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To: Mayor Kudron and the Grand Lake Board of Trustees  
From: John Crone, Town Manager  
Re: Ordinance 4-2024, Amending Town Code 4-2-7  
Date: April 8, 2024

### **Background**

The Town Code 4-2-7 provides the framework for purchasing supplies and services on the open market. In most cases, the Town must go through a bid process on all purchases for supplies or services; however, there are situations where it is much more efficient to simply make those purchases on the open market. Section 4-2-7 provides the framework for when such purchases are allowed and how they must be made.

Staff has identified certain sections of 4-2-7 that need to be updated. First, staff recommends increasing the limit on allowed purchases from \$15,000 to \$20,000. This reflects increases in the costs of goods and services since the code was last updated. Any purchases over \$20,000 will still need Board approval even if the purchases were anticipated and budgeted.

Staff also recommends allowing more services to be purchased pursuant to 4-2-7. Much of the Town's equipment and vehicles contain warranties or proprietary components that limit the number of contractors who can work on the equipment. It may often be impractical or unwise to take the time to solicit bids for services that, in all practicality, can only be performed by a limited number of contractors (often there is only one contractor who can perform the services). The proposed changes to 4-2-7 will allow for the purchase of routine services or services that are limited based on the equipment being serviced.

### **Action**

If the Board of Trustees wishes to approve the amended procurement policies, it may do so by adopting Ordinance 04-2024 with the following motion:

*I move adopt Ordinance 04-2024, Amending Town Code Title 4, Article 2, Section 7..*

**TOWN OF GRAND LAKE  
BOARD OF TRUSTEES  
ORDINANCE NO. 04-2024**

**AN ORDINANCE AMENDING GRAND LAKE MUNICIPAL CODE 4-2-7  
REGARDING PURCHASING AND PROCUREMENT**

**WHEREAS**, the Board of Trustees of the Town of Grand Lake, Colorado, pursuant to Colorado statute and the provisions of the Grand Lake Municipal Code, is vested with the authority of administering the affairs of the Town of Grand Lake, Colorado (“the Town”); and

**WHEREAS**, the Town of Grand Lake Municipal Code Title 4, Article 2, Section 7 was adopted to set forth the requirements for purchasing supplies and services on the open market; and

**WHEREAS**, the Town Code Municipal Code Title 4, Article 2, Section 7 needs to be updated to reflect changes in pricing; and

**WHEREAS**, the Town Code Municipal Code Title 4, Article 2, Section 7 needs to be updated allow for the timely completion of regular services; and

**WHEREAS**, the Board of Trustees of the Town of Grand Lake has determined that the Grand Lake Municipal Code must be updated to allow for the more efficient operation of government services.

**NOW THEREFORE BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF GRAND LAKE, COLORADO, THAT:**

1. Section 4-2-7 of the Grand Lake Municipal Code is hereby amended with the addition of the **bold underlined** language and the deletion of the ~~strike through~~ language to read in its entirety as attached in exhibit A:
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 Board of Trustees hereby declares that it would have passed this Ordinance and each part hereof irrespective of the fact that any one part or parts are declared unconstitutional or otherwise invalid.
3. Repeal. Existing ordinances or parts of ordinances covering the same matters as

embraced in this Ordinance are hereby repealed and all ordinances or parts of ordinances inconsistent with the provisions of this Ordinance are hereby repealed, except that 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 taking effect of this Ordinance. Except as specifically amended by this ordinance, all other provisions of the Grand Lake Town Code shall remain in full force and effect.

**INTRODUCED, APPROVED AND ADOPTED AT A REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE TOWN OF GRAND LAKE THIS 8TH DAY OF APRIL 2024.**

Votes Approving: \_\_\_\_\_  
Votes Opposed: \_\_\_\_\_  
Absent: \_\_\_\_\_  
Abstained: \_\_\_\_\_

ATTEST:

**BOARD OF TRUSTEES OF THE  
TOWN OF GRAND LAKE, COLORADO**

\_\_\_\_\_  
Alayna Carrell, Town Clerk

By: \_\_\_\_\_  
Stephan Kudron, Mayor

## Exhibit A

### 4-2-7 - Open Market.

(A) The Town Manager or his designee may purchase services or supplies without contract if the cost of the services or supplies does not exceed ~~fifteen~~ **twenty** thousand ~~(\$15,000.00)~~ **(\$20,000)** dollars, the purchase does not exceed the established budget, and the services or supplies are within one (1) of the following categories:

1. **Services or** Supplies of limited availability, to wit, **services or** supplies indispensable to the Town which are obtainable, for practical purposes, from only one single source.
2. Services or supplies which are required due to an emergency condition or situation. These services or supplies shall not have a monetary limitation due to the existence of an emergency condition or situation.
3. Supplies which are perishable, to wit, supplies which cannot be purchased by ordinary procedures by reason of imminent spoilage or decay.
4. **Services or** supplies required by reason of practicality, to wit, supplies required in respect to uniformity of equipment presently in operation, uniformity of decorative and semi-decorative fixtures and supplies, and in respect to preferences based on particular individual usage or professional advice.
5. Routine **services or** supplies, to wit, supplies such as road base, where due to the quantity necessitated, a large purchase is necessary, but routine in the normal operation of business **or services such as regularly scheduled maintenance on equipment.**

(B) All purchases of services or supplies under this Section shall be purchased at the best value for the lowest cost to the Town of Grand Lake.