



City of Ketchum

### CITY COUNCIL MEETING AGENDA MEMO

Meeting Date:  Staff Member/Dept:

Agenda Item:

**Recommended Motion:**

No formal action is requested at this time. Staff is seeking feedback on any desired edits. Staff will place on December 18th agenda for formal action.

**Reasons for Recommendation:**

- Staff is seeking approval to move to revised City of Ketchum procurement policies and procedures that more closely align with (if not match) state law for procurement and contracting.
- City purchasing and contracting is governed by Idaho State Code with the ability of the City to be more restrictive.
  - In June of 2018, Council passed the current procurement and purchasing policies that are considerably more restrictive than current state procurement laws.
- Other local and resort city municipalities were polled for comparison purposes, and it was found they follow the standards outlined by Idaho State Law.
- Time and energy expended by staff required to satisfy more restrictive procurement policies is inefficient given the current \$5,000 procurement threshold for goods and services and public works.
  - Protections are built into the current Council approval process with the PAR (Payment Approval Report) as a fair and transparent process, where Council reviews all payments made by the City.
  - State law mandates additional procurement steps and transparency (i.e., Noticing) when dollar amounts reach certain thresholds.
- Local business preference and sustainability guidelines would continue to be adhered to with the recommended changes.

**Policy Analysis and Background (non-consent items only):**

- Staff will make a presentation during the council meeting outlining the suggested changes with additional details and background.

**Sustainability Impact:**

None OR state impact here: Sustainability goals will be adhered to regardless of threshold levels adopted.

Financial Impact:

None OR Adequate funds exist in account:	NONE
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Attachments:

1. Procurement Presentation
2. 2023 AIC Procurement Manual
3. Staff Purchasing Policy Packet – 6.4.2018



**Procurement**  
December 4, 2023



## Procurement **Agenda**

- Procurement goals
- Comparison with ID jurisdictions
- Ketchum procurement/spending history
- Proposal(s): Threshold adjustments
- Next steps



Procurement

## Alignment of Goals

- Fair and transparent process
  - PAR approval is part of every council meeting
  - What does Council want to know in advance?
- Supporting local businesses
  - Price differential threshold (where do we draw the line).
  - The State/AIC Manual does not provide a differential.
- Furthering sustainability goals
  - Areas of focus: vehicles (electric); building materials; others?
  - Green Purchasing Policy example – Sonoma's: <https://tinyurl.com/sonomaexample>
- Staff efficiency
  - Challenge of small market
  - Less time on sourcing vendors/paperwork



## State Law / Association of Idaho Cities (AIC) Procurement Manual

Category	Threshold	Process	Threshold	Process	Threshold	Process
Materials & Goods (pg. 2)	< \$75k	No process	\$75k-\$150k	Informal	> \$150k	Formal
Public Works/Construction (pg. 4)	< \$50k	No process	\$50k-\$200k	Informal	> \$200k	Formal
Design Professionals (pg. 12)	< \$50k	No process	> \$50k*	Informal		Formal
	*qualifications-based selection” (QBS) of design professionals, including architects, engineers, landscape architects, land surveyors, and construction managers					
Independent Contractors (pg. 1)	No process – “exemptions from competitive bidding include ‘Procurement of personal or professional services to be performed by an independent contractor for the political subdivision’”					

- No process – city discretion
- Informal – written request for bids to at least three vendors
- Formal – noticing, sealed bids opened in public
- Sole source (pg. 13) – the council must declare that there is only one (1) source reasonably available for the public works construction, services or personal property to be acquired
- Emergency purchases (pg. 13) – once the council declares an emergency, the city may proceed to purchase without competitive bidding.
- Cooperative agreements (pg. 6) – bid by the federal government, state of Idaho, or another Idaho unit of local government (purchases exempt from competitive bidding)





Procurement

## Ketchum Historical Procurement

Threshold	2022	2023
\$5,000 - \$10,000	22	20
\$10,000 - \$15,000	15	13
\$15,000 - \$25,000	19	22
	56 (50%)	55 (47%)
\$25,000 - \$50,000	25	35
\$50,000 +	31	27
	56 (50%)	62 (53%)
<b>Total bids:</b>	<b>112</b>	<b>117</b>





Procurement  
**Local Vendors**

Percentage of Local Resources Used	2022	2023
Materials & Goods	36%	34%
Public Works / Construction	32%	47%
Professional Services	69%	59%



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**Threshold Proposal**

<b>Ketchum</b>	<b>Current</b>	<b>Proposed</b>
Materials & Goods	\$ >5,000	\$ >30,000 (?)
Public Works / Construction	\$ >5,000	\$ > 50,000
Professional Services	\$ >5,000	\$ > 30,000 (?)

Objectives fulfilled under goals

- Helps staff efficiency
- Can still focus on buying local and sustainability



## Discussion



Procurement  
**Next Steps**

- December 18 – Resolution to adopt new purchasing thresholds.
- Staff training sessions for new regulations.

# PROCUREMENT MANUAL



ASSOCIATION OF IDAHO CITIES  
3100 S VISTA AVE #201  
BOISE, IDAHO 83705

(208) 344-8594  
IDAHO CITIES.ORG



# 2023



# Procurement

*July 2023*

**Association of Idaho Cities  
3100 S. Vista Ave. Ste. 201  
Boise, ID 83705  
Tel. (208) 344-8594 or (800) 344-8594  
Fax (208) 344-8677  
[www.idahocities.org](http://www.idahocities.org)**

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## **INTRODUCTION**

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This manual is intended to acquaint Idaho's city officials with procedures and requirements for the acquisition of goods, services and public works construction in compliance with Idaho law. Procedures vary for bidding on public works; for purchasing materials and supplies unrelated to public works; and for purchasing architectural, engineering or landscape architectural services. There are also different thresholds that determine whether a city can make purchases without going out for bid. Cities should establish sound policies and processes in the pursuit of efficient and cost-effective procurement that will result in the most beneficial outcome for the city. The overarching theme is practicing good stewardship of public resources.

## **PURCHASES EXEMPT FROM COMPETITIVE BIDDING [I.C. 67-2803](#)**

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Cities may participate in cooperative purchasing agreements competitively bid by the federal government, state of Idaho, or another Idaho unit of local government. Other exemptions from competitive bidding include:

- (1) The acquisition of personal property when the procurement duplicates the price and substance of a contract for like goods or services that has been competitively bid by the state of Idaho, one (1) of its political subdivisions, or an agency of the federal government;
- (2) Contracts or purchases where expenditures to procure public works construction are less than fifty thousand dollars (\$50,000) or where expenditures to procure services or personal property are less than seventy-five thousand dollars (\$75,000), provided such contracts or purchases shall be guided by the best interests of the political subdivision procuring the goods and services as determined by the governing board;
- (3) Disbursement of wages or compensation to any employee, official or agent of a political subdivision for the performance of personal services for the political subdivision;
- (4) Procurement of personal or professional services to be performed by an independent contractor for the political subdivision;
- (5) Procurement of an interest in real property;
- (6) Procurement of insurance;
- (7) Costs of participation in a joint powers agreement with other units of government;
- (8) Procurement of used personal property;
- (9) Procurement from federal government general services administration (GSA) schedules or federal multiple award schedules (MAS);
- (10) Procurement of personal property or services through contracts entered into by the division of purchasing of the department of administration of the state of Idaho;
- (11) Procurement of goods for direct resale;
- (12) Procurement of travel and training;
- (13) Procurement of goods and services from Idaho correctional industries;
- (14) Procurement of repair for heavy equipment;
- (15) Procurement of software maintenance, support and licenses of an existing system or platform that was bid in compliance with state law;
- (16) Procurement of public utilities;
- (17) Procurement of food for use in jails or detention facilities; or
- (18) Procurement of used equipment at an auction if authorized by the governing board.

## **PURCHASING SERVICES AND PERSONAL PROPERTY**

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Purchasing of services (e.g. janitorial services, landscape maintenance) and personal property (e.g., automobiles, equipment, supplies) follows the process outlined below:



**a) For Purchases Under \$75,000**

If the price of the contract or purchase is estimated to be under \$75,000, the city has the discretion to purchase from any vendor believed to provide the best value. Internal procedures can guide conduct.

**b) For Purchases Between \$75,000 & \$150,000**

- The city must make a written request for bids (by electronic or physical delivery) to at least three vendors. The request should describe: the personal property or services to be purchased or leased; the method(s) for vendors to submit their bids (again, by either electronic or physical delivery); the date and time by which bids must be received by the clerk or other authorized official; and a reasonable time to respond, with a minimum of at least three business days except in an emergency.
- Written objections to specifications or bid procedures must be received by the clerk or other authorized official at least one business day before the bids are scheduled to be received.
- When the bids are received, they are compiled and submitted to the city council (or an official authorized by the council) for approval of the lowest responsive bid or all bids are rejected, and the process starts over again.
- If the city determines that it is impractical or impossible to obtain three bids, the city may acquire the property in any manner the city deems best from the qualified vendor quoting the lowest price. When fewer than three bids are considered, the city must document its efforts to obtain three bids and maintain this documentation, along with the written trail from solicitation to acceptance of bids, for at least six months after the purchase. If two or more vendors tie for the lowest bid, the council or its authorized official may select either vendor at its discretion.

- For Purchases Greater than \$150,000:** The purchase or lease must be made following a competitive sealed bid process from the qualified vendor submitting the lowest bid in compliance with bidding procedures and meeting the city's specifications.

