



BOARD OF TRUSTEES
April 13, 2021
6:30 PM

Leeper Center, 3800 Wilson Avenue, Wellington, CO

Regular Meeting Agenda

Due to social distancing and limited seating, individuals that wish to appear in person at the meeting will need to register by April 13, 2021 at 4:00 p.m. by sending an email to euckerkk@wellingtoncolorado.gov. Once seating is full, registration will be closed. Individuals attending in person will need to arrive at the meeting by 6:20 p.m. and will be required to wear masks.

Please click the link below to join the webinar:

<https://zoom.us/j/96287589719?pwd=bThwWVp2V2J0ZFdFTXJlQ2NTS1B2Zz09>

Webinar ID: 962 8758 9719

Passcode: 240151

Or One tap mobile :

US: +13462487799,,96287589719# or +16699009128,,96287589719#

Or Telephone:

US: +1 346 248 7799 or +1 669 900 9128 or +1 253 215 8782 or +1 312 626 6799

Members of the public may also provide public comment or comment on a specific agenda item by sending an email to euckerkk@wellingtoncolorado.gov. The email must be received by 4:00 p.m. Tuesday April 13, 2021 and will be read into the record during public comment or public comment for the agenda item.

A. CALL TO ORDER

1. Pledge of Allegiance
2. Roll Call
3. Amendments to Agenda
4. Conflict of Interest

B. COMMUNITY PARTICIPATION

1. Public Comment
2. Proclamation
 - a. National Volunteer Appreciation Week Proclamation

C. CONSENT AGENDA

1. Minutes of the March 23, 2021 Board of Trustees meeting

D. ACTION ITEMS

1. Procurement Policy Change Requests

- Staff presentation: Judith Tippetts, Finance Director

E. REPORTS

1. Town Attorney
2. Town Administrator
3. Staff Communications
4. Board Reports

F. EXECUTIVE SESSION

1. Conferences with an attorney for the Town pursuant to § 24-6-402(4) (b), for the purpose of receiving legal advice relative to pending suits involving voter initiative and possible voter referral matters. The executive session will not be recorded and an attorney certification will be provided as required by C.R.S. §24-6-402(2)(d.5)(II)(B) that discussions in the executive session constitute privileged attorney-client communications.

G. ADJOURN

The Town of Wellington will make reasonable accommodations for access to Town services, programs, and activities and special communication arrangements. Individuals needing special accommodation may request assistance by contacting at Town Hall or at 970-568-3380 ext. 110 at least 24 hours in advance.



PROCLAMATION

National Volunteer Week April 18-24, 2021

Whereas, recognition of volunteerism in the United States was first established by Presidential Proclamation in 1974 and is celebrated annually; and

Whereas, during this week all over the nation, service projects will be performed, and volunteers recognized for their commitment to service and investment in enhancing their community and the lives of others; and

Whereas, volunteering one's time, talents and resources has been an integral part of Wellington and it is essential that we continue this tradition to preserve and improve the quality of live for all residents in our community; and

Whereas, volunteers of the Town of Wellington and various other agencies have persevered through the challenges of the COVID-19 pandemic; and

Whereas, the Town of Wellington is proud of all volunteers and wish to recognize these members of our community who selflessly serve those around them and help make our community a strong and incredible place to live.

NOW, THEREFORE, I, Troy Hamman, Mayor of the Town of Wellington, Colorado, do hereby proclaim, the week of April 18 through April 24, 2021, as

National Volunteer Week

in the Town of Wellington and urge all fellow citizens to volunteer in one of our local community organizations.

Dated this 13th day of April 2021

Troy Hamman, Mayor



Board of Trustees Meeting

Date: April 13, 2021

Submitted By:

Subject: Minutes of the March 23, 2021 Board of Trustees meeting

EXECUTIVE SUMMARY

BACKGROUND / DISCUSSION

STAFF RECOMMENDATION

ATTACHMENTS

1. March 23, 2021 Board of Trustees Draft Minutes



BOARD OF TRUSTEES
March 23, 2021
6:30 PM

Leeper Center, 3800 Wilson Avenue, Wellington, CO

MINUTES

A. CALL TO ORDER

Mayor Hamman called the meeting to order at 6:30 p.m.

1. Pledge of Allegiance
Mayor Hamman asked that all rise for the pledge of allegiance.
2. Roll Call
Mayor Troy Hamman
Mayor Pro Tem Wyatt Knutson
Trustee Jon Gaiter
Trustee John Jerome
Trustee Rebekka Kinney
Trustee Ashley Macdonald
Trustee Tim Whitehouse

Also Present:

Patti Garcia, Town Administrator
Kelly Houghteling, Deputy Town Administrator
Brad March, March & Olive, LLC, Town Attorney
Dan Sapienza, March & Olive, LLC, Town Attorney
Judi Tippetts, Finance Director
Cody Bird, Director of Planning
Hallie Sheldon, Management Analyst
Bob Gowing, Director of Public Works
Mike Flores, WWTP Lead Operator
Krystal Eucker, Town Clerk
DJ Jones, Water Treatment Superintendent
Michael Rairdon, Larimer County Sheriff's Office Patrol Sergeant
Dave Myer, Engineer
Mahalia Henschel, Communications Specialist

3. Amendments to Agenda
Mayor Hamman asked if there were any amendments to the agenda this evening to which there was none.
4. Conflict of Interest
Mayor Hamman asked if there were any conflicts of interest on tonight's agenda to where there was none.

B. COMMUNITY PARTICIPATION

1. Public Comment

Mayor Hamman opened the meeting up for public comment.

Diedre Sullivan, 2925 Rocky Mountain Court, Fort Collins, CO commented that she has been involved with efforts across the community with the integration of equity, diversity and inclusion. Ms. Sullivan worked on the Loveland Comprehensive Plan, has worked with the City of Fort Collins and wanted to commend Wellington's Comprehensive Plan for identifying an important foreign-born workforce and immigrant community.

Steve Sarno, 459 E CR 66, Wellington, CO commented that he is on the CAC Board but is speaking this evening as a citizen of Wellington. The Easter Egg Hunt has been planned and the supplies have been purchased although now Larimer County is only allowing 175 attendees; that makes having this event difficult. If individuals do not feel safe at the event, then they have the choice not to attend but that should not prevent others who want to attend from going. The First Amendment allows the right of peaceful assembly and that is what was going to happen with the Easter Egg Hunt although now that has been taken away; we have had our rights taken away for almost a year.

Michael Clark, Sage Meadows, Wellington, CO commented that he is troubled that people do not know the difference between equity and equality. Equality is where we all start from the same place and through our own efforts and hard work, we get to where we get. Mr. Clark commented that he would never want someone to seek him out for the way he was born and target him for a position because of something he had nothing to do with. Equity is looking at people and determining that one is less than and we will try to advantage the ones we see as less. Mr. Clark stated that is communism and there is no place for that in American government. He would like to see that information stripped from the Comprehensive Plan.

2. Presentation

a. Business in the Treasurer & Public Trustee's Office

Irene Josey, Larimer County Treasurer & Public Trustee informed the Board that she has been the Larimer County Treasurer since 2015 although she has worked in the office since 1986. Ms. Josey informed the Board that around the end of January, property tax statements are mailed out if you own a property in Larimer County; there were 170,000 statements sent out in January and this presentation will break down how property taxes are calculated and where they go.

The Assessor's Office has appraisers in their office, and they place a value on properties. That value is then multiplied by the mill levy of each of the taxing authorities in that property's taxing district. The appraised value and the value that the Assessor places on the property is not fair market value. The value placed on a property from the Assessor is for tax purposes. When the mill levy is established by the Town of Wellington, the mill levies are multiplied by the assessed value and that creates the property taxes that are due on the property.

The property taxes collected are then distributed to the taxing authorities; 52.64% goes to schools; 23.70% goes to the County, 8.27% goes to the municipality and 15.39% goes to special districts.

The Public Trustee is something that the Treasurer Office took over on July 1, 2020. That office handles foreclosures, cures, and releases of deeds of trust.

Trustee Gaiter inquired about the assessed value change that was voted on and how that will impact property taxes.

Ms. Josey stated she would like to defer that question to the Assessor's Office as it is important for them to communicate what those effects would be.

C. CONSENT AGENDA

1. Minutes of the March 9, 2021 Board of Trustees Meeting
Mayor Pro Tem Knutson moved to approve the consent agenda with a correction to voting on Item D.1; Trustee Gaiter seconded the motion. Roll call on the vote resulted as follows:
Yeas – Gaiter, Jerome, Kinney, Macdonald, Whitehouse, Knutson, Hamman
Nays – None
Motion carried.

D. ACTION ITEMS

1. Community Activities Commission Request to Hold Wellington Easter Egg Event
Mayor Hamman commented that the State has lifted outdoor restrictions for Level Yellow, effective March 24, 2021.

Mr. Richard Bacon with the Community Activities Commission (CAC) informed the Board that Larimer County will only allow one group of 175 for the Easter Egg Event. Harvest Farm will not move forward with the Easter Egg Event unless there is a variance approved by the County to allow more people. There is the option to have the Event like it was done last year with a drive-thru at Eyestone Elementary.

Trustee Macdonald commented that with the current guidelines that just came out, the event would follow normal operating procedures through the special event process and permission would be needed from the property owners to have the event; it does not seem that the Board of Trustees needs to provide an approval.

Trustee Gaiter commented that his concern is that if the County decides to hold a higher level of restrictions longer than the State does, will there no longer be a need for a variance for the CAC to host the event. Although if there is an issue with the County not allowing the event to move forward, where does the CAC go from there.

Mr. March commented that he has not yet seen what the State has released, although believes that the State guidelines do not overrule the County's restrictions.

