for Water Projects**

Aurora Water Department, with the approval of the City Attorney's Office, may procure the services of attorneys to conduct contract negotiations and act as a consultant for the Aurora Water Department/City concerns.

### **9. D. Participatory Disbursements**

The Water Department is authorized to enter into agreements and make payments/contributions to educational institutions and non-profit organizations in support of education, regulatory and research activities that are of interest and benefit to Aurora Water (Community Collaborative Rain, Hail & Snow Network; Colorado Foundation for Water Education; Colorado Water Workshop; Colorado Water Congress Special Projects; Colorado Water Quality Forum; University of Colorado; etc.).

## **GROUP 10 – AURORA PUBLIC DEFENDER’S OFFICE**

### **10. A. Competency Evaluators**

The Aurora Public Defender’s Office is authorized to procure certain competency evaluators that have been accepted as experts by the Aurora City Attorney’s Office, Criminal Division, and the Aurora Municipal Court.

### **10. B. Conflict Attorneys**

The Aurora Public Defender’s Office is authorized to procure certain attorneys who have met insurance requirements to be on the City Council approved list of conflict attorneys. These Council approved conflict attorneys are for use when the Public Defender’s Office has a conflict of interest in representing an indigent defendant.

## **GROUP 11 – FIRE DEPARTMENT**

### **11. A. Competency Evaluators**

The Fire Department is authorized to enter into agreements with qualified medical providers to conduct examinations of Department personnel and prospective personnel on an “as needed” basis.

## **GROUP 0 – NON PROCUREMENT ACTIONS**

### **0. 0. Non Procurement Actions**

Departments are authorized to make disbursements, subject to applicable disbursement procedures, that do not initiate from a procurement action. Types of disbursements that are included under this exception code are:

- **Intergovernmental Payments** - Departments are authorized to make intergovernmental payments which result from activities that require the City to make disbursement to other governmental agencies for payment of taxes/fees owed or disbursement of funds collected for another government.
- **Refunds, Reimbursements, Restitutions, and Settlements** - Departments are authorized to refund money that was received and deposited with the City to vendors or individuals when appropriate. The vendor or individual, the account number, the date on which payment was made by the vendor or individual, and the cash receipt or invoice number applicable to the refund must be provided with the payment batch. This exception code may also be used for restitutions, legal settlements, and incentive agreements required to be paid by the City.
- **Loan Disbursements** - Certain loans are approved by City Council or may be required by special conditions of a grant. Payments to recipients of loans from the City must have a copy attached to the payment batch of the council minutes approving the loan or, the section of the grant agreement listing the approval or a requirement to make loans under the grant.
- **Debt and Investment Transactions** - In accordance with the direction of the City Council, the Finance Department is authorized to enter into transactions related to the issuance, refunding, and defeasance of bonds and other financial obligations of the City, its agencies and instrumentalities and to make all payments required there under. This includes payments made under a lease/purchase financing agreement of personal property. Although payments under a personal property lease/purchase are exempt, the acquisition of the associated personal property should still follow applicable purchasing procedures, including formal competitive bidding, as applicable.

The Finance Department is further authorized to enter into transactions and make all payments related to the purchasing or selling of investments, subject to Council policy.





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## BUSINESS POLICY MEMORANDUM 2-08-4

**EFFECTIVE DATE:** September 30, 2022

**DATE REVISED:** September 30, 2022

**DATE ISSUED:** This BPM supersedes PPL 1-4 dated January 29, 2001

**NO./SUBJECT:** BPM 2-08-4 PROFESSIONAL SERVICES PROCUREMENT PROCESS

**AUTHOR/**

**DEPARTMENT:** Purchasing Manager / Finance

### I. POLICY

This policy provides guidelines to contract for Consultants to provide Professional Services estimated to cost \$25,000 or more which traditionally are not obtained through normal bidding procedures.

### II. SCOPE

This policy applies to all City employees and departments.

### III. RESPONSIBILITY

The Purchasing Manager will periodically review and update this policy.

### IV. PROCEDURES

1. This procedure is divided into three sections as follows:

- a. **Section I** contains procedures for selecting Architects, Engineers, and Landscape Architects to perform Design, Construction Management and similar services in support of a proposed or existing construction Project.
- b. **Section II** contains procedures for selecting other Professional Services, for example but not limited to Auditors, Management Consultants, Specialized Consultants, and other similar professional services.
- c. **Section III** contains guidelines to be followed when exceptions are considered to be in the best interest of the City.

2. **SELECTION COMMITTEE:** The Department responsible for funding the requirement designates, in writing, a Selection Committee of at least three members. If the proposed contract involves a Project Manager, the Project Manager shall be a member of the Selection Committee.
3. **PROFESSIONAL SERVICES AGREEMENT:** A standard professional services agreement is the vehicle by which the City contracts with consultants. The Procurement Agent shall assure that all agreements are finalized.

**SECTION I  
CONSTRUCTION-RELATED PROFESSIONAL SERVICES**

1. The City may use a negotiated procurement process for Professional Services performed by Architects, Engineers, and Landscape Architects.
2. The concept of contracting for Professional Services under this Section involves three phases:

**PHASE I**      **Selection** of prospective consultants based primarily upon technical considerations, using a Selection Committee.

**PHASE II**     **Negotiation** of a fair and reasonable price.

**PHASE III**    **Award** of the Contract in the best interest of the City.

**PROCEDURES:**

**PHASE I - SELECTION**

**A. Preparation of Scope of Work and Selection Criteria**

1. The Department that is requesting a consultant to perform construction-related Professional Services is responsible for developing the Scope of Work for the proposed Contract. The Scope of Work should contain the following minimum elements:
  - a. Brief description of the Scope of Work involved;
  - b. List of tasks to be accomplished with details on what is expected to be accomplished;
  - c. Timetables, milestones, or phases for design review for architectural services, if applicable;
  - d. Other required documents such as specifications and drawings.

**B. Evaluation Process**

1. The Department that is requesting a consultant to perform construction-related Professional Services is also responsible for identifying the factors to be considered in determining the most advantageous proposal, which may include but not be limited to the following:

- a. Technical ability;
  - b. Previous experience and performance;
  - c. Qualifications of personnel;
  - d. Ability to meet schedule; and
  - e. Price.
2. The Department should identify the weights to be applied to each criteria shown for evaluation, as well as an explanation as to how the proposal will be evaluated and how the weights will be applied. The total value of all weights will be 100%.

Verbiage shall be included as to whether or not a sealed priced proposal shall be included in the initial submission by prospective consultants.

**C. Request for Proposal (RFP) Process**

1. The Department forwards the Scope of Work and the names of the Selection Committee members to the Procurement Agent. The Department should also submit a list of prospective consultants to receive a notification if they are aware of consultants that can perform.
2. The Procurement Agent and the Project Manager or primary Department contact should meet to agree upon the process that will be followed for the particular contract.
3. The Procurement Agent shall prepare the RFP and sample professional services agreement, set the date for a pre-proposal conference (if needed), and the date for receipt of Proposals.
4. The RFP and sample professional services agreement shall be posted on the Rocky Mountain E-Purchasing System.
5. A Pre-Proposal Conference, if needed, will normally be scheduled one week after the RFP has been issued. The purpose of the meeting is to allow consultants to ask questions regarding the technical and administrative requirements of the RFP. If the Pre-Proposal Conference results in the need for an addendum, attention will be given to the possible need for an extension in receipt of proposals.
6. Proposals shall be received in accordance with the requirements of the RFP. The Procurement Agent shall issue and collect Conflict of Interest forms to be completed by members of the Selection Committee as well as their Managers/Directors/DCM's and City Manager. The Procurement Agent will then distribute the proposals to the members of the Selection Committee.

**D. Review and Interview Process**

1. The Selection Committee shall review all Proposals received and develop a composite listing of acceptable consultants, in rank order sequence, using the criteria contained in the RFP. All members of the Selection Committee shall participate in the initial review and scoring. The Selection Committee may develop a "short list" of top-ranked prospective consultants for further evaluation. Scoring information shall be forwarded by the using Department to the Procurement Agent for inclusion in the RFP file.
2. Consultants selected for further evaluation may be scheduled for interviews with the Selection Committee. Those firms not selected shall be notified in writing by the Procurement Agent.
3. The Selection Committee may request the prospective consultants to provide a sealed price proposal at the time of the interview. However, all priced proposals will be retained in Purchasing unopened until after the interview is complete. Once the interview is complete, then only the top-ranked consultant's (identified by the Selection Committee) price proposal will be released to be used as part of the final selection.
4. Final selection shall be based primarily on the technical qualifications and selection criteria in the RFP. The price estimate, if required in the RFP, should be used to assist in determining award within the City's best interest.

**PHASE II - NEGOTIATIONS**

- A. The top-ranked consultant, recommended for award by the Selection Committee, shall be requested to provide a price proposal (if one has not been previously provided) for negotiation. The Selection Committee shall negotiate the fee, with the Consultant, until such time as a fair and reasonable fee has been agreed upon.
- B. If a fair and reasonable fee cannot be agreed upon, the Selection Committee shall request the second ranked- consultant to submit a price proposal (if one has not been previously submitted) for negotiation. This process shall continue until a Consultant has been selected with a fee determined to be fair and reasonable by the Selection Committee. If a fair and reasonable fee cannot be reached with any consultant, the requirement may be resolicited.
- C. Price negotiation may only be conducted with one consultant. If a Consultant offers a FINAL price and the City does not accept it, further negotiation with that Consultant is no longer appropriate.