The process begins when the city publishes two notices soliciting bids in the official city newspaper, with the first notice at least two weeks before bid opening and the second notice at least a week prior to bid opening. The notice must succinctly describe the personal property or services to be procured and must state that specifications, bid forms, instructions, contract documents and other information are available upon request to any interested bidder.

Written objections by bidders concerning specifications or bidding procedures must be received by the clerk or other authorized official at least three business days before the scheduled bid opening. The city may require bid security of at least five percent of the amount of the bid. If security is required, a bid may not be considered unless security is provided in the form required by the city, including:

- Cash,
- Cashier's check payable to the city,
- Certified check payable to the city, or
- Bidder's bond executed by a qualified surety company payable to the city.

Any bid received by the city may not be withdrawn after the time set for opening of bids. The sealed bids are opened in public at the date, time and place specified in the published notices and thereafter are compiled and submitted to the city council.

The city council may award the contract to the vendor submitting the lowest responsive bid, reject all bids and go through the process again, or it may decide that the goods or services can be purchased more economically on the open market. If two or more bids are the same and are the lowest responsive bids, the city council may accept either in its discretion. The city council may also preauthorize the purchase of equipment at public auction.

If the city council chooses to award to a bidder other than the apparent low bidder, the council must declare its reasons on the record and must communicate these reasons in writing to all vendors submitting bids. Participating bidders have seven calendar days from the date of transmittal of the notice to respond in writing with their objections. If objections are received, the purchase is stayed while the city council reviews its decision and determines whether to affirm its prior award, modify the award or choose to re-bid, stating its reasons. After completion of the review process, the city may proceed as it determines is in the public interest.

If the successful bidder fails to execute the contract, the bid security may be forfeited to the city at the discretion of the council and the proceeds deposited in a designated fund out of which reasonable expenses of procuring substitute performance are paid. Upon failure or refusal of the successful bidder to execute the contract, the city may award to the next lowest qualified bidder. The lowest bidder's security may be applied by the city to the difference between the two bids. The surplus, if any, shall be returned to the lowest bidder if cash or check is used, or to the surety on the bidder's bond if a bond is used, less reasonable administrative costs not to exceed twenty-five percent of the amount of the bidder's security. [I.C. §67-2806](#)

The city may utilize a request for proposal process as an alternative to the competitive bid process for procurement of goods or services for which fixed specifications might preclude discovery of a cost-effective solution, or where a problem may be amenable to several solutions, or price is not the sole determining factor.

Evaluation of vendors can be based on a variety of factors including innovative solutions, unique product features, price, experience, financial stability, the ability to perform contract requirements in a timely or efficient manner, the ability to meet product specifications, product quality or performance records, past vendor performance, future product maintenance or service requirements, and product warranties.

The request for proposal should describe the instructions of the process, the scope of work, the selection criteria, contract terms and the scoring methodology to be applied.

Notification, solicitation and consideration of contests concerning the award of procurement pursuant to a request for proposal shall be in accordance with the minimum requirements established in section 67-2806. Records compiled during the scoring process shall be made available for public inspection when the purchasing recommendation is made to the city council. [I.C. §67-2806A](#)

## **JOINT PURCHASING AGREEMENTS**

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A city may participate in cooperative purchasing agreements with the state of Idaho, other Idaho political subdivisions, other government entities, or associations thereof. Political subdivisions may also participate in

cooperative purchasing programs established by any association that offers its goods or services as a result of competitive solicitation processes. [I.C. §67-2807](#)

## **PURCHASING PUBLIC WORKS CONSTRUCTION – I.C. Title 67, Chapter 28**

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Cities are granted express authority to prequalify public works contractors, thus ensuring that contractors have the requisite experience, equipment and personnel to undertake a particular project. Cities are required to use a licensed public works contractor for jobs over \$50,000. The competitive bidding thresholds for public works construction are described below:

- **For Construction Projects Under \$50,000:** The city can purchase from any public works contractor believed to provide the best value. [I.C. §54-1903](#)
- **For Construction Projects Between \$50,000 & \$200,000:** The city must submit a written request (by electronic or physical delivery) for bids, describing the work to be done, to at least three licensed public works contractors selected by the city. The request should also specify the method for contractors to submit their bids (either by electronic or physical delivery) and the date, time and place by which bids must be received. The city must allow a reasonable time for bidders to respond: at least three business days, except in an emergency. Prospective bidders may submit objections to the bidding procedures or specifications up to one business day before bids are scheduled to be received. The city must accept the lowest responsive bid of the licensed public works contractors chosen by the city to submit bids or reject all bids and go through the process again.

If the city finds it is impractical or impossible to obtain three bids, the city may acquire the work in the manner it deems best from the qualified public works contractor quoting the lowest price. When fewer than three bids are considered, the city needs to document its efforts to obtain three bids, along with the written trail from solicitation to acceptance of bids and must keep the documentation for at least six months after the contract is awarded. If two or more contractors submit the same low bid, the city council or its authorized official may select whichever contractor it desires.

- **For Construction Projects Over \$200,000:** There are two options:

Category A: Under this category, the city must accept bids from any licensed public works contractor, and the city may only consider:

- a. The amount of the bid.
- b. The bidder's compliance with administrative requirements.
- c. Whether the bidder holds the requisite public works contractors license.

The city must publish two notices soliciting bids in the official city newspaper, the first at least two weeks before bid opening and the second at least a week before bid opening. The notices must succinctly describe the project to be constructed and inform prospective bidders that specifications, bid forms, instructions, contract documents and other materials are available upon request for a reasonable copying fee.

Written objections to specifications or bidding procedures must be received by the clerk or other authorized official at least three business days before scheduled bid opening. The clerk/authorized official or city council must respond, in writing, to the objector and all other prospective bidders, adjusting the timeframe for submission of bids if necessary.

The city may require bid security of at least five percent of the amount of the bid. If security is required, a bid may not be considered unless security is provided in the form required by the city, which may include:

- Cash,
- Cashier's check payable to the city,
- Certified check payable to the city, or
- Bidder's bond executed by a qualified surety company payable to the city.

Submitted bids must be sealed, with an indication on the outside identifying the project. Any bid received by the city may not be withdrawn after the date and time of bid opening. The sealed bids are opened in public at the date, time and place specified in the published notices and thereafter are compiled and submitted to the city council.

The city council awards the contract to the qualified bidder submitting the lowest responsive bid or may reject all bids and re-bid the project. The city council may also, after determining it to be true, declare that the project can be performed more economically by purchasing goods and services on the open market. If identical bids are submitted and are the low bid, the city council may choose the bidder it prefers. If no bids are received, the city council may procure without further competitive bidding procedures.

If the city council chooses to award to a bidder other than the apparent low bidder, the city council must declare its reasons on the record and must communicate these reasons in writing to all those submitting bids. Participating bidders have seven calendar days from the date of transmittal of the notice to respond in writing with their objections. The procurement is stayed while the city council reviews its decision and determines whether to affirm its prior award, modify the award or choose to re-bid, as it deems to be in the public interest.

If the successful bidder fails to execute the contract, the bid security may be forfeited to the city and the proceeds may be deposited in a designated fund out of which the expenses of procuring substitute performance are to be paid. If the successful bidder refuses or fails to execute the contract, the city may award the contract to the qualified bidder submitting the next lowest responsive bid. If this occurs, the original contractor's security may be applied to the difference between the two bids, and any surplus remaining must be returned to the original contractor if cash or check is used or to the surety on the bidder's bond if a bond is used (less reasonable administrative costs not to exceed twenty-five percent of the amount of the security).

Category B: Under Category B, bidding is open only to those licensed public works contractors meeting the required qualifications established by the city. This process consists of two stages: the first establishing a list of prequalified contractors, and the second where sealed bids are submitted from prequalified contractors.

To start the prequalification process, the city publishes notice of prequalification of contractors twice in the official newspaper, providing a date and time by which statements of qualifications must be received and the standards for evaluating qualifications of prospective bidders. The first publication must be at least two weeks before the deadline and the second publication at least one week before the deadline. The city may establish prequalification standards based on the following criteria:

- Demonstrated technical competence;
- Experience constructing similar facilities;
- The contractor's prior experiences with the city;

- The contractor's available non-financial resources, equipment and personnel as they relate to the particular project; and
- The contractor's overall performance history.

Licensed contractors desiring to be prequalified must submit a written response to the city's request for qualifications. Written objections to prequalification procedures must be received by the clerk or other authorized official at least three business days before statements of qualifications are due. The clerk/authorized official or city council must respond to the objections in writing, to all those seeking to prequalify, adjusting the timeframe for submission of statements of qualifications if necessary.

After reviewing statements of qualifications, the city may select the licensed contractors meeting its criteria. The city must provide a written explanation to any licensed contractor that fails to meet the prequalification standards. Any licensed contractor that fails the prequalification stage can appeal to the city council within seven days after transmittal of the prequalification results. If the council upholds the decision, it must state its reasons on the record. Decisions of the city council may be appealed to the public works contractor licensing board no more than fourteen days following any decision on appeal made by the council. The board must decide the appeal within thirty-five days after an appeal is filed. The appealing contractor and the city can participate in the hearing by either written or oral communication. The board shall not substitute its judgment for that of the city, and the board's review is limited to determining the following:

- Was the city council's decision consistent with the announced prequalification standards?
- Do the prequalification standards meet the requirements of the law?
- Is the council's decision supported by the entirety of the record?