Ms. Garcia stated the information that just came out from the State is Dial 3.0 and it just came out at 5:45 this evening. The County may have not had the opportunity to respond yet so hopefully they will have something to roll out pretty quickly. It does state in the information that the County can create its own set of guidelines and local municipalities and governments are hoping that Counties coincide with the State.

Trustee Macdonald commented that is it inconsequential to move to approve an Easter Egg Event.

Trustee Jerome commented that he believes it is up to the individual to choose what regulations they will follow, and it is also their choice to violate those. The CAC wants to put the event on and the Board has entrusted them to make good decisions.

Trustee Kinney commented that she is not interested, from the perspective of the Town to make a statement going against County or State guidelines and would like to see what the County's response to the State's recent guidelines. Trustee Kinney trusts the CAC to do what is best and meet any required guidelines to give the kids a great experience.

Trustee Whitehouse commented that he concurs with Trustee Kinney and does not see the Board wanting to move forward with a motion at this time.

Trustee Gaiter commented that he is still a little confused, is the Board agreeing to leave the event to the best judgement of the CAC, regardless of what the County does or does not do? If the Board is leaving that decision to the CAC and they move forward with the event as planned, the Board is basically giving the CAC permission to do what they will with the event.

Trustee Kinney stated she feels confident that the County will follow the State's direction so the event as planned at Harvest Farms will be in compliance and not require a variance.

Mayor Pro Tem Knutson commented that he was not sure if that weight should be put on the CAC.

Trustee Macdonald commented that we can support a community event and if we feel the CAC can put it on safely, we should empower the CAC to do so.

Trustee Gaiter commented that this request from the CAC came about prior to the State's change in guidelines that came out this evening. The County was saying that the limit on the event would be 175 people not individual groups of 175. The CAC discussed moving forward with the event but to do so on Town property and not abide by the 175 cap. The CAC did not feel it was an appropriate decision for them to make. That is why they brought it before the Board; to either confirm the CAC moving forward with the event or to move forward with the back-up plan of handing out eggs through a drive thru. With the information that came out this evening, the CAC may be able to move forward without the Board having a say either way, although it is still up in the air as to what direction the County will go with guidelines. The Board should be giving direction to the CAC on what way to move forward.

Trustee Whitehouse commented that he does not think making a statement about telling a local group they can violate the County guidelines is a position that the Board needs to put themselves in. If the event can move forward within the guidelines that would be great but if not, the CAC can go with Plan B.

Mayor Hamman commented that what he is hearing from the Board is that that the Board does not want to make a statement about going against County regulations.

Trustee Macdonald commented on behalf of herself that if the Board were to give the CAC permission to have the Easter Egg Event and if there were negative consequences that came from that from the County or the State, she would feel comfortable owning whatever consequences those would be. Trustee Macdonald believes the County will follow suit with the State pretty quickly.

Trustee Whitehouse inquired if Trustee Macdonald would take those consequences if that would potentially harm future funding for the Town.

Trustee Macdonald stated that is a great point and rephrased her statement to say that she is comfortable supporting the plans that the CAC has presented this evening, it sounds like

they have come up with some options that would fit within guidelines for either scenario. It does not seem like there needs to be Board action for the CAC to host the Event.

Mayor Hamman commented that he agrees there does not seem to be a need for Board action to hold the Event.

Trustee Jerome inquired if Harvest Farms is willing to allow the CAC to use their facility at the current time.

Mr. Bacon stated they would if the event stayed within County health requirements.

Trustee Jerome confirmed that the CAC is asking to use Town property and to exceed the 175 capacity.

Mr. Bacon stated the CAC is asking for permission to hold the event within County requirements; if the County does not follow the State direction, the CAC can host the event as a drive thru. If the County does follow the State direction, the event can be held at Harvest Farms.

Mayor Hamman opened the meeting up for public comment.

There were approximately 17 individuals that commented during public comment. Some of the comments regarding the Easter Egg Event included:

The event should move forward but should stay within County guidelines.

The lockdowns have affected mental health.

The Town should move forward as planned and without a back-up plan.

Allow the event to exceed numbers organically.

Not comfortable risking reputation as a Town by holding the event outside of guidelines.

My family would love for this to happen.

Repercussions from defying state/county guidelines are basically nonexistent.

Holding a large event also jeopardizes our community's imminent return to normalcy.

The health orders should be violated, and our Easter Egg hunt should proceed.

- Wyatt Schwendeman-Curtis – Support within County Guidelines
- Hannah Michaud – Support
- Jesy Andreen – Support
- Christine Gaiter – Support
- Kristi Cannon- Support within County Guidelines
- Shirrell Tietz – Support
- Michael Clark – Support
- Martin King – Support
- Tracy Low – Neither
- Kimberly Shrug – Not in favor of violating County Health Orders
- Jenna Clark – Support
- Samantha Beckman – Support
- Kathy Wydallis – Support
- Linda Stoddard – Not in favor of violating County Health Orders
- Christine and James Tsujimoto – Not in favor of violating County Health Orders
- Sherri Rodriguez – Support
- Steve Sarno – Support

Steve Sarno, CAC Member asked for clarification from the Board of Trustees. If Harvest Farms lets the CAC move forward with an unrestricted event, then we will do the event as planned. If Harvest Farms does not let the CAC move forward with an unrestricted event, the CAC's second choice would be Community Park which is Town Property. The CAC is looking for permission from the Town to hold the event at Community Park as a second option.

Trustee Macdonald clarified the ask from the CAC for approval to host the Easter Egg Event and in the event that Harvest Farms is not an option, the ask would be for approval of the Board to host the event on Town Property.

Per Mr. Sarno, that is correct.

Mayor Hamman commented that this is important to a lot of families; this information just came out from the State this evening so we could give it a day or two and see what happens.

Ms. Garcia stated she has been reaching out to other managers around the State and they are waiting until tomorrow to see how the Counties are responding to the State guidelines. Decisions are being made by the department that is holding the event or the committee that is holding the event on how to proceed. It seems that everyone has a backup plan as well.

Trustee Macdonald moved that the Town of Wellington allow the Community Activities Commission to hold the Easter Egg Event and in the event, they need the Town's permission to use Town property to hold the Event, the Community Activities Commission has that permission; Trustee Jerome seconded the motion. Roll call on the vote resulted as follows:

Yeas – Gaiter, Jerome, Macdonald, Knutson, Hamman

Nays – Kinney, Whitehouse

Motion carried.

2. 4th of July Fireworks Contract Award

Ms. Sheldon stated the item before the Board this evening is the contract award for the 4th of July Fireworks from Bee Lake Productions. The Town has been working with them for the past few years, so the contract is being amended for 2021. Bee Lake Productions is requesting \$36,883 which is slightly under the budgeted amount.

Mayor Hamman opened the meeting for public comment to which there was none.

Trustee Whitehouse moved to approve the 4th of July Fireworks Contract; Trustee Macdonald seconded the motion. Roll call on the vote resulted as follows:

Yeas – Gaiter, Jerome, Kinney, Macdonald, Whitehouse, Knutson, Hamman

Nays – None

Motion carried.

3. Ordinance 1-2021 - An Ordinance Allowing Water Contribution Requirement Dedications to be Treated as Appurtenant to Lots

Mayor Pro Tem Knutson commented that he did have a conflict with this agenda item.

Per Mr. March, this item has been before the Board on two previous occasions. The emergency language has been removed from the ordinance. The ordinance is substantially the same as it was previously.

Trustee Macdonald commented that she had the opportunity to speak with the North Poudre Irrigation Board because they are listed in the Ordinance and there are some significant concerns.

In the prior meeting there was interest in being innovative because this is something that other communities are not doing although other communities do not use North Poudre Irrigation. With this Board approving this ordinance, the Town would be violating North Poudre's agreement for their ability to provide CBT water as combined; they can not divide up CBT shares so it would violate their bylaws. Wellington is an investor with North Poudre and they still own the decree, so the water is allocated to Wellington through an agreement. If Wellington takes a share and divides it up to put on these lots, the water still needs to be delivered to Wellington and there would still need to be an agreement with North Poudre that divides up these shares. There would be costs associated with the agreement, shrinkage, carriage, storage, evaporation as well as operational costs. After dividing up the share into these little pieces, and dedicating them, there would be next to nothing left.

Trustee Macdonald stated when she attended the last irrigation meeting their concerns were expressed to her.

Trustee Gaiter inquired as to what the difference is by breaking up the shares to properties now versus later.

Trustee Macdonald stated it is a complicated process.

Tad Moen with North Poudre Irrigation stated Wellington's water is set aside and allocated 2,000 acre-feet and that water is not CBT nor agricultural water. That comes from the south side decrees which are allotted for the Town of Wellington. When it comes to separating the CBT from agricultural, that is what Wellington is doing but from a water providers point of view, that is not how it goes. The decrees are set aside for municipal use and therefore Wellington is not dividing the CBT versus the agricultural.

Trustee Gaiter inquired if the concern is that if Wellington were to appurtenant the shares to residential properties, that would cause issues with separating CBT and agricultural.

Per Mr. Moen, yes; if the Town of Wellington expanded their water portfolio and use North Poudre, those shares come with an agricultural portion and a CBT portion. If CBT portions were dedicated to the development, that goes against North Poudre's bylaws of separating the shares. North Poudre would not do the accounting, nor would they allow the shares to be separated.

Trustee Gaiter inquired as to how that process happens now when a builder brings the shares for development and pulls a building permit for a home.

Mr. Moen stated the share is dedicated but the 2,000 acre-feet that is allocated through Reservoir #3 is actually southside decrees in which that decree is listed for municipal use. If the Town of Wellington starts to expand or go beyond the 2,000 acre-feet, that is going to require CBT from the 1984 contract. Therefore, the contract would need to be amended or other decrees would need to be looked at to supplement housing development.

