



**City of North St. Paul
Arts & Culture Commission
Regular Meeting Agenda**

**February 2, 2022
6:30 PM**

The Arts & Culture Commission Meeting will be conducted on **February 2, 2022** at 6:30 p.m. The meeting location is the Sandberg Room at City Hall, located at 2400 Margaret St., North St. Paul.

The **February 2, 2022** Zoom meeting can be accessed at **tinyurl.com/NSPartsandculture** (from a PC, Mac, tablet, iPhone, or Android device) or by phone at 1-929-205-6099, meeting ID 821 4097 2224, password 362656.

The Arts & Culture Commission Zoom meeting will be 'open to the public to listen in but will be muted from contributing at all times with the exception of a Public Hearing and open to the public forum.

Please join the meeting early to test your audio and video settings.

I. Call to Order

II. Roll Call

Tom Sonnek, Chair
Julie Barrett, Commissioner
Carey Nadeau, Commissioner
Stacy Maher, Commissioner
Trudy Ohnsorg, Commissioner
Lisa Wong, Council Member

Staff
Lisa Ritchie, Commission Secretary

- A. Trudy Ohnsorg is attending via ZOOM from a public location in North Carolina.
1400 Oglsby Lane
Morehead City, NC 28557

III. Adopt Agenda

IV. Approval of Minutes

- A. January 19, 2022 Meeting Minutes

V. Meeting Open to the Public

Note: This is a courtesy extended to persons wishing to address the committee who are not on the agenda. A completed public comment form should be presented to the Arts and Culture Commission Secretary prior to the meeting; presentations will be limited to 3 minutes. This session will be limited to 15 minutes.

VI. Public Hearings

VII. Commission Business, Action Items & Recommendations

- A. Updates and ongoing planning for Craft Wagon
- B. Updates on Luv Ice Cream Mural
- C. Continued Process Mapping

D. LINK TO

SMARTSHEET_<https://app.smartsheet.com/sheets/hcw8VFGwfWgv8mc62qQQMjpVrg3PcmhXxPP4>

- E. LINK TO PINTEREST_<https://www.pinterest.com/nspartculture/>

VIII. Old Business

IX. Reports from Staff

X. Reports from Commissioners

XI. Reports from Council Liaison

XII. Adjournment

The next regularly scheduled Arts & Culture Commission meeting is March 2, 2022



City of North St. Paul
Arts & Culture Commission
Regular Meeting Minutes

January 19, 2022

6:30 PM

The Arts & Culture Commission Meeting was conducted on January 19, 2022 at 6:30 p.m. The meeting location was the Sandberg Room at City Hall, located at 2400 Margaret St., North St. Paul.

I. Call to Order

Tom Sonnek called the meeting to order at 6:32PM

II. Roll Call

Tom Sonnek, Chair - Here
Trudy Ohnsorg, Vice Chair – Here via Zoom; 1400 Oglsby Lane, Morehead City, NC 28557
Julie Barre - Absent
Carey Nadeau - Here
Stacy Maher - Here
Lisa Wong, Council Liaison – Here

Staff

Lisa Ritchie, Commission Secretary - Here

III. Adopt Agenda

A motion was made to adopt the agenda by Stacy Maher, and seconded by Carey Nadeau, with all present voting aye. Motion carried to adopt the January 19, 2022 Agenda.

IV. Approval of Minutes

A. November 30, 2021 Meeting Minutes

A motion to approve the November 30, 2021 meeting minutes was made by Carey Nadeau, and seconded by Stacey Maher, with all present voting aye. Motion carried to approve the November 30, 2021 meeting minutes.

V. Meeting Open to the Public

There was no one from the public in attendance.