The board must issue its decision in writing, outlining the reasons for its decision. Any licensed contractor deemed unqualified by a decision of the board may seek judicial review of the decision within twenty-eight days after the board's decision. The prequalification process is stayed during a pending appeal to the board, but in no instance for more than forty-nine days after the council's appellate decision.

After the conclusion of the prequalification stage, the bidding stage commences by a notice of the time, date and place of the public opening of bids. If the city is seeking a prequalified prime contractor, the notice is sent to the prequalified prime contractors at least two weeks prior to bid opening. If the city is seeking a prequalified specialty or subordinate contractor, then the notice is published, with the first publication at least two weeks prior to bid opening and the second publication at least one week prior to bid opening. The notice must succinctly describe the project and indicate that copies of specifications, bid forms, instructions, contract documents and general and special instructions are available upon request and payment of a reasonable copying fee.

Sealed bids must be presented to the clerk or other authorized official, with a concise statement on the outside indicating the particular project.

Written objections to the specifications or bidding procedures must be received by the clerk or other authorized official at least three business days before the scheduled bid opening.

The city may require bid security of at least five percent of the amount of the bid. If security is required, a bid may not be considered unless security is included in the form required by the city, including:

- Cash,
- Cashier's check payable to the city,
- Certified check payable to the city, or
- Bidder's bond executed by a qualified surety company payable to the city.

Any bid received by the city may not be withdrawn after the date and time of bid opening. The sealed bids are opened in public at the date, time and place specified in the notice, and are then compiled and submitted to the city council for award. The council awards to the prequalified bidder submitting the lowest bid; rejects all bids and re-bids the project; or declares that the project can be performed more economically by purchasing goods and services on the open market. If identical low bids are received, the city council may choose the bidder it prefers. If no bids are received, the council may purchase without further competitive bidding.

If the city council chooses to award to a bidder other than the apparent low bidder, the council must declare its reasons on the record and communicate these reasons in writing to those submitting bids.

Participating bidders have seven calendar days from the date of transmittal of the notice to respond in writing with their objections. The procurement must be stayed while the city council reviews its decision and determines whether to affirm its prior award, modify the award or choose to re-bid, as it deems in the public interest, stating its reasons.

If the successful bidder fails to execute the contract, the bid security may be forfeited to the city and the proceeds may be deposited in a designated fund out of which the expenses of procuring substitute performance are paid. The city may thereafter award the contract to the qualified bidder submitting the next lowest responsive bid. If this occurs, the original contractor's security may be applied to the difference between the two bids, and any surplus remaining must be returned to the original contractor if cash or check is used or to the surety on the bidder's bond if a bond is used (less reasonable administrative costs not to exceed twenty-five percent of the amount of the security). [I.C. §67-2805](#)

If a bidder has made a clerical or mathematical mistake on a bid, the bidder may be eligible to be released from the bid provided the city receives written notice within five calendar days of the opening of the bids. The city must be satisfied that a material mistake has actually been made. The bidder will not be allowed to rebid on that project. Any bid security will be returned by the city. Bidders failing to execute a contract and not satisfying the conditions of a mistake shall forfeit any bid security. If the city determines that a bidder is entitled to relief, it shall prepare a written report documenting the facts. The report is to be available for inspection as a public record and filed with the city. If the second lowest responsible bidder fails or refuses to execute the contract, the city may likewise award it to the next lowest responsible bidders. On the failure or refusal of the second or next lowest responsible bidders to execute a contract, their bidder's security shall be likewise forfeited. A city may determine it is in its best interests to cancel and rebid the public works project and retain any forfeited bid security. [I.C. §54-1904B, §54-1904C, §54-1904D and §54-1904E](#)

Cities which contract for public works construction may not require that a contractor, subcontractor, material supplier or carrier pay its employees a predetermined wage rate or specific employee benefits unless required by state or federal law. Cities shall ensure that neither they nor any agent working on their behalf require or prohibit bidders to enter into or adhere to any agreement with labor organizations. [I.C. §67-2809](#)

## Required Use of Licensed Public Works Contractors

Idaho law requires state and local governments to use licensed public works contractors for public works construction projects over \$50,000.

*“Public works construction” includes any or all of the following branches:*

*(i) Heavy construction, which is defined as constructing substantially in its entirety any fixed works and structures (not including “building construction”), without limitation, for any or all of the following divisions of subjects: irrigation, drainage, sanitation, sewage, water power, water supply, reservoirs, flood control, reclamation, inland waterways, railroads, grade separations, track elevation, elevated highways, hydroelectric developments, aqueducts, transmission lines, duct lines, pipelines, locks, dams, dikes, levees, revetments, channels, channel cutoffs, intakes, drainage, excavation and disposal of earth and rocks, foundations, piers, abutments, retaining walls, viaducts, shafts, tunnels, airports, air bases and airways, and other facilities incidental to the same;*

*(ii) Highway construction, which is defined as all work included in highway construction contracts, including, without limitation, highways, roads, streets, bridges, tunnels, sewer and street grading, street paving, curb setting, surfacing and other facilities incidental to any of the same;*

*(iii) Building construction, which is defined as all work in connection with any structure now built, being built, or hereafter built, for the support, shelter and enclosure of persons, chattels, personal and movable property of any kind, requiring in its construction the use of more than two (2) unrelated building trades or crafts.*

*(iv) Specialty construction, which is defined as any work in connection with any public works construction, requiring special skill and the use of specially skilled trades or crafts. [I.C. §54-1901\(2\)\(c\)](#)*

## Public Works Contracts for Less than \$50,000

Use of a licensed public works contractor has increased from \$10,000 to \$50,000 giving public owners more flexibility, but also more responsibility to be sure that everyone who contracts understands the implications. Because public property is not subject to lien laws that protect contractors from owners who won't pay, the contracting parties need to engage their city attorneys or use payment and performance bonds on small contracts. Payment and performance bonds exist as a substitute for lien remedies in public construction.

For public works construction contracts with a value less than \$50,000, lien authority should be expressly disclaimed. An alternative method to resolve performance and payment disputes should be incorporated in the contracts for smaller public works projects. The types of projects we are highlighting include building remodeling, small paving jobs, landscaping, etc.

## Naming of Subcontractors

General contractors must include in their bids the names and addresses of the subcontractors responsible for plumbing, heating and air conditioning, and electrical work under the contract. Subcontractors named by the general contractor must possess the appropriate licenses or certificates of competency issued by the state of Idaho covering the contractor work classification in which each respective subcontractor is named. Failure of a general contractor to name subcontractors renders any bid submitted by the contractor unresponsive and void.

In the event the general contractor secures the contract and is unable to finalize the terms of agreement with a subcontractor for any reason other than cost, the general contractor names another subcontractor within 10 days of being awarded the contract. The general contractor must disclose to the city the cost of work to be performed by the substitute subcontractor, and if less than the original subcontractor's bid, the reduction in cost must be passed on to the city. [I.C. §67-2310](#)

## **Payment and Performance Bonds**

Idaho law requires contractors selected for public works construction projects equal to or greater than \$50,000 to provide performance and payment bonds:

- Performance bond of at least 85 percent of the contract amount, conditioned upon the faithful performance of the contract in accordance with plans, specifications and conditions, solely for the protection of the city.
- Payment bond of at least 85 percent of the contract amount, solely for the protection of persons supplying labor, materials or renting, leasing or otherwise supplying equipment to the contractor or subcontractors.
- Cities requiring performance or payment bonds in excess of 50% of total contract amount shall not withhold from the contractor or subcontractor any amount exceeding 5% of the total amount payable as retainage. The city shall release to the contractor any retainage for those portions of the project accepted by the city and the contractors as complete within 30 days after such acceptance. Bonds shall be executed by a surety company or companies authorized to do business in Idaho, or the contractor may deposit any of the type of government obligations listed in [I.C. §54-1901\(2\)\(h\)](#), in lieu of furnishing a surety company performance or payment bond or bonds.
- It shall be illegal for the invitation for bids, or any person acting or purporting to act, on behalf of the city to require that such bonds be furnished by or through a particular source. [I.C. §54-1926](#)

Any city that fails to obtain the necessary payment bond is required to make payment, upon demand, to all persons supplying materials or labor under the contract and such persons have a right of action against the city for up to one year after the materials and/or labor were furnished. [I.C. §54-1928](#)

## **Use of City Employees for Public Works Construction Projects**

Idaho law does not restrict cities' ability to undertake public works construction projects with city employees (whether permanent or temporary). City employees are exempt from the requirements for public works contractor licensing. Since the local government purchasing law expressly exempts "disbursement of wages" to any city employee from the requirements for competitive bidding, the city is only required to go through the competitive bidding process for any materials or equipment purchased for the project. [I.C. §67-2803](#)

## **PENALTIES FOR PUBLIC OFFICIALS VIOLATING THE LAW**

- There is a civil penalty of up to \$5,000 for public agencies who willfully or knowingly avoid compliance with the competitive bidding law by contracting with unlicensed or improperly licensed contractors (the fine is paid by the city). [I.C. §54-1914](#)



- A criminal penalty of up to one year in jail and a \$5,000 fine exists for officials who knowingly let a public works contract to an unlicensed contractor, unless, however, there is no qualified bidder willing to undertake the public works covered by the contract. [I.C. §54-1920](#)
- There is a civil penalty of up to \$5,000 for officials who willfully or knowingly avoid compliance with the competitive bidding law by willfully or knowingly splitting or separating purchases or work projects with the intent of avoiding compliance with such statutes (the fine is paid by the city). [I.C. §59-1026](#)

## **EMERGENCY AND SOLE SOURCE PROCUREMENT**

In the case of emergency expenditures, the city council declares that an emergency exists (reciting with some detail why that is the case) and that public interest and necessity demand the immediate expenditure of public money, as a result of:

- A great public calamity, such as an extraordinary fire, flood, storm, epidemic or other disaster.
- It is necessary to do emergency work to prepare for the national or local defense.
- It is necessary to do emergency work to safeguard life, health or property.