Trustee Gaiter inquired if any growth and dedication of additional shares that go above the 2,000 acre-feet is the problem.

Mr. Moen stated the Town of Wellington has purchased an additional 27 shares of water although due to the contract, those shares can not be attached to municipal use contract out of Reservoir #3.

Mr. March stated he did not necessarily agree with Mr. Moen's characterizations but would suggest withdrawing this Ordinance for the time being to reevaluate.

The Board of Trustees took no action on this item.

4. Water Treatment Plant Supervisory Control and Data Acquisition (SCADA) Upgrade Bid Approval

Mr. Gowing informed the Board that the Town became aware that factory support of the Town's current SCADA servers will end at the end of 2021. There were also other concerns related to the SCADA system related to reliability and security. There are a range of issues that staff would like to resolve with these two agenda items. The budget was prepared last year to implement this year. During budget time, the Town did not have the design engineers on board for the expansion projects although the goal was that these improvements would work seamlessly with the expansion of both plants. Once that design engineer came on board, staff was able to work out details and specifications of these improvements in conjunction with Timberline which has provided instrumentation and control work including programming for many years for Wellington. The improvements that will be described in the next two items would ultimately be resolved in the expansion projects. Accelerating this work, the Town can somewhat remove those items from the expansion projects and solve immediate problems of needing more security, reliability and capability from these systems.

Mr. Jones stated the SCADA systems are at the end of their life cycle, coming up on seven years. There have been some failures with the systems. Both Jacobs and Timberline have been in conversations with this as it was important to make sure it fits current needs as well as be adaptable and expandable with future upgrades as well. There are many components to the SCADA systems and essentially, the brain of the system is what would be replaced.

Trustee Whitehouse inquired if these systems would become obsolete or will the new system have a longer lifespan.

Mr. Jones stated the current system had a life expectancy of five to six years with the Dell server. The new Stratus Server has a life expectancy of 10-15 years; there have been some that have lasted 20 years. The Stratus Server can automatically switch to a backup server with no downtime. If there was a problem with the Town's current SCADA server, it could take 27-30 hours before it is operational again and depending on how much the residents are using from the tanks, the Town might not be able to provide safe drinking water during that duration.

Mayor Pro Tem Knutson inquired if this equipment would move over to the upgraded facility.

Mr. Jones stated it would transfer to the new facility and that is one reason the Town wanted Jacobs and Timberline working together on this.

Trustee Gaiter inquired if there will be guaranteed support for the systems for the lifespan of the equipment.

Mr. Jones stated the system and support will remain with Stratus and they have a lifetime guarantee of all their servers.

Trustee Gaiter commented that he has concern regarding the expense of the system and inquired if this is the only system in the world that exists that can do the job that it does.

Mr. Jones stated there are other systems out there, but they have their unique challenges. This is not a normal computer that can be upgraded and plug and play to have a cheaper option. It is expensive up front although most of the expense is the hardware and not the software. Taking the expense of the system through the lifecycle, it equates to \$900.00 per

month on just operational costs over the course of a year. There are other options out there, but the Town will be in the same situation in five years from now.

Trustee Gaiter inquired if there were projects that are willing to be cut to make up the difference of going over the budget amount.

Mr. Jones stated the CIP has been reviewed and there are projects that would not hinder the operation or cause detriment to the plant so some of those could be pushed.

Mayor Hamman opened the meeting for public comment.

Christine Gaiter commented that she believes the expense should stay within the budget.

Trustee Macdonald moved to approve the Water Treatment Plant SCADA Upgrade Bid Approval; Trustee Jerome seconded the motion. Roll call on the vote resulted as follows:

Yeas – Gaiter, Jerome, Kinney, Macdonald, Whitehouse, Knutson, Hamman

Nays – None

Motion carried.

5. Wastewater Treatment Plant Supervisory Control and Data Acquisition (SCADA) Upgrade Bid Approval

Mr. Gowing commented that this item is the same as the previous item although it is for the wastewater treatment plant. It is staff's thought that we will not go over budget in aggregate within the CIP program for either of these funds. When the Town enters into budget preparation around June, this will be looked at specifically and adjustments will be made as necessary to have an overall balanced CIP budget.

Trustee Gaiter commented that he is not comfortable going this far over budget on this item as we could be looking at rate increases.

Mr. Gowing stated these are expenses that are being taken out of the expansion projects to complete earlier.

Mayor Hamman opened the meeting for public comment.

Christine Gaiter commented that \$50,000 over budget is huge; she is not ok with the Town spending her money. Ms. Gaiter commented that she would like the Town to be financially responsible.

Melissa Whitehouse commented that the SCADA systems can be very unreliable. The \$50,000 over budgeted amount is not a small amount although it is worthy from a homeland security and domestic terrorism standpoint.

Trustee Macdonald moved to approve the Wastewater Treatment Plant SCADA Upgrade Bid Approval; Trustee Jerome seconded the motion. Roll call on the vote resulted as follows:

Yeas – Jerome, Kinney, Macdonald, Whitehouse, Knutson, Hamman

Nays – Gaiter

Motion carried.

E. REPORTS

1. Town Attorney

None.

2. Town Administrator
None.

3. Staff Communications

- a. LCSO Monthly Report - February 2021
- b. Report of Bills - February 2021

4. Board Reports

Trustee Macdonald stated she would be in touch with Ms. Garcia and the Board in the near future regarding some water projects.

Trustee Whitehouse commented that the Board of Trustees have a financial responsibility to the Town. Utilizing those financial resources from the County, State and Federal funding is exercising our fiduciary responsibility to the citizens.

Trustee Gaiter inquired as to the vehicle trespassing that has gone up as well as the harassment and sex assault.

Sergeant Rairdon stated the vehicle trespassing numbers are usually someone going through a neighborhood and accessing a number of vehicles in one night. Last month there were persons going through a number of vehicles; this month, there have been zero. The Sheriff's Office does use different resources for patrol, foot and bike patrol.

The sexual assault was an incorrect label and that will be corrected in future reports.

The harassment cases are individual crimes and usually involve individuals that are known to each other. Those can involve striking someone, or domestic violence.

F. EXECUTIVE SESSION

1. Conferences with an attorney for the Town pursuant to § 24-6-402(4) (b), for the purpose of receiving legal advice relative to pending suits involving voter initiative matters. The executive session will not be recorded and an attorney certification will be provided as required by C.R.S. §24-6-402(2)(d.5)(II)(B) that discussions in the executive session constitute privileged attorney-client communications.

Trustee Macdonald moved to go into executive session for conferences with an attorney for the Town pursuant to § 24-6-402(4) (b), for the purpose of receiving legal advice relative to pending suits involving voter initiative matters. The executive session will not be recorded and an attorney certification will be provided as required by C.R.S. §24-6-402(2)(d.5)(II)(B) that discussions in the executive session constitute privileged attorney-client communications;

Trustee Jerome seconded the motion. Roll call on the vote resulted as follows:

Yeas – Gaiter, Jerome, Kinney, Macdonald, Whitehouse, Knutson, Hamman

Nays – None.

Motion carried.

The Board of Trustees moved into executive session at 8:55 p.m.

The Board of Trustees unanimously voted to come out of executive session which had been convened as allowed by C.R.S. §24-6-402(4)(b). No proposed policy, position, resolution, rule,

regulation, or formal action was taken and only matters authorized by C.R.S. §24-6-402(4)(b) were discussed.

Mayor Pro Tem Knutson moved to close the executive session; Trustee Gaiter seconded the motion. Roll call on the vote resulted as follows:

Yeas – Gaiter, Jerome, Kinney, Macdonald, Whitehouse, Knutson, Hamman

Nays – None

Motion carried.

The executive session was closed at 9:25 p.m. and the regular meeting resumed.

G. ADJOURN

Upon a motion duly made, the meeting was adjourned at 9:25 p.m.

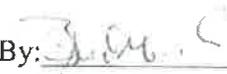
Krystal Eucker, Town Clerk

DRAFT

ATTORNEY CERTIFICATION RELATED TO MARCH 23, 2021
EXECUTIVE SESSION OF THE MEETING OF THE BOARD OF TRUSTEES OF
THE TOWN OF WELLINGTON, COLORADO

The undersigned as Town Attorney of the Town of Wellington, Colorado certifies, pursuant to CRS §24-6-402(4)(b), that the Board of Trustees of the Town of Wellington, Colorado at its regular meeting on March 23, 2021, properly convened, in executive session, for conferences with the Town Attorney **for the purpose of receiving legal advice relative to pending suits involving voter initiative matters** and specific legal questions related to possible settlement of claims raised in actions filed before the Larimer County District Court involving the initiated petition for the sale of marijuana. Pursuant to C.R.S. §24-6-402(4)(a) and (b) and (d.5) (II) (B) it is the opinion of the undersigned attorney that the discussions which occurred during the executive session constituted a privileged attorney-client communication. No record was kept or required to be kept of the discussions. This statement shall be included with the written minutes of the referenced meeting. This statement is also signed by the Mayor of the Town of Wellington, attesting that the executive session was not recorded and was confined to the topics authorized for discussion in executive session pursuant to §24-6-402(4)(d.5) (II) (B).

March & Olive, LLC
Town Attorney

By: 
J. Brad March,


Troy Hamman, Mayor



Board of Trustees Meeting

Date: April 13, 2021
Submitted By: Judy Tippetts, Finance Director
Subject: Procurement Policy Change Requests

- **Staff presentation: Judith Tippetts, Finance Director**

EXECUTIVE SUMMARY

Revisions to Procurement Policy to reflect Leadership Team requests.

The most recent revision of the Town of Wellington’s purchasing policy is attached for reference. The last date of revision was November 7, 2019. The changes requested reflect the work of the entire leadership team.