VI. Commission Business, Action Items & Recommendations

- A. Discuss next steps on developing project process.
The commission worked on updating the ACC – Project Process Spreadsheet.
<https://app.smartsheet.com/sheets/hcw8VFGwfWgv8mc62qQQMjpVrg3PcmhXxPP4q3V1?view=grid>
- B. Review project ideas for 2022
The following projects were discussed:
- Freedom Rock – This project will be led by the Veterans Park committee with the Arts & Culture Commission supporting as needed. Lisa Wong attended the Veterans Park board meeting and stated the board had been referred to “Bubba” for information on the process for getting this project done. The biggest challenge is getting the rock to the location.
 - Fire & Ice Event at Hause Park has been cancelled due to the recent surge in COVID.
 - ACC Booth at the Car Show. It was decided the FKA: Craft Wagon would be used rather than a booth. Activities for kids as well as surveys can be passed out to the public during the car show. The surveys will provide the necessary feedback to help the ACC move forward with planning and activities. The plan is to collaborate with the Parks & Rec Commission as well as the History Museum to help promote the car show. The commission will evaluate the condition of the wagon and possibly paint something fun on the exterior if allowed. There are a number of details that need to be worked out for moving forward with utilizing the craft wagon.
 - Snowmen statues – Tom will reconnect with Terry Furlong on this.
 - Luv’s Mural – Carey will reach out to Suzanne, the owner.
 - Live Chainsaw Art event schedule at Vet’s Park.
 - Possible Garden Tour

In addition to discussing projects, the commission had a conversation around finances for the ACC. Lisa will check with the finance director to get the amount that has been allocated for 2022. She will also inquire about policies around spending of the funds.

VII. Old Business

- A. Bylaws (Attorney Revised) – the commission reviewed the bylaws draft that was received from the city attorney’s office and agreed to all proposed changes. Trudy will update the draft to complete the final version of the bylaws.
- B. Open Meeting Laws – attending via ZOOM – The Open Meeting Law was reviewed as well as two emails that had been sent by the city attorney for clarification around the Open Meeting law. The commission now has a full understanding of what is required to attend via ZOOM.

VIII. Reports from Staff

Report back on North Saint Paul’s code of ethics = Lisa researched but did not find anything on file for a code of ethics for the City of North St. Paul.

IX. Reports from Commissioners

Trudy noted she had a nice meeting with the History Museum people. She also stated she had started to look at a Resilience Communities Project in 2013 & 2014. They had a public art plank for what they were doing. She is going to look into this.

Tom Sonnek reported he appreciates everyone's flexibility. Especially hosting this meeting at a later date so he could attend.

X. Reports from council Liaison

Lisa Wong reported: We already talked about the Veteran's Freedom Rock and the meeting with the Chairs of all North Saint Paul Commissions and Authorities. Tom inquired about when the meeting of the chairs is scheduled to take place, but at this point, it is undetermined. Lisa Ritchie stated that John Stark would like to host the meeting when the city attorney is available, which should be sometime in February. Lisa Wong also reported the planning commission is working on reviewing design standards for downtown furniture. Lisa Ritchie added, each business owner that would like to have seating outside of their establishment may do so but will need to purchase, maintain and store their own furniture. The Planning Commission has been charged with the responsibilities of the FKA: Design Review Commission so will be establishing the design standards for downtown furniture.

Lisa Wong also reported there is an opening for a commissioner on the Planning Commission as Allan Worm has retired.

XI. Adjournment

Tom entertained a motion to adjourn. Carey moved it and Stacy seconded the motion with all present voting aye. Meeting adjourned at 8:25 PM.



To

Arts and Culture Commissioners

Date

February 2, 2022

Agenda Placement # IX.A

Reports from Staff

Subject

Finance Information

Background/Facts

At the ACC meeting on Wednesday, a few people inquired about how the finances will work for the commission.

Would you please advise on spending policies? Please see attached Purchasing Policy

I know the amount allocated for the year is far less than what the city's purchase limit is w/o approval from the council but are there any parameters around what can be purchased? ? Please see attached Purchasing Policy

They also inquired about donations and/or sponsors. Would the same process apply for this commission as the Parks & Rec commission? Please provide more information on how the Parks & Rec commission's process works before I comment – we can discuss in person to make it easier.

There was some talk of possibly raising funds by advertising on our website and also possibly adding an escrow allocation for community development projects just as we do for our Park Fund.

