

**TOWN OF TIMNATH, COLORADO
ORDINANCE NO. 8, SERIES 2025**

AN ORDINANCE ADOPTING AMENDED PURCHASING POLICY

WHEREAS, the Town of Timnath (the “Town”) is a home rule municipality operating under the Timnath Home Rule Charter adopted on November 7, 2006, as amended in 2015, 2022, 2023 and 2024, (the “Charter”) and the Town’s Municipal Code (the “Code”). Pursuant to the Charter, the Code and the authority given home rule municipalities, the Town may adopt and amend ordinances; and

WHEREAS, Sec. 2.4 of the Charter provides that the Town Council (“Council”) has the power to “[p]urchase or contract for supplies, material, equipment or improvements under such requirements with respect to competitive bidding or alternative contract award procedures as the Council may prescribe by ordinance”; and

WHEREAS, the Town adopted a Purchasing Policy in December of 2020, and the Council wishes to hereby amend and update the Purchasing Policy with changes including: a) increasing the spending authority delegated to the Town Manager and Department Directors, b) increasing the dollar amount for which formal bidding is required, c) adding that the Policy generally applies to purchases by the Timnath Development Authority and the Timnath Landing General Improvement District in addition to the Town, d) adding bidding exceptions for contracts for fuel and specialized, contracted legal services, and e) updating language regarding conflicts of interest; and

WHEREAS, the Timnath Town Council held a regularly scheduled meeting and Public Hearing on June 24, 2025 and upon hearing the statements of staff and the public, and giving consideration to the recommendations wishes to adopt the amended Purchasing Policy; and

WHEREAS, the Town Council hereby finds, determines, and declares that this Ordinance is promulgated under the general police power of the Town, that it is promulgated for the preservation of public health, welfare, peace, safety and property and that this Ordinance is necessary for the protection of public convenience and welfare.

NOW, THEREFORE, THE COUNCIL OF THE TOWN OF TIMNATH, COLORADO, ORDAINS:

SECTION 1 – ADOPTING PURCHASING POLICY

The Town Council hereby adopts the updated Purchasing Policy set forth as Exhibit A, which shall supersede the existing Purchasing Policy following adoption. The Purchasing Policy may be amended in the future by the Council adopting a Resolution, if the amendment does not modify the requirements with respect to competitive bidding or alternative contract award procedures, or by Ordinance if the bidding requirements are modified.

SECTION 2 – SEVERABILITY

If any article, section, paragraph, sentence, clause, or phrase of this Ordinance is held to be unconstitutional or invalid for any reason, such decision shall not affect the validity or

constitutionality of the remaining portions of this Ordinance. The Council hereby declares that it would have passed this Ordinance and each part or parts hereof irrespective of the fact that any one or parts be declared unconstitutional or invalid.

SECTION 3 – REPEAL

Any and all ordinances or codes or parts thereof in conflict or inconsistent herewith are, to the extent of such conflict or inconsistency, hereby repealed; provided, however, that the repeal of any such ordinance or code or part thereof shall not revive any other section or part of any ordinance or code heretofore repealed or superseded and this repeal shall not affect or prevent the prosecution or punishment of any person for any act done or committed in violation of any ordinance hereby repealed prior to the effective date of this Ordinance.

ARTICLE 4 – EFFECTIVE DATE

This Ordinance shall take effect upon adoption at second reading, as provided by Section 3.5.5 of the Charter.

INTRODUCED, MOVED, ADOPTED AND ORDERED PUBLISHED BY TITLE BY THE TOWN COUNCIL OF THE TOWN OF TIMNATH ON FIRST READING, ON JUNE 10, 2025, AND SET FOR PUBLIC HEARING AND SECOND READING AT 6:00 P.M. ON JUNE 24, 2025 AT THE TIMNATH ADMINISTRATION BUILDING, 4750 SIGNAL TREE DRIVE, TIMNATH COLORADO.

MOVED, SECONDED AND FINALLY ADOPTED ON SECOND READING FOLLOWING PUBLIC HEARING BY THE TIMNATH TOWN COUNCIL ON JUNE 24, 2025.

