

Repealed By
AO 154 on
10.05.2023

ADMINISTRATIVE ORDER NO. 149

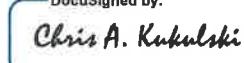
Administrative Order No. 136, adopted November 1, 2018, is hereby repealed.

Pursuant to the authority granted to the City Administrator in BMCC Section 2-300, I hereby establish the following procedures regarding:

“Purchasing for the City of Billings”

The policy statement was adopted by the City Council via Resolution 18-10756 on September 18, 2018.

2/18/2022
Dated this _____.

DocuSigned by:

Chris A. Kukulski
57E110BA3A90465
-ss- Chris A. Kukulski,
City Administrator



CITY OF BILLINGS

PURCHASING

PROCEDURES

February 2022

**All forms, template documents, etc. are located on the Server
at \\lt-w3k07\all users\Purchasing**



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A. ROLES OF PURCHASING

- A.1 **DEPARTMENTAL STAFF** is responsible for drafting specifications with assistance from the Purchasing Agent, for all items where the City is required to provide an opportunity for competition, including construction and professional services.
- A.2 **THE PURCHASING AGENT** is responsible for the review and proper processing of all procurement acquisitions made by the City. Additionally, the Purchasing Agent will:
 - A.2.1 As needed, purchase or assist in the purchases of all materials, supplies and services needed by any user Department;
 - A.2.2 Discourage uniform bidding (prearranged bid rigging) and endeavor to obtain as full and open competition as possible on all purchases and contracts;
 - A.2.3 Standardize and achieve volume procurement using collective buying, City warehousing, lead purchaser or other concepts, which produce the lowest price possible to the City for the quality of goods or services required;
 - A.2.4 Prescribe and maintain such forms as he/she shall find reasonable and necessary;
 - A.2.5 Explore possibilities of contract pricing and/or buying in bulk so as to take full advantage of discounts;
 - A.2.6 Join with other governmental units and agencies in cooperative purchasing programs when the best interests of the City would be served;
 - A.2.7 Advise and assist the Finance Director and Administrative Services in the formulations and recommendations of policies and procedures in connection with the purchasing activities of the City;
 - A.2.8 Manage and maintain the Purchasing Card program;



- A.2.9 Assist Departments and Divisions in the coordination, solicitation and award of all quotes, bids, requests for proposals and otherwise;
- A.2.10 Maintain a list of and share information regarding vendors who have expressed an interest in selling to or contracting with the City of Billings. It will be the responsibility of the Departmental author to assure all interested parties are contacted;
- A.2.11 Review purchase orders and invoices for compliance with the City of Billings Purchasing Procedures;

B. PURCHASING PROCEDURES

GENERAL:

- Purchases or contracts shall not be artificially divided into separate projects or expenditures to circumvent the requirements of a more formal purchasing process.
- Long term service contracts for 12 months or more shall engage in the competitive process at least every 5 years according to the dollar thresholds established in this policy.
- Unnecessary constraints shall not limit full and open competition. Examples of such constraints include:
 - Placing unreasonable requirements on vendors to qualify for business;
 - Requiring unnecessary experience and excessive bonding;
 - Writing unduly restrictive specifications;
 - Specifying a “brand name” product instead of allowing “an equal” product to be offered.
- No employee shall participate in the award and/or administration of a contract if a conflict of interest exists, whether real or apparent. Such a conflict arises when the employee has a special relationship as a related party to a vendor or potential vendor.



B.1 PROCUREMENT METHODS: the following procedures outline the Purchasing process and define the involvement of Purchasing.

B.1.1 A "purchase" or "transaction" means an exchange or transfer of goods and/or services. It includes cumulative purchases from the same vendor within a single fiscal year.

B.1.2 Purchases of \$100 or less shall be processed with a purchasing card or petty cash, but invoices may be processed, if necessary.

B.1.3 Procurement of \$100 to \$9,999.99 do not require price quotes or bids and the Purchasing Agent need not be involved. These purchases may be made through:

- Purchasing Card (up to \$2,500)
- Purchase Order or Invoice

The Purchasing Agent may direct that a process of getting quotes or other pricing is necessary for frequently recurring purchases.

Note: Contracts are required for all services over \$4,999.99.