Once the council declares an emergency, the city may proceed to purchase without competitive bidding.

In the case of sole source procurement, the council must declare that there is only one (1) source reasonably available for the public works construction, services or personal property to be acquired, which includes:

- Where public works construction, services or personal property is required to respond to a life-threatening situation or a situation that is immediately detrimental to the public welfare or property.
- Where the compatibility of equipment, components, accessories, computer software, replacement parts or service is the paramount consideration.
- Where a sole supplier's item is needed for trial use or testing.
- The purchase of mass-produced movies, videos, books or other copyrighted materials.
- The purchase of public works construction, services or personal property for which it is determined there is no functional equivalent.
- The purchase of public utility services.
- The purchase of products, merchandise or trademarked goods for resale at a local government facility.
- Where competitive solicitation is impractical, disadvantageous or unreasonable under the circumstances.

For sole source procurement, the city council declares that there is only one (1) vendor for the public works construction, services or personal property to be acquired, and then publishes notice of the sole source procurement in the official newspaper at least fourteen (14) days before awarding the contract (publication is

not required in the case of a life-threatening situation or a situation that is immediately detrimental to public welfare or property). [I.C. §67-2808](#)

## **RECIPROCAL PURCHASING PREFERENCE LAW**

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Several states have “purchasing preference” laws, providing that bids from out-of-state vendors/contractors automatically have a specified percentage added to the bid for the purpose of determining the low bidder. Idaho operates under a “reciprocal preference” system that adds to the bids of out-of-state bidders the same percentage that the bidder’s home state provides as preference for in-state vendors. This applies to bids for procurement of public works, materials, supplies, services or equipment. [I.C. §67-2348](#), [I.C. §67-2349](#)

For the purposes of this section, any bidder domiciled outside the boundaries of the state of Idaho may be considered as an Idaho domiciled bidder, provided that there exists for a period of one (1) year preceding the date of the bid a significant Idaho economic presence as defined herein. A significant economic presence shall consist of the following:

- (a) That the bidder maintain in Idaho fully staffed offices, or fully staffed sales offices or divisions, or fully staffed sales outlets, or manufacturing facilities, or warehouses or other necessary related property; and
- (b) If a corporation be registered and licensed to do business in the state of Idaho with the office of the secretary of state.

For paper product bids, those items that meet recycled content standards may be given not more than a five percent (5%) purchasing preference. As such, those qualifying paper products may be considered to cost five percent (5%) less when choosing the lowest responsible bidder. [I.C. §67-2349](#)

There are several important considerations to keep in mind when examining purchasing preferences:

- Purchasing preferences only apply to purchases of materials, supplies, equipment, services and public works construction that are competitively bid (anything over \$50,000 and any other purchases that the city decides to competitively bid).
- Preferences do not apply to sole source or emergency purchases.
- State of domicile means: where a corporation is chartered or incorporated, or where a sole proprietor or partnership is located or has its permanent headquarters.
- The purchasing preference is only added to the amount of the bid for the purpose of determining the low bidder, and the city does not pay that amount to the low bidder.

## **UNDERSTANDING P-CARDS**

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P-Cards (short for “purchasing cards”) are credit cards used by government agencies typically for small purchases. They function just like a credit card and may be used wherever credit cards are accepted. P-Cards help streamline the requisitioning, purchasing and payment process for small transactions. Instead of dealing with piles of purchase orders and invoices, the city gets one statement that shows the total amount due for all cardholders and each cardholder gets an individual statement that includes all their purchases for the month.

P-Cards provide a great degree of flexibility, control and accountability over purchasing activities. In setting up a P-Card system, cities determine who gets a card, and can establish specific products/services which may

be purchased (and block merchant categories, such as bars, golf courses, etc.) and dollar limits for each card (including monthly, daily, and per transaction dollar limits).

## **SALES & USE TAX EXEMPTION**

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The State of Idaho and local governments are exempt from Idaho sales and use tax. Tax-exempt entities must provide merchants with a completed Sales Tax Resale or Exemption Certificate (ST-101). Merchants are required to keep a copy of this form in their records to verify the tax-exempt status of the governmental entity. Once this form is on file with the merchant, it covers all of the city's future purchases. In addition to filling out the buyer and seller information in the boxes on the top of this form, the buyer must checkmark the "Government (U.S./Idaho)" box in Section 3, "Exempt Buyers." Finally, the buyer must sign, indicate a title, fill in the city's Federal EIN and date the form at the bottom. For tax-exempt cash purchases, a form ST-104G must be filled out for the vendor and must be signed by the purchasing agent as well as the buyer. Costs of hotel rooms for city officials on city business are exempt from sales tax when the hotel is charged to a city credit card (form ST-104HM is required)—cash payments, payments with personal credit cards and payments reimbursed to the traveler are subject to sales tax.

Purchases made by cities from out-of-state vendors that are delivered within Idaho are tax-exempt. If the out-of-state vendor is registered to collect Idaho state sales tax, the city must provide a valid, completed ST-101 to the vendor. Under no circumstances should a city pay sales tax to another state when the product is delivered in Idaho by the out-of-state vendor or a common carrier. If items are purchased in another state and possession is taken in that state, then the tax laws of that state determine what tax, if any, is owed. For example, Oregon and Montana have no sales tax, but Washington allows no tax exemptions for government agencies.

A prime or subcontractor is not exempt from sales and use tax simply because it is performing a service for a government agency. The contractor must pay sales tax to the vendor upon purchase of supplies or equipment or must pay use tax to the state if items are purchased without paying tax or materials are directly received from a governmental entity.

## **QUALIFICATIONS-BASED SELECTION OF DESIGN PROFESSIONALS**

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Idaho law requires "qualifications-based selection" (QBS) of design professionals, including architects, engineers, landscape architects, land surveyors, and construction managers. The QBS process differs from competitive bidding in that selection is based on qualifications and demonstrated competence, not merely submission of the lowest bid. For projects over \$50,000, the city is required to use the QBS process outlined below. For projects under \$50,000, the city may use the process outlined below or establish its own guidelines for selection based on demonstrated competence and qualifications, followed by negotiation of the fee determined to be fair and reasonable considering the value, scope, complexity, schedule and nature of services required.

- First, the city establishes the criteria, procedures and qualifications for the services being sought.
- The city publishes a Request for Qualifications (RFQ) twice, the first publication at least two (2) weeks before the deadline for submission of statements of qualifications, the second publication at least one (1) week before the deadline, in the official newspaper. The RFQ does not include price information, since this is negotiated with the top-ranked firm once the scope of the project has been fully defined. The RFQ includes the following:
  - A brief description specifying the type, scope and location of the project, along with the projected project completion date.

- A description of the professional services required.
  - The criteria used to evaluate firms submitting statements of qualifications, specifically: prior experience in similar projects, familiarity with federal and state laws and regulations, experience with certain types of grants, etc.
  - That specifications, instructions and other documents are available to interested persons.
  - That interested persons should submit statements of qualifications including: a brief history of the firm; experience in similar projects; capability to undertake the project; the names and qualifications of the project team; familiarity with the city; project approach and preliminary schedule.
  - The deadline for submission of statements of qualifications, the address to which statements should be sent and the name of a contact person to answer questions and provide specifications and instructions.
  - The city may request information regarding a person's or firm's rates, overhead and multipliers, if any, but shall not use the information provided for the purpose of ranking in order of preference.
- The city selects the individual or firm it determines to be best qualified to provide the required services, ranked in order of preference, according to the established criteria.
  - The city negotiates with the highest-ranking individual/firm to perform the services at a price determined by the city.
  - If the city and the preferred individual/firm are unable to agree on contract terms, including price, the city may repeat the process with the second ranked individual/firm. If necessary, the process is repeated by continuing down the list until the city reaches an agreement.

Cities are also permitted to establish a list of prequalified individuals/firms for different types of projects. The list must have at least two or more prequalified individuals/firms, and the city is required to provide public notice of the prequalification process in the same manner as for the RFQ process (outlined above). When a project comes up, the city can choose the top ranked individual/firm from the prequalified list, rather than going through the public notice and RFQ process each time. The prequalification list is good for only five years, and may be cancelled earlier by the city if it determines that to be in the public interest. [I.C. §67-2320](#)

## **ADDITIONAL CONSIDERATIONS**

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Cities should also be aware of the follow Idaho Code provisions when purchasing:

- [67-2359. CONTRACT WITH A COMPANY OWNED OR OPERATED BY THE GOVERNMENT OF CHINA PROHIBITED.](#)
- [67-2346. ANTI-BOYCOTT AGAINST ISRAEL ACT.](#)
- [67-2347. PROHIBITION OF ENVIRONMENTAL, SOCIAL, AND GOVERNANCE STANDARDS IN PUBLIC CONTRACTS.](#)



## City of Ketchum

June 4, 2018

Mayor Bradshaw and City Councilors  
City of Ketchum  
Ketchum, Idaho

Mayor Bradshaw and City Councilors:

### **Recommendation to Approve Updated City Purchasing Procedures**

#### Recommendation and Summary

Staff is seeking approval of updated City purchasing procedures that will align City procurement processes and approvals more closely with the requirements of Idaho Code Title 67, Chapter 28.