**PHASE III - AWARD**

- A. The Selection Committee shall notify the Procurement Agent of its recommendation for award and provide the successful consultant's final price, scope and schedule proposal for inclusion in the professional services agreement.
- B. The Procurement Agent shall process the award.

## SECTION II

### OTHER PROFESSIONAL SERVICES

1. This Section contains procedures for selection of Consultants to perform Professional Services NOT related to Construction Contracts.
2. Certain types of Professional Services performed by Consultants have been exempted from standard purchasing and contracting procedures and are not covered by this policy. The exempted Professional Services are listed in BPM 2-08-3 .
3. A SELECTION COMMITTEE is used for the selection process, as described in Section I above.

The concept of contracting for Professional Services under this Section involves the same approach as for Professional Services solicited under Section I, except using an approach where award is based on technical qualifications and price according to the RFP selection criteria.

## SECTION III

### SPECIAL PROCEDURES

1. The procedures in Sections I and II shall be followed whenever possible. However, under special conditions, the procedures may not be in the best interest of the City. Examples of these types of situations are:
  - a. Emergency Conditions;
  - b. Selected Source - Only one consultant or for reasons other than sole source can provide the professional services requested;
  - c. A consultant offers to extend a contract in accordance with the terms of the bid or RFP under the same conditions, and at the same or lower price. The price may be considered "the same" if the increase is equal to or less than an inflation factor determined by acceptable indices, known local market conditions or other similar criteria;
  - d. It is determined, by the Procurement Advisory Committee, to be in the best interest of the City to modify the procedures contained in Sections I and II of this policy;
2. When one or more of these special conditions exists, the Department that is responsible for funding the request shall prepare a written justification containing all the facts and circumstances which support using an exception to Section I or II. The request shall be forwarded to the Procurement Agent, who shall submit the request through the Manager of Purchasing Services.

3. The Director of Finance may recommend a proposed professional services procurement action be brought before the Procurement Advisory Committee if it is considered to be of unusual significance. The Procurement Advisory Committee shall review the procurement and make recommendations in the best interest of the City. If this situation occurs, the Department shall be requested to attend the meeting of the Procurement Advisory Committee when the item is discussed. The Director of Finance shall make the final decision on the process to be followed.
4. Professional service requests from the City Manager, City Attorney, Municipal Judge or Court Administrator, which have been approved by City Council, are exempt from these procedures if determined by Council and the Council appointee to be in the best interest of the City.

V. **APPROVAL**

Reference the Index for BPM 2-08 for Jim Twombly's approval.



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## BUSINESS POLICY MEMORANDUM 2-08-05

**EFFECTIVE DATE:** September 30, 2022

**DATE REVISED:** September 30, 2022

**DATE ISSUED:** This BPM supersedes PPL 1-5 dated January 16, 2012

**NO./SUBJECT:** BPM 2-08-5 PROCESSING PURCHASES SUBJECT TO FORMAL BIDDING

**AUTHOR/**

**DEPARTMENT:** Purchasing Manager / Finance

### **I. POLICY**

Provide departments with standard procedures for processing purchase orders and agreements awarded as a result of formal bidding procedures of \$25,000.00 or more.

City Code Section 2-670 requires that purchases estimated at \$25,000.00 or more be subject to formal competitive bidding procedures, with the exception of Professional Services (See BPM 2-08-4).

### **II. SCOPE**

This policy applies to all city employees and departments

### **III. RESPONSIBILITIES**

The Purchasing Manager will periodically review and update this policy.

### **IV. PROCEDURES**

1. Purchasing Services is responsible for issuing and establishing the date and time for opening bids in coordination with the Project Manager. The bids are opened and recorded by an authorized agent of Purchasing Services. The process then is as follows:
  - a. Purchasing Services prepares a summary of bids received.
  - b. The bid summary and a copy of bids received are sent to the department for their technical review.

- c. The department reviews the bid summary and a copy of each bid before making a recommendation for award. In most situations, the apparent low dollar bidder is recommended for award.
  - d. If the department has sufficient reason to recommend the award be made to other than the apparent low dollar bidder, they must prepare a written justification and forward it to the Procurement Agent for review and evaluation. The justification must fully explain the specific reasons not to award based on the low dollar bid. For example, the low dollar bid may not meet the technical requirements of the bid. After review by the City Attorney's Office, the authorizing Director of Finance determines whether the award should be made to the next lowest bidder.
2. Purchase Orders/Agreements are awarded in accordance with Section 2-672 of the City Code as follows:
- a. Purchase Orders/Agreements of at least \$25,000 but less than \$50,000 are awarded by the Purchasing Manager or designee subsequent to City Council review via Purchasing's Weekly Report. If any Council Member has concerns regarding the proposed award, a Council Agenda Commentary may be required.
  - b. Purchase Orders/Agreements of at least \$50,000 but less than \$2,000,000 are awarded by the Purchasing Manager or designee subsequent to City Council review via Purchasing's Weekly Report unless the bid resulted in less than three bids. If less than three bids are received, the Purchase Order/Agreement is awarded by City Council via Council Agenda Commentary.
  - c. Purchase Orders/Agreements of \$2,000,000 or more are awarded by City Council via Council Agenda Commentary.
3. Purchasing Services has joint responsibility for preparing the Council Agenda Commentary for the procurement activity relating to the proposed award. After Council approves the award, Purchasing Services prepares and processes the award documents.

**V. APPROVAL**

Reference the Index for BPM 2-08 for Jim Twombly's approval





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## BUSINESS POLICY MEMORANDUM 2-08-6

**EFFECTIVE DATE:** September 30, 2022

**DATE REVISED:** September 30, 2022

**DATE ISSUED:** This BPM supersedes PPL 1-6 dated January 16, 2012

**NO./SUBJECT:** BPM 2-08-6 COMPLETING PURCHASING AGENDA ITEM COMMENTARIES

**AUTHOR/**

**DEPARTMENT:** Purchasing Manager / Finance

### **I. POLICY**

Provide departments with standard procedures for preparing, scheduling and obtaining approval on agenda item commentaries which involve certain types of negotiated and fully competitive procurements. Note that these procedures are not designed to supplement instructions and directions provided about the agenda system, which is managed by the City Clerk's Office, and are available from them directly.

### **II. SCOPE**

This policy applies to all city employees and departments

### **III. RESPONSIBILITIES**

The Purchasing Manager will periodically review and update this policy.

### **IV. PROCEDURES**

Agenda item commentaries related to procurement actions will be generated as a joint effort by Purchasing Services and the Department funding and/or staffing the action. Responsibilities are as follows:

#### **A. Initiating the Agenda Commentary**

1. After a procurement action has been completed e.g. bid opening, the Department and Purchasing Services will initiate a draft agenda commentary.
2. When it is determined appropriate to schedule the action for Council review either the Department or the Procurement Agent will schedule the item on the agenda system.

3. Either the Department or the Procurement Agent will then enter the procurement into the agenda system for review by the department, directors, Deputy City Managers, and City Manager as appropriate.
4. When all comments have been cleared to create a proposed final, a workflow is created in the agenda system for review and approval as appropriate.

B. Reviewing and Contributing to the Agenda Commentary

1. Once the draft agenda commentary is received from Purchasing complete the department review and coordinate all activities closely with the Procurement Agent.
2. Report any and all concerns with Purchasing Services timely and quality processing of purchasing action to the Purchasing Manager, and refrain from attempting to assume direct responsibility for any tasks assigned to Purchasing for this agenda commentary.
3. Complete all reviews of the agenda commentary as dictated by the e-agenda workflow system. Coordinate closely with the Procurement Agent, and present any concerns that aren't resolved with the Purchasing Manager.
4. Deadlines for processing agenda commentaries are established by the City Clerk's office. Departments seeking to prevent a commentary from being delayed must coordinate and meet the requirements of the City Clerk's office.
5. If an agenda commentary is delayed for any reason, the department should coordinate with Purchasing Services to see if the bid acceptance period needs to be extended. Most bids are normally in effect for sixty days after the bid opening date.

C. Additional Information

The agenda system is administered by the City Clerk's office, which provides all instruction and training. Should you seek individual instructions, please contact the Clerk's office for assistance.

V. **APPROVAL**

Reference the Index for BPM 2-08 for Jim Twombly's approval.



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## BUSINESS POLICY MEMORANDUM 2-08-7

**EFFECTIVE DATE:** September 30, 2022

**DATE REVISED:** September 30, 2022

**DATE ISSUED:** This BPM supersedes PPL 1-7 dated January 16, 2012

**NO./SUBJECT:** BPM 2-08-7 NEGOTIATED PURCHASES

**AUTHOR/**

**DEPARTMENT:** Purchasing Manager / Finance

### I. POLICY

Section 2-670 of the city code requires procurement actions of \$25,000 or more be awarded through formal, written procedures. However, it is recognized that certain procurement actions do not lend themselves to the formal solicitation process. This policy identifies the conditions recognized by the city code, and explains the procedures to be followed.

