

Contracts & Procurement | Vendors Guide

The Pagosa Area Water and Sanitation District (PAWSD) is responsible for the procurement of goods and services used by all PAWSD operations. It is the objective of PAWSD to purchase the necessary supplies, equipment, and services at the lowest possible cost consistent with the quality needed to meet its requirements and to ensure that its rate and taxpayers receive the maximum value for each dollar expended.

PAWSD offices are open from 8:00 a.m. - 5:00 p.m., Monday through Friday at 100 Lyn Ave, Pagosa Springs, CO 81147. Visits by sales representatives are welcomed and encouraged. It is recommended that visits be scheduled by telephoning for appointments in order to more productively use the time of both buyers and salespersons.

How To Become Eligible To Sell To PAWSD

All vendors who are interested in doing business with PAWSD should register with the Accounts Payable Department by completing and submitting a Bidder's Application. Once your completed application has been received, your company will be placed on the vendor's mailing list with an indication of the products or services it provides. The vendor's mailing list is consulted when a commodity or service is needed, and it is used for notification of bid solicitations. Vendors may be removed from the vendor's mailing list when they fail to perform in accordance with contract provisions and/or this policy, or by submitting a written request to do so.

The Procurement Process

PAWSD has a centralized purchasing function. The Accounts Payable Department, or its representative, is the authority for all purchases. Vendors shall not make sales to PAWSD employees without a properly authorized purchase order, except as described below. The Accounts Payable Department uses five (5) basic types of procurement methods for the purchase of material, equipment, and services.

The methods are:

- **Small Dollar Purchases**
The Accounts Payable Department has delegated the authority to all PAWSD departments to make direct purchases with a value of \$999.99 or less. This is accomplished by the use of a PAWSD Procurement Card or Field Purchase Order (FPO).
- **Open Market Purchases**
Purchases of less than \$5,000.00 are obtained on the open market following a formal request by a using department. Generally, these are one-time purchases of a definite quantity of product or service. Buyers will consult the vendor's mailing list and solicit quotations from qualified suppliers in order to obtain competition consistent with the size and nature of the purchase. A purchase order will be issued as the vendor's authorization to provide a product or service.
- **Informal Purchases**
All purchases that exceed \$5,000.00, but not more than \$60,000.00 are accomplished after receipt of written, sealed quotations following at least three (3) days' notice posted on a public bulletin board located at the entrance of the PAWSD Accounts Payable Department office or the PAWSD Website. Informal purchases are solicited by Requests for Quotation mailed to a minimum of three (3) vendors from the vendor mailing list.
- **Formal Purchases**
Purchases in excess of \$60,000.00 are obtained according to formal competitive, written, and sealed bid procedures. Formal bids will be solicited by an Invitation for Bid (IFB) following advertisement in the official PAWSD newspaper. This document will contain general conditions and instructions to bidders, along with detailed specifications. Bids are opened and publicly read at the time and date specified and all interested parties are invited to attend.
- **Non-Competitive Purchases**
Certain circumstances exist that require purchases to be accomplished by waiving competitive, written, and sealed bid procedures. In such cases, the Accounts Payable Department or its representative shall negotiate price, delivery, and other contractual terms and conditions. An emergency is the most common situation requiring non-competitive purchases. An emergency exists when circumstances occur that create a threat to public health or safety, pose a risk to the preservation or protection of property, or cause severe interference with the provision of PAWSD services. In very rare instances, there may be only one (1) vendor able to furnish a certain item or service. The Accounts Payable

Department, or its representative, with the concurrence of the District Manager, is responsible for making all determinations.

Important Considerations for Bidders

Award Policy

Awards will be made to the lowest responsible bidder, taking into consideration conformity with the specifications, terms of delivery, and other conditions imposed in the Invitations for Bid or Requests for Quotation. In cases where tie bids occur, preference will be given to bidders located within the PAWSD Service Limits. PAWSD reserves the right to accept or reject any and all bids and to determine the best bid. The Accounts Payable Department may reject the bid of any bidder who has failed to perform satisfactorily on a previous contract with PAWSD.

Competition

It is the intent of PAWSD that acquisitions be made under conditions that allow for free and open competition. Bidders are encouraged to advise the Accounts Payable Department or its representative whenever specifications do not comply with standard trade practices or impose impractical or unreasonable requirements. It is PAWSD policy to encourage the involvement of Disadvantaged Business Enterprises (i.e., minority-owned and women-owned business) (DBE) in contract awards. DBEs are particularly invited to submit proposals to perform work for PAWSD, either as a prime contractor or as a part of a joint venture. Non-DBE firms are encouraged to arrange subcontracts or joint ventures with DBEs prior to submission of their proposals.

Alternate Or Equivalent Bids

Whenever the specifications of an article or material are defined by trade name, brand name, or model and catalog number, the term "or equal," if not written, is implied. Any such reference to a particular manufacturer's product is for the purpose of item identification and to establish standards of performance, quality, and features. Bids on equivalent items are invited. Alternate bids may be submitted and, if deemed advantageous to PAWSD, evaluated and considered.

Intergovernmental Cooperative Purchasing

PAWSD may "piggyback" on contracts established by other governmental jurisdictions when it is assured that competitive sealed bidding has been employed. Vendors willing to extend to PAWSD existing price agreements with other governmental entities should notify the Accounts Payable Department.

Conflict Of Interest and Gratuities

It is the policy of PAWSD that its employees or agents shall not have a financial or personal interest that would impair their proper discharge of official duties. Any employee who knows that he or she has an actual or potential conflict of interest shall disqualify himself or herself from involvement in the procurement process. Soliciting or accepting any gift, gratuity, favor, or "kickback" from any person who has or is seeking to do business with PAWSD is also prohibited. Gratuities shall not mean pens, pencils, matchbooks, calendars, or other incidental novelty items used for advertising purposes, meals, or other meeting-related incidentals with values less than \$50.00 for the purpose of conducting or discussing official business.

Invoicing

In order to receive payment for goods or services furnished, the vendor must submit an original invoice. Invoices must show the properly authorized purchase order number; complete descriptions of the goods or services furnished; quantity delivered; unit prices and extensions; applicable taxes; and prompt payment discount terms, if any. Upon delivery, the PAWSD using department will inspect and accept the goods or services and prepare a receiving report acknowledging receipt for payment. To ensure timely payment, all invoices shall be sent in duplicate to the user department.

Surplus Property

The Accounts Payable Department or its representative is responsible for the sale or disposal of scrap material and surplus property, normally through auctions, spot sales, or competitive bidding. Questions concerning surplus property should be referred to the Accounts Payable Department or its representative staff.

Contracting for Professional Services

All contracts for professional and consulting services are procured through a competitive selection process, except for contractual

services where, in the opinion of the Accounts Payable Department or its representative, with the concurrence of the District Manager, no competition exists.