In summary, the goal of combining the category of Thresholds and Signature Authority Guidelines into one which would eliminate the need for a purchase requisition if over the P-card limit. This will allow employees to make purchases in the most efficient manner if their signing authority allows for the dollar amount.

The recommended changes are on pages 6 and 8 of the Procurement Policy and are as follows:

Page 6

Delete Virtual Card in its entirety.

Change language on Purchasing Card (P-Card) - change to \$1,000 unless identified below.

Engineers or other written employees – delete written employees and increase limit to \$10,000, it is currently at \$1,000.

Directors increase limit to \$25,000, above \$25,000 a second signature from the Town Administrator required; it is currently at \$10,000.

Town Administrator increase limit to Appropriated Amounts, currently at \$30,000.

Under Bidding Thresholds:

Two written quotes – increase upper limit to \$25,000

Three written quotes – change range to above \$25,000

Capital Improvements – increase upper limit to \$250,000 under

Board of Trustee approval: Delete Appropriated items in its entirety. Previously \$30,000 limit. If it is a budgeted item no approval needed other than signing authority limits.

Non-Appropriated items – change to Town Administrator may approve re-appropriations up to \$25,000 within the same department. Previously, non-appropriated item above \$10,000 required board approval. Requested change permits Town Administrator to administratively approve moving funds from a budgeted line item to a different or new line item. This would not allow spending above the approved budget submitted to the State of



Colorado. If this situation arises Board approval for an additional appropriation is required.

Page 8, Clarification of Titles to reflect current organizational chart.

BACKGROUND / DISCUSSION

Last revision 11/07/2019. Attached revisions will reflect more efficient and timely processing of purchases.

STAFF RECOMMENDATION

Motion to approve the requested changes as of 04/13/2021

ATTACHMENTS

1. Purchasing Policy Changes2021
2. Procurement Policy

SUMMARY OF PURCHASING CRITERIA

Thresholds: Combine Thresholds with Signature Authority Guidelines

Purchasing Card (P-Card) <u>unless defined below</u>	up to \$10,000 <u>change to \$1,000</u>
Virtual Card	up to \$50,000 <u>Delete</u>
Blanket Purchase Order	above \$10,000
Purchase Requisition	If above individual P-Card limit

Signature Authority Guidelines:

Engineers or other written employees <u>delete "written employees"</u> ——— up to \$1,000 <u>\$5,000 or \$10,000</u>	
Assistant Directors	up to \$5,000
Division Managers	up to \$5,000
Purchasing Agents	up to \$10,000 <u>\$5,000</u>
Directors	up to \$10,000 <u>\$25,000</u>
Town Administrator	up to \$30,000 <u>\$50,000</u>

Bidding Thresholds:

Buyer's best judgment	\$0 - \$5,000
Two written quotes	\$5,000.01 - \$10,000 <u>\$25,000</u>

Three written quotes:

Services or intangible/tangible property purchases	\$10,000.01 and above <u>\$25,000</u>
Capital improvements	\$10,000.01 - \$200,000 <u>\$250,000</u>

Sealed competitive bidding:

Capital improvements	\$200,000.01 and above <u>\$250,000</u>
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Board of Trustees approval is required for purchases and contract awards as follows:

Appropriated (budgeted) items above \$30,000. <u>Delete</u>
Non-Appropriated (non-budgeted) items above \$10,000. <u>\$25,000</u>
Purchases on Board approved contracts are exempt within the contract amount.

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Town of Wellington

Purchasing Policy

Effective – August 28, 2018

Most Recent Revision – 11/07/2019

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Town of Wellington
Purchasing Policy

INTRODUCTION

I. General

This Purchasing Policy is intended to ensure adequate and uniform control of the Town of Wellington's purchasing and payment activities. Principles and policies incorporated into this Policy are in accordance with Government Financial Officers Association best practices and applicable State of Colorado Law.

All parties involved in the negotiation, performance or administration of procurement and/or contracts for the Town shall act in good faith. All procurements should be made for the purpose of meeting the Town's current budget goals.

Information in this policy will be reviewed and updated by the Finance Department as necessary so that the maximum use and benefit may be derived in accordance with its intended purpose. Revisions to the purchasing criteria and bidding procedures will be presented to the Board of Trustees as deemed appropriate.

This Policy encompasses all purchasing activity conducted on behalf of the Town by Town staff. Any questions on any purchasing or payments situation should be directed to the Finance Department for assistance.

II. Goals and Objectives

The fundamental objective of this Purchasing Policy is to provide operating departments within the Town with the goods and services they need in the right quantity and quality, in a timely fashion, as efficiently as possible, and at the lowest overall cost.

Therefore, the goals of this Policy include:

- A. A process streamlined enough to keep pace with new technology and procedures
- B. Adequate controls which are not at the expense of efficiency
- C. A minimum of paperwork
- D. An emphasis on quality and results

III. Forms

All forms associated with this policy are located on the Town's website or available from the Finance Department.

Town of Wellington
Purchasing Policy

GENERAL RESTRICTIONS AND GUIDELINES

I. General

All purchases shall be made in accordance with the policies prescribed in this Purchasing Policy. Any agreement made contrary to these policies shall not be binding to the Town.

II. Code of Conduct

A. Every person engaged in purchasing for the Town shall act to acquire materials and services at the lowest reasonable price, in the proper quality, to reliably accomplish the service intended.

B. Officials, employees, or agents of the Town shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, vendors, or potential contractors or vendors.

C. No official, employee, or agent of the Town shall participate in any purchasing decision which affects the individual's personal financial interest or the interest of the individual's immediate family or of any corporation, partnership, or association of which the individual is a partner, member, creditor, or stockholder.

D. No contractor, vendor, or potential contractor or vendor shall bribe, coerce, or attempt to bribe, coerce, or otherwise improperly influence an official, member, employee, or agent of the Town.

E. Officials, employees, or agents of the Town shall not attempt to circumvent the intent of these purchasing policies by placing multiple orders with a single vendor, or orders on consecutive days, or by other practices that avoid triggering a specific purchasing procedure.

F. Violations of these purchasing policies shall be examined first by the Town Administrator or the Finance Director, who shall determine appropriate action to be taken and shall report to the Board of Trustees.

III. General Provisions/Restrictions

A. No personal purchases may be made using the Town's funds. Purchasing venues provided within this policy may be utilized only in the interest of the Town.

B. Only Town employees, with supervisor's authorization, may purchase utilizing Town funds.

C. Purchases must be charged to the proper account, regardless of budget availability in the appropriate budget line item.

Town of Wellington
Purchasing Policy

D. Employees are encouraged to obtain bids from Wellington merchants complying with the Town's Sales and Use Tax Code and who are qualified to provide the requested goods or services. When all award factors are deemed to be equal, the bid shall be awarded to the Wellington merchant.

E. For small purchases not requiring bids, when comparable products or reasonable alternatives are readily available from Wellington merchants complying with the Town's Sales and Use Tax Code, the purchase shall be made from the Wellington merchant.

F. Alcohol may not be purchased with Town funds unless the Town Administrator provides prior approval.

G. Sales tax is not to be charged on any purchase. The Town's tax-exempt numbers should be given to the vendor before the sale is completed. The Town's tax-exempt certificate is available from the Finance Department.

H. When purchases are within the Director or Division Manager's authority, any bid information shall be maintained by the purchasing Department. If additional authorization is required, any required bid information shall be attached to the documentation requiring approval (i.e. Purchase Order, check request).

I. No multi-year financing obligations (including rentals of equipment or space) may be committed without the review and concurrence of the Finance Director and the Town Administrator.

J. A SUMMARY OF PURCHASING CRITERIA table which will be reviewed and modified by the Board of Trustees regularly is included as part of this Purchasing Policy.

K. Requests to open merchant charge accounts will be authorized by the Department Head, the Finance Director and the Town Administrator. The process to open the accounts, including completing the credit application and vendor setup, will be administered by the Finance Department.

IV. Emergency Procurement

Notwithstanding any other provision of this policy, the Town Administrator or designee may make or authorize others to make emergency procurement when there exists a threat to public health, welfare, or safety under emergency conditions. A written determination of the basis for emergency and for the purchase or selection of the vendor or contractor shall be included with the purchase documentation (invoice, Purchase Order, check request).

V. Sole Source

A. Occasionally it is necessary to purchase supplies, services or construction items without going to bid, or that only one firm is in a better position to provide. Examples of

Town of Wellington
Purchasing Policy

potential sole source purchases/services include: state bid, engineering or other professional or consulting services, items for resale, matching existing equipment, custom items, paint, prime lumber (except for large quantities), new technology services or equipment, on site repairs (such as heating, air, plumbing, phone) and utilities.

B. Sole source purchases shall be subject to the dollar thresholds and signature authority and Board of Trustees' approval requirements contained in the Summary of Purchasing Criteria limitations. Written justification and approval for any sole source purchase shall be attached to the documentation submitted to the Finance Department (Purchase Order, contract, approved sole source form or invoice).

Guidelines:

- A sole source purchase is a method of acquisition. It is not to be used to avoid competition.
- A sole source justification is required for every purchase over the Direct Buy Limit (\$10,000) unless the purchase is being made from an existing contract, the supplier is specifically named in the grant, or the purchase is being competitively solicited.
- Sole source justifications must be approved by a Procurement Services Buyer prior to an order being placed.
- Price cannot be used as a factor in determining if a sole source exists because it indicates the existence of a competitive marketplace.

