

INCORPORATED COUNTY OF LOS ALAMOS CODE ORDINANCE NO. 02-346

A CODE ORDINANCE AMENDING CHAPTER 31, PROCUREMENT, TO INCREASE THE THRESHOLD AMOUNTS FOR CERTAIN APPROVAL AUTHORITY; AND AMENDING CHAPTER 40, UTILITIES, TO REMOVE THE INCORRECT REFERENCE TO THE STATE PROCUREMENT CODE

WHEREAS, the Incorporated County of Los Alamos ("County"), pursuant to State law, has adopted its own procurement code as found in Chapter 31 of the Los Alamos County Code of Ordinances ("Procurement Code"); and

WHEREAS, the Procurement Code was last substantially amended in 2020 by Code Ordinance 02-305, however the threshold amounts for certain approval authority has not been reviewed or amended since 2008; and

WHEREAS, since the adoption of Code Ordinance 02-305, there has been a substantial rise in inflation resulting in rising costs. The Council of the Incorporated County of Los Alamos ("County Council") recognizes that there is a need to revise the Procurement Code in order to meet the changing needs of County; and

WHEREAS, the amendments to the Procurement Code will increase efficiency and ease of administration; and

WHEREAS, it is the desire of County Council to update the Procurement Code so as to improve the efficiency of the procurement process; and

WHEREAS, it has been determined that it is in the best interest of County that the Procurement Code be amended as provided below.

BE IT ORDAINED BY THE GOVERNING BODY OF THE INCORPORATED COUNTY OF LOS ALAMOS, the Los Alamos County Code of Ordinances is hereby amended as follows:

Section 1. Chapter 31, Article II, Section 31-74 of the Code of the Incorporated County of Los Alamos is hereby amended to read as follows:

Sec. 31-74. Authority to execute contracts.

(a) *Purchase orders.* The county council hereby delegates to the chief purchasing officer the authority to execute purchase orders and bind the county.

(b) *Contracts.*

(1) For contracts other than utilities department contracts, the county council hereby delegates to the county manager or designee the authority to execute the following contracts and bind the county:

a. Contracts other than purchase orders as provided in this section, in the amount of ~~\$200,000.00~~ \$300,000.00 or less;

- b. Any contract for the purchase of goods or construction in any amount less than or equal to the funding budgeted and specifically appropriated by the county council for the acquisition or project;
 - c. Change orders or contract modifications to existing contracts, provided that the total amount after execution of the change order or contract modification does not exceed the funds budgeted and specifically appropriated for the project.
- (2) For utilities department contracts, the county council hereby delegates to the utilities manager or designee the authority to execute the following contracts and bind the county:
 - a. Contracts other than purchase orders in the amount of ~~\$200,000.00~~ \$300,000.00 or less;
 - b. Contracts for the purchase of goods or construction in any amount less than or equal to the funding budgeted and specifically appropriated by the county council for the acquisition or project;
 - c. Change orders or contract modifications to existing contracts, provided that the total amount after execution of the change order or contract modification does not exceed the funds budgeted and specifically appropriated for the project.
- (3) The authority granted in subsections (b)(1) and (b)(2) is subject to the following conditions:
 - a. The goods, services, or construction was procured in accordance with this chapter as determined by the chief purchasing officer;
 - b. The contract is in a form acceptable to the county attorney;
 - c. There is no local, state or federal requirement that the chief elected official or other official must sign the contract;
 - d. For utilities department contracts, the board of public utilities has approved the contract if it is in the amount of ~~\$50,000.00~~ \$100,000.00 or more;
 - e. Approval by the county council pursuant to direction or request of the county council, the county manager, or the utilities manager (for utilities department contracts).
- (4) The county manager's and utilities manager's power to delegate authority to execute contracts is limited to the contract amount of ~~\$25,000.00~~ \$50,000.00, exclusive of NMGR, or less.
- (5) All other contracts must be approved by the county council prior to execution by the county manager or the utilities manager, as appropriate.

Section 2. Chapter 31, Article III, Section 31-103 of the Code of the Incorporated County of Los Alamos is hereby amended to read as follows:

Sec. 31-103. Small purchases.

- (a) *Generally.* Any purchase may be made in accordance with the small purchase procedures authorized in this section. A purchase shall not be artificially divided so as to constitute a small purchase under this section.

- (b) *Any purchases not exceeding ~~\$10,000.00~~ \$20,000.00.* The chief purchasing officer shall adopt operational procedures for making small purchases not exceeding ~~\$10,000.00~~ \$20,000.00. Such operational procedures shall provide for obtaining adequate and reasonable competition for the goods, services or construction being purchased, properly account for the funds expended and facilitate an audit of the small purchases made.
- (c) *~~Purchases from \$10,000.01 to \$35,000.00.~~ Insofar as it is practical, the purchaser shall solicit no less than three quotations. In the event of fewer than three responses, then up to five persons should be contacted. Award shall be made to the person offering the lowest acceptable quotation. The names of the persons from which quotations were solicited, and the date and the amount of each quotation, shall be recorded and maintained in accordance with established county records retention standards.*
- (d) *~~Procurements of professional services not exceeding \$50,000.00~~ \$60,000.00.* For any ~~contract for professional services of more than \$10,000.01~~ purchase more than \$20,000.00 but not exceeding ~~\$50,000.00~~ \$60,000.00, the purchaser shall solicit no less than three written quotations. In the event of fewer than three responses, then up to five persons should be contacted. Award shall be made to the most qualified person offering the lowest acceptable quotation. The names of the persons from which quotations were solicited, and the date and the amount of each quotation, shall be recorded and maintained in accordance with established county records retention standards.
- (e) *Inventory purchases.* Specific procedures applying to inventory in the county procurement warehouse apply. This inventory shall be subject to conditions as set forth in subsection 31-111(4).

Section 3. Chapter 40, Article II, Division II, Section 40-62 of the Code of the Incorporated County of Los Alamos is hereby amended to read as follows:

Sec. 40-62. Procurements.

The department shall purchase all materials, parts, services, supplies and equipment required for the operation of the department through the county's central purchasing office and according to the ~~state~~ county procurement code; provided, however, that the department shall not purchase nor enter into any contract for the purchase of real property, unless the board and council have approved such acquisition in an adopted budget which authorizes the spending of sufficient funds to satisfy the requirements of the proposed acquisition or contract, or unless the council has approved such acquisition prior to formal execution by the department. The council chair shall be a cosigner of all contracts other than those for materials, parts, services, supplies and equipment. This section shall not apply to those transactions governed by section 40-63 that are the responsibility of the department.

Section 4. Severability. If any section, paragraph, clause or provision of this Code Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or enforceability of that section, paragraph, clause or provision shall not affect any of the remaining provisions of this Code Ordinance.

Section 5. Effective Date. This Code Ordinance shall become effective thirty (30) days after publication of notice of its adoption.

Section 6. Repealer. All other ordinances or resolutions, or parts thereof, inconsistent herewith are hereby repealed only to the extent of such inconsistency. This repealer shall not be construed to revive any ordinance or resolution, or part thereof, heretofore repealed.

ADOPTED this 11th day of July 2023.

INCORPORATED COUNTY OF LOS ALAMOS

**Denise Derkacs,
Council Chair**

ATTEST:

**Naomi D. Maestas,
Los Alamos County Clerk**