B.1.4 Procurement from \$10,000 to \$79,999.99 for goods, construction, etc. (other than what is outlined below), require three (3) written quotes. The lowest responsible quoter/bidder will be selected. Depending on the complexity of the project or quote requested, the Purchasing Agent may be involved. The responsible Department shall complete and sign a Quote Form, attach the written quotes and forward the quote packet to the Purchasing Agent for approval. The quote packet will then be attached to the contract, invoice or purchase order. Catalog prices or online screenshots are acceptable when local vendors cannot be found.

Note: Contracts are required for all services over \$4,999.99.

B.1.5 Contracts for miscellaneous professional and consultant services, as well as software, etc. for greater than \$24,999.99 require a Request for Proposal (RFP), the involvement of the Purchasing Agent is optional but suggested, and legal advertising is mandatory. A selection committee is also required.



B. 1. 6 pursuant to MCA Title 18, Chapter 8, contracts for architectural, engineering and land surveying services for projects for which the fees are estimated not to exceed \$50,000 may contract for those professional services by direct negotiation. Contracts for these services at \$50,000 or more must be procured through an RFP process.

B.1.7 Purchases for any automobile, truck, other vehicle, road machinery, other machinery, apparatus, appliances, equipment, materials or supplies, or for construction, repair or maintenance in excess of \$79,999.99, requires a competitive, sealed bid process (State Law MCA Title 7, Chapter 5). Purchasing Agent involvement is optional, but recommended, and legal advertisement is mandatory.

NOTE: **There are two additional guidelines that may apply to certain bids and contracts:**

B.2 PERFORMANCE, PAYMENT AND/OR LABOR AND MATERIALS BONDS - The bidder may be required to furnish an approved Performance Bond, Labor and Materials Bond, or Payment Bond in the amount of one hundred percent (100%) of the contract amount, conditioned to the effect that the contractor shall faithfully perform the terms and conditions of the contract and shall indemnify the City from the negligent acts of the contractor, his or her agents or servants in their performances of the terms and conditions of the contract, and shall pay all proper claims of subcontractors and suppliers. Construction contracts generally require additional bonds, but all other contracts shall be discussed with the Purchasing Agent to determine if necessary.

B.3 INSURANCE - If the contract requires work to be completed for the City by a contractor, the successful contractor must maintain in full force and effect a Workers' Compensation Insurance Policy on its employees and Comprehensive General Liability Insurance Policy naming the City of Billings as an additional insured in specified predetermined amounts, to provide protection to the parties to the agreement. Automobile liability and other insurance may also be required. The Purchasing Agent will advise the issuing Department regarding insurance needs.

NOTES:



- All insurance requirements and any additional bonds must be stated in all advertisements so contractors may adjust their quote or bid accordingly.
- The City Administrator may, in writing, allow for lesser amounts of insurance coverage or grant an exception.

B.4 INVITATION FOR BID (IFB) PROCESS

B.4.1 According to State law, MCA Title 18, Chapter 4, an Invitation for Bid must be issued for purchases for any automobile, truck, other vehicle, road machinery, other machinery, apparatus, appliances, equipment, materials or supplies, or for construction, repair or maintenance in excess of \$79,999.99.

The City will give adequate public notice of the Invitation for Bids in a reasonable time before the date of the opening of the bid. A legal advertisement (i.e. publication in newspaper) must appear two (2) consecutive weeks prior to the bid opening.

NOTES: When Federal money is involved in the bid, the legal advertisement must appear for three (3) consecutive weeks prior to the bid opening.

A "purchase" or "transaction" means an exchange or transfer of goods and/or services. It includes cumulative purchases from the same vendor within a single fiscal year.

The Purchasing Agent may direct that a process of getting quotes or other pricing is necessary for frequently recurring purchases.

B.4.2 Sealed Bids are received in the office of the City Clerk and are opened publicly at 2:00 PM on Tuesdays in the City Hall Conference Room or via Facebook Live. A Departmental representative and the Purchasing Agent shall be present to record bids on a Bid Tabulation Sheet. Each bidder and any member of the public has the right to attend, and to examine and inspect all bids after they are opened. The user Department, with the assistance of the Purchasing Agent and/or the Legal Department, if



necessary, shall evaluate and jointly agree on a recommendation of award.