Justification Criteria:

The following list of criteria may be used in determining if a single or sole source situation exists:

1. Only one manufacturer makes the item meeting salient specifications; that manufacturer only sells direct/exclusively through one regional/national representative;
2. Item required must be identical to equipment already in use by the end user, to insure compatibility of equipment, and that item is only available from one source.
3. Collaborative project- Supplier is named where the identical equipment is required for compatibility and interoperability.
4. Maintenance or repair calls by the original equipment manufacturer (OEM) are required for a piece of equipment, and the manufacturer does not have multiple agents to perform these services.
5. Replacement or spare parts are required from the OEM, and the OEM. does not have distributors for those parts.
6. Patented items or copyrighted materials, which are only available from the patent or copyright holder.

Town of Wellington
Purchasing Policy

7. Unique expertise, background in recognized field of endeavor, the result of which may depend primarily on the individual's invention, imagination, or talent. Consultant has advanced or specialized knowledge, or expertise gained over an extensive period of time in a specialized field of experience.

Note: An item being a “sole brand” or a “sole manufacturer” does not automatically qualify to be a “sole source”. Many manufacturers sell their products through distributors. Therefore, even if a purchase is identified as a valid “sole brand” or “sole manufacturer”, the requester should verify whether the manufacturer has multiple distributors. If the manufacturer does have multiple distributors, competition should be sought among the distributors.

VI. Cooperative Purchasing

On approval of the Town Administrator or designee, the Town may join other governmental bodies, including but not limited to, the State of Colorado and other local governments in making cooperative purchases in the best interest of this Town, notwithstanding other provisions of this Policy.

VII. Negotiating Price

Unless specifically stated otherwise within a bid or RFP document, the Town Administrator, Director or designee may negotiate the price for any given product or service.

**Town of Wellington
Purchasing Policy**

SUMMARY OF PURCHASING CRITERIA

Thresholds:

Purchasing Card (P-Card)	up to \$10,000
Virtual Card	up to \$50,000
Blanket Purchase Order	above \$10,000
Purchase Requisition	If above individual P-Card limit

Signature Authority Guidelines:

Engineers or other written employees	up to \$1,000
Assistant Directors	up to \$5,000
Division Managers	up to \$5,000
Purchasing Agents	up to \$10,000
Directors	up to \$10,000
Town Administrator	up to \$30,000

Bidding Thresholds:

Buyer's best judgment	\$0 - \$5,000
Two written quotes	\$5,000.01 - \$10,000

Three written quotes:

Services or intangible/tangible property purchases	\$10,000.01 and above
Capital improvements	\$10,000.01 - \$200,000

Sealed competitive bidding:

Capital improvements	\$200,000.01 and above
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Board of Trustees approval is required for purchases and contract awards as follows:

Appropriated (budgeted) items above \$30,000.

Non-Appropriated (non-budgeted) items above \$10,000.

Purchases on Board approved contracts are exempt within the contract amount.

Town of Wellington
Purchasing Policy

DEFINITIONS

Accounts Payable

The function in the Finance Department processing payments for the Town.

Allocation

Town of Wellington account number to be charged for the purchase.

Bid Package

Documentation prepared and distributed by the Town in the solicitation of bids.

Blanket Purchase Order

A blanket purchase order is a long-term agreement between an organization and a supplier to deliver goods or services with a set price on a recurring basis over a specified time period. Blanket purchase orders should be used:

- Blanket purchase orders should never be written for orders where the price is not guaranteed, the quality of the product is unreliable, or the vendor cannot be trusted.
- When quantities of the same goods or services are needed throughout a time period, typically one year.
- When unit cost can be well-defined and details can be specified.
- When a single vendor is capable of delivering throughout the length of the contract.
- When ordering in quantity facilitates more favorable contract terms, such as bulk discounts.
- When staggered deliveries minimize stocking risk and costs.
- When purchase price is above individual P-Card limits otherwise a purchase requisition is required.

Board of Trustees

The legislative and governing body of the Town.

Capital Improvement

A fixed public improvement, including, but not limited to: streets, alleys, sidewalks, water or wastewater facilities, flood control facilities, traffic control devices, street lighting, parks, public structures, and landscaping.

Capital Improvement Contract

A Town contract for Capital Improvements.

Change Order

A Change Purchase Order is a Purchase Order initiated directing a vendor or contractor to make a change to the original Purchase Order or Contract in either amount, delivery, scope or items purchased.

Town of Wellington Purchasing Policy

Construction

The process of building, altering, repairing, improving, or demolishing any public structure or building, or other public improvements of any kind to any public real property or within an appropriate easement.

Consulting Services

Services provided by individuals possessing specialized educational qualifications, practical expertise or professional certification, including but limited to Consulting Services where the final product is predominantly oral or written advice or information.

Cooperative Purchasing

Procurement conducted by, or on behalf of, more than one governmental body.

Department

A designated administrative or operating department of the Town. Departments currently include: Town Administration, Finance, Library, Planning, Public Works, Streets, Water, Sewer, Storm Drainage, Parks and Recreation.

Director

A Town Employee reporting to the Town Administrator with multiple function accountability and staff. Current Directors are Assistant Town Administrator, Public Works Director, Economic Development Director and Finance Director.

Division Manager

A Town Employee reporting to the Town Administrator with single function accountability and staff. Current Division Managers are the Town Planner, Economic Development Director and Director of the Library.

Emergency Conditions

A situation in which any department's operations may be severely hampered or a situation in which the preservation of life, health, safety or property may be at risk as determined by the Department Director, Finance Director and the Town Administrator.

Governmental Body

Any department, division, commission, council, board, bureau, committee, institution, legislative body, agency, government corporation, or other establishment of this Town.

Intangible Purchases

Non-physical items of value such as insurance, leases, securities or water rights.

Invitation for Bids

All documents, whether attached or incorporated by reference, utilized for soliciting bids.

Non-Capital Purchases

Services, supplies, and intangible property. Also includes tangible property under \$5,000.

Town of Wellington
Purchasing Policy

Professional Services

Services of a specialized nature, including, but not limited to: architecture, engineering, legal, accounting, surveying, land title services, environmental/scientific services, information technology, hiring screening process (drug testing, psych testing, etc.), equipment repair and maintenance, etc.

Purchase Order

A request to purchase goods or services typically provided to the vendor as a confirmation of the Town's commitment to purchase.

Purchase Requisition

The form used to initiate award of Purchase Order or any other type of Sub-award including but not limited to Leases, Construction Contracts, and Consulting Agreements.

Request for Proposals (RFP)

A process used to acquire supplies and services that involve the review of written proposals and the use of negotiations with the most qualified bidder(s). This process may also include the use of a Request for Information (RFI) as a preliminary step to the RFP process in an attempt to gather information and pre-qualify prospective bidders.

Services

The furnishing of labor, time, or effort not involving the delivery of specific end product other than management, reports, recommendations or repairs. No tangible product is provided.

Signature Authorization Summary

The list maintained by each Department and the Finance Department of Departmental designated staff authorized to approve Town expenditures. The Finance Department shall keep a current master list of each Department's Signature Authorization Summary. The list shall include the full signatures of each authorized individual and the amount of signature authorization granted to the individual.

Sole Source

Only one supplier (source), to the best of the requester's knowledge and belief, based upon thorough research, (i.e. conducting a market survey), is capable of delivering the required product or service. Similar types of goods and services may exist, but only one supplier, for reasons of expertise, and/or standardization, quality, compatibility with existing equipment, specifications, or availability, is the only source that is acceptable to meet a specific need.

Tangible Property

Personal property and materials, including without limitation supplies, equipment, vehicles, parts, printing and consumable supplies

Town of Wellington
Purchasing Policy

Town

The Town of Wellington, Colorado, with a primary business location of 3735 Cleveland Avenue, P.O. Box 127, Wellington, CO 80549.

Town Administrator

The Town Administrator who serves as the chief executive officer of the Town.

Wellington Merchant

A business having a permanent physical location within the limits of the Town of Wellington.

**Town of Wellington
Purchasing Policy**

SIGNATURE AUTHORIZATION POLICY

I. General

Signature authority is granted on an individual basis. All signature authority is approved by the Town Administrator after review and approval by the delegating Director or Division Manager and the Finance Director.

II. Procedures

- A. A confirmed Signature Authorization shall be submitted to the Finance Department upon initial request.
- B. The Finance Department shall be responsible for deleting signature authority for terminated employees. Should authority need to be added or modified, the applicable Department shall be responsible for notifying the Finance Department.
- C. All changes and additions to the Signature Authorization must be submitted in writing and must include the following information:
 - Name of employee
 - Title
 - Authorization amount
 - Effective Date
 - Employee signature and initials
 - Signature of Employee delegating authorization
- D. Unless signature authorization has been delegated, no employee shall sign on behalf of another otherwise authorized employee. Written notification of delegation must be sent to Finance by the delegating employee with amounts.

Town of Wellington
Purchasing Policy

TRAVEL POLICY

I. General

This travel policy applies to all officials, employees or agents of the Town travel for Town-related business and mileage reimbursements.

II. Approval Required

Employees shall obtain approval for travel on Town business as follows:

- A. Travel within Colorado with no overnight stay: For travel within the State of Colorado, but outside the Fort Collins Metro Area, not requiring an overnight stay, employees should obtain authorization from the employee's supervisor, whenever possible. Employees should utilize Purchasing Cards where possible for necessary purchases (excluding fuel and meals).
- B. Travel within Colorado where overnight stay required: For travel requiring an overnight stay within the State of Colorado, Department Head authorization and a completed Travel Authorization Form is required in advance of travel. In the rare instance where it is not practical to complete the Travel Authorization Form in advance of travel, written approval is required (e.g. email or memo). A Travel Authorization Form shall be completed upon return from travel.
- C. Travel outside the State of Colorado: For all out-of-state travel, Town Administrator approval and a completed Travel Authorization Form is required in advance of travel.

