



Legislation Details (With Text)

File #: 17-092 **Version:** 1 **Name:**

Type: Resolution **Status:** Agenda Ready

File created: 2/21/2017 **In control:** Town Council

On agenda: 2/28/2017 **Final action:**

Title: A Resolution Amending and Updating the Town’s Purchasing Policy; And, Setting Forth Details In Relation Thereto

Sponsors:

Indexes:

Code sections:

Attachments: 1. Resolution 17-## - 2017-02-28 - Purchasing Policy Revision - Resolution, 2. Purchasing Policy - 2017 Update - Final - 2017-02-28.pdf

Date	Ver.	Action By	Action	Result
2/28/2017	1	Town Council		

SUBJECT: A Resolution Amending and Updating the Town’s Purchasing Policy; And, Setting Forth Details In Relation Thereto

DEPARTMENT: Finance

PRESENTER: Steve Felten

FISCAL INFORMATION:

Cost as Recommended: n/a
 Balance Available: n/a
 Budget Line Item Number: n/a
 New Appropriation Required: n/a

STAFF RECOMMENDATION: Staff recommends approval of the resolution amending and updating the Town’s purchasing policy.

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

The proposed resolution updates and amends the Town’s purchasing policy, last updated in 2006. Objectives of the policy are to: procure goods and services at the lowest possible cost for the quality needed for effective use; avoid duplication, waste, and obsolescence with respect to the procurement of goods and services; provide adequate budgetary and fiscal control over all municipal expenditures; and, minimize or eliminate disruptions in operations resulting from the lack of material, equipment, or supplies. The purchasing policy serves as a guideline for all purchasing activity and standardizes purchasing procedures.

This updated policy attempts to incorporate best practices based on a review of purchasing policies of several surrounding municipalities, including Brighton, Firestone, Fountain, Golden, Lafayette, Littleton, Louisville, Montrose, Superior and Wheat Ridge, communities generally of a size similar to Erie. In addition, policies of larger communities were also reviewed to identify potential

improvements applicable in spite of any size difference.

The policy also revises spending authorization levels. In determining appropriate levels, the Town reviewed the surrounding communities referred to above. A summary of the Town’s current approval levels, the proposed levels and comparison levels for selected communities is presented in the following table:

Level	Current Erie	Proposed Erie	Brighton	Golden	Lafayette	Louisville	Wheat Ridge
Division Manager	up to \$500	up to \$1,000	n/a	n/a	n/a	n/a	up to \$4,999
Department Head	up to \$5,000	up to \$10,000	up to \$24,999	up to \$20,000	up to \$7,500	up to \$2,499	up to \$14,999
Finance Director	up to \$5,000	up to \$20,000	n/a	up to \$50,000	n/a	\$2,500 to \$9,999	n/a
Town Administrator	up to \$10,000	up to \$25,000	up to \$50,000	up to \$100,000	up to \$25,000	up to \$100,000	up to \$34,999

As with the purchasing policy presented to the Board for approval in 2006, staff is presenting this revised policy to the Board for its approval. However, since the vast majority of this policy is procedural in nature, staff is proposing that future revisions to the policy may be made without Board approval, with the exception of changes to sections related to approval levels which will still require approval by the Board. See Section 21 of the policy for more information.

ATTACHMENTS:

- 1.) Resolution
- 2.) Purchasing Policy & Procedures