TOWN OF TIMNATH, COLORADO



Robert Axmacher, Mayor

ATTEST:



Milissa Peters-Garcia, MMC
Town Clerk



EXHIBIT A
Purchasing Policy

**TOWN COUNCIL ADOPTED POLICY
TOWN OF TIMNATH**

SUBJECT: Purchasing Policy

ISSUE DATE

June 24, 2025

EFFECTIVE DATE

July 1, 2025

INTENT

This policy establishes guidelines related to Town purchases. The Town budget is the principal controlling document and all purchases must conform to the forecasted expenditures approved by Town Council as part of the budget process. The existence of an item in the Town budget does not automatically authorize procurement but instead indicates Town Council appropriation of fund which could be used for such purchase. This policy along with the Purchasing and Procurement Procedures and any other Town applicable procedures and/or policies will establish internal controls and provide guidelines to ensure fair treatment to all vendors seeking to do business with the Town. When purchases involve the expenditure of federal, state, or local grants and/or are related to a Town approved intergovernmental agreement, the purchase should comply with any applicable laws, regulations and/or agreement requirements. All employees purchasing on behalf of the Town are expected to adhere to the Town's purchasing policy.

This policy shall govern purchases by the Timnath Development Authority and the Timnath Landing General Improvement District, except when superseded by Bylaws, Ordinances, or Town Code provisions specific to those entities.

The following expenditures are considered approved at the time of budget adoption and are not subject to this purchasing policy:

- Staff wages, payroll taxes and benefits
- Liability and Workman's comp insurance
- Principal and interest payments on debt
- Utilities
- Fuel
- Intergovernmental agreement (IGA) payments
- Specialized contracted legal services

POLICY

I. Standards for Purchasing

The following general standards apply when making purchases for the Town:

1. All purchases must be for the benefit of the Town.

2. All purchases must be properly authorized, approved and accurately recorded and allocated to the correct period, fund, and general ledger account.
3. All purchases must be supported by sufficient documentation that includes payee, goods/services purchased and amount of purchase.
4. All purchasers must consider economic advantages while striving to achieve the highest quality of goods and services necessary to accomplish the needed functions of the Town.
5. Whenever possible, consolidate purchases to obtain economic benefits.
6. Encourage open competition as much as practical and when in the best interests of the Town.
7. Purchase goods and services from local vendors all other things being equal.
8. Require vendors to fulfill all terms and conditions of contracts and purchase orders.
9. Take advantage of all State and local tax exemptions.
10. Ensure that purchases go through the system of internal controls established in this policy and the Purchasing and Procurement Procedures.

II. Authority to Purchase and Authorization Limits

The following personnel will have the authority to make purchases for the Town in accordance with the adopted budget. If needed, the Town's Finance Department will be consulted in circumstances when the budget objective is not clear. Any obligations incurred not authorized pursuant to this policy may become the individual's responsibility.

1. Department Directors have authority to approve purchases of up to \$50,000 for goods and services that are appropriated in the current year budget, except for items that must be approved by Town Manager or Council per paragraphs 2 and 3 below. Directors may delegate purchasing authority within their department up to \$25,000 for appropriated purchases.
2. Town Manager has authority to approve purchases up to \$100,000 for goods and services that are appropriated. The following items will always require the Town Manager's or designee's approval regardless of the dollar amount:
 - a. Vehicles
 - b. Building and facility modifications
3. Town Council must approve purchases above \$100,000. The following items will always require the Town Council approval regardless of the dollar amount:
 - a. Purchases not appropriated or which exceed the amount appropriated
 - b. Real estate and land purchase contracts, with the exception of easements.
Easements shall follow the appropriate threshold above
 - c. Public Art
4. The above authorization limits, however, must also follow internal controls and approvals and follow the Town's Purchasing and Procurement Procedures.
5. No purchases are to be artificially separated to avoid the established authorization limits detailed above.
6. All change orders, amendments or work orders, which increase the total cost by an amount up to the next dollar limit threshold, will require approvals of the appropriate individual at that threshold.