The reasons for seeking direction are as follows:

- The Idaho Legislature made changes to statutes concerning purchasing by political subdivisions during the 2017 session that have recently gone into effect.
- Recent procurements by the City of Ketchum have demonstrated a need to more closely align City procedures with allowable processes.

#### Introduction and History

City purchasing and contracting is primarily governed by Idaho State Code. The State regulates the purchasing and contracting process for expenditures over \$50,000 in Idaho Government Code Title 67, Chapter 28. However, for purchases under \$50,000, the city has the authority to establish the selection process and procedures.

Attached are the proposed purchasing procedures for the City of Ketchum. The procedures identify the process for goods and services purchases between \$1,000 to over \$100,000, and public works projects less than \$5,000 to over \$200,000.

#### Analysis

The proposed changes align City procedures with State purchasing requirements while also updating the process for procurement actions below the Legislatively-established thresholds. Given recent procurement experience, staff believes the proposed changes will enable more efficient procurement of certain goods and services that pose unique procurement challenges.

#### Financial Impact

The proposed changes are anticipated to have minimal fiscal impact to the City.

#### Attachments

- Attachment A: Proposed Changes to City Purchasing Procedures
- Attachment B: Clean Copy of Proposed City Purchasing Procedures

~~2016~~ CITY OF KETCHUM  
PURCHASING PROCEDURES

Idaho Government Code ~~67-2801-2809~~ Title 67, Chapter 28, governs the purchasing procedures for the City of Ketchum. The legislative intent of the code states:

Efficient and cost-effective procurement of goods, services and public works construction is an important aspect of local government operations. Local public agencies should endeavor to buy goods, services and public works construction by way of a publicly accountable process that respects the shared goals of the economy and quality. Political subdivisions of the state shall endeavor to purchase goods and services from vendors with a significant Idaho presence.

The following outlines the ~~purchase~~ purchasing procedures for the City of Ketchum

**A. PURCHASE OF GOODS AND SERVICES BETWEEN \$1,000 and \$5,000**

- Solicit cost quotes from at least three sources to ensure the city is receiving the best price.
- Qualified vendors located in the city of Ketchum will be preferred provided the cost proposal is no more than 10% above the lowest price.
- Employees will need to get department head approval prior to making purchase and the Department Head will review and approve the purchase based on the cost quotes.
- Department Head will need to finalize the purchase by coding the invoice and submitting to accounts payable to go thru the council approval procedure.
- Exceptions from these procedures may be made subject to the approval of the City Administrator.

**B. PURCHASE OF GOODS AND SERVICES OVER \$5,000 BUT LESS THAN ~~\$2550,000~~**

- ~~Obtain~~ Solicit written cost quotes from at least three sources to ensure the city is receiving the best price.
- Qualified vendors located in the city of Ketchum will be preferred provided the cost proposal is no more than 10% above the lowest price or the service does not require special expertise that is not available locally.
- Before ~~securing~~ requesting cost quotes, the purchase will need to be approved ahead of time by the Department Head to verify funds are available and budgeted.
- Any With the exception of certain Streets Division purchases of budgeted maintenance materials including, but not limited to, sand, gravel, oil, and chip seal materials, any purchase order, agreement, or contract must be approved by City Council before work is authorized. Budgeted maintenance materials for the Streets Division may be procured subject to the approval of the City Administrator.
- Once approvals are in place, department head will need to finalize the purchase by coding the invoice and submitting to accounts payable to go thru the council approval procedure.
- The Treasurer/Clerk's Office will insure that all purchases for city equipment or city property over \$5,000 is entered into the assets management tracking system.
- For on-going multi-year services, new cost quotes shall be obtained three years after the contract is awarded, or sooner, if determined by the city to solicit new quotes to ensure the city is receiving the best price.

**C. PURCHASE OF GOODS AND SERVICES (non-public works projects) OVER \$~~2550~~,000 BUT LESS THAN \$~~50100~~,000**

- Prepare request for bids and supply to at least three vendors by written means, either by electronic or physical delivery.
- Request for bids must be in writing, must describe the goods or services to be provided, must describe the delivery method for bid submittal and date and time for bid proposal to be submitted, must allow at least three days to respond (unless emergency), must provide opportunity to object to specifications (at least one (1) day before open) and must submit responsive bid in writing by approved means.
- Political subdivision must keep written records of procurement efforts for at least six months and must accept the low bid from a qualified vendor.
- For on-going multi-year services, the bid process shall occur within 3 years after the bid is awarded or sooner, if determined by the city to solicit new bids.
- See Idaho Code 67-2806.

**D. PURCHASE OF GOODS AND SERVICES (non-public works projects) \$~~50100~~,000 AND ABOVE**

- Selection of vendor shall be made pursuant to an open competitive sealed bid process and awarded to the lowest bid price complying with the bidding procedures and meeting the specifications for the good or service.
- Publish bid notice at least two (2) weeks in advance of bid opening, make bid specifications available, allow written objections to specifications up to at least three (3) days before bid opening, bid bond is optional, can reject all bids and declare that goods or services can be purchased more economically in the open market.
- If lowest bidder does not execute contract, bid bond may be forfeited and applied to next low bidder. If not awarded to low bidder, must state reasons and notify all bidders.
- Objections from other bidders must be submitted within seven (7) days of transmittal to all bidders. Governing board may affirm decision, modify decision or re-bid as it sees fit.
- For on-going multi-year services, the bid process shall occur within 3 years after the bid is awarded or sooner, if determined by the city to solicit new bids.
- See Idaho Code 67-2806.

**E. PUBLIC WORKS CONSTRUCTION PROJECTS LESS THAN \$~~2550~~,000**

- Follow the process outlined in Item B above.

**F. PUBLIC WORKS CONSTRUCTION PROJECTS OVER \$~~2550~~,000 BUT LESS THAN \$~~100200~~,000**

- Provide a written bid to no fewer than three public works contractors either physically or electronically. The solicitation shall describe the work to be completed in sufficient detail to allow a contractor to understand the construction project.
- Bids must describe the delivery method for the bid submittal and the date, time and person to receive the bid submittal. No less than 3 days must be provided for a bid response to be prepared.

- Award of bid shall be based on the responsive bid proposing the lowest price or all bids shall be rejected.
- If determined to be impractical or impossible to obtain three bids the city may acquire the work in the best way from qualified public works contractors quoting the lowest price.
- When less than three bids are considered, a description of the efforts undertaken to obtain at least three bids must be documented and documentation must be maintained for at least six months after a decision is made.
- See Idaho Code 67-2805

**G. PUBLIC WORKS PROJECTS OVER \$~~100~~200,000**

Competitive bid process with sealed bids as outlined in Idaho Code 67-2805(~~32~~)

**H. PROFESSIONAL SERVICES**

- Follow process identified in Item B above or Idaho Code 67-2806A.

**I. EXCLUSIONS**

- The acquisition of personal property when the procurement duplicates the price and substance of a contract for like goods or services that has been competitively bid by the state of Idaho, one of its political subdivisions or an agency of the federal government.
- The procurement of: (1) repair for heavy equipment, (2) software maintenance, support, or licenses, (3) travel and training, (4) insurance, and (5) items identified in Idaho Code 67-2803.
- Emergency expenditures as identified in Idaho Code 67-2808
- For goods and services purchases and public works projects under \$25,000, sole source expenditures may occur subject to the approval of the City Administrator provided the department demonstrates one of the situations identified in Idaho Code Section 67-2808.
- For goods and services purchases and public works projects over \$25,000, sole source expenditures may occur subject to provisions of Idaho Code Section 67-2808.

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All invoices are to be mailed directly to The City of Ketchum, Box 2315, Ketchum, ID 83343. Any bills that currently go to outlying areas need to be re-directed to City Hall.



**CITY OF KETCHUM  
PURCHASING PROCEDURES**

Idaho Government Code Title 67, Chapter 28, governs the purchasing procedures for the City of Ketchum. The legislative intent of the code states:

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The following outlines the purchasing procedures for the City of Ketchum

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- Department Head will need to finalize the purchase by coding the invoice and submitting to accounts payable to go thru the council approval procedure.
- Exceptions from these procedures may be made subject to the approval of the City Administrator.

**B. PURCHASE OF GOODS AND SERVICES OVER \$5,000 BUT LESS THAN \$50,000**

- Solicit written cost quotes from at least three sources to ensure the city is receiving the best price.
- Qualified vendors located in the city of Ketchum will be preferred provided the cost proposal is no more than 10% above the lowest price or the service does not require special expertise that is not available locally.
- Before requesting cost quotes, the purchase will need to be approved ahead of time by the Department Head to verify funds are available and budgeted.
- With the exception of certain Streets Division purchases of budgeted maintenance materials including, but not limited to, sand, gravel, oil, and chip seal materials, any purchase order, agreement, or contract must be approved by City Council before work is authorized. Budgeted maintenance materials for the Streets Division may be procured subject to the approval of the City Administrator.
- Once approvals are in place, department head will need to finalize the purchase by coding the invoice and submitting to accounts payable to go thru the council approval procedure.
- The Treasurer/Clerk's Office will insure that all purchases for city equipment or city property over \$5,000 is entered into the assets management tracking system.
- For on-going multi-year services, new cost quotes shall be obtained three years after the contract is awarded, or sooner, if determined by the city to solicit new quotes to ensure the city is receiving the best price.