What if we were to seek sponsors and/or grants for projects? You certainly can seek sponsors and/or grants for projects. If this is the direction and it will be similar to the Park Fund, we would need to get authorization to set up a separate fund for the ACC.

Recommendation:

Attachments

1. Purchasing Policy - FINAL Version 10.27.21

Respectfully submitted,



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PURCHASING POLICY

City of North St. Paul

Adopted on August 4, 2020
Amended on October 26, 2021

Purpose

In order to have consistency and uniformity in the purchasing practices of the City, it is essential for those authorized to purchase goods or services to have a clear understanding of the purchasing policy and its requirements.

The following information is intended to serve as a guide for purchasing practices.

This purchasing policy was created to:

- Clarify and reconcile the complex requirements of state and federal purchasing law, various departmental procedures, and the finance department processes.
- Provide a comprehensive resource book for staff to be effective and efficient when making purchases.
- Standardize purchasing and payment methods to expedite the purchasing process.
- Assure the City Council and City Manager that adequate controls over purchasing are well established and adhered to.

The standards in this policy are minimum standards to ensure fiscal responsibility. Departments may set more restrictive procedures to meet their own budgetary accountability.

Quick Reference Guide

Value of Purchase	Quotations Needed	Payment Request Options	Approvals Needed Prior to Purchasing	
Less than \$2,000	Pursue an open-market best price purchase	Credit Card Charge Account Check Request	Department Finance City Manager City Council	X
\$2,000-\$9,999	Pursue an open-market best price purchase	Check Request	Department Finance City Manager City Council	X
\$10,000-\$25,000	Two written quotes or RFPs, when possible, Otherwise pursue an open market best purchase.	Check Request	Department Finance City Manager City Council	X X X
\$25,001-\$174,999	Two written quotes or RFPs, when possible. Otherwise pursue an open market best purchase.	Check Request	Department Finance City Manager City Council	X X X X
Greater than \$175,000	Sealed Bids	Check Request	Department Finance City Manager City Council	X X X X

Notes:

- If a cooperative purchasing agreement is in place, quotations are not needed.
- All purchases must be approved as part of the annual budget or within the Capital Improvement Program. The level of budgetary controls more restrictive than this policy are established at the department level. Expenditures for departments that exceed appropriations are not authorized unless additional revenue sources, unspent appropriations, or fund balances are identified and available.
- Departments are responsible for collection and retention of all bids, quotes, and cooperative purchasing agreements used in the purchasing process.
- As a Plan B City, State Statute 421.691 designates the manager shall be the chief purchasing agent of the City. All purchases no matter the amount are subject to audit and approval by the Council as provided in Minn. Stat. § 412.271. Purchases and contracts totaling more than \$25,000 must be authorized by council.
- Purchasing procedures for federal grants are outlined in Appendix C.
- For any purchases that have subsequent increases in cost (i.e. change orders), the increases are to be approved in accordance with the Quick Reference Guide outlined on page 2 for the total contract price (original plus subsequent increases). This may result in additional required approvals or quotations needed. For contracts that were originally less than \$10,000 but then later is increased above \$10,000 but below \$25,000 the City must solicit at least two quotes for the remaining work, when possible.
- Subsequent increases to the contract price (change orders, amendments) are only allowed for items consistent with the specifications of the original contract. If the increases are not in the specifications of the original contract, the contractor or employee must include detailed reasoning for its inclusion, and the approval level, per the Quick Reference Guide on page 2, and must consider obtaining additional quotes, sealed bids, or request for proposals for these increases.

Public Purpose Expenditures

City funds must not be used for expenditures that have not been authorized in the adopted budget. All expenditures must be made by City employees and must be for a public purpose. An expenditure is made for a public purpose if it meets all of the following criteria:

- It will benefit the community as a body;
- It is directly related to functions of government; and
- It does not have as its primary objective the benefit of a private interest.