III. Bid Guidelines

Although, the Town is not included in the category of municipalities that are subject to the municipal public bidding statute contained in Title 31 of the Colorado Revised Statutes, the Town will adhere to the following contract bid guidelines:

1. For purchases over \$50,000 the Town will contract services through a formal, public bidding process.
2. The Town Council or Town Manager, based on authorization limits in Section II, may waive the requirement for a formal, public bidding process under the following circumstances:
 - a. The bidding process may cause undue delay.
 - b. Only one sole provider exists.
 - c. The bidding process would result in substantially higher cost to the Town, it would injure the Town's financial interests or it would impede the Town's administrative functions.
 - d. An exact product must be purchased to maintain compatibility, standardization, or visual synchronization.
 - e. The product is a work of art.
 - f. Ongoing services provided to the Town by an entity which has been identified as the most qualified and/or preferred provider so long as the services provided continue to meet the standards of performance acceptable to the Town.
 - g. In the event of an emergency, as set forth in Sec. IV below.
3. Cooperative price agreements or piggybacking on other governments bidding processes will qualify as meeting the requirements of a formal public bidding process.
4. For professional services that can include, but are not limited to, engineering, legal, public works, accounting and finance, a Request For Proposals (RFP) can be used, where experience and qualifications in the related field can be considered of higher importance than price.
5. For professional services that can include, but are not limited to, engineering, legal, public works, accounting and finance, a Request For Qualifications (RFQ) can be used, where selection and use of a prequalified vendor will qualify as meeting the requirements of a formal public bidding process.
6. Bid frequency unless otherwise waived by Council, via resolution will be required to be re-bid at a minimum of every five years. Contract renewals are subject to performance and mutual agreement of terms between the Town and contractor.
7. Notwithstanding the threshold, the Town may elect to pursue a formal public bidding process when in the best interest of the Town if the purchases are less than \$50,000.

IV. Emergency Procedures

Emergencies are those instances when there exists a threat to the public health, welfare or safety, or when delay would cause harm to the Town. In the case of an emergency or an immediate public necessity, when it is not feasible to follow the bidding procedures, and it is necessary to authorize the purchase of equipment, supplies or services, or emergency repair costs in excess of

\$100,000, the Town Manager shall first notify the Mayor or in the absence of the Mayor, the Mayor Pro Tem. In the absence of the Mayor and Mayor Pro Tem, the Town Manager is authorized to purchase the equipment, supplies or services necessary to manage the emergency. The Mayor and Mayor Pro Tem are also authorized to approve emergency purchases as needed and pursuant to the Town's Emergency Operations Plan.

V. Conflicts of Interest

To ensure fair treatment to all vendors seeking to do business with the Town, Town employees purchasing on behalf of the Town must always make a best effort to avoid actual or perceived conflicts of interest.

No Purchaser shall participate in the selection, award or administration of a bid or contract if there are any financial, family, or any other beneficial interest in the vendor. If a potential conflict exists or is perceived to exist, the employee shall notify the Town Manager in writing. Town employees shall not be allowed to bid when the Town is purchasing or contracting for supplies, services, and construction items. Relatives of Town employees will be allowed to bid on purchases or contracts with the Town only in those situations where the employee that is related to the bidder is not involved in the decision authority in the process of awarding the bid.

A Town employee shall not knowingly purchase from or award a contract to any Town employee or to operate a business concern or other organization owned or controlled by one or more Town employees. This is intended to avoid any conflict of interest and avoid the appearance of favoritism or preferential treatment by the Town towards its employees.

The Town Manager, or a designee not below the level of the Department Director, may authorize an exception to the conflict-of-interest policy only if there is a most compelling reason to do so, such as when the Town's needs cannot reasonably be otherwise met.

VII. Payment Approval

All invoices will be reviewed by the Finance Department in accordance with this policy. Payments will be processed on an established schedule. See the Town's Purchasing and Procurement Procedures for additional information.

VIII. Policy Review

The Town Manager and Finance Department will be responsible for reviewing this Purchasing Policy on an annual basis and will make recommendations for revisions to the policy as deemed appropriate. Adoption and changes to the policy will require an affirmative vote by Town Council.



Robert Axmacher
Mayor



Attest: Milissa Peters, CMC
Town Clerk