**C. PURCHASE OF GOODS AND SERVICES (non-public works projects) OVER \$50,000 BUT LESS THAN \$100,000**

- Prepare request for bids and supply to at least three vendors by written means, either by electronic or physical delivery.
- Request for bids must be in writing, must describe the goods or services to be provided, must describe the delivery method for bid submittal and date and time for bid proposal to be submitted, must allow at least three days to respond (unless emergency), must provide opportunity to object to specifications (at least one (1) day before open) and must submit responsive bid in writing by approved means.
- Political subdivision must keep written records of procurement efforts for at least six months and must accept the low bid from a qualified vendor.
- For on-going multi-year services, the bid process shall occur within 3 years after the bid is awarded or sooner, if determined by the city to solicit new bids.
- See Idaho Code 67-2806.

**D. PURCHASE OF GOODS AND SERVICES (non-public works projects) \$100,000 AND ABOVE**

- Selection of vendor shall be made pursuant to an open competitive sealed bid process and awarded to the lowest bid price complying with the bidding procedures and meeting the specifications for the good or service.
- Publish bid notice at least two (2) weeks in advance of bid opening, make bid specifications available, allow written objections to specifications up to at least three (3) days before bid opening, bid bond is optional, can reject all bids and declare that goods or services can be purchased more economically in the open market.
- If lowest bidder does not execute contract, bid bond may be forfeited and applied to next low bidder. If not awarded to low bidder, must state reasons and notify all bidders.
- Objections from other bidders must be submitted within seven (7) days of transmittal to all bidders. Governing board may affirm decision, modify decision or re-bid as it sees fit.
- For on-going multi-year services, the bid process shall occur within 3 years after the bid is awarded or sooner, if determined by the city to solicit new bids.
- See Idaho Code 67-2806.

**E. PUBLIC WORKS CONSTRUCTION PROJECTS LESS THAN \$50,000**

- Follow the process outlined in Item B above.

**F. PUBLIC WORKS CONSTRUCTION PROJECTS OVER \$50,000 BUT LESS THAN \$200,000**

- Provide a written bid to no fewer than three public works contractors either physically or electronically. The solicitation shall describe the work to be completed in sufficient detail to allow a contractor to understand the construction project.
- Bids must describe the delivery method for the bid submittal and the date, time and person to receive the bid submittal. No less than 3 days must be provided for a bid response to be prepared.

- Award of bid shall be based on the responsive bid proposing the lowest price or all bids shall be rejected.
- If determined to be impractical or impossible to obtain three bids the city may acquire the work in the best way from qualified public works contractors quoting the lowest price.
- When less than three bids are considered, a description of the efforts undertaken to obtain at least three bids must be documented and documentation must be maintained for at least six months after a decision is made.
- See Idaho Code 67-2805

**G. PUBLIC WORKS PROJECTS OVER \$200,000**

Competitive bid process with sealed bids as outlined in Idaho Code 67-2805(2)

**H. PROFESSIONAL SERVICES**

- Follow process identified in Item B above or Idaho Code 67-2806A.

**I. EXCLUSIONS**

- The acquisition of personal property when the procurement duplicates the price and substance of a contract for like goods or services that has been competitively bid by the state of Idaho, one of its political subdivisions or an agency of the federal government.
- The procurement of: (1) repair for heavy equipment, (2) software maintenance, support, or licenses, (3) travel and training, (4) insurance, and (5) items identified in Idaho Code 67-2803.
- Emergency expenditures as identified in Idaho Code 67-2808
- For goods and services purchases and public works projects under \$25,000, sole source expenditures may occur subject to the approval of the City Administrator provided the department demonstrates one of the situations identified in Idaho Code Section 67-2808.
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# City Council

## Regular Meeting

~ Minutes ~

480 East Avenue North  
Ketchum, ID 83340  
<http://ketchumidaho.org/>

Robin Crotty  
208-726-3841

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Monday, June 4, 2018

5:30 PM

Ketchum City Hall

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**Present:** Mayor Neil Bradshaw  
Council President Michael David  
Councilor Jim Slanetz – present by phone  
Councilor Courtney Hamilton  
Councilor Amanda Breen

**Also Present:** Ketchum City Administrator Suzanne Frick  
Ketchum City Attorney Matt Johnson  
Director of Finance and Internal Services Grant Gager  
Director of Planning & Building John Gaeddert

**1. CALL TO ORDER: By Mayor Neil Bradshaw**

Mayor Neil Bradshaw called the meeting to order at 5:40 pm

**2. ROLL CALL**

**3. COMMUNICATIONS FROM MAYOR AND COUNCILORS**

Councilor Amanda Breen thanked Police Chief Dave Kassner for the bike safety program.

Councilor Courtney Hamilton talked about the success of the Fair on the Square.

Mayor Neil Bradshaw advised council that an alternate route for the bike criterion has been found and all parties are pleased. He pointed out the new art "For the Love of Dogs" now hanging in the council chambers. Mayor Bradshaw talked about the success of the Fair on the Square and advised the boards will be on display in City Hall on Tuesday 6/5/18.

**4. COMMUNICATIONS FROM THE PUBLIC on matters not on the agenda (Comments will be kept to 3 minutes)**

Jack Rutherford gave his support of the Ketchum Innovation Center and all the programs they have to offer.

Cornwell Galpin, Associate of Christina's Restaurant is speaking on behalf of Christina and safety regarding the use of the alley. He talked about what Christina does for the community and is asking the city to cut her some slack regarding parking. He referred to Christina as being harassed over the use of the alley.

Gary Lipton commented on the parking saying , there is a parking lot 3 blocks away that could be used.

Public comment closed.

5. **CONSENT AGENDA: Note: (ALL ACTION ITEMS)** The Council is asked to approve the following listed items by a single vote, except for any items that a Councilmember asks to be removed from the Consent Agenda and considered separately.

Mayor Neil Bradshaw asked for approval of the consent agenda. Councilors asked to pull items a,c,d,e.

- b. **Authorization and approval of the payroll register**
- f. **Authorization to enter into Contract #20198 with the Environmental Resource Center to promote, organize, manage and coordinate materials recycling at city**
- g. **Amendment to Sun Valley Performing Arts Center (Argyros Theater) Right-of-Way Agreement #20195**

**Motion to approve consent items b,f,g**

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Courtney Hamilton, Councilor
<b>SECONDER:</b>	Amanda Breen, Councilor
<b>AYES:</b>	Michael David, Jim Slanetz, Amanda Breen, Courtney Hamilton

- a. **Approval of Minutes: Regular Meeting May 21, 2018**

Councilor Amanda Breen made a correction to page 3-6g. She was recused on that vote. Councilor Courtney Hamilton corrected wording under the fire station discussion to say fire station, not training station.

**Motion to approve 6a with changes noted.**

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Courtney Hamilton, Councilor
<b>SECONDER:</b>	Michael David, Council President
<b>AYES:</b>	Michael David, Jim Slanetz, Amanda Breen, Courtney Hamilton

- c. **Authorization and approval of the disbursement of funds from the City's treasury for the payment of bills in the total sum of \$279,978.39 as presented by the Treasurer.**

Councilor Jim Slanetz questioned the payment to the Blaine County Treasurer. Director of Finance & Internal Services Grant Gager explained saying the payment is for property taxes for the 491 Sun Valley Rd. building.

**Motion to approve consent item 5c**

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Courtney Hamilton, Councilor
<b>SECONDER:</b>	Michael David, Council President
<b>AYES:</b>	Michael David, Jim Slanetz, Amanda Breen, Courtney Hamilton

- d. **Recommendation to approve renewals of Beer & Wine & Liquor Licenses**

Courtney Hamilton questioned the Sawtooth Club's application. Director of Finance & Internal Services Grant Gager explained that the vending of wine is included with the state liquor license.

**Motion to approve consent agenda item d.**

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Amanda Breen, Councilor
<b>SECONDER:</b>	Courtney Hamilton, Councilor
<b>AYES:</b>	Michael David, Jim Slanetz, Amanda Breen, Courtney Hamilton

- e. **Authorization to enter into Contract #20197 with Will Caldwell Productions to produce the Ketchum Summer Concert Series; Ketch'em Alive and Jazz in the Park.**

**Motion to approve consent item 5e**

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Courtney Hamilton, Councilor
<b>SECONDER:</b>	Michael David, Council President
<b>AYES:</b>	Michael David, Jim Slanetz, Amanda Breen, Courtney Hamilton

**6. PUBLIC HEARINGS AND DISCUSSIONS (Public comment and input taken on the following items)**

- a. **ACTION: Recommendation to Approve Resolution 18-016 Naming of the Recreation Building at Atkinson Park the Terry Tracy Recreation Center**

Mayor Neil Bradshaw talked about Terry Tracy and her service to the City and all that she accomplished.

Ed Simon talked about the time he served with Terry Tracy and praised her for her accomplishments. He thanked Mayor and Council for the dedication.

Jan Wiegel talked about Terry Tracy's legacy and about what she would like to display at the park in honor of Terry Tracy.

Councilor's all agreed with the public comment and are pleased with this dedication. Councilor Courtney Hamilton advised that she was a little kid when Terry Tracy was running the park and remembers her from a little kid perspective. Mayor Neil Bradshaw talked about his appreciation of Terry Tracy and her appreciation of children and our community. Council President Michael David talked about her participation as a council person and all she accomplished.

**Motion to adopt Resolution 18-016 designating the Terry Tracy Recreation Center at Atkinson Park.**

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Amanda Breen, Councilor
<b>SECONDER:</b>	Courtney Hamilton, Councilor
<b>AYES:</b>	Michael David, Jim Slanetz, Amanda Breen, Courtney Hamilton

- b. **Presentation by the Blaine County Bike and Pedestrian Working Group on E-Bikes**

Mayor Neil Bradshaw opened the meeting for public comment.