III. Travel Authorization Form

- A. The purpose of the Travel Authorization Form is to estimate and accumulate the total cost of the trip.
- B. The Travel Authorization Form shall be filled out completely, approved in accordance with the procedures established above, and turned in to the Finance Department. The form will be used to generate any reimbursement(s).

IV. Receipts

Receipts for purchases that require reimbursement should be turned into the Finance Department for approval, referencing the previously approved Travel Authorization Form.

Town of Wellington
Purchasing Policy

V. Purchasing Card

- A. Purchasing Cards should be used whenever possible and practical for lodging, airfare, ground transportation, and tolls, excluding meals and fuel.

- B. For situations where use of the Purchasing Card was not practical or possible, allowable expenses paid by the traveler will be reimbursed.

- C. For out-of-state travel, note that airlines, hotels, and other vendors may not honor the Town's tax-exempt status.

VI. Airfare

- A. In all cases, but within reason, the most cost effective and efficient manner of travel should be sought. Direct flights shall be considered the standard, even though flights with connections and/or layovers are often less expensive. In general, the Town will reimburse the cost of one checked bag, however, employees are encouraged to utilize carry-on luggage whenever possible. Situations requiring more than one checked bag, including presentation materials require Director or Town Administrator approval.

- B. For out-of-state travel where the employee requests and approval are obtained to use alternative transportation (including train or automobile), the Town may elect to reimburse the employee for only the most cost-effective method of travel. Exceptions require Finance Director or Town Administrator approval.

VII. Parking/Airport Parking/Airport Travel

In all cases, but within reason, costs for parking should be kept to a minimum.

- A. Hotel Parking: Self-parking shall be utilized, if available. Valet parking is allowed if it is the only option available. Unless otherwise approved by the Director or Town Administrator the employee shall pay the difference for additional costs of covered parking or valet service when other options are readily available.

- B. Airport Parking: Employees should use their P-card for economy parking fees.

- C. Airport Travel: Airport shuttle is encouraged when possible.

Town of Wellington
Purchasing Policy

VIII. Mileage Reimbursement

Amount per mile of mileage reimbursement is set at the current Internal Revenue Service's allowable rate per mile. Please contact the Finance Department for the current allowable rate or current rates are available at <https://www.irs.gov/tax-professionals/standard-mileage-rates>.

IX. Per Diem

Meal Per Diem: A meal per diem is allowed for travel requiring an overnight stay. Contact the Finance Department or check online (<https://www.gsa.gov/travel/plan-book/per-diem-rates/per-diem-rates-lookup>) to determine the rate allowable for the Town where you are traveling. The per diem amount should be pro-rated for partial travel days and meals provided by the seminar/conference (if applicable). If actual costs are more than the per diem amount, the employee is responsible for the additional amount. If actual costs are less than the per diem amount, the employee may keep the balance. No receipts are required when using per diem.

X. Compensation for Hours Worked

Contact Human Resources with any questions regarding compensation for hours worked during travel for non-exempt employees.

XI. Internet Connection Charges

If internet connectivity is needed for work related purposes while traveling and the hotel and/or conference charges for internet service, contact IT to check out a cellular USB stick if one is available. If necessary, the Town will cover the cost of any Internet connection charges incurred while traveling when the primary purpose of the connection is work related.

Travel Pre-Authorization Form

Employee Name: _____

Title: _____ Department: _____

Departure Date: _____ Return Date: _____

Training Location: _____

Training Description: _____

Registration Fee: _____

Total Nights of Lodging: _____ Cost per Day: _____

Total Days of Rental Car: _____ Cost per Day: _____

Airfare Cost (Round Trip): _____

Ground Transportation Fee: _____

Parking Fee per Day: _____ Total Days: _____

Estimated Mileage (.58 per mile): _____ Total Miles Round Trip: _____

Estimated Amount for Tolls: _____

Estimated Per Diem Total (see Per Diem link on page 2): _____

Estimated Grand Total: _____

Employee Signature: _____ Date: _____

Manager Signature: _____ Date: _____

**Town Administrator Signature Required for all out of state travel.*

Town Administrator Signature: _____

**Town of Wellington
Purchasing Policy**

Travel Pre-Authorization Form (Page 2)

Notes:

P-Cards are NOT allowed for gas/food purchases.

Each employee who has an overnight stay will receive per Diem.

Itemized receipts are needed. Please turn in all receipts with reimbursement form.

Mileage Rates: <https://www.irs.gov/newsroom/irs-issues-standard-mileage-rates-for-2019>

Per Diem Rates: <https://www.gsa.gov/travel/plan-book/per-diem-rates>

Town of Wellington
Purchasing Policy

Travel Reimbursement Form

Employee Name: _____

Title: _____ Department: _____

Departure Date: _____ Return Date: _____

Training Location: _____

Training Description: _____

Total Mileage (.58 per mile): _____ Total Miles Round Trip: _____

Total Amount for Tolls: _____

Did the Hotel/Conference provide meals? If so, please provide what dates and if it was breakfast/lunch/dinner. _____

Employee Signature: _____ Date: _____

Manager Signature: _____ Date: _____

Notes:

P-Cards/Travel Cards are NOT allowed for gas/food purchases.

Each employee who has an overnight stay will receive per Diem.

Mileage Rates: <https://www.irs.gov/newsroom/irs-issues-standard-mileage-rates-for-2019>

Per Diem Rates: <https://www.gsa.gov/travel/plan-book/per-diem-rates>

Finance Department Only:

Total Mileage: _____

First Day Per Diem: _____ Last Day Per Diem: _____ Full Day Per Diem: _____

Total Reimbursement: _____

Town of Wellington Purchasing Policy

PURCHASING CARD POLICY

Overview

The Purchasing Card program is intended to streamline and simplify the Purchasing and Accounts Payable functions by eliminating waste and low value activities. The Purchasing Card is a tool that reduces transaction costs, facilitates timely acquisition of materials and supplies, automates data flow for accounting purposes and offers flexible controls to help ensure proper usage. Because the Town receives an annual rebate based on the dollar volume of purchases made through the Purchasing Card Program, P-Cards shall be used whenever possible and practical when procuring goods and services on behalf of the Town.

The Purchasing Card Program is designed as an alternative to a variety of processes including petty cash, check requests and low dollar purchase orders. The Purchasing Card Program is not intended to avoid or bypass appropriate procurement or payment procedures. Rather, the Program complements the existing processes available. The card is a credit card that is issued by First National Bank of Omaha (FNBO). Some minimal record keeping is essential to ensure the successful use of the Purchasing Card. This is not an extraordinary requirement; standard payment policies require retention of receipts, etc.

This Cardholder Guide provides information about the process, the types of purchases that can and cannot be made, records that must be maintained and reconciled for each cycle, and a variety of other program information.

You are committing public funds each time you use your Purchasing Card. This is a responsibility that should not be taken lightly. Remember that you are the person responsible for all charges made to the card which has been issued to you. Intentional misuse or fraudulent abuse may result in disciplinary action up to and including dismissal and legal action.

The card will have no impact on your personal credit rating. Although the card lists an individual's name, the card is issued to the Town of Wellington.

Obtaining A Card

After you have read this Cardholder Guide and understand the procedures outlined, you must sign the **Purchasing Card Program Cardholder Agreement Form.**

Only employees of the Town of Wellington are eligible to receive a Purchasing Card. Contractors or temporary employees are not eligible. The cardholder is responsible for the security of their card(s) and the transactions made against the card(s). Each user will be required to sign the Commercial Card Cardholder Agreement as part of the Commercial Card application. Employees must be authorized by the Supervisor and Director based upon both the need for a Purchasing Card and the signature limits. Authorization levels are documented and approved on the Signature Authorization Form.

When you receive your Purchasing Card, immediately sign the back of the card and always keep it in a secure place. Although each card is issued in your name, it is the property of the Town of Wellington and is only to be used for Town purchases as defined in this guide.

Town of Wellington Purchasing Policy

Commercial Card Restrictions

The Commercial Card is not to be used for personal purchases, alcohol, tobacco, or cash transactions such as money orders or cash advances. Each card has a monthly total limit which will deny further transactions in that month.

Under no circumstances should a transaction be split into two separate receipts to bypass this dollar limit. This amount is determined by your supervisor, the Finance Director and the Town Administrator. If for some reason it becomes necessary to increase the limit, a change form can be processed by the Program Administrator with written approval of your supervisor, the Finance Director and the Town Administrator.

The following P-Card uses are not authorized:

- Purchases over your signature authority limit. Dividing an order to satisfy this limit is not allowed.
- Fuel for personal vehicles. Reimbursement for mileage shall be made on the Travel Authorization Form at the current IRS reimbursement rate.
- Fuel for Town Vehicles. Fuel Cards are provided for fueling Town owned vehicles.
- Using another employee's P-Card. An employee may not use another employee's P-Card to make a purchase, regardless of whether or not they have been authorized to make P-Card purchases.

Using your Card

You must have a receipt of all items purchased.

If the purchase is via phone or fax, ask the supplier to include the receipt with the goods when the product is shipped to you or email the confirmation to you. **This receipt is the only original documentation.** Your name and "Card" must appear on the packing slip and external shipping label. The external shipping label must be to the Town of Wellington building – not your home. The supplier will require your Purchase Card number, expiration date and the "ship to" address. It is important that your name and "Card" appear on the invoice. Companies that are frequently used by the Town already have the Town of Wellington Accounts Payable Department in their contact information and will likely forward the invoice there. AP will forward to you – if your name and Card appear on the face of the invoice; if it does not, the department will have not the necessary information as to where to direct the invoice when it arrives.

It is required that you retain all receipts/packing slips for your purchases.