- B.4.3 Each bid should include BID SECURITY equal to 10% of the bid amount, unless it is impossible to determine the total amount (i.e an hourly rate bid). The bid security may be made via Certified Check, Cashier's Check, or Bid Bond payable to the City. The bid security will be retained by the City Clerk until the successful bidder enters into a contract with the City. Unsuccessful bidders shall be entitled to the return of the submitted security (other than a bid bond) after a formal award has been made. A successful bidder, upon failure on his part to enter into a contract within the time specified after notification of the bid award, shall forfeit any surety deposited with the City of Billings.
- B.4.4 The name of each bidder and amount of each bid and other relevant information is recorded.
- B.4.5 During live bid openings, bids are unconditionally accepted by the City Clerk and Purchasing Agent, except bids without the required bid security, if any. All other irregularities shall be examined after the bid opening with assistance from the Legal Department.
- B.4.6 Bid tabs are posted and City staff shall notify the lowest, responsive bidder of the tentative award. The bid award recommendation is submitted to City Council for final approval. The recommendation to Council must include a list of all bidders, bid amounts and an explanation of recommendation.
- B.4.7 Rejection of Bid - All bids received in response to an advertisement may be rejected. The Purchasing Agent, if involved in the bid, and user Department, together, may recommend rejection of all bids for an item, group of items or the entire scope if such action is determined to be necessary and in the best interests of the City. An example of when such action would be appropriate is incomplete or incorrect specifications by the City.
- B.4.8 A contract is executed upon an award of bid including the terms and conditions and specifications set forth in the Invitation for Bid.



B.4.9 All bid materials will become the property of the City Clerk, for filing, future reference, maintenance for historical purposes, and updating as needed for new procurements.

B.4.10 In the event two (2) or more bidders offer identical bids, all factors considered, new bids may be invited or award made by the drawing of lots, witnessed by the Purchasing Agent and the applicable bidders.

B.4.11 Any **BIDDER PROTESTS** of award recommendations and/or bid specifications must be filed with the Purchasing Agent within seven (7) days of bid opening.

Upon receiving a written protest, the Purchasing Agent, with assistance from the Legal Department, determines if the protest has sufficient merit and if so, schedules an informal hearing with the protesting bidder and the user Department.

At this hearing, all parties discuss the basis of the protest and attempt to resolve the dispute based on fact. If the protesting party is not in agreement with the results of the informal hearing, they may appeal to the City Administrator.

B.4.12 An Invitation for Bid (IFB) shall include the following:

- Bid submission requirements
- Purchase description/scope of services
- Contract terms and conditions, including insurance requirements
- Prevailing wage rate language, if necessary
- Any bond information
- An acknowledgement of addendum section
- DBE Statement for Airport and MET Transit Departments

B.4.13 Resident Preference/Reciprocity



Pursuant to MCA Title 18, Section 1, the City shall award a public contract for construction, repair, or public works to the lowest responsible bidder without regard to residency. However, a resident must be allowed a preference on a contract against the bid of a nonresident if the state or country of the nonresident enforces a preference for resident bidders. The preference given to resident bidders of this state must be equal to the preference given in the other state or country.

B.5 REQUEST FOR PROPOSAL (RFP) PROCESS

- B.5.1 According to State law, MCA Title 18, Chapter 8, Requests for Proposals are utilized for most services, especially professional consulting, and all complex projects (i.e.; centralized supplies contract, software packages, etc.) over \$24,999.99 and must be accompanied by a legal advertisement.
- B.5.2 Pursuant to MCA Title 18, Chapter 8, contracts for architectural, engineering and land surveying services for projects for which the fees are estimated not to exceed \$49,999.99 may contract for those professional services by direct negotiation.
- B.5.3 The Purchasing Agent should be involved (or at least advise) in the RFP creation and solicitation for professional services, facilities contracts, and any other complex projects.
- B.5.3 Staff will legally advertise, post and send out all RFP's; create a selection committee; receive all proposals and distribute accordingly to the committee. The issuing Department representative may choose to accept electronic proposals, but must indicate such in the initial RFP. The Intent to Respond Form is suggested to assist staff in issuing any addenda, which must be acknowledged.
- B.5.4 A Request for Proposals shall include the following
 - Purchase or Needs description
 - Scope of Work/Services
 - Evaluation Criteria



- Contract Terms and Conditions, including insurance requirements
- Proposal Submission Requirements
- Preferred Timeline for Performance
- An acknowledgement of addendum section
- DBE statement for Airport and MET Transit Departments

B.6 LEGAL ADVERTISEMENT REQUIREMENTS

B.6.1 A legal advertisement is required for all Invitations for Bids and Requests for Proposals.