Dana Christiansen voiced support of e-bikes on the bike path as well as her support of the way in which this is being handled in the county.

Jim Keating, Blaine County Recreation District, representing the e-bike subcommittee advised that he is here to address questions of council. He is asking Ketchum to work with the committee to form consistencies throughout the county.

Councilor Courtney Hamilton questioned why the chart in the packet is measuring e-bike sales from the EU. Jim Keating explained the EU was the first driver of e-bikes and is using this just as a predictor. Courtney Hamilton asked about a handicapped person using the trail on a handicapped scooter. Jim Keating explained that currently it is up to the jurisdiction the bike path is located in and is up to interpretation. Courtney Hamilton asked if any negative comments were submitted regarding e-bikes. Council President Michael David explained that there was no written negative comment, however, there were some spoken negative comments to do with safety.

Mayor Neil Bradshaw voiced his support of e-bikes. He complimented the Blaine County Recreation District for their role and asked Council for their support. Councilor's Amanda Breen and Jim Slanetz talked about their support of the program and about the education of the different classes.

**c. ACTION: Trail Creek Fund, LLC Proposed Development Agreement Amendment #20196**

Mayor Neil Bradshaw talked about establishing an end game and about the hole in the ground. Everyone wants to see this project completed and he would like to find a solution.

Mayor Neil Bradshaw opened the meeting for public comment.

Ed Simon distributed a handout to the council. He complimented staff for their report but advised that it is too late. He talked about the 5<sup>th</sup> amended agreement and extension. He gave the history of previous projects and why time limits were put in place and the benefits of time limits. Ed Simon went over the timeline and how this agreement will affect the neighbors and gave the history of the last 10 years.

Robert Adolph advised that he is one of the 20 properties, plus condominium owners who are affected by this project. He talked about the written comments that have been submitted and the conversations he has had with Director of Planning & Building John Gaeddert. He talked about finality for the neighbors and about the planning staff's approach and advised that he agrees with those goals. He urges council to encourage proof of financing be in the same form from an accredited institution. Mr. Adolph voiced concern about the deed of trust.

Robert DeGennero understands the fatigue over this project. He pointed out if Jack Bariteau fails and somebody else develops the property, he is concerned what the end result would look like.

Tom Benson applauds council for the new agreement, however, questions the 16-month time frame. He talked about the difficulty of financing this project and the last agreement that was entered into.

Bob Crosby, Sun Valley Board of Realtors is a long supporter of projects that benefit the community and urged council to support this project.

Jeff Bower, 601 Bench St., Boise on behalf of Miss Gregory, talked about his written public comment and the disturbance at Miss Gregory's property and how it affects her. He proposed two additional conditions of approval that are currently not in the proposed extension. The first one being, 25' of riparian area and a conservation easement. The second condition should restrict all uses on the project site to only those uses in support of the hotel project. Council should not allow this area to be a staging area for other projects.

Mayor Neil Bradshaw talked about why he is supporting this extension. Without it we have no end game. If we don't do something it will sit as a hole. He talked about the public benefit of burying the electricity line and advised that we are getting a public good of \$700,000. Mayor Neil Bradshaw explained the bond in place that will deal with the restoration of the site.

Council President Michael David talked about where those points hit in the timeline. Councilor Amanda Breen questioned how September of 2019 was chosen. Director of Planning & Building John Gaeddert explained the date was asked for by the applicant and there are 3 or 4 dates that are possible trigger

points. The dates were discussed in detail. Councilor Courtney Hamilton asked if all people who requested noticing were noticed. Mayor Neil Bradshaw advised that all parties have been noticed. Councilor Amanda Breen questioned the Gregory property and the conservation easement. John Gaeddert advised that to fully do the easement, the property would need to be acquired.

Councilor Courtney Hamilton talked about beautifying the construction area. Mayor Neil Bradshaw advised that the applicant will improve the visuals of the site however, it is not a condition of approval in the application. Mayor Bradshaw also does not want to make the riparian part of the agreement. He is trying to keep things simple and straight forward

Councilor Amanda Breen asked for an explanation of the tightening of the forced majeure language. Attorney Matt Johnson advised that the primary driver was the previous circumstance that arose with this applicant where there was a forced majeure claim based on economic conditions. Matt Johnson explained that forced majeure should be based on a true act of God Emergency type of circumstance.

Councilor Courtney Hamilton asked if we are setting a precedent that other future developers could use to set us up for liability. Attorney Matt Johnson advised that development agreements are on a case by case basis. There is no legal precedent from the political side. Mayor Neil Bradshaw advised that this council will all be here next year and the reason this got a little more complicated was because there is a new Mayor and 2 new Council members. Council President Michael David spoke as one of the councilors that approved the last agreement. He explained if they stick with the last decision, then the city will be stuck with a hole in the ground. He voiced his support of this proposal.

Councilor Amanda Breen respects the last council's decision. She advised that when she first read about the extension she had hesitation, however, with the clear dates the city has rights. She is pleased with the bond being posted and the power lines are an important public benefit. She talked about the KURA's involvement, and explained, until the project is completed, the KURA is not on the line for any kind of payment. She advised that if this isn't approved we will have a large hole in the ground for a long time.

Councilor Jim Slanetz confirmed that he agrees with Councilor's Breen and David's comments. He also agrees that this area should not be allowed to be used as a staging area for other construction projects and he would like that added to this agreement. He voiced his support of the agreement.

Councilor Courtney Hamilton is in general agreement because without approval we could be looking at this hole for a long time. She talked about the benefits of the bond and the power lines and is looking for finality.

Councilor Amanda Breen respects the neighbor's standpoint and would like to make this impact less for the them. She agrees that the area cannot be used for staging for other projects.

Mayor Bradshaw talked about the difficulty of this project. He advised that he understands, is aware and supports the comment of the riparian and the concerns regarding a staging area however, he does not want those conditions included in this agreement.

**Motion to authorize Mayor Bradshaw to sign a Fifth Development Agreement Amendment (referenced as First Amendment to Amended and Restated Development Agreement) between the City of Ketchum and Trail Creek Fund, LLC as generally set forth in Attachment D upon the review and final approval of the City Attorney.**



<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Amanda Breen, Councilor
<b>SECONDER:</b>	Michael David, Council President
<b>AYES:</b>	Michael David, Jim Slanetz, Amanda Breen, Courtney Hamilton

**d. ACTION: First Reading of Ordinance 1184 - Short Term Rental Amendment**

Mayor Neil Bradshaw called for a break.

Mayor Neil Bradshaw called the meeting back to order at 6:45 p.m.

Mayor Neil Bradshaw asked for public comment there was none.

Councilor Courtney Hamilton questioned the Light Industrial Area. Director of Planning & Building John Gaeddert talked about references of Short Term Occupancy and about the need for a policy discussion.

Mayor Neil Bradshaw advised that the City is trying to get in line with the State Code. He talked about managing short term rentals and would like to bring us in line with the rest of Idaho. Council President Michael David talked about other community's limiting short-term rentals due to health & safety issues. Councilor Courtney Hamilton questioned why the Fire Dept clearance language was stricken. Director of Planning & Building John Gaeddert explained that it was a redundant line that was addressed elsewhere in the code

Councilor Amanda Breen will continue to work with our local representatives.

**Motion to proceed with the 1st reading of Ordinance 1184 and to read by title only.**

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Courtney Hamilton, Councilor
<b>SECONDER:</b>	Amanda Breen, Councilor
<b>AYES:</b>	Michael David, Jim Slanetz, Amanda Breen, Courtney Hamilton

**Attorney Matt Johnson read the title out loud.**

**e. Council discussion and questions related to the following funding requests:**

- i. Ketchum Arts Commission
- ii. Visit Sun Valley
- iii. Mountain Rides
- iv. Blaine County Housing Authority
- v. Ketchum Community Development Corporation
- vi. Sun Valley Economic Development
- vii. Men's Second Chance Living

Mayor Neil Bradshaw opened the meeting for public comment.

Gabe Cherian resident of Sun Valley talked about his past involvement in the community and the different commissions he has been involved with. He talked about his personal accomplishments and when he met Kathryn Guylay. Mr. Cherian voiced his support of KIC and asked council to prime the bubble.

Narda Pitkethly talked about the 70 free workshops that have been put on by KIC and all that she has gotten from them. She is now employing 2 local people and will hopefully be able to employ more. She thanked KIC for their support.

Emmi Buck, an entrepreneur talked about the value of KIC and expressed that if we lost these programs this would be a huge detriment to the community. They provide a sense of community and she is in support.

Gary Lipton advised that he resigned his position on the KIC board due to health reasons. He suggested that council ask for a bank statement and get more information. Gary Lipton talked about the KURA's contribution to KCDC that filters down to KIC and suggested more research be done.

Brian Shay, resident, backs up Gary Lipton's comments. He understood that KIC does not want to be a landlord but is now understanding that a similar platform is in place. He thinks this needs to be looked at.

Courtney Gilbert, Chair of the Ketchum Arts Commission advised that the Arts Commission is an all-volunteer board and talked about what they are asking for and asked Council for questions.

Dave Maderas, resident, runs a company called Air Proxima, advised he is a supporter of KIC and talked about the importance of the programming and networking. He feels KIC is a great investment in Ketchum's future.

