

ORDINANCE NO. 1260

AN ORDINANCE OF THE CITY COUNCIL FOR THE CITY OF FORT MORGAN, COLORADO, AMENDING CHAPTER 4, ARTICLE 6 OF THE FORT MORGAN MUNICIPAL CODE, REGARDING PROCUREMENT AND CONTRACTS, TO UPDATE THE CODE IN CONFORMANCE WITH THE RECENT CHARTER AMENDMENT UPDATING PROCUREMENT AND CONTRACTING PROCEDURES

WHEREAS, the City of Fort Morgan, Colorado (the “City”), is a Colorado home rule municipality, duly organized and existing pursuant to Section 6 of Article XX of the Colorado Constitution; and

WHEREAS, the City Council (the “Council”) has authority pursuant to the Home Rule Charter and C.R.S. § 31-16-101, *et seq.* to adopt and enforce all ordinances; and

WHEREAS, on November 2, 2021, the voters within the City voted to approve Ballot Issue 2G, which amended Article III, Section 4, Subsection (a) of the City Charter to remove the requirement that contracts valued over ten thousand dollars (\$10,000.00) be approved by resolution of the Council; and

WHEREAS, the expenditures involved in such contracts have already been considered and approved by the Council as part of the annual municipal budgeting process, which is conducted in public after notice to the community; and

WHEREAS, the Fort Morgan Municipal Code (the “Code”) has similar requirements related to Council approval of expenditures over a certain dollar amount, which are redundant, consume City resources, and serve no identifiable public purpose; and

WHEREAS, the City Council therefore finds it desirable and appropriate, and in the best interest of the general health, safety, and welfare of its citizens to amend Chapter 4, Article 16 of the Code, as it relates to procurement and contracting, to conform the Code with the recent Charter amendment passed by the voters.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FORT MORGAN, COLORADO, AS FOLLOWS:

Section 1. The City Council incorporates the foregoing recitals as conclusions, facts, determinations, and findings by the City Council.

Section 2. Section 4-6-50 of the Fort Morgan Municipal Code, concerning procurement and contracts, is hereby amended to read as follows:

Sec. 4-6-50. - Limits and approvals.

(a) Approval by City Council. It shall be the policy of the City Council to review and act upon all expenditures by the City. Approval and authorization for expenditures shall generally occur as follows:

(1) All expenditures shall be authorized in the annual budget review and appropriations process. Any contract value that exceeds the amount approved in the budget and appropriation process shall be approved by the City Council before the expenditure and purchase are authorized.

(2) Operating and maintenance purchases including those in excess of ~~ten thousand dollars (\$10,000.00)~~ **fifty thousand dollars (\$50,000.00)** will be authorized in the annual budget review and appropriations process and will be approved by a general resolution for the monthly appropriations by the City Council. Prior authorization by the City Council for these purchases is not necessary so long as the purchase does not exceed the amount approved in the budget and appropriation process.

(3) Capital expenditures will be approved in the annual budget and appropriations process. All items over ~~ten thousand dollars (\$10,000.00)~~ **fifty thousand dollars (\$50,000.00)** in cost must be approved by the City Council before the bid is awarded and prior to any purchase.

(4) All unbudgeted expenditures shall be presented to and acted upon by the City Council prior to purchase, except for expenditures for a purchase made pursuant to Subsection (b) below.

(b) Emergency purchases. It shall be the policy of the City to waive the prior approval and bid requirements of this Section when, in cases of actual emergencies, the life, health or safety of employees or the general public is at risk or when significant harm may occur to operating systems and, in the judgment of the City Manager or the Purchasing Agent, services and/or goods must be procured immediately to prevent loss. Emergency purchases in excess of ~~ten thousand dollars (\$10,000.00)~~ **fifty thousand dollars (\$50,000.00)** must be approved by the Mayor and presented at the next regular City Council meeting for ratification by the City Council. If the purchase is related to O&M, then the item will be approved by the monthly expenditure resolution.

(c) Purchases estimated to exceed ~~ten thousand dollars (\$10,000.00)~~ **fifty thousand dollars (\$50,000.00)** in costs. It shall be the policy of the City to require IFBs for all purchases in which the purchase price is estimated to exceed ~~ten thousand dollars (\$10,000.00)~~ **fifty thousand dollars (\$50,000.00)** for any one (1) purchase or liability, or where the aggregate purchases from a single vendor exceed ~~ten thousand dollars (\$10,000.00)~~ **fifty thousand dollars (\$50,000.00)** except when:

(1) The purchase is associated with federal, state or private grant-funded projects that require the use of a specific vendor for the project;

(2) When state bid pricing has been established and it is in the best interest of the City to forego formal bid requirements to utilize state bid pricing; or

(3) In the discretion of the City Manager, a purchase is considered to be required from a sole source vendor based on the following criteria:

a. When there is no other distributor or manufacturer of the product within two hundred (200) miles, or due to patent or trademark limitations,

b. When software support is necessary for a specific product or service purchased or provided by the City which is specific to the vendor of the product or service, or

c. When purchase of a specific product is necessary to maintain consistency with other products used by the City, and failure to stay consistent would pose a health or safety risk or unnecessary additional cost.