Tax

The Town purchasing policy states that Colorado sales tax should not be paid on purchases. Contact the Accounts Payable (AP) department if you have questions about which purchases are subject to tax. To assure that taxes are not applied to your purchases, state to the supplier/vendor that the Town of Wellington is tax-exempt. The tax I.D. number is embossed on the purchase card. A tax-exempt certificate, issued by the State of Colorado, can be obtained from the AP department for documentation if necessary. The card user is responsible for ensuring that sales tax is not applied. If sales tax is charged you agree to reimburse the Town for the cost of the sales tax within 10 calendar days. If reimbursement is

Town of Wellington Purchasing Policy

not received, you agree by signing the Cardholder Agreement to a payroll reduction for the amount of the sales tax charged.

Reconciling Your Account

At a minimum of twice per month, the cardholder must log into the FNBO system to approve their transactions, provide an explanation of the purchase and assign an account code. A printout of the Transaction Summary page must be signed as proof of reconciliation. Then it must be attached to your receipts and sent to your supervisor for final approval. Each account must be reconciled and sent to your supervisor by the 10th of the subsequent month.

Resolving Errors and Disputes

In the case of an error, first contact the supplier and try to reach an agreement. Most disputes can be resolved between you and the supplier directly. If you are unable to reach an agreement with the supplier you may dispute the charge using FNBO's dispute form that is located on the Transaction Detail page. All disputes must be submitted within 30 days of the transaction date.

Paying the Bill

The Purchase Card is a Town payment arrangement. Account balances will be paid in full each month by a direct charge to the Town of Wellington bank account. Your purchases will be charged directly to the account code that you select during the reconciliation process.

Lost or Stolen Cards

The Purchase Card should be secured, just as you would secure your personal credit cards. If your card is lost or stolen, immediately contact FNBO at 1-800-819-4249 and then notify your Program Administrator.

Refusal of Card or Account

Should you be declined at the point of sale for any reason, please contact your Program Administrator.

Departmental Changes

If you resign your position, you are required to immediately return your card to Town Hall.

Purchase Card Audit Activity

Your card activity is subject to random audits. The random audits are to help ensure adherence to the Program's policies and procedures.

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**PURCHASING CARD PROGRAM
CARDHOLDER AGREEMENT**

By participating in the Town of Wellington Purchasing Card Program as a Cardholder, you assume responsibilities pertaining to the operation and administration of the Purchasing Card Program. These responsibilities include but are not limited to the following:

1. The Town of Wellington Purchasing Card is to be used for Town of Wellington business expenditures only. The Purchasing Card may only be used under the parameters and procedures established for the Purchasing Card Program which are detailed in the Purchasing Card Policies and Procedures. The Town of Wellington Purchasing Card **may not** be used for any personal purchases or cash transactions.
2. The Purchasing Card will be issued in your name. By accepting the Card, you assume responsibility for the Card and will be responsible for all charges made with the Card. The Card is not transferable and may not be used by anyone other than you, the Cardholder.
3. The Town of Wellington Purchasing Card must be maintained with the highest level of security. If the Card is lost or stolen, or if you suspect the Card or Account Number has been compromised, you agree to immediately notify the bank and the Town of Wellington Purchasing Card Program Administrator.
4. All charges will be billed and paid directly by the Town of Wellington. While you are not responsible for making payments, you are responsible for the verification and reconciliation of all account activity. If you do not follow the procedures, your card and cardholder privileges will be revoked.
5. Cardholder Accounts are subject to periodic internal control review and audits designed to protect the interests of the Town of Wellington. By accepting the Card, you agree to comply with these reviews and audits.
6. Parameters and procedures related to the Purchasing Card Program may be updated or changed at any time. The Town of Wellington will promptly notify you of these changes.

You agree to surrender and cease use of the Card upon termination of employment. You may also be asked to surrender the Card at any time deemed necessary by the Town of Wellington. Misuse or fraudulent use of the Card may result in disciplinary actions and may be grounds for dismissal, civil and criminal legal action.

Employee Acknowledgement:

By signing below, I acknowledge that I have read both the Purchasing Policy and the Cardholder Agreement and agree to the terms and conditions of these documents. I certify that as a participating Cardholder of the Town of Wellington Purchasing Card Program, I understand and assume the responsibilities listed above.

Employee Signature

Title

Name (Print)

Date

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PURCHASE ORDER POLICY

I. General

A Purchase Order is required to purchase goods or services of \$10,000 or more. The term Purchase Order is used generically throughout this policy to include all service/maintenance agreements, construction agreements and any other types of agreements in excess of \$10,000.

All Purchase Orders shall have all necessary approvals before the requested goods or services are received and Town funds obligated. The need for a Purchase Order may be waived only with the approval of the Finance Director or Town Administrator.

II. Objectives

The primary reasons for issuing a Purchase Order are as follows:

- 1) To facilitate prior approval for large dollar purchases
- 2) To ensure adequate funds and to encumber funds on the accounting system
- 3) To ensure adequate product specification for vendors
- 4) To facilitate vendor requirements.

III. Procedures

A. A Purchase Order over \$10,000 is initiated by a Purchase Requisition. At the time of Capital Improvement Contract Award, or prior to the purchase of goods or services that total \$10,000 or more, a Purchase Requisition must be completed, authorized and submitted to the Finance Department.

1. All Purchase Requisitions must include the following:
 - a. Requisition Date
 - b. Item to be purchased (including item #, quantity, description)
 - c. Account number to be charged
 - d. Amount - projected cost of purchase
 - e. Authorized signature
 - f. Informal or formal bid documentation should be attached to request over \$10,000.
2. Should a vendor require a Purchase Order for an item less than \$10,000 and purchase exceeds the P-card limit, a Purchase Requisition may be submitted, and a Purchase Order will be generated.

B. All purchase requisitions will be entered by the requesting department. Once the requisitions are approved, they are then delivered to the finance department and a purchase order will be generated.

C. Once the Purchase Requisition has been entered, a copy of the Purchase Order will be printed for the requester. Should additional copies be required, the Finance Department can

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print additional copies. The original purchase requisition containing adequate authorization shall be retained by the Finance Department for audit and internal control purposes.

- D. If the Department needs to modify the original Purchase Order, a Change Purchase Order (Change Order) should be sent to the Finance Department. All Change Orders should reference the Purchase Order number which they are modifying. Once received by the Finance Department, the Purchase Order will be modified on the system.
1. If the Change Order does not modify the dollar amount of the purchase and does not significantly change the purpose of the original order, no additional authorization is required.
 2. If the Change Order increases the dollar amount above the signature authority threshold of the original requester, additional authorization will be required.
 3. Freight charges can be difficult to estimate, and actual shipping costs may exceed estimated amount on the purchase order. This would not cause additional authorization.
 3. If the Change Order modifies the account number, no additional authorization is required if the original signer(s) had signature authority for the account to be charged.
 4. If the Board of Trustees approved the original contract or Purchase Order and the Change Order, or the cumulative amount of multiple Change Orders the Board of Trustees shall approve the Change Order(s).
 - a. If the nature of the Change Order is such that: the project involves infrastructure that cannot be put back into service otherwise, or that stopping the project awaiting Board of Trustees approval would cause significant cost increases, the Town Administrator may authorize the Change Order. Town Board of Trustees shall be informed no later than the next Trustee meeting.
- E. All invoices if mailed should be directed to:
Town of Wellington
Attention: Accounts Payable
PO Box 127
Wellington, CO 80549
E-mail: APinvoices@wellingtoncolorado.gov
- F. If, upon receipt of goods or services, the vendor provides an invoice for the item purchased, the requester or other receiving employee should sign the invoice, indicating receipt of goods or services, and return the invoice to Accounts Payable. No additional approvals are required at the time, only verification of receipt of goods.

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- G. If the invoice you are forwarding to Accounts Payable represents the final receipt on a Purchase Order, the signer should indicate final payment so any remaining balance on the Purchase Order may be unencumbered.

- H. If the goods or services received are in different quantities or types from the Purchase Order, and additional goods or services are forthcoming, the balances of the Purchase Order will remain encumbered until indication of final receipt is forwarded to Accounts Payable.

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Purchase Order Change Form

Purchase Order Number: _____ Original Purchase Order Date: _____

Original Purchase Order Total: _____ Requisition Number: _____

Vendor Name: _____ Vendor Number: _____

Department: _____

Reason for Change: _____

Type of Change (Please check one):

Change Account Number

Is this for all line items? Yes / No If no, specify line number: _____

Original GL Number: _____

Revised GL Number: _____

Increase Purchase Order

Quantity: _____ Amount: _____

Line Numbers: _____

Cancel Purchase Order

Total Amount to be Cancelled: _____

Cancel Purchase Order Line(s)

Amount: _____ Line Numbers: _____

If this is a change to a contract, please indicate the Board Approval date: _____

Employee Signature: _____ Date: _____

Finance Approval: _____ Date: _____

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CHECK REQUEST

I. General

A Check Request is a non-Purchase Order payment that does not meet the criteria of the Purchasing Card. Checks will be issued during normal accounts payable schedules which are generally every two weeks. This time may be adjusted for holidays or other scheduling changes. Out of cycle check requests must meet the definition of emergency conditions because of the additional expense and workflow disruption to create out of cycle check runs.

II. Procedures

- A. If the desired purchase is above individual's P-card limit, a purchase requisition is required.
- B. Appropriate Bidding Procedures should be followed and attached to the check request as applicable.
- C. The original vendor's invoice must be turned into Accounts Payable with the following information readily identified:
 - 1. Purchase Order #
 - 2. Vendor Number
 - 3. Dollar Amount
 - 4. Account Number
 - 5. Description
 - 6. Authorized By
 - 7. Approval Date
- D. There are certain vendors that the Town remits payment from statements rather than individual invoices. Examples are phone and utility companies, and hardware and parts stores. In these situations, invoices/receipts shall be forwarded to Accounts Payable within three business days of the purchase and shall include, at a minimum, the information required in Section II. C. 3-7 above.
- E. Check requests should be submitted to Accounts Payable in sufficient time to allow payments to be made by vendor due dates. Any finance charges incurred from delinquent payments will be charged to the responsible Department.