B.6.2 The City Clerk coordinates ALL legal advertising for the City's bids, RFPs, equipment purchases, service procurement and meeting notices.

B.6.3 Legal advertising is done on a weekly basis. As of the adoption date of these procedures, the City's legal publication is Yellowstone County News and publication date is each Friday.

B.6.4 Ad copy and specifications are due to the City Clerk by Noon on Tuesday during the first week of publication.

B.6.5 Legal ads and specifications must also be submitted electronically (email) to the City Clerk to facilitate website posting.

B.6.6 Legal ads generally must be published once per week for two consecutive weeks, with at least SIX (6) days separating the publications. This rule applies unless there is a specific advertising/notice requirement unique to the circumstances. For example, if the project or purchase will be utilizing Federal funds, there may be specific advertising requirements over and above the basic requirements named above.

B.6.7 Legal ads must contain the following information, at a minimum:

- The name of the project
- Submittal information including:



- Bids: Deadline day, bond information, date, time and place for bid submittal and day, date, time and place for bid opening.
- Requests for Proposals: deadline day, date and time for proposal submittal.
- The name, physical address, email address and phone number of a person to contact for additional information.
- Information on the day, date, time and place of a pre-bid meeting (if one is being held) and whether attendance is mandatory. (it is recommended that, if a pre-bid meeting is held, attendance should be mandatory).
- The dates of publication.
- Standard bidding or RFP language as contained in the template documents on the City's server.

The advertising and opening dates should be coordinated in advance with the City Clerk's office.

B.7 SOLE SOURCE PROCUREMENT

B.7.1 State law, MCA Title 18, Chapter 4, states that a contract may be awarded for a supply or service without competition when there is only one source for the supply or service item. This exception may only apply when the Department Director or designee determines in writing that there is only one source for the required supply or service item.

Note: approval by Council (if appropriate) and a contract with appropriate signing authority will still be required for sole source procurement.

B.7.2 The Purchasing Agent must receive an explanation in writing that only one practical source exists.

B.7.3 Examples of sole source items:

- Patented items
- Copyrighted materials



- Secret processes
- Utilities - items for compatibility/standardization
- Specialized proprietary equipment

B.8 DEBARMENT:

The lowest quote or bid does not have to be accepted if it is documented that a specific supplier in the past has been a poor performer or has provided sub-standard goods.

Documentation must be presented to and reviewed by the Purchasing Agent and Legal Department to determine whether or not a supplier will be excluded from competition.

A list of all debarred contractors and suppliers, and period of debarment, shall be maintained by the Purchasing Agent.

Any exception must be detailed in writing by City staff and attached to the contract. The City Administrator must approve this stated special circumstance upon signing of the contract.

C. PURCHASING METHODS

C.1 PETTY CASH

Some Departments maintain a petty cash fund that is used for small dollar amount purchases. An Administrative Order (Internal Controls AO) adopts the City of Billings Petty Cash Policy.

C.2 PURCHASING CARDS

The Purchasing Agent manages the City's Purchasing Card Program. Purchasing cards will be issued to Departmental staff, as requested and approved. The cards are used much the same as a credit card and are assigned to a specific person with a specific limit. The types of purchases are limited as



well. An Administrative Order adopts the City of Billings Purchasing Card Policy, which is also provided to each cardholder.

C.3 ENCUMBRANCES/ORDERS

Purchase orders are used to create an order or encumbrance. These are used to confirm an order and identifies the vendor, the purchasing Department, price, quantity, and account number(s) to be charged.

Encumbrances are used to earmark and allows tracking of funds for contracts, especially where multiple payments will be made to the vendor, and the contract and payments may cross fiscal years.

C. 4 INVOICES

The invoice process identifies the vendor, the purchasing Department, price, quantity, and account number(s) to be charged, and is the process by which a check is issued by the City. A proper invoice or receipt must be attached.