Guidelines Regarding Certain Employee Expenditures

To ensure City funds are only used for public purposes in regard to certain employee expenditures, City employees must observe the following guidelines:

- Expenses Related to Work Assignments
 - The City may pay reasonable expenses directly related to the performance of an official City activity including expenses for travel, lodging, meals, and incidental expenses that are directly related to the performance of an employee's official job duties for the City.
- Employee Safety Programs
 - The City may pay reasonable expenses directly related to the operation of an employee safety program when the program is required by law or the benefit of the program is clearly demonstrated and a written outline of the program is approved by the City Council.

- Employee Training and Development Programs
 - The City may pay reasonable registration, tuition, and travel expenses for a conference, seminar, workshop, or similar employee training (internal or external) or development opportunity when it is directly related to the performance of the employee's official job duties for the City.
 - All training and travel, budgeted or unbudgeted, must be pre-approved by a department head or the City Manager.
- Employee Wellness and Recognition Programs
 - The City may pay reasonable expenses related to employee wellness and recognition programs, including non-monetary service awards to recognize employee performance and length of service. Any such program shall be outlined in writing and approved by the City Council. A program primarily of a social nature, however, does not qualify. Further, the City shall not pay for spouses or third parties to attend any wellness or recognition event.
- Meals and Refreshments
 - The City may pay reasonable meal and refreshment expenses when the meals or refreshments are provided as part of one of the following:
 - a structured agenda of a conference, workshop, seminar or meeting when the employee is authorized by the City to attend and the topic relates to the official business of the City;
 - a City sponsored meeting, conference, or workshop when the employee is required by the City to attend and the majority of the participants are not City employees;
 - a City-sponsored event where registration fees are charged and the majority of the participants are not City employees;
 - an official meeting of the City Council or any official meetings of City Council committees, task forces, work group, or advisory committees, provided the provision of meals or refreshments is necessary to sustain the flow of the meeting and to assist the participation of the attendees; or
 - a City or department-wide staff meeting when the meals or refreshments are an integral part of the formal meeting or training and are necessary to sustain the flow of the meeting, to retain the captive audience, and to assist the participation of those employees and attendees..

Prohibited Expenditures

Following is a list of specifically prohibited expenditures. Note this is not a complete listing.

Alcoholic Beverages	Dues to Social Clubs
Personal Purchases	Greeting/Sympathy cards
Pictures, Artwork, Décor	Employee Parties (including holiday parties) ¹
Gifts of any kind	Refreshments for Routine Meetings ²
Holiday Decorations	Entertainment
Decorations for office	Contributions or Donations
Flowers (not for public purpose)	Lobbying

¹ This item does not prohibit employee recognition and wellness programming.

² This item does not prohibit refreshments otherwise allowed under the "Meals and Refreshments" section on page 4 of this policy.

Cooperative Purchasing

The City may increase savings from bulk discounts by making purchases jointly with one or more governmental units through joint powers agreements. Under these programs, several governmental units can enter into an agreement to authorize one party to solicit bids and provide for the purchase at the option of each participating governmental unit. Once the governmental units agree on the specifications of the item, one party may advertise for bids on behalf of all the parties that participate in the agreement. Rather than specify a number of items, the advertising participant will advertise for a range of quantities estimated for the entire group. Each participating unit can make the final decision on whether to purchase the items from the successful bidder.

Emergency Purchases

Emergency situations may arise where the normal purchasing process cannot be followed for the procurement of goods and services. Emergency purchases are those made by department heads where an immediate purchase is essential to correct a situation, which would adversely affect the life, health, or safety of the citizens.

Whenever possible the current purchasing policies and procedures should be followed even when an emergency is declared, but as described above if the emergency requires speedy action essential to the health, safety, and welfare of the community and if there has been an emergency declaration, the standard purchasing policies and procedures can be waived in accordance with Minnesota Statute §12.37.

Every effort shall be made to contact the City Manager whether the emergency occurs during or after normal working hours. On the next business day, such emergency shall be documented with the City Manager and Finance Director.