### II. SCOPE

This policy applies to all city employees and departments.

### III. RESPONSIBILITIES

The Purchasing Manager will periodically review and update this policy.

### IV. PROCEDURES

A. Section 2-674 of the city code identifies eleven (11) types of procurement actions where negotiated noncompetitive procurements may be authorized. The Purchasing Services Manager has the authority pursuant to this provision of the code to determine whether a noncompetitive action is authorized in a particular instance prior to award. In brief, the actions subject to negotiation are:

1. Extension of existing competitively solicited contracts
2. Used, discontinued, unique purchases
3. Service and maintenance on existing equipment and software
4. Perishable Supplies
5. Reduced Total Cost
6. Standardization
7. Lack of Specifications or testing
8. No Response

- 9. Sole Source
- 10. Priority
- 11. Exceptions to Purchasing

Also, Section 2-675 of the City Code authorizes negotiated procurements under Emergency conditions.

- B. It is best practice to contact Purchasing Services to discuss any proposed procurement requirement prior to taking ANY action, which may be considered for negotiation.
- C. If the requirement is for a professional service or a City share type contract, the specific procedures are referenced in other applicable BPMs.
- D. In all other cases, the department shall prepare a memorandum justifying the request for an action to be negotiated. The Procurement Agent will review the justification and prepare a written recommendation to the Purchasing Manager as to the appropriate procurement method they deem to be in the best interest of the City whether it be negotiation or not.
- E. The Purchasing Services Manager shall review and pre-approve proposed negotiated agreements.
- F. Since competition is the preferred process at the City, Purchasing Services is obligated to make every reasonable effort to obtain competition in lieu of negotiation. However, when negotiation is warranted, Purchasing will support this procurement method.
- G. A procurement action shall be considered “Sole Source” only when a required item or service is only available from one vendor/contractor. Procurement actions where it is impractical to use other than an existing firm for continuity or cost purposes or where other firms could perform are considered “Single Source” rather than Sole Source awards.

V. **APPROVAL**

Reference the Index for BPM 2-08 for Jim Twombly’s approval.



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## BUSINESS POLICY MEMORANDUM 2-08-8

**EFFECTIVE DATE:** September 30, 2022

**DATE REVISED:** September 30, 2022

**DATE ISSUED:** This BPM supersedes PPL 1-8 dated January 16, 2012

**NO./SUBJECT:** BPM 2-08-8 EMERGENCY PURCHASE & RATIFICATION ACTIONS

**AUTHOR/**

**DEPARTMENT:** Purchasing Manager / Finance

**I. POLICY**

Define and provide procedures for documenting situations in which an emergency type condition exists, including ratifications that require immediate procurement action.

**II. SCOPE**

This policy applies to all city employees and departments

**III. RESPONSIBILITIES**

The Purchasing Manager will periodically review and update this policy.

**IV. PROCEDURES**

### Emergency Procedures

1. When an emergency condition exists, the Director of the department primarily affected shall be responsible for (1) determining that a true emergency exists, (2) ensuring funds are available, and (3) obtaining initial approval for emergency procurement from the City Manager or designee. Formal approval following the emergency is described in Section 5 below.
2. The department shall immediately notify the Purchasing Services Manager and the City Manager or designee requesting emergency procurement support and providing information on the nature, location, and expected duration of the emergency, and type of support required.
3. If the emergency occurs during off-duty hours, the Department should take whatever procurement action is needed in coordination with the City Manager or designee to solve the immediate problem. The Purchasing Services Manager should be notified the next working day.

4. The Department shall immediately mobilize whatever resources are necessary to meet the needs of the situation, to manage the emergency. Competitive bidding is not required; however, reasonable efforts shall be made to control the overall expenditure of funds.
5. **Approvals for emergency purchases not pre-approved** - The department responsible for addressing the emergency condition shall prepare a memorandum addressing the conditions set forth in Subsection 2. above explaining the nature of the emergency. The memorandum and a Purchase Requisition shall then be approved through the City Manager or designee
6. When the memorandum and procurement documents have been approved by the appropriate authority, they shall be forwarded to the City Manager or designee. . A copy shall be filed with each Purchase Order and/or Contract issued to support the emergency procurement action.

V. **APPROVAL**

Reference the Index for BPM 2-08 for Jim Twombly's approval.



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## BUSINESS POLICY MEMORANDUM 2-08-09

**EFFECTIVE DATE:** September 30, 2022

**DATE REVISED:** September 30, 2022

**DATE ISSUED:** This BPM supersedes PPL 1-9 dated January 16, 2012

**NO./SUBJECT:** BPM 2-08-9 PROCUREMENTS UNDER \$25,000

**AUTHOR/  
DEPARTMENT:** Purchasing Manager / Finance

**I. POLICY**

Define the various methods of procurement available to obtain commodities, services, professional services, and minor construction when the estimated cost is less than \$25,000.

**II. SCOPE**

This policy applies to all city employees and departments

**III. RESPONSIBILITIES**

The Purchasing Manager will periodically review and update this policy.

**IV. PROCEDURES**

Section 2-673 of the City Code allows for the establishment of written procedures for procurement actions with an estimated cost of less than \$25,000. Requirements less than \$25,000 do not need to be processed through Purchasing.

**V. APPROVAL**

Reference the Index for BPM 2-08 for Jim Twombly's approval.



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## BUSINESS POLICY MEMORANDUM 2-08-10

**EFFECTIVE DATE:** September 30, 2022

**DATE REVISED:** September 30, 2022

**DATE ISSUED:** This BPM supersedes PPL 1-10 dated January 16, 2012

**NO./SUBJECT:** BPM 2-08-10 CHANGE ORDERS OR AMENDMENTS FOR COMMODITIES, SERVICES, AND PROFESSIONAL SERVICES

**AUTHOR/**

**DEPARTMENT:** Purchasing Manager / Finance

### I. POLICY

To establish standard procedures for issuing change orders to increase or decrease an award amount, add or delete items/services, cancel an award in its entirety, extend an award period, or revise any of the terms and conditions of award for commodities, services, and professional services.

### II. SCOPE

This policy applies to all city employees and departments

### III. RESPONSIBILITIES

The Purchasing Manager will periodically review and update this policy.

### IV. PROCEDURES

1. Section 2-676 of the city code is the basic regulation for issuing change orders and amendments. The term "change order" shall apply to any modification of an existing contract with the exception of any modification of an existing professional services contract. The term "amendment" shall only apply to any modification of an existing professional service contract. Change orders and amendments may only be approved if the amount does not exceed funds appropriated by Council.
2. The "changes" clause used in the City's standard commodities, regular service, and professional service agreements allows changes, which are mutually agreed upon, to be incorporated in written change orders or amendments to the agreement. Change orders for construction contracts are addressed in BPM 2-08-24 titled "Change Orders for Construction Contracts".



3. Change orders or amendments must be requested in writing by the funding/ or requesting department. Once received by Purchasing, the Procurement Agent prepares and processes the final change order/amendment.
4. The standard form used for change orders can be requested from the Purchasing Agent or accessed on Purchasing's SharePoint site.
5. The standard form used for amendments, which apply to professional services contracts only, can be requested from the Purchasing Agent or accessed on Purchasing's SharePoint site.
6. Purchase Orders not closed out by the Controller's Office of the Finance Department: (Note: Change orders cannot be processed against any purchase order that has been closed by the Controller's Office.) Please check with the Controller's Office before requesting change orders on any purchase orders older than the current year.
  - a. The Department determines that a change order/amendment is necessary.
  - b. The Department prepares a standard change order or amendment form request (see Attachment A or B).
  - c. The change order/amendment form request is reviewed, and a final change order/amendment is processed, if appropriate, by Purchasing. (All change orders/amendments must follow appropriate authority for award PRIOR to issuance of the change order/amendment as described under Section 2-676 of the city code.) In addition, all change orders must be "within the scope of the original contract." Amendments must be within the expanded scope identified as potential work in the approval for the original award. If the new work does not meet one of the two previous conditions and is clearly severable from the project as originally awarded, the department would be asked by Purchasing to submit a single source justification. Upon approval of the justification, Purchasing will complete the process to award the work under a separate purchase order. In the event the single source award is not approved, the work will be subject to full and open competition.
  - d. All change orders/amendments are entered into the City's ERP system by Purchasing.

**V. APPROVAL**

Reference the Index for BPM 2-08 for Jim Twombly's approval.



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## BUSINESS POLICY MEMORANDUM 2-08-11

**EFFECTIVE DATE:** September 30, 2022

**DATE REVISED:** TBD

**DATE ISSUED:** TBD

**NO./SUBJECT:** BPM 2-08-11 SMALL BUSINESS ENTERPRISE PROGRAM (SBE)

**AUTHOR/**

**DEPARTMENT:** Purchasing Manager / Finance

**I. POLICY**

Section 2-682 of the City Code authorizes the establishment of policies and procedures for a minority, women owned and Aurora business enterprise program to encourage participation in purchases for the City of Aurora.