D. SPECIAL PURCHASING DETAILS AND INFORMATION

D.1 COOPERATIVE PURCHASING

The State of Montana maintains a list of term, pre-competited contracts in which a source or sources of supply are established for a specific period of time at a predetermined price. City staff may utilize any of the term contracts listed by the State of Montana agencies as a cooperative purchaser. The list is maintained at <https://www.naspovaluerpoint.org/participants/participant-results/?state=Montana> or <http://svc.mt.gov/gsd/apps/termcontractdefault.aspx>. City staff may utilize term contracts listed by the State without further competition. However, Council approval and a contract may still be required.

Pursuant to MCA Title 18, Chapter 4, the City may also participate in purchasing through federal supply schedules of the United States general services administration, joint or multiparty contracts between public procurement units, open-ended state public procurement unit contracts that are made available to local public procurement units, and competitive contracts established by for-



profit, not-for-profit, or nonprofit cooperative entities, which are in the best interest of the City.

Cooperative Purchasing Agreements for supplies, equipment, and other professional services may be utilized with another government entity or use of state contracts without additional bids or advertisements when done so at a savings to the City. Some of the cooperative purchasing organizations include, but are not limited to, Naspo ValuePoint, US Communities, Sourcewell, National IPA, Omnia Partners, etc.

These cooperative purchases must be made through established cooperative purchasing organizations, of which the City is a member. Membership shall be established and must be approved by the Purchasing Agent.

It should be noted that these governmental or cooperative purchasing agreements are often, but not always, the lowest prices available.

Note: approval by Council (if appropriate) and a contract with appropriate signing authority will still be required for cooperative purchasing and sole source procurement.

D.2 PREVAILING WAGE RATES (DAVIS BACON ACT)

As per State law, MCA Title 18, Chapter 2, for construction projects of \$25,000 or more, there must be a statement in the bid documents calling for the contractor to pay the prevailing wage rate as established by the State of Montana, as well as a statement and copy of wage rates included in the contract documents.

If Federal funds are involved, there may be additional requirements for prevailing wage rates.

D.3 STATE GROSS RECEIPTS TAX

One percent (1%) contractors' tax must be deducted from all payments on construction contracts totaling \$5,000 or more and the collected tax is paid to the State of Montana.

D.4 REAL PROPERTY ACQUISITION AND APPRAISALS

The City Council adopted a policy resolution (Res. 21-10954) that establishes procedures, as well as criteria for appraisals, when the City purchases real property (land).



D.5 USED EQUIPMENT PROCUREMENT

All used equipment which would have a value, if new, of \$5,000 or more must be included in the Equipment Replacement Plan or Technology Replacement Plan, or be specifically approved by the City Administrator.

All purchases for used vehicles with a value of \$10,000 or more are substantiated by at least two (2) quotes of other comparable vehicles to include mileage, condition, and auxiliary equipment of each vehicle quoted.

D.6 EMERGENCY PURCHASES AND CONTRACTS

Emergency authority is to be used "in cases of extreme and immediate necessity where materials, services or equipment are needed for a situation where the health, safety or welfare of the public is endangered or the City is exposed to serious cost consequences if immediate corrective or preventive action is not taken".

The requirements for sealed bids can be waived, and the purchase made in the fastest possible manner. (MCA Title 7, Chapter 5). If an emergency does occur:

- The departmental representative shall provide all pertinent information to the City Administrator as quickly as possible, including:
 - A description of the emergency;
 - The vendor or contractor's name;
 - The amount and type of the contract; and,
 - A listing of the supplies or services procured under the contract.
- The City Administrator shall inform the Mayor and City Council of said emergency; and,
- the Purchasing Agent will provide support for determining and expediting the best purchasing method.

All emergency contracts and/or documentation will be signed by the City Administrator or designee and will have a brief explanation of the emergency attached.



Emergency purchases exceeding \$79,999.99 require the City Council by resolution to declare the emergency and record it in the minutes of the council meeting as soon as is reasonably possible.

E. SURPLUS PROPERTY PROCUREMENT AND DISPOSAL

E.1 SURPLUS PROPERTY PROCUREMENT

In reference to MCA Title 18, Chapter 5, the State of Montana coordinates and hosts a Surplus Property and Recycling Program. <https://gsd.mt.gov/SPR>

The City is an organization permitted to dispose of and procure items through the program, and the Purchasing Agent maintains a list of staff members who are authorized to acquire property through the State's program.