In the event of a prolonged emergency, Minnesota Statute §12.29 gives the Mayor the authority to declare a local emergency for up to three days, which period may be extended by the City Council. During such an emergency, if authorized by City Council, the City is not required to use the typically mandated procedures for purchasing and contracts. During that time, the governing body may waive compliance with the prescribed purchasing guidelines, including compliance with Minnesota Statute §471.345, Uniform Municipal Contracting Law.

Either after the emergency or periodically during the emergency, the City Manager will submit a written report detailing the emergency and the nature of emergency purchases that were not compliant with the typical purchasing process to be approved by the City Council.

Preapproved Purchases

The City Council has pre-approved payment for items such as utility accounts and payroll transfers that occur in the normal course of business even though they may exceed \$20,000. These are contractual accounts for services that are approved as part of the budget process. The exceptions that fall under this situation include:

- Utility Bills (fuel, natural gas, telephone)
- Metropolitan Council Environmental Services
- Fringe benefits and other payroll related items
- Investments
- Liability insurance

- Refuse hauler and tipping fees
- Automotive gasoline and diesel fuel
- Professional services under contract approval by the City Council
- Copier Leases
- Mandated licenses, permits, and fees to the State and Federal Government
- Electric wholesaler
- Fiber Optic wholesaler
- Debt Service Payments as listed in the Debt Service Schedule in bond documents

Decentralized Purchasing

The City of North St. Paul has a “decentralized” purchasing program where individual departments are responsible for making their own purchases. There are a few exceptions including State Bid vehicles and other similar state or cooperative purchasing agreements. All other purchases should follow the rules below:

- Determine the need for commodities or services.
- Research the cost of the purchase and determine proper purchasing alternative.
- Determine the appropriate account coding and whether there are sufficient funds available in that budget line item.
- Follow the quick reference matrix to determine preapproval process. If bids or quotes are required, ensure these are included with the preapproval process.
- Make sure all approvals are obtained prior to purchasing.
- Upon receipt of the invoice, make sure all goods or services have been received and are in satisfactory condition prior to paying the invoice.
- Code and approve the invoice for processing.
- Accounts payable listing is approved by City Council.
- Payment is made by the Finance Department.

Local Vendors

City employees will make every effort to purchase goods and services from local vendors and award purchases to those vendors when cost effective. This can be accomplished by insuring that local and state vendors who have goods or services available are included in the competitive shopping process that will precede most purchases.

Ethics / Relations with Vendors

The City of North St. Paul holds its employees to the highest ethical standards. Purchases shall be conducted so they foster public confidence in the integrity of the City’s procurement system and encourage open and free competition among prospective suppliers. In keeping with these values, employees must avoid the following practices when making purchases on behalf of the City:

- Circumventing competitive bidding requirements – Examples include but are not limited to:
 - Splitting purchases so that they can be made through several small purchases
 - Using the emergency procedure process when no true emergency exists
 - Using a “sole source” exemption when competition is available
- Denying one or more vendors the opportunity to bid on a contract – Examples include but are not limited to:
 - Using overly-restrictive specifications
 - Pre-qualifying bidders on a discriminatory basis
 - Removing companies from a bidders list without just cause

- Requiring unnecessarily high bonding
- Giving favored vendors an unfair advantage – Examples include but are not limited to:
 - Providing vendors with information regarding their competition's offers in advance of a bid opening
 - Making information available to favored vendors and not to others
 - Giving un-favored vendors inaccurate or misleading information
- Accepting gifts from vendors
 - Minnesota Statutes §471.895 prohibits government employees from receiving gifts except where they are included as part of the cost of a product, good, or service provided.
- Receiving any remuneration (i.e. kickback, bribe, or rebate) directly or indirectly, overtly or covertly, in cash or in kind, in return for the City recommending, purchasing, leasing, ordering, or arranging a service or purchase of goods.

Charge Accounts

The City may open charge accounts with vendors regularly used. Charges on charge accounts are limited to purchases under \$2,000 per the Quick Reference Guide on page 2. The use of charge accounts is not a method of creating debt, therefore all balances shall be paid off on a monthly basis without delinquency fees or finance charges. Failure to avoid finance fees will require the discontinued use of the charge account.