**II. SCOPE**

This policy applies to all city employees and departments

**III. RESPONSIBILITIES**

The Purchasing Manager will periodically review and update this policy.

**IV. PROCEDURES**

This policy is under review pending the results of a disparity study.

**V. APPROVAL**

Reference the Index for BPM 2-08 for Jim Twombly's approval.



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## BUSINESS POLICY MEMORANDUM 2-08-12

**EFFECTIVE DATE:** September 30, 2022

**DATE REVISED:** September 30, 2022

**DATE ISSUED:** This BPM supersedes PPL 1-12 dated January 16, 2012

**NO./SUBJECT:** BPM 2-08-12 CONTRACT PERIODS BEYOND FIVE (5) YEARS FOR RECURRING PURCHASES

**AUTHOR/**

**DEPARTMENT:** Purchasing Manager / Finance

### I. POLICY

Establish written procedures and instructions for establishing contract periods over five (5) years for recurring purchases.

Contracts for recurring purchases such as computers in the commodities area, custodial in regular services, job order engineering in professional services, and asphalt patching for the construction area traditionally are only awarded on a maximum of a five (5) year contract period. The basis for this policy is that it is believed that contract periods longer than this can unfairly exclude firms from competing for City business for too long. However, there may be other purchases where a longer contract period is considered appropriate, if criteria outlined in this purchasing policy are met.

### II. SCOPE

This policy applies to all city employees and departments

### III. RESPONSIBILITIES

The Purchasing Manager will periodically review and update this policy.

### IV. PROCEDURES

1. The department using the commodity, service, or construction must submit written justification to Purchasing Services for consideration on any contract which is proposed to have a contract period longer than five (5) years.
2. Department justification letters should present compelling reasoning for having a contract period beyond the standard five (5) years, and may contain any information considered pertinent to justifying the action. However, elements to be used for evaluation of the request shall as a minimum include, but not be limited to the following:

- a. All contracts must be option type contracts with authority to extend the awards up to the maximum contract period from FIVE (5) years, up to 10 years in one year increments only.
  - b. The forecast is for a recurring annual requirement (e.g. portable toilets rental for 12 months).
  - c. The market for this commodity or service is stable and is projected to remain so for the future.
  - d. Technology changes would not make a contract period longer than the five (5) year award period impractical. (Computer requirements)
  - e. There is no forecast for any significant changes in quantities or quality of the requirement during the proposed contract period.
  - f. Issuing a potential award longer than five(5) years is the most advantageous method of fulfilling this particular City need.
  - g. The requirement was previously issued on a five (5) year basis, and there doesn't appear to be any negative impact in increasing the award to a longer period.
  - h. The requirement does not contain precious metals or other materials which are traditionally volatile in the market. However, if the elements could be specifically identified, an Economic Price Adjustment provision could be added, facilitating a longer contract award period.
  - i. Evaluate whether available sources have grown where it is appropriate to limit the contract period to a five (5) year time frame to capture improved pricing.
2. The Procurement Agent who would normally be assigned the purchase shall be the initial evaluator of the department justification letter upon receipt in Purchasing. This evaluation shall be an independent effort apart from the requesting department, and should involve validation of information submitted as well as evaluation of any other factors considered important in determining the appropriateness of the request overall.

**V. APPROVAL**

Reference the Index for BPM 2-08 for Jim Twombly's approval.



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## BUSINESS POLICY MEMORANDUM 2-08-13

**EFFECTIVE DATE:** September 30, 2022

**DATE REVISED:** TBD

**DATE ISSUED:** TBD

**NO./SUBJECT:** BPM 2-08-13 PROCUREMENT PROCESS APPROVAL PROCEDURES

**AUTHOR/**

**DEPARTMENT:** Purchasing Manager / Finance

**I. POLICY**

Provide instructions to departments and Purchasing Staff on how and when to obtain approval of solicitation processes other than formal competitive bid that result in contract award.

**II. SCOPE**

This policy applies to all city employees and departments

**III. RESPONSIBILITIES**

The Purchasing Manager will periodically review and update this policy.

**IV. PROCEDURES**

This policy is on hold.

**V. APPROVAL**

Reference the Index for BPM 2-08 for Jim Twombly's approval.



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## BUSINESS POLICY MEMORANDUM 2-08-14

**EFFECTIVE DATE:** September 30, 2022

**DATE REVISED:** September 30, 2022

**DATE ISSUED:** This BPM supersedes BPM PPL 2-1 dated February 1, 2021

**NO./SUBJECT:** BPM 2-08-14 PURCHASES LESS THAN \$25,000

**AUTHOR/**

**DEPARTMENT:** Purchasing Manager / Finance

### I. POLICY

Provide instructions to departments on procedures for processing non-recurring purchase transactions where the total cost is less than \$25,000, excluding technology purchases.

### II. SCOPE

This policy applies to all City employees and departments.

### III. RESPONSIBILITY

The Purchasing Manager will periodically review and update this policy.

### IV. PROCEDURES

Purchase transactions that are non-recurring where the total cost is less than \$25,000 are authorized to be processed within the customer's department, and do not have to be submitted to Purchasing Services.

This procedure SHOULD NOT be used for Purchases:

- a.) Available through city-wide open purchase orders, or,
- b.) From multi department awards, or, estimated awards
- c.) For repetitive purchases of common (high usage) commodities or services which could be procured more economically through the centralized competitive bidding process.
- d.) Subdividing purchases, to avoid central purchasing procedures where required.

Departments should contact Purchasing Services on questions regarding availability of contracts issued for specific commodities or services, as appropriate.

The department should locate sources (vendors) of supplies and services, including construction, when the cost is less than \$25,000 excluding technology purchases. All technology related purchases should continue to be processed through the Information

Technology Department and Purchasing. The department should make a special effort to locate and use Aurora, minority, women, veteran, and small businesses.

Then the following additional benefits and instructions should be considered before pursuing any purchase transaction:

- a.) Purchasing Services can assist the department in locating suitable sources upon request.
- b.) If the cost of the item or service is \$5,000.00 or less, the procurement card should be the first choice to be used.
- c.) Requests for checks and ACH payments are to be used ONLY if the procurement card is not accepted by a vendor and is over \$100.00.
- d.) If the request for check or ACH method of payment is used.

Departments purchase items or service and obtain a receiving document (invoice, packing slip, etc.) from the vendor or contractor. The person responsible for receiving the item or service shall indicate if an invoice will follow or pay from this receipt. Then the person receiving shall sign and date the receiving document to show satisfactory receipt and acceptance.

If applicable, the department informs the vendor or contractor to e-mail an ORIGINAL INVOICE to the appropriate billing address if the request for check method of payment is used.

The department follows ERP instructions on preparing an "Accounts Payable Batch", attach vendor's invoice, and forward to your appropriate accounts payable clerk in Finance who will then issue the check or ACH for payment directly to the vendor or contractor.

## V. APPROVAL

Reference the Index for BPM 2-08 for Jim Twombly's approval.



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## BUSINESS POLICY MEMORANDUM 2-08-15

**EFFECTIVE DATE:** September 30, 2022

**DATE REVISED:** September 30, 2022

**DATE ISSUED:** This BPM supersedes PPL 2-2 dated November 1, 2011

**NO./SUBJECT:** BPM 2-08-15 PROCESSING PURCHASE REQUISITIONS OF \$25,000 OR MORE

**AUTHOR/**

**DEPARTMENT:** Purchasing Manager / Finance

**I. POLICY**

Provide instructions to departments on procedures for processing purchase transactions of \$25,000 or more.

**II. SCOPE**

This policy applies to all City employees and departments.

**III. RESPONSIBILITIES**

The Purchasing Manager will periodically review and update this policy.

**IV. PROCEDURES**

1. Purchases of \$25,000 or more must be submitted to Purchasing Services for processing on a purchase requisition. The purchase requisition is the basic document which authorizes Purchasing Services to pursue contracts for commodities, services, professional services and construction of \$25,000 or more. It is also the authority for the purchase order to be issued by Purchasing Services, committing the city to pay for department requirements submitted on purchase requisitions.
2. The department is responsible for ensuring the availability of funds. Purchase requisitions must reflect written approval of the funds available for use by Purchasing Services as purchase orders issued to fill the requirements of the purchase request legally commit funds at the time they are issued.
3. Departments should submit the purchase requisition sufficiently in advance of their need to allow for implementation of the competitive solicitation process and normal delivery by the vendor/contractor. To assist our customers, Purchasing Services created a document called the



“Purchasing Planner Guide”. This document was created to help customer departments better understand the procurement process. Access the Planner by going to Purchasing’s SharePoint site.

4. Requests for an annual open purchase order (where releases are made on "as-required" basis) must specifically identify the item(s) and/or service(s), estimated quantity, and a "not to exceed" dollar amount. A purchase requisition must be submitted for the annual period.
5. Purchasing submits all solicitation results to departments for review prior to award. Then departments should return their recommendation(s) for award, and if there is agreement, Purchasing Services will proceed with the award. Should there be disagreement as to which firm should receive the award, Purchasing Services will discuss with the department. Should disagreement still exist, the written positions of both parties will be submitted for review and approval to the Director of Finance or the Deputy City Manager as appropriate.
6. Detailed instructions for completing a Purchase Request through the ERP System are available by contacting Purchasing Services.