E.2 SURPLUS PROPERTY DISPOSAL

The Purchasing Agent is designated as Surplus Sales Officer. He/she is responsible for disposing of all surplus personal property, and obsolete and scrap material of any type that belongs to the City of Billings in a manner and on terms that are in the best interest of the City, provided that the procedure and the terms are in accordance with State statute and in compliance with existing City policies.

Disposal of all property will be documented on a Personal **PROPERTY DISPOSAL FORM**, located at \\lt-w12k07\all users\Purchasing\Surplus Property Disposal.

Surplus, worn-out or obsolete material and equipment may be disposed of in any of the following ways:

- By selling or donating to other City Departments.
- By recycling.
- By cannibalizing or scrapping for parts.
- By trading in on new equipment.
- By selling at auction.
- By advertising and obtaining sealed bids and selling to the highest responsible bidder.
- By receiving three written quotes, and selling to the highest responsible quoting party.



- Junking or recycling.
- By donating to a local charitable organization.
- By selling or donating to a city or town in Montana.
- Through the State of Montana's Surplus Property and Recycling Program:
<https://gsd.mt.gov/SPR>
- By special Council approval.

The Purchasing Agent, with the assistance of Department representatives, shall approve the disposal process of all surplus property. Approved disposal forms, with appropriate documentation attached, shall be retained by the Purchasing Agent for the City's official files.

All proceeds from the sale of these items will be deposited with the Department that last had possession of the items and copies of documentation shall be filed with the disposal form with the Purchasing Agent.

F. DELEGATIONS OF AUTHORITY - APPROVALS

F.1 APPROVALS OF INVOICES AND PURCHASE ORDERS

Purchase Orders and Invoices must be approved, as follows, in the following order (at a minimum):

\$0 - \$999.99

→ Department Designee → Purchasing Agent

\$1,000 to \$9,999.99

→ Department Designee → Purchasing Agent → Finance Director

\$10,000 and above

→ Department Designee → Purchasing Agent → Finance Director → City Administrator

G. SUPPLIER AGREEMENT/CONTRACT PROCESS

G.1 Generally, suppliers and contractors will be engaged through a written document.



Contracts are required for all services over \$4,999.99.

For the procurement of products or goods, this can either be a purchase order or contract.

G.2 **Purchase Orders or Invoices** – Purchase Orders and Invoices are created by each respective City Department and approved through the Delegation of Approval Authority levels.



G.3 CONTRACTS

Contracts include any and all documents that may bind the City and any other contracting party, legally or financially. This may include bids, proposals, maintenance agreements, rental agreements, warranties or otherwise.

G.4 CONTRACT EXECUTION

The Department representative should send a draft contract to the Purchasing Agent and/or Legal Department to review before having the contractor sign. The vendor or contractor then signs the legally reviewed and approved contract and sends the contract back to the Department representative. The Department representative then routes the contract to the Purchasing Agent, Legal Department, City Administrator or Mayor, and the City Clerk, with a contract routing form and other appropriate documents attached, through DocuSign. The City Clerk attests the Mayor's signature and retains one original copy of the contract. The Department representative will receive an email with the link to the executed copy for departmental files and to return to the vendor or contractor. The vendor or contractor may also sign the contract through DocuSign.

Signature Flow:

Department → Vendor → Purchasing → Legal → City Administrator or Mayor → City Clerk

Any contract approved by Council, regardless of amount, must be signed by the Mayor unless it has been delegated to the City Administrator.

In no instance shall anyone except the Mayor or City Administrator (or person designated in writing by either the Mayor or City Administrator) sign a contractual document on behalf of the City.

H. SIGNING AUTHORITY – CHANGE ORDERS & AMENDMENTS

Within ten (10) working days after the acceptance of a bid, unless the parties to the contract may extend the period for execution, the bidder and the City shall



make, execute and deliver to each other in triplicate an amendment or change order in accordance with the bid.

The City Administrator is authorized to execute amendments or change orders to all contracts executed by the mayor if the changes do not exceed his/her signing authority, which may not exceed the threshold amount for competitive bids set forth in MCA §7-5-4302, currently set at \$80,000.

Furthermore, the City Administrator is authorized to execute amendments or change orders to all contracts executed by the mayor if the changes are:

- 1) Within the scope of the project or purchase, provided that increases in the scope of street improvement projects to add improvements requested and paid for by adjacent property owners are permissible;
- 2) Executed in writing; and,
- 3) The increase in contract amount does not exceed:
 - a. His/her signing authority; or,
 - b. Ten (10) percent of the contract price; or,
 - c. Five hundred thousand dollars (\$500,000.00); or,
 - d. The original budgeted contingency, whichever is less.