(d) Purchases estimated to exceed ~~two thousand dollars (\$2,000.00)~~ **ten thousand dollars (\$10,000.00)** but not exceed ~~ten thousand dollars (\$10,000.00)~~ **fifty thousand dollars (\$50,000.00)**. It shall be the policy of the City to require IQs for all purchases which are estimated to exceed ~~two thousand dollars (\$2,000.00)~~ **ten thousand dollars (\$10,000.00)** but not to exceed ~~ten thousand dollars (\$10,000.00)~~ **fifty thousand dollars (\$50,000.00)** for any one (1) purchase or liability.

(e) Purchases estimated to be less than ~~two thousand dollars (\$2,000.00)~~ **ten thousand dollars (\$10,000.00)** limited allowance. It shall be the policy of the City to allow the Purchasing Agents to use their discretion in the purchase of services or goods that are estimated not to exceed ~~two thousand dollars (\$2,000.00)~~ **ten thousand dollars (\$10,000.00)**. Such purchases will be made using the requisition form.

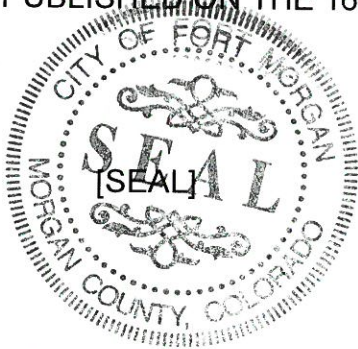
(f) Use of purchase order. It shall be the policy of the City to require the use of purchase orders for all procurements that are estimated to exceed ~~two thousand dollars (\$2,000.00)~~ **ten thousand dollars (\$10,000.00)**. Terms and conditions for purchase orders shall be developed by the City Manager and approved by the City Attorney. The terms and conditions of the City shall supersede conflicting terms and conditions of an invoice.

(g) Multiple department purchase. Where multiple departments have contracted with a single vendor for goods and services and each department has a separate contract, the approval of those purchases will be same as O&M purchases unless it is for a capital purchase. All capital purchases must be approved by the City Council where

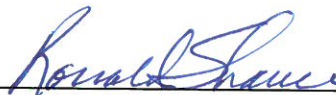
the vendor provides goods or services to other departments and the aggregate purchases exceed ~~ten thousand dollars (\$10,000.00)~~ fifty thousand dollars (\$50,000.00).

Section 3. Severability. The provisions of this ordinance are severable and the invalidity of any section, phrase, clause, or portion of the ordinance as determined by a court of competent jurisdiction shall not affect the validity or effectiveness of the remainder of the ordinance.

INTRODUCED, READ, AND ADOPTED ON FIRST READING AND ORDERED
PUBLISHED ON THE 16th DAY OF NOVEMBER, 2021.



THE CITY COUNCIL OF THE CITY OF FORT
MORGAN, COLORADO



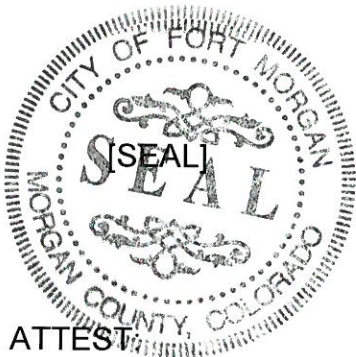
Ronald Shaver, Mayor

ATTEST:




John Brennan, City Clerk

PASSED, APPROVED, AND ADOPTED ON THE SECOND AND FINAL READING AND
ORDERED PUBLISHED THIS 7TH DAY OF DECEMBER 2021.




THE CITY COUNCIL OF THE CITY OF
FORT MORGAN, COLORADO



Ronald Shaver, Mayor

ATTEST:

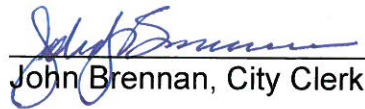


John Brennan, City Clerk

STATE OF COLORADO)
COUNTY OF MORGAN)ss.
CITY OF FORT MORGAN)

CERTIFICATE

I, John Brennan, the duly appointed, qualified Clerk of the City of Fort Morgan, Colorado, do hereby certify that the foregoing Ordinance No. 1260 was, as a proposed Ordinance, duly and legally presented to the City Council of the City of Fort Morgan, Colorado, on the 16th day of November, 2021. Said ordinance, as proposed, was duly read at length at said meeting, and thereafter the same was, on the 19th day of November, 2021, published in *The Fort Morgan Times*, a daily newspaper of general circulation published and printed in the City of Fort Morgan, Morgan County, Colorado. Said proposed ordinance was again taken up and read a second time, duly and legally, passed, approved and adopted at a regular meeting of the City Council held on the 7th day of December, 2021. Within five (5) days after its final passage, said Ordinance No. 1260 was published in *The Fort Morgan Times*, a daily newspaper of general circulation published and printed in the City of Fort Morgan, Morgan County, Colorado.



John Brennan, City Clerk