## **V. APPROVAL**

Reference the Index for BPM 2-08 for Jim Twombly’s approval.



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## BUSINESS POLICY MEMORANDUM 2-08-16

**EFFECTIVE DATE:** September 30, 2022

**DATE REVISED:** September 30, 2022

**DATE ISSUED:** This BPM supersedes PPL 2-3 dated January 16, 2012

**NO./SUBJECT:** BPM 2-08-16 PROCESSING DISCREPANCY REPORTS

**AUTHOR/**

**DEPARTMENT:** Purchasing Manager / Finance

**I. POLICY**

Provide departments with standard procedures for providing information to Purchasing Services about unsatisfactory vendor/contractor performance.

**II. SCOPE**

This policy applies to all city employees and departments

**III. RESPONSIBILITIES**

The Purchasing Manager will periodically review and update this policy.

**IV. PROCEDURES**

1. The department inspects the goods or services received to ensure they conform to the quantity, quality, and descriptions noted on the purchase order prior to acceptance.
2. In the event the department is not satisfied with the goods or service, the department should immediately contact the Procurement Agent and provide the following information:
  - a. Dept./Div./Section:  
Enter the appropriate information.
  - b. Vendor:  
Enter the vendor or contractor name.
  - c. Purchase Order No.:  
Enter the purchase order number.
  - d. Other Information:

Be specific about the problem and what impact it had on your operations.

e. Comments:  
Include all additional information that would help Purchasing Services resolve the problem.

3. Purchasing Services staff will review all reported issues to validate the complaint is an enforceable term or condition of the contract. Once validated, Purchasing Services may initiate formal written action with the vendor or contractor. Also, when this action is taken, a copy will be sent to the customer who reported the issues. This will ensure that the customer remains informed about the corrective actions and corrective deadlines that may be established for performance.

## V. APPROVAL

Reference the Index for BPM 2-08 for Jim Twombly's approval.



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## BUSINESS POLICY MEMORANDUM 2-08-17

**EFFECTIVE DATE:** September 30, 2022

**DATE REVISED:** September 30, 2022

**DATE ISSUED:** This BPM supersedes PPL 3-1 dated January 16, 2012

**NO./SUBJECT:** BPM 2-08-17 BID OPENINGS, AWARDS, AND COUNCIL AGENDA SUMMARIES FOR LOW BID CONSTRUCTION PROJECTS OF \$25,000 OR MORE

**AUTHOR/  
DEPARTMENT:** Purchasing Manager / Finance

### I. POLICY

Define the steps involved in processing construction contracts awarded as a result of formal bidding procedures of more than \$25,000.

### II. SCOPE

This policy applies to all city employees and departments

### III. RESPONSIBILITIES

The Purchasing Manager will periodically review and update this policy.

### IV. PROCEDURES

1. Section 2-670 of the City Code requires that all construction contracts estimated to cost \$25,000 or more be advertised and competitively bid.
2. Purchasing is responsible for advertising and establishing the date, time and place for opening of electronic bids. The bids are opened in a virtual or public forum by an authorized agent of Purchasing.
3. After the bids have been opened, the recommendation for award of a contract is processed as follows:
  - a. Purchasing prepares a summary of bids received.

- b. The bid summary and a copy of bids received are sent to the department for review. A sample of a cover memorandum used to provide the bid results can be located on Purchasing's SharePoint site.
- c. The department reviews the bid summary and copy of each bid before making its recommendation for award. In most situations, the apparent low dollar bidder is recommended for award.
- d. If the department has sufficient reason to recommend the award be made to other than the apparent low dollar bidder, a complete written justification is to be prepared and forwarded to the Procurement Agent for review and evaluation. The justification must fully explain the specific reasons for not awarding to the lowest dollar bidder. For example, the low dollar items may not meet the technical requirements of the bid. When it appears appropriate not to make the award to the lowest dollar bidder because they are nonresponsive, a full and complete statement of the reasons shall be prepared by the Purchasing Services Manager. The statement shall then be reviewed by the Director of Finance and the City Attorney's Office.
- e. Contracts are awarded in accordance with Section 2-672 of the City Code as follows:
  - 1) Contracts of at least \$25,000 but less than \$50,000 are awarded by the City Manager or designee subsequent to City Council review via the Weekly Report of Purchasing Actions. If any council member has a concern regarding a proposed award, a council agenda commentary may be required.
  - 2) Contracts of at least \$50,000 but less than \$2,000,000 are awarded by the City Manager or designee subsequent to City Council review via the Weekly Report of Purchasing Actions, provided the requirement was competitively bid and three or more responsive bids were received. If any council member has a concern regarding a proposed award, a council agenda commentary may be required.
  - 3) Awards of \$2,000,000 or more are approved by City Council at regular council meetings.
  - 4) The dollar amount approved by City Council for construction contracts must include both the amount of the contract, plus the contingency reserve encumbered at the time of award. However, the contingency is never included in the award amount at the time the original contract is awarded. The standard contingency for construction is 5%. Departments must provide justification when a contingency of more than 5% is requested.
- f. If the proposed award meets the following conditions, the department prepares a memorandum recommending the award(s) and indicating which accounts and amounts are to be encumbered:
  - 1) Less than \$2,000,000.00;
  - 2) Three or more bids were received;
  - 3) The lowest responsive bidder has been selected; and

- 4) No bid protest has been received.

A sample of this type of recommendation is located on Purchasing's SharePoint site. The memorandum is forwarded to Purchasing where the contracts are processed using the accounts indicated on the memorandum.

- g. If the proposed award meets the following conditions, the department prepares the recommendation memorandum and forwards it to Purchasing. In addition, Council approval by a council agenda commentary is required:
  - 1) \$50,000 or more and less than three bids were received; or
  - 2) \$2,000,000.00 or more.

The department and Purchasing Services will coordinate to prepare a council agenda commentary. Procedures for working in the commentary system are provided by the City Clerk's office. The Director of Finance is an approval authority on all commentaries related to procurement. After Council approves the award, Purchasing prepares and processes the contract.

## V. APPROVAL

Reference the Index for BPM 2-08 for Jim Twombly's approval.



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## BUSINESS POLICY MEMORANDUM 2-08-18

**EFFECTIVE DATE:** September 30, 2022

**DATE REVISED:** September 30, 2022

**DATE ISSUED:** BPM 2-08-18 is a new policy.

**NO./SUBJECT:** BPM 2-08-18 CONSTRUCTION MANAGER / GENERAL CONTRACTOR  
DESIGN / BUILD PROCUREMENT PROCESS

**AUTHOR/**

**DEPARTMENT:** Purchasing Manager / Finance

### I. POLICY

This policy provides guidelines to contract with Contractors to provide Construction Manager/General Contractor (CM/GC) and Design/Build (D/B) services which traditionally are not obtained through normal bidding procedures.

### II. SCOPE

This policy applies to all city employees and departments.

This procedure applies to procurement requirements for all CM/GC and D/B contracts estimated to be \$25,000 or more.

### III. RESPONSIBILITIES

The Purchasing Manager will periodically review and update this policy.

**SELECTION COMMITTEE:** The Department responsible for funding the requirement designates, in writing, a Selection Committee of at least three members. If the proposed contract involves a Project Manager, the Project Manager shall be a member of the Selection Committee.

**CM/GC or D/B AGREEMENTS:** A standard CM/GC or D/B agreement is the vehicle by which the City contracts with Contractors. The Procurement Agent shall assure that all agreements have been finalized.

### IV. PROCEDURES

1. The City may use a negotiated procurement process for CM/GC and D/B services.

2. The concept of contracting for CM/GC and D/B services under this Section involves three phases:

**PHASE I Selection** of prospective Contractors based primarily upon technical considerations, using a Selection Committee.

**PHASE II Negotiation** of a fair and reasonable fee.

**PHASE III Award** of the contract in the best interest of the City.

## **PHASE I - SELECTION**

### **A. Preparation of Scope of Work**

The Department that is requesting CM/GC or D/B services is responsible for developing the Scope of Work for the proposed contract. The Scope of Work should contain the following minimum elements:

1. Brief description of the Scope of Work involved;
2. List of tasks to be accomplished with details on what is expected to be accomplished;
3. Timetables, milestones, or phases, if applicable;
4. Other required documents such as specifications and drawings;
5. Detailed criteria to be used for selection of the Contractor. The factors to be considered in determining the most advantageous proposal may include but not be limited to the following:
  - i. Technical ability;
  - ii. Previous experience and performance;
  - iii. Qualifications of personnel;
  - iv. Ability to meet schedule; and
  - v. Price.
6. Weights to be applied to each criteria shown for evaluation. The total value of all weights will be 100%.
7. Explanation as to how the proposal will be evaluated and how the weights will be applied.