Jane Riley works in Ketchum and has attended the workshops and believes they are invaluable. She voiced concern about a public statement that KIC made stating not wanting to be in the real estate business because the private sector is filling that niche. She questions the additional requested funds.

Wally Morgus, Executive Director of Mountain Rides advised that the Joint Powers agreement makes the City and Mountain Rides one in the same. He talked about all that Mountain Rides contributes to the community and what they have to offer including the Ketchum circulator and handicapped accessibility.

Kathryn Guylay Executive Director of KIC talked about all the letters of support and read a statement a loud. She talked about the funding there was years ago as opposed to now and advised that they are receiving much less now than in the past. She stated that the continued lack of support is unsustainable.

Olin Glenne, resident/business owner and Chair for Visit Sun Valley advised that as a business owner this is an important element of our community and he asked for the council's support.

Public comment closed.

Mayor Neil Bradshaw addressed each organization individually.

#### **Arts Commission**

Councilor Courtney Hamilton asked what the previous ask was. Courtney Gilbert advised it was for \$43,000 but was awarded \$32,000. Courtney Gilbert talked about projects on the horizon. Mayor Neil Bradshaw talked about reducing the amount awarded and having the commission come back to council on a case by case basis. He would like a better handle on what projects are being funded. Courtney Gilbert talked about donations received and the hydrant project was explained.

#### **Visit Sun Valley**

Mayor Neil Bradshaw thanked Scott Fortner and advised that this is a great organization, but we still have to balance the importance. Councilor Amanda Breen complimented the data tracking they are doing. She believes were getting a good return on investment. Council President Michael David talked about tourism being the main driver of the economy. He advised that we are not on level playing field as other areas. He suggested to keep doing what they are doing for the community, but we need to figure out how to split up the pie differently. Councilor Courtney Hamilton talked about targeting the younger

audience. Our return visitors seem to be older. She asked if they are working on driving that force. Scott Fortner talked about who they are working with to help drive business. Courtney Hamilton asked if they work with the City on knowing what events are going on. Mayor Neil Bradshaw advised that Visit Sun Valley has all major calendars for all of Blaine County not just Ketchum. Courtney Hamilton complimented the publication of slack specials. Council President Michael David asked about the dynamic that we have direct flights from and how that relates to marketing to the whole world. He referenced cities that don't have direct flights. Scott Fortner talked about the data they use (cyber graphics) and how they align and how they use that data with future markets. There was a discussion on how they collect the data and advised that all that data is only held for 30 days. Councilor Jim Slanetz talked about the regional market. He talked about not only having people attend events, but how we should try to keep the people in the valley to use all the restaurants and stores etc. Mayor Bradshaw talked about collaboration and finding the right balance.

#### **Mountain Rides**

Council President Michael David advised he is an employee of Mountain Rides and has recused himself from this discussion.

Councilor Amanda Breen asked what they are doing to get more funding from Hailey. Executive Director Wally Morgus advised that he has asked but has yet to meet with the powers to be. Mayor Neil Bradshaw pointed out that the largest supporter is being asked for the most money. He suggested that a straight dollar amount be asked for rather than a percentage. Councilor Courtney Hamilton asked if the Sun Valley Company contributes and Wally Morgus confirmed that they do.

#### **Blaine County Housing Authority**

No questions from the council

#### **KCDC**

Councilor Amanda Breen questioned the \$40,000 for the tax credit application and how this will not be used until next year's budget. Charles Friedman, Chair of the KDCD advised that they use their own funds this year and the ask will refund what they spend. There was a discussion on how the application works. Councilor Amanda Breen advised that council should think about this because the City is already contributing the land, why should they also contribute \$40,000? Mayor Bradshaw explained the formula for funding and advised that this funding could come from in-Lieu housing to support the tax credit applications. What the \$40,000 would be spent on was discussed. Council President Michael David sees KCDC as the development arm of the city so that the city itself is not in the development business. Mayor Neil Bradshaw advised it's all an open book and regulated. The Mayor is very supportive and is excited to see how this application progresses. The timing of when this will come out of the budget was discussed. Mayor Bradshaw talked about working with ARCH or any other organization and outlined the benefits of working with the KCDC. Councilor Jim Slanetz asked if the KCDC receives funds from the Northwood project on an ongoing basis and if so where do those funds go? Mayor Bradshaw clarified that they do receive funds and they have been distributed to the Ketchum Innovation Center and the KCDC but the distribution of funds is being revisited.

Mayor Neil Bradshaw asked to move onto KIC related discussions. The Mayor would like to invest in the future and would like to see the City support this mission. It's about the next generation for housing and businesses and creating diversity. Council President Michael David talked about the comments regarding the landlord business aspect.

Executive Director Kathryn Guylay advised that they are in the membership model, they are not landlords any longer. This is a community resource center. They do not see themselves as competing with anyone else in town. Councilor Amanda Breen clarified that somebody could rent a desk. Kathryn Guylay advised that they should think of KIC as a Community amenity and advised that the rate

structure is being looked at. Mayor Neil Bradshaw clarified that when we give funding we give it for programming. How the entities manage their business outside of that is up to them. The Mayor talked about the public comments that have been heard and what we are getting from the programming. Council President Michael David voiced his support and talked about the accomplishments of KCDC and KIC. Councilor Courtney Hamilton said the community aspect is key. Kathryn Guylay talked about the vote of confidence from the community and said what KIC is providing is essential. Mayor Bradshaw talked about other sources of funding outside the City and KIC's new location.

**SVED**

Councilor Amanda Breen recused herself from this discussion.

Mayor Neil Bradshaw thanked Executive Director Harry Griffith for all he does for the collection of data and assisting with economic value to our community. He is appreciative of everything he brings to the community. Councilor Courtney Hamilton talked about KIC, SVED and Visit Sun Valley and their rolls in economic development. She would like all these organization to represent a united front in Ketchum. Developing a website to bring them all together is one idea. Mayor Neil Bradshaw advised that the Chamber is also part of that group. Council President Michael David fully supports collaboration.

**Men's Second Chance Living**

Mayor Neil Bradshaw is in support, however, if they find a location in Hailey, we cannot support them. This may be problematic in funding, but more research will need to be looked at. Council President Michael David advised that our community needs this, however, he feels conflicted, we just don't have enough pieces of the pie to divide out.

**7. STAFF AND COUNCIL COMMUNICATIONS (council deliberation, public comment not taken)**

**a. ACTION: Recommendation to approve updated City Purchasing Procedures**

Director of Finance & Internal Services Grant Gager advised he is looking for a motion to approve the City of Ketchum's Purchasing Procedures to align with the state. Councilor Courtney Hamilton asked for clarification on the three-bid process. Grant Gager explained the process and how the city has been handling the bid process up to this point.

**Motion to update city purchasing procedures.**

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Courtney Hamilton, Councilor
<b>SECONDER:</b>	Amanda Breen, Councilor
<b>AYES:</b>	Michael David, Jim Slanetz, Amanda Breen, Courtney Hamilton

**b. Direction to staff on sidewalk repair priorities for construction this year**

Councilor Amanda Breen talked about the need for sidewalk repair. Council President Michael David said this is a big issue for him. He noticed the higher priority things were curbs that were in horrible shape. He talked about there being no ADA access on these sidewalks. Mayor Bradshaw agreed ADA is very important and said if we were going to prioritize we should go with walking safety over visibility. Specific sidewalks were discussed. City Administrator Suzanne Frick advised that the list was put together by the Street Dept. She advised that if we don't attack this sooner rather than later it will cost more to fix later. Mayor Bradshaw was pleased that we have focused on the downtown area. Councilor Courtney Hamilton asked about the areas that need sidewalks in general and questioned focusing on that rather than curbs. Councilor Jim Slanetz advised that the KURA is looking at that as well. Mayor Neil Bradshaw talked about using the transportation study that has been done in the past to assist with the decisions.

**c. ACTION: Recommendation to Approve Professional Services Agreement 20180 with C&R Electric for the Ketchum Street and Facilities Department LED Upgrades**

City Administrator Suzanne Frick recommended approval of Professional Services Agreement 20180 for the LED upgrades. Councilor Courtney Hamilton questioned what led to this project. Suzanne Frick advised this came out of the Ketchum Energy advisory committee.

**Motion to enter into contract 20180 with C&R Electric in the amount of \$11,984 with a city held contingency of \$3,016 for a project approval of \$15,000**

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Courtney Hamilton, Councilor
<b>SECONDER:</b>	Michael David, Council President
<b>AYES:</b>	Michael David, Jim Slanetz, Amanda Breen, Courtney Hamilton

**8. EXECUTIVE SESSION**

**a. Discussion pursuant to 74-206 1(j)**

**Motion to go into executive session pursuant to 74-206 1(j) at 8:20 p.m.**

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Courtney Hamilton, Councilor
<b>SECONDER:</b>	Michael David, Council President
<b>AYES:</b>	Michael David, Jim Slanetz, Amanda Breen, Courtney Hamilton


**Motion to come out of Executive Session at 8:32 p.m.**

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Courtney Hamilton, Councilor
<b>SECONDER:</b>	Jim Slanetz, Councilor
<b>AYES:</b>	David, Slanetz, Breen, Hamilton

**10. ADJOURNMENT**

**Motion to adjourn at 8.33 p.m.**

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Courtney Hamilton, Councilor
<b>SECONDER:</b>	Jim Slanetz, Councilor
<b>AYES:</b>	David, Slanetz, Breen, Hamilton




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Robin Crotty, City Clerk




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Neil Bradshaw, Mayor