The total amount of all change orders or amendments on any given project will be cumulatively combined.

Where the size of the contract makes it probable that City Administrator change order authority will be quickly exhausted, the City Council may, upon recommendation of the City Administrator, extend the aggregate limits of afforded to the City Administrator in an amount set by Council for a specific project.



I. QUICK REFERENCE CHART

Procurement Amount	Petty Cash	Purchasing Card	Purchase Order/Invoice	Written Quotes	Sealed Bids	RFP
\$0 - \$99.99	X	X	X			
\$100 - \$2499.99		X	X			
\$2,500 - \$9,999.99			X			
\$10,000 - \$79,999.99				X		
> \$24,999.99 (consultant, software, professional services)						X
> \$49,999.99 (architect, engineer & land survey)						X
> \$79,999.99 (automobile, trucks, construction, equipment, materials)					X	



**All forms, template documents, etc. are located on the Server
at \\lt-w3k07\all users\Purchasing**

Certificate Of Completion

Envelope Id: A81FFD9B20CB473EB7C563E15930BAD2

Status: Completed

Subject: Please DocuSign: New Purchasing Procedures & AO

Source Envelope:

Document Pages: 25

Signatures: 1

Envelope Originator:

Certificate Pages: 5

Initials: 0

Liz Kampa

AutoNav: Enabled

kampal@billingsmt.gov

Envelopeld Stamping: Enabled

IP Address: 161.7.39.7

Time Zone: (UTC-08:00) Pacific Time (US & Canada)

Record Tracking

Status: Original

Holder: Liz Kampa

Location: DocuSign

2/18/2022 2:45:36 PM

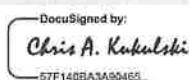
kampal@billingsmt.gov

Signer Events

Chris A. Kukulski

Signature

kukulskic@billingsmt.gov



City Administrator

Timestamp

City of Billings

Sent: 2/18/2022 2:50:17 PM

Security Level: Email, Account Authentication

Viewed: 2/18/2022 3:31:08 PM

(None)

Signed: 2/18/2022 3:32:16 PM

Signature Adoption: Pre-selected Style

Using IP Address: 161.7.39.7

Electronic Record and Signature Disclosure:

Sent: 2/18/2022 3:32:17 PM

Viewed: 2/18/2022 3:38:01 PM

Signed: 2/18/2022 3:42:41 PM

Accepted: 2/18/2022 3:31:08 PM

ID: 8265ba19-8187-4c9c-a998-6227be5052b1

Denise Bohlman

Completed

bohlmand@billingsmt.gov

Using IP Address: 161.7.25.16

City Clerk

City of Billings

Security Level: Email, Account Authentication
(None)**Electronic Record and Signature Disclosure:**

Sent: 2/18/2022 3:32:17 PM

Viewed: 2/18/2022 3:38:01 PM

Signed: 2/18/2022 3:42:41 PM

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In Person Signer Events**Signature****Timestamp****Editor Delivery Events****Status****Timestamp****Agent Delivery Events****Status****Timestamp****Intermediary Delivery Events****Status****Timestamp****Certified Delivery Events****Status****Timestamp****Carbon Copy Events****Status****Timestamp**

Toni Keehner

COPIED

Sent: 2/18/2022 3:42:42 PM

keehnert@billingsmt.gov

Deputy City Clerk

City Clerk

Security Level: Email, Account Authentication
(None)**Electronic Record and Signature Disclosure:**

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Carbon Copy Events	Status	Timestamp
Liz Kampa kampal@billingsmt.gov City Administrator Carahsoft OBO City of Billings Security Level: Email, Account Authentication (None)	COPIED	Sent: 2/18/2022 3:42:43 PM
Electronic Record and Signature Disclosure: Not Offered via DocuSign		
Witness Events	Signature	Timestamp
Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	2/18/2022 2:50:17 PM
Certified Delivered	Security Checked	2/18/2022 3:38:01 PM
Signing Complete	Security Checked	2/18/2022 3:42:41 PM
Completed	Security Checked	2/18/2022 3:42:43 PM
Payment Events	Status	Timestamps
Electronic Record and Signature Disclosure		

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