### **B. Request for Proposal (RFP) Process**

1. The Department forwards the Scope of Work, and the names of the Selection Committee members to the Procurement Agent. The Department should also submit a list of prospective Contractors to receive a notification if they are aware of Contractors that can perform.
2. The Procurement Agent and the Project Manager or primary Department contact should meet to agree upon the process that will be followed for the particular contract.
3. The Procurement Agent shall prepare the Request for Proposal (RFP) and sample CM/GC or D/B services agreement, set the date for a pre-proposal conference (if needed), and the date for receipt of Proposals.



4. The RFP and sample agreement shall be posted on the Rocky Mountain E-Purchasing System.
5. A Pre-Proposal Conference, if needed, will normally be scheduled one week after the RFP has been issued. The purpose of the meeting is to allow Contractors to ask questions regarding the technical and administrative requirements of the RFP. If the Pre-Proposal Conference results in the need for an addendum, attention will be given to the possible need of an extension in receipt of proposals.
6. Proposals shall be received in accordance with the requirements of the RFP. The Procurement Agent shall issue and collect Conflict of Interest forms to be completed by members of the Selection Committee as well as their Managers/Directors/DCM's and City Manager. The Procurement Agent will then distribute the proposals to the members of the Selection Committee.

### **C. Review and Interview Process**

1. The Selection Committee shall review all Proposals received and develop a composite listing of acceptable Contractors, in rank order sequence, using the criteria contained in the RFP. All members of the Selection Committee shall participate in the initial review and scoring. The Selection Committee may develop a "short list" of top-ranked prospective Contractors for further evaluation. Scoring information shall be forwarded by the using Department to the Procurement Agent for inclusion in the RFP file.
2. Contractors selected for further evaluation may be scheduled for interviews with the Selection Committee. Those firms not selected shall be notified in writing by the Procurement Agent.
3. The Selection Committee may request the prospective Contractors to provide a sealed price estimate at the time of the interview.
4. Final selection shall be based primarily on the technical qualifications and selection criteria in the RFP. The price estimate, if required in the RFP, should be used to assist in determining award within the City's best interest.

### **PHASE II - NEGOTIATIONS**

1. The top-ranked Contractor, recommended for award by the Selection Committee, may be requested to provide elaboration on their price proposal for negotiation. The Selection Committee shall negotiate the fee, with the Contractor, until such time as a fair and reasonable fee has been agreed upon.
2. If a fair and reasonable fee cannot be agreed upon, the Selection Committee shall request the second-ranked Contractor to submit a price proposal (if one has not been previously submitted) for negotiation. This process shall continue until a Contractor has been selected with a fee determined to be fair and reasonable by the Selection Committee. If a fair and reasonable fee cannot be reached with any Contractor, the requirement may be resolicited.
3. Price negotiation may only be conducted with one Contractor. If a Contractor offers a FINAL price and the City does not accept it, further negotiation with that Contractor is no longer appropriate.

### **PHASE III - AWARD**

1. The Selection Committee shall notify the Procurement Agent of its recommendation for award and provide the successful Contractor's final price, scope and schedule proposal for inclusion in the CM/GC or D/B services agreement.
2. The Procurement Agent shall process the award.

### **V. APPROVAL**

Reference the Index for BPM 2-08 for Jim Twombly's approval.



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## BUSINESS POLICY MEMORANDUM 2-08-19

**EFFECTIVE DATE:** September 30, 2022

**DATE REVISED:** September 30, 2022

**DATE ISSUED:** This BPM supersedes PPL 3-2 dated January 16, 2012

**NO./SUBJECT:** BPM 2-08-19 CONSTRUCTION CONTRACT PAYMENTS

**AUTHOR/**

**DEPARTMENT:** Purchasing Manager / Finance

**I. POLICY**

Establish uniform procedures for processing payments on construction contracts and other contracts where departments prepare the payment authorization.

**II. SCOPE**

This policy applies to all city employees and departments

**III. RESPONSIBILITIES**

The Purchasing Manager will periodically review and update this policy.

**IV. PROCEDURES**

1. Construction contracts require extra review and processing due to partial payments made throughout the term period of the Contract. Also, retainage, claims, and other deductions factor into the necessity to control payments on these types of contracts. Should the Procurement Agent receive a subcontractor claim, the Procurement Agent will work with the Project Manager to ensure the amount of the claim is withheld from the payment. The Project Manager has the responsibility for ensuring that all construction contract payments are made in conformance with the terms and conditions of the Contract.
2. The "General Conditions of the Construction Contract", Article 13.4.1; require the City to make the payment to the Contractor not later than thirty (30) calendar days from the date of the Project Manager's approval. On some large-dollar contracts, a payment schedule may be developed which establishes specific payment dates.
3. The final Release of Retainage process for a construction contract involves a series of actions that are different than those used to close out other types of contracts. Please refer to policy Close-Out

Procedures for Major Construction Projects", for these special procedures. The authorization for the City retaining payments arises under Section 24-91-109 C.R.S. The City resolves retainage claims following the procedures established in Section 38-26-109 C.R.S.

**V. APPROVAL**

Reference the Index for BPM 2-08 for Jim Twombly's approval.



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## BUSINESS POLICY MEMORANDUM 2-08-21

**EFFECTIVE DATE:** September 30, 2022

**DATE REVISED:** September 30, 2022

**DATE ISSUED:** This BPM supersedes PPL 3-4 dated January 16, 2012

**NO./SUBJECT:** BPM 2-08-21 BID PACKAGES AND PROCEDURES FOR CONSTRUCTION PROJECTS OF \$25,000 or MORE

**AUTHOR/**

**DEPARTMENT:** Purchasing Manager / Finance

### I. POLICY

Establish written procedures and instructions for completing forms, obtaining approvals, and processing bid requirements for construction projects of \$25,000 or more, and require formal solicitation procedures.

### II. SCOPE

This policy applies to all city employees and departments

### III. RESPONSIBILITIES

The Purchasing Manager will periodically review and update this policy.

### IV. PROCEDURES

1. The requesting department enters a purchase requisition into the City's financial system and obtains all appropriate approvals.
2. The department or architect/engineer prepares the following documents:
  - a) Authorization to Bid, Form 410-1\*
  - b) Table of Contents
  - c) Bid form (Pricing portion only)
  - d) Special Conditions
  - e) Specifications
  - f) Details
  - g) Drawings

Instructions for completing the Authorization to Bid (Form 410-1) are found on Purchasing's SharePoint site.

3. The project manager obtains coordination and approval of the architect/engineer regarding the technical portion of the bid package and submits the completed bid package electronically to the procurement agent.
4. The procurement agent completes the bid package to include the first page (CD3-1) and the last page of the proposal, which contains the business data and legal information, and prepares the Supplemental Instructions to Bidders if required. The Supplemental Instructions to Bidders may be used for projects funded by federal funds.
5. The procurement agent reviews the bid package for clarity, completeness, and arranges the documents in the following sequence:
  - a) Project Manual Cover
  - b) Table of Contents
  - c) Invitation to Bid
  - d) Bid Bond
  - e) Instructions to Bidders
  - f) Supplemental Instructions to Bidders (if required)
  - g) Bid Form
  - h) General Conditions
  - i) Insurance Requirements (Form 410-33)
  - j) Special Conditions
  - k) Specifications
  - l) Details
  - m) Drawings
6. The procurement agent coordinates the dates for the pre-bid conference and bid opening and prepares the advertisement for the Daily Journal.

**V. APPROVAL**

Reference the Index for BPM 2-08 for Jim Twombly's approval.



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## BUSINESS POLICY MEMORANDUM 2-08-22

**EFFECTIVE DATE:** September 30, 2022

**DATE REVISED:** September 30, 2022

**DATE ISSUED:** This BPM supersedes PPL 3-5 dated January 29, 2001

**NO./SUBJECT:** BPM 2-08-22 CLOSEOUT PROCEDURES FOR CONSTRUCTION CONTRACTS

**AUTHOR/**

**DEPARTMENT:** Purchasing Manager / Finance

**I. POLICY**

Establish uniform procedures and documentation for the timely closeout of construction contracts valued at \$25,000 or more.

**II. SCOPE**

This policy applies to all city employees and departments

**III. RESPONSIBILITIES**

The Purchasing Manager will periodically review and update this policy

The project manager is responsible for overall management of a project from design to completion.

The project manager heads up the City project management team, and each member has specific duties. Information regarding member titles and duties is contained in other applicable policies.

All forms are located on Purchasing's SharePoint site

**IV. PROCEDURES**

1. The project manager, in concert with the project management team, authorizes acceptance of the work and closing of the contract. The process of closing the contract starts with substantial completion.
  - a. Substantial completion occurs when the project can be used for the purpose for which it was intended. Normally, a project is not substantially complete until the contractor has finished work on all the unit price items and has submitted a request for payment showing the work on the project is 100% complete.
  - b. When the project is substantially complete, the observer and the architect/engineer conduct an inspection. After the inspection, the architect/engineer prepares the Notice of Substantial Completion (Form 410-41) and the Punchlist (Form 410-42). The Notice of Substantial Completion establishes

the date of substantial completion. It also establishes the amount of liquidated damages to be assessed if applicable. The punch list identifies items to be completed or corrected by the contractor before the City will consider the contract completed.