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DEBARMENT OR SUSPENSION

I. General

The Town Administrator is authorized to debar or suspend a vendor or contractor for cause.

II. Guidelines

- A. No vendor or contractor shall be debarred or suspended until an opinion regarding the same has been obtained from the Town Attorney and until procedures recommended by the Town Attorney have been followed.
- B. The period for debarment shall be determined by the Town Administrator on a case by case basis.
- C. Reasons for debarment or suspension include but may not be limited to the following:
 - 1. Commission of fraud or a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract or in the performance of such a contract or subcontract.
 - 2. Conviction or indictment under a state or federal statute of embezzlement, theft, forgery, bribery, falsification, or destruction of records, or receiving stolen property.
 - 3. Conviction or indictment under a state or federal antitrust statute.
 - 4. Failure or default without good cause to perform in accordance with the terms of any contract or unsatisfactory performance of any contract.
 - 5. Debarment, disqualification or suspension by another government entity for any reason.

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COMPETITIVE BIDDING POLICY

I. General

Competitive bids (formal or informal) are required for dollar limit purchases identified in the Summary of Purchasing Criteria found on page 5 of this Purchasing Policy. All bid specifications shall seek to promote overall economy for the purposes intended and encourage competition in satisfying the Town's needs and shall not be unduly restrictive so as to limit competition.

Depending on the nature of the product or service, bids are not necessarily awarded based on price alone. In situations where the low bid is not accepted, a written description of the other factors considered and the basis for the award shall be included with the bid information.

For purchases within the Director's authorization, bid information shall be maintained by the Department. For purchases requiring additional authorization, a summary of the bid information shall be attached to the documentation requiring approval.

II. Bidder's List

Departments are encouraged, but not required, to maintain bidder's lists. Whenever possible, the Colorado State Price Agreement Listing (State Bid) should be consulted. All formal bids shall be advertised on the Town's web site, and vendors should be encouraged to subscribe to the notification service provided on the site. Public notice may also include publication in the Town's legal newspaper or a newspaper of general circulation.

III. Types of Bids

- A. SOLICITATION OF QUOTE: A SOLICITATION is an informal quote obtained from a supplier or contractor in an informal manner (including verbally or electronically). For repetitive purchases, it is not necessary to obtain bids with each purchase. However, a bid process shall be conducted at least once every 2 years.
- B. INVITATION FOR BID (IFB): An IFB is a solicitation of formal bids. A "formal" bid is a solicitation that may require advertising, bonds, and sealed bids. The Director or designee is responsible for the Bid Package and vendor eligibility. The specifications, delivery requirements, plans, drawings, and other items must be determined and finalized prior to the Bid Package being provided. Eligibility may be determined from a pre-qualification process, general advertising of project, or any other method deemed appropriate.
- C. REQUESTS FOR PROPOSAL (RFP): An RFP is a solicitation for goods or services designed for an award based upon criteria other than price alone. It is most often used for items or services that are hard to quantify or describe because it allows the proposer to suggest the item or service that might best suit the Town's needs. Examples where an RFP may be appropriate include design services, professional services, janitorial services and specialized equipment purchases. The RFP should contain the following as a minimum: 1) the type of goods or scope of services and where appropriate detailed specifications; 2) the required time

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schedule; 3) general requirements; 4) conditions and provisions; 5) location, date and time for submittal of the proposal; 6) evaluation criteria to be used for selection and award; 7) reservation of the right to waive formalities or informalities, reject any or all bids, accept proposal deemed most advantageous to the best interest of the Town.

- D. **PRE-QUALIFICATION:** The Department Head or designee may determine if a pre-qualification (RFQ – REQUEST FOR QUALIFICATION) process is appropriate and determine the criteria. Criteria may include but are not limited to the following: construction experience, experience specific to the work specified, construction track record, government experience, and financial stability. The Department Head and/or project manager will review the qualifications and information to determine the acceptability of responding bidders.

IV. Bid Evaluation

Bids shall be evaluated based on the requirements set forth in the Bid Package, which may include criteria to determine acceptability such as inspection, testing, quality, workmanship, delivery, and suitability for a particular purpose. The criteria that will affect the bid price and be considered in evaluation for award shall be objectively measurable, such as discounts, transportation costs, and total for life cycle costs. The Bid Package sets forth the evaluation criteria to be used. No criteria may be used in bid evaluation that is not set forth in the Bid Package.

V. Award

The contract shall be awarded with reasonable promptness to the lowest responsible and responsive bidder whose bid meets the requirements and criteria set forth in the Bid Package, unless the Town Administrator or his designee shall determine that the public interest will be better served by accepting a different bid. When the award is not given to the lowest bidder, a complete statement of the reasons for placing the order with another bidder shall be made available to all bidders upon request.

VI. Cancellation of Invitation for Bids

An invitation for bids or any other solicitation may be canceled, or any or all bids or proposals may be rejected in whole or in part as may be specified in the solicitation, when it is in the best interests of the Town. The reasons therefore shall be put in writing and made part of the contract file.

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CAPITAL IMPROVEMENT CONTRACTS POLICY

I. General

The Capital Improvement Contracts Policy applies to any Capital Improvement Contract that the Town enters into. In general, the Town Administrator or the Mayor shall sign a contract for the Town (contractual authority) that obligates Town funds, although Directors or designees may sign contracts within their authorization limits. A Town Project Manager (or Town contact person) MUST be designated for each Capital Improvement project and specified within the contract. This individual will be accountable for all aspects of proper contract administration surrounding the construction in progress.

Refer also to the Competitive Bidding Policy for information on the bidding process.

Each Department and its personnel are responsible for the effective planning for its Capital Improvement projects.

II. Contract Performance and Payment Bonds

A. When a capital improvement contract is awarded, unless the Town Administrator or designee deems otherwise, the following bonds or security shall be delivered to the Town and shall become binding on the parties upon the execution of the contract:

1. Bid security in an amount equal to five (5) percent of the total amount of bid shall be required for all competitive sealed bidding for Capital Improvement Contracts. Bid security shall be a bond provided by a surety company authorized to do business in this state, or the equivalent in certified funds, or otherwise supplied in a form satisfactory to the Town.

When the invitation for bid requires security, noncompliance requires that the bid be rejected.

2. A performance bond, satisfactory to the Town, executed by a surety company authorized to do business in this state, or otherwise secured in a manner satisfactory to the Town, in an amount equal to one hundred (100) percent of the price specified in the contract; and
3. A payment bond, satisfactory to the Town, executed by a surety company authorized to do business in this state, or otherwise secured in a manner satisfactory to the Town for the protection of all persons supplying labor and material to the contractor or its subcontractors for the performance of the work provided for in the contract, in an amount equal to one hundred (100) percent of the price specified in the contract.

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- B. Nothing in this section shall be construed to limit the authority of the Town to require a bond or other security in addition to the bonding requirements as stated above.

III. Retainage

The contract shall include provisions for retainage of contract sums as prescribed by state law and may include provisions for retainage in contracts not covered by state law.

IV. Damage or Delay

The Town may, by contract, require the contractor to waive, release, or extinguish its rights to recover costs or damages, or obtain an equitable adjustment for delays in performing such contract if such delay is caused, in whole or in part, by the acts or omissions of the Town or its agents. If the contract provides that, an extension of time for completion of the work is the contractor's remedy for such delay. Such clause is valid and enforceable, any provision of state law to the contrary notwithstanding.

V. Final Payment

The last payment on a Capital Improvement Contract, in an amount of ten thousand dollars (\$10,000) or more, will not be made until at least ten days after notice of intention to pay is published at least twice in a newspaper of general circulation in the Town and after the Town has received a release of statements of claim or liens. Proof of publication should be submitted to Accounts Payable. Claims against the contract shall be filed as prescribed by state law.

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INDEPENDENT CONTRACTOR POLICY

I. General

The Town’s Director of Human Resources or designee shall make the determination whether an individual is an independent contractor, as compared to an employee, and shall approve any contract arrangements.

An individual is generally considered to be an independent contractor if the employer has the right to control or direct only the result of the work and not the means and methods of accomplishing it. Examples may include a software programmer, recreation instructor and electrician. Compare with the Internal Revenue Code Test (www.irs.gov/newsroom/understanding-employee-vs-contractor-designation).

The determination needs to be made on a case by case basis.

II. Procedures

The procedures outlined herein are set forth to assure conformity of the independent contractor policy. It is the responsibility of the Department and its personnel to comply with all provisions set forth with this independent contractor policy.

- A. Steps in contracting with independent contractors include:
 - 1. Identification of need.
 - 2. Determination of status with Director of Human Resources.
 - 3. Negotiation of contract.
 - 4. Professional Service Agreement filed with Human Resources.
 - 5. IRS Form W-9 filed with Accounts Payable.
- B. Once the Director of Human Resources’ approval to contract with an independent contractor is received, terms need to be negotiated with that contractor. Each independent contractor must be given a copy of the W-9 and must be made aware of the deadlines for payment processing through Accounts Payable.
- C. A Professional Service Agreement must be completed, signed, and forwarded to Human Resources. Human Resources will obtain the Town Administrator’s signature. The original is kept in a file in Accounts Payable, with a copy returned to the originating Department, who is responsible to provide the contractor with a copy. IRS Form W-9 must be completed, signed, and forwarded to Accounts Payable. Payment will not be processed unless the W-9 has been received.
- D. The Professional Service Agreement is available in the Finance Department, and should not be modified, unless approved by the Town Administration or designee.