**NOTE: In some cases, the work on the project is complete and there is no punch list. When this occurs, the Notice of Substantial Completion is still required because it addresses liquidated damages.** Item 4 on the Notice of Substantial Completion should be lined out and the term "n/a" put in its place.

- c. The observer and the architect/engineer sign and forward the Notice of Substantial Completion and the Punchlist to the project manager.
2. The Project Manager takes the following actions upon receipt of the Notice of Substantial Completion and Punchlist:
    - a. Mails or emails the Notice of Substantial Completion and Punchlist to the contractor with a copy emailed to the procurement agent.
    - b. Notifies the contractor of any assessment of liquidated damages. If liquidated damages are being assessed, the assessment will start on the day after the scheduled date of completion and end on the actual date of substantial completion.
  3. When the contractor has completed all the work on the project, the observer and the architect/engineer conduct a final inspection. If the project is completed, the architect/engineer prepares the Notice of Final Completion (Form 410-43).
    - a. The observer and the architect/engineer sign and forward the Notice of Final Completion to the project manager.
    - b. If a request for payment showing all unit price items at 100% completion has not been processed, it should be submitted with the Notice of Final Completion.
    - c. The project manager reviews, approves, and forwards the Notice of Final Completion to the procurement agent.
  4. Upon receipt of the Notice of Final Completion, the procurement agent takes the following actions:
    - a. E-mails the Notice of Final Completion to the contractor.
    - b. Requests the contractor sign the Lien Waiver (form 410-45).
    - c. Places a Notice of Final Settlement (Form 410-44) in the Daily Journal to be published twice. The settlement date in the notice must be a minimum of ten (10) days from the last date of publication of the notice.
    - d. If any claims are received prior to the settlement date identified in the Notice of Final Settlement, the procurement agent issues either an Acknowledgment of Claim or a Disallowance of Claim.



5. Upon receipt of the signed Lien Waiver form from the contractor, the procurement agent prepares a Payment Authorization to release retainage.
  - a. If the payment is for a partial release of retainage, the Payment Authorization will be processed as a partial payment. The documentation relating to the partial release is attached to the Payment Authorization. The form is signed by the following:

Procurement Agent  
Project Manager  
Purchasing Manager
  - b. If the payment is a final payment, the procurement agent prepares the payment authorization and attaches copies of the following documents:

Notice of Final Completion  
Advertisement in the Daily Journal  
Lien Waiver
  - c. The procurement agent reviews and signs the Payment Authorization and forwards it to the following for signature:

Project Manager  
City Attorney  
Purchasing Manager
  - d. The City Attorney reviews and signs all final payments to verify the Notice of Final Settlement has been advertised and the Lien Waiver is in order.
6. If claims have been received and acknowledged by the City, the procurement agent advises the contractor of the outstanding claims and holds the retainage as follows:
  - a. Claim settled within 90-days of settlement date - The contractor may provide a subcontractor's release to indicate the claim in question has been settled. The amount of retainage held against the claim may be paid to the contractor provided the dollar value of remaining claims would not exceed retainage held by the City.
  - b. Claim not settled within the 90-day period following the settlement date **and not filed in court** - Retainage may be released with the approval of the City Attorney.
  - c. Claim not settled within the 90-day period following the settlement date **and is filed in court** - Retainage **will not** be released until the claim is finally settled. In this situation, the City attorney will direct how, when, and to whom the payments are to be made.
7. If the project involves work within a City right-of-way or easement, e.g., water/sewer lines, street construction, sidewalks, Public Improvement Inspections issues a letter confirming the project has been accepted for warranty. Some projects may require copies of each letter. A copy of the letter is sent to the procurement agent for the contract file.

8. At the end of the warranty period, the contractor, architect/engineer and the observer perform a final inspection. The contractor makes repairs as required, replaces defective materials and corrects deficiencies that are discovered during the final inspection.
9. After all remedial actions have been taken, Public Improvement Inspections issues a letter confirming the project has been accepted for City maintenance. The same letter used for initial acceptance is used for final acceptance. A copy of the letter is sent to the procurement agent.
10. Upon receipt of the letter indicating final acceptance of the project, the procurement agent closes the contract file unless there are unresolved claims. If there are unresolved claims, the contract file will remain open until all claims have been settled.

**V. APPROVAL**

Reference the Index for BPM 2-08 for Jim Twombly's approval.



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## BUSINESS POLICY MEMORANDUM 2-08-23

**EFFECTIVE DATE:** September 30, 2022

**DATE REVISED:** September 30, 2022

**DATE ISSUED:** This BPM supersedes PPL 3-6 dated January 16, 2012

**NO./SUBJECT:** BPM 2-08-23 ADDENDA

**AUTHOR/**

**DEPARTMENT:** Purchasing Manager / Finance

**I. POLICY**

Establish uniform procedures for publishing and distributing addenda to bids or Request for Proposals on construction contracts.

**II. SCOPE**

This policy applies to all city employees and departments

**III. RESPONSIBILITIES**

The Purchasing Manager will periodically review and update this policy

**IV. PROCEDURES**

1. The Addendum is used as a written alteration to the original solicitation documents. It is issued prior to the opening of bids or receipt of proposals. It modifies/interprets the solicitation documents or changes the date for the opening of bids or receipt of proposals.
2. Reasons for issuing an addendum include, but are not limited to, the following:
  - a. Additions or deletions to the Scope of Work.
  - b. Clarifications of the intent of the specifications and drawings.
  - c. Correction of errors or ambiguities in the contract documents.
  - d. Changes to the date, time or place of the bid opening.

3. The addendum is prepared and signed by the architect/engineer and forwarded to the project manager. In some cases, the architect/engineer and project manager are the same person.
4. The project manager approves the addendum and forwards it to the procurement agent.
5. Upon receipt of the addendum, the procurement agent shall take the following actions:
  - a. Review the contents of the addendum to ensure the document is complete, has all attachments, and has been signed by the project manager and architect/engineer. An individual who holds both positions will sign twice.
  - b. If the addendum contains a revision to bid items, a complete, new price proposal section will be issued. The architect/engineer/ project manager shall provide the pricing portion of the proposal. The procurement agent prepares the cover page and the last two pages and includes them in the addendum package.
  - c. If the addendum is received by the procurement agent at least one week prior to the scheduled bid opening date or date set for receipt of proposals, and the project manager does not request a delay, the procurement agent shall issue the addendum without any change to the date and time of the bid opening, or receipt date for proposals.
  - d. If the project manager requests a change to the scheduled date or time of the bid opening or receipt of proposals, the procurement agent shall set the new date and time.
  - e. If the addendum is received by the procurement agent with less than a week to the scheduled bid opening, the procurement agent shall coordinate with the project manager to establish a new date and time for the bid opening if necessary. The new date will allow enough time for the addendum to be received by the plan holders and for plan holders to revise their proposals according to the instructions in the addendum.
6. The procurement agent shall sign the addendum and will issue it on the Rocky Mountain E-Purchasing System.

V. **APPROVAL**

Reference the Index for BPM 2-08 for Jim Twombly's approval.



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## BUSINESS POLICY MEMORANDUM 2-08-25

**EFFECTIVE DATE:** September 30, 2022

**DATE REVISED:** September 30, 2022

**DATE ISSUED:** This BPM supersedes PPL 3-8 dated January 16, 2012

**NO./SUBJECT:** BPM 2-08-25 CHANGE ORDERS FOR CONSTRUCTION CONTRACTS

**AUTHOR/**

**DEPARTMENT:** Purchasing Manager / Finance

### I. POLICY

To establish standard procedures for issuing and approving construction contract change orders.

Section 2-676 of the City Code establishes the basic regulations for approving change orders. Construction contract change orders are approved as long as such approval does not exceed the amount of contingency approved by Council. Otherwise, City Council approval is required.

The "Changes" clause, used in the City's standard construction contract, authorizes changes.

Necessary forms used to formalize changes to construction contracts may be obtained from Purchasing staff or from Purchasing's page on SharePoint.

### II. SCOPE

This policy applies to all city employees and departments

### III. RESPONSIBILITIES

The Purchasing Manager will periodically review and update this policy

### IV. PROCEDURES

1. The procurement agent completes the change order, routes it for signatures and distributes final copies of the change order to functions on the change order distribution list. Should a council agenda commentary be necessary, the procurement agent and project manager will accomplish it consistent with responsibilities identified in policy titled "PROCEDURES FOR COMPLETING PURCHASING AGENDA ITEM COMMENTARIES".

2. The contractor may submit a request for payment, per policy titled “CONTRACT PAYMENTS”, when the change order has been distributed, if the work has been completed and accepted by the City.

V. **APPROVAL**

Reference the Index for BPM 2-08 for Jim Twombly’s approval.



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## BUSINESS POLICY MEMORANDUM 2-08-26

**EFFECTIVE DATE:** September 30, 2022

**DATE REVISED:** September 30, 2022

**DATE ISSUED:** This BPM supersedes PPL 4-1 dated December 6, 2016

**NO./SUBJECT:** BPM 2-08-26 SOLICITATION PROTEST PROCEDURES

**AUTHOR/**

**DEPARTMENT:** Purchasing Manager / Finance

**I. POLICY**

Establish written solicitation protest procedures.

**II. SCOPE**

This policy applies to all city employees and departments

**III. RESPONSIBILITIES**

The Purchasing Manager will periodically review and update this policy.

**IV. PROCEDURES**

1. Solicitation Protests should be filed through e-mail to the Procurement Agent responsible for the solicitation. The Procurement Agent shall forward the protest to the Manager of Purchasing for consideration by the Manager as well as City Management and Legal. Protests must be filed no later than five (5) business days after bid opening or notification of vendor, contractor or consultant selection.
2. The City of Aurora will rule on the Solicitation Protest determining to a preponderance of the evidence whether the City substantially complied with our contracting process and whether the Protestor was materially prejudiced from receiving fair consideration of their proposal. The written Ruling shall be signed by the Manager of Purchasing and the Director of Finance. The Ruling will also be signed off on as to the correctness of its form only by the City Attorney's Office.
3. The Manager of Purchasing Services will transmit the Ruling to the protesting firm through email. A copy of the Ruling will be included in the contract file in the Office of Purchasing Services. Solicitation Protest documents, filings, and rulings are public records.

4. There shall be no appeal to City Council. The Ruling shall be the final action by the City of Aurora, unless City Council, through its regular process, determines timely to call the matter on to its Agenda for reconsideration.

**5. Effect of Sustained Solicitation Protest**

The Manager of Purchasing shall immediately undertake an analysis as to which of the submitted proposals, under the facts now established, is the most advantageous acceptable proposal. The award shall be made to that Bidder or Proposer, if that Bidder or Proposer asserts in writing that their bid or proposal still stands. If that Bidder or Proposer declines to hold open their proposal the Manager shall continue in order through the acceptable proposals until a contract is agreed upon, or until the Manager of Purchasing determines that the best interests of the City would be served by a complete resoliciting of the contract. Such a determination shall be made under the existing terms of the City Code.

**V. APPROVAL**

Reference the Index for BPM 2-08 for Jim Twombly's approval.





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## BUSINESS POLICY MEMORANDUM 2-08-27

**EFFECTIVE DATE:** September 30, 2022

**DATE REVISED:** September 30, 2022

**DATE ISSUED:** This BPM supersedes PPL 4-2 dated February 17, 2017

**NO./SUBJECT:** BPM 2-08-27 SUSPENSION AND DEBARMENT PROCEDURES

**AUTHOR/**

**DEPARTMENT:** Purchasing Manager / Finance

**I. POLICY**

Establish written suspension and debarment procedures.

**II. SCOPE**

This policy applies to all city employees and departments

**III. RESPONSIBILITIES**

The Purchasing Manager will periodically review and update this policy.

**IV. PROCEDURES**

**1. Preliminary matters**

Section 2-667 (f) of the City Code authorizes disqualification of vendors or contractors from bidding on City Contracts. That Section reads as follows:

**2. Sec. 2-667(f) Disqualified vendor or contractor**

A. Vendors or contractors who have performed unsatisfactorily under published rules or procedures of the Purchasing and Contracting Division as contained within the City's Purchasing Procedure Letters, who have defaulted on terms of their bids/proposals, or who have contacted City Council Members, City Management and City Staff other than in the Purchasing Division about a pending contract award during the evaluative period between submittal of bids or proposals and the award, and against specific written direction in the requests for proposals may be declared excluded, debarred or suspended bidders/offerors and may be precluded from participation in future contracting opportunities and disqualified from receiving any business from the-City for a specified time period. No

vendor or contractor shall be declared an excluded bidder until an opinion regarding such has been obtained from the city attorney's office.

- B. Aurora's Section 2-667(f) has a strong analog in Section 24-109-105 of the Colorado Revised Statutes.
- C. Unsatisfactory performance as set forth in Section 2-667(f) of the City Code or as used in this policy shall include, but shall not be limited to: violating the spirit or intent of City Code Sections 2-667(a)(b) & (c); and/or not adhering to or honoring terms, conditions, and/or written directions in requests for bids or proposals which have been published by the Purchasing and Contracting Division, specifically including directions to communicate about a published proposal only with Purchasing Staff during the evaluative period between submission of proposals and notice of awards, if that direction has been given. A Contractor can be found to have performed unsatisfactorily without there having been a determination that there was a material breach of the contract.
- D. Default shall mean a material breach of the contract as determined by the Manager of Purchasing.

### **3. In General**

Any contractor, vendor or supplier of any goods, materials or services may be debarred and/or suspended from contracting with the City of Aurora if after reasonable inquiry by the Manager of Purchasing for the City of Aurora they are found, in the sole and exclusive opinion of the Manager of Purchasing who are in violation of Section 2-667 (f) of the City Code or they meet any of the conditions set forth in Section 24-109-105(2) of the Colorado Revised Statutes.

### **4. Notice of Pending Debarment or Suspension Determination**

Prior to making a Debarment or Suspension determination the Manager of Purchasing shall provide written notice to the contractor or vendor of the pending determination. The notice shall be sent by email to the address of the contractor or vendor noted on the contract, or updated in the contract file kept by Purchasing or by the City's Project Manager in instances where the latter provision is applicable.

### **5. Provisions of Notice**

The written notice of a pending determination shall include sufficient information to identify the contract in question. At the discretion of the Manager of Purchasing this condition may be met by including with the Notice a copy of the contract in question. The notice shall set forth succinctly the reason for considering suspension or termination referencing provisions from that portion of this procedure captioned "*In General*". Additionally, the notice shall briefly cite any supporting documents or testimonial allegations supporting the allegation causing consideration of suspension or termination. The specificity of notice in the supporting documents or allegations shall be such that the contractor may reasonably respond to the allegations. In cases where there are supporting documents those documents shall be included with the notice so long as they do not contain confidential information or protected work product.

## **6. Opportunity for the Contractor to be Heard**

The Contractor shall have five (5) business days in which to respond. The response shall be in writing and shall be submitted to the Manager of Purchasing in such a manner that the response is actually received. The response must contain a comprehensive list of all contracts the Contractor currently holds with the City and must contain also a comprehensive list of any active bids currently before the City for consideration. Beyond this mandatory requirement the Contractor can include whatever material or argumentation they see fit to include. Responses not received or not received in a timely fashion shall not be considered by the Manager of Purchasing in making a determination to suspend or debar a contractor. A contractor may ask permission to be heard by means of electronic communications or telecommunications, or may ask to be heard in person. If, in the sole and exclusive opinion of the Manager of Purchasing, there is a valid reason to hear the contractor other than in writing the Manager may do so.

## **7. Determination**

The Manager of Purchasing shall make a determination as to whether a contractor is debarred or suspended from contracting with the City of Aurora. The determination shall come only after the City Attorney has rendered a written opinion on the propriety of a suspension and or debarment. The determination of the Manager of Purchasing shall be in writing and shall be to the contractor in the same manner in which the original notice of the pending determination was transmitted. The determination shall take effect immediately upon issuance of the same via email. The written determination need only cite that the Manager of Purchasing has considered the propriety of making the determination and that they have found to at least a preponderance of the evidence that the determination is justified. There need be no additional summary of the facts or the law. The determination shall give notice that absent hearing from a Court of competent jurisdiction within 20 days that the City shall publish the contractor's name on a suspension or debarment list which is available to the public. The determination shall clearly state the time period of the suspension or debarment.

## **8. Suspension**

- A. Suspension shall mean that the City of Aurora will make no awards on any bids or proposals submitted by the suspended contractor for a one-year period. The suspended contractor shall have no recourse against the City for being denied the opportunity to bid or propose during the period of suspension. The purchasing and contracting process will not be held up, and it will not wait for suspension periods to come to an end.
- B. Suspension shall be used in those instances where performance has been unsatisfactory but has not risen to the level of default or breach of a material term of the contract.

## **9. Debarment**

Debarment shall mean that the City has made a determination that the contractor fulfills the conditions set forth in Section 2-667 (f) of the City Code and the conditions of this Suspension

and Debarment Procedure, and that there are no known pending actions likely to change that status. Debarment shall be the appropriate course only when Contractor has defaulted on, or breached a material term of the Contract. Determining materiality of a contract term shall be within the sole discretion of the Manager of Purchasing and Contracts. Debarment shall be for a stated period of time but in no instance longer than three years absent a new debarment determination. New debarment determinations may be based on the impact of the facts from the initial debarment still prevailing, there need not be new facts alleged.

**10. Suspension and Debarment List**

The lists shall set forth the name and address of the contractor debarred or suspended and the date upon which they are to come off the list. No additional information shall be on the list.

**11. Scope of Debarment or Suspension**

Contractors debarred or suspended shall not allow themselves to be subcontractors on City contracts. Failure to comply with this provision shall be sufficient cause to extend a debarment or suspension. Contractors using entities on the suspension or debarment list as subcontractors will themselves be subject to debarment or suspension.

**V. APPROVAL**

Reference the Index for BPM 2-08 for Jim Twombly's approval.