The City will provide individual vendors with a list of approved city employees who may use charge accounts. These approved lists are to be updated by department heads for any changes in employment and reviewed annually. Only City employees are allowed to use charge accounts.

Credit Cards

- See Appendix A and Attachments A.1, A.2, A.3, and A.4

State of Minnesota Bid, Quote, and Contract Laws

- See Appendix B

Federal Grant Procurement Requirements

- See Appendix C

Single/Sole Source Justification Form

- **See Appendix D**

Professional / Technical Contract Single Source Procurement

- See Appendix E

Appendix A:

Credit Cards

The City has the authority to make purchases using credit cards under Minnesota Statute §471.382. The use of credit cards by staff for City business is not a method of creating debt, therefore all credit card balances shall be paid off on a monthly basis without delinquency fees or finance charges. Failure to avoid finance fees will require the discontinued use of the credit card. These guidelines are intended to protect the City and the employee. All employees entrusted with a credit card shall be responsible for complying with these directives.

Authorized Employees

The Finance Director is the Chief Financial Officer of the City in the eyes of the bank. So, the Finance Director is the only individual with the authority to assign, remove, or modify users and account balances for the City credit card program. Employees authorized to use a credit card must sign a Credit Card User Agreement, Attachment A.1, noting card policy, procedures for use, and card holder responsibility. To request a credit card, the Credit Card Request Form, Attachment A.2, must be completed and sent to the Finance Director. The Finance Director will maintain a listing of accounts, limits, and personnel authorized to purchase with the respective credit cards. Credit cards must be kept in a secure location when not in use. Only City employees are authorized to use City purchasing cards. Attachment A.3, Credit Card Purchase Request Form, must be filled out for each purchase made on a purchasing card.

The only person entitled to use a purchasing card is the person whose name appears on the face of the card. If the situation arises that the cardholder must lend the purchasing card to another City employee, a form must be filled out for each transaction including signed approval by the cardholder and signed acknowledgement of purchasing policy by the employee who used the card. See Attachment A.3 for a copy of the Credit Card Purchase Request Form.

Suppliers

The credit card is a Visa Card product. Any supplier or merchant who accepts Visa Card can accept the credit card.

Lost or Stolen Cards

Cardholder employees must keep the credit card in a secure location. When in use the card must only be accessible to the cardholder. If the credit card is lost or stolen the cardholding employee must notify Customer Service immediately at the 24-hour telephone number (1-866-552-8855) and call the Finance Director. The card will be closed and monitored. A new card will be issued if necessary.

Authorized Purchases

Credit cards must not be used for expenditures that have not been authorized in the adopted budget. Since use of the credit card is restricted to purchases for the City, no non-city use is permitted and all purchases must be for a public purpose. State Statute provides that if officers and employees make purchases for the City that are not authorized by the City Council, they become personally liable for the amount of the purchase.

State Statute provides that claims presented for payment must be in writing and itemized. Department heads will be responsible for ensuring receipts and invoices meet this requirement and provide them

to the finance department for prompt payment of the credit card statement.

Monthly Statements

Monthly statements will be sent to department heads. Detailed receipts along with general ledger coding must be provided to the finance department by the 15th day of each month.

Detailed Receipts

- Any items that do not have a receipt must have a Missing Receipt Affidavit (Attachment A.4) completed or it will be the personal responsibility of the card user.
- Missing Receipt Affidavits must be signed by both the employee and department head with a complete explanation of the expense and the reason for the missing receipt.
- Failure to submit a receipt for a purchase or failure to complete a missing receipt affidavit will result in disciplinary action up to and including termination of employment.

Loss of Privileges

Failure to comply with the requirements of this policy will result in immediate revocation of credit card privileges. Here is a non-exclusive list of violations of this policy:

- Splitting of charges to avoid the single purchase dollar limit.
- Lending the card to a non-employee for use.
- Lending the card to another employee for use without completing the Credit Card Purchase Request Form – Attachment A.3.
- Failure to submit itemized receipts or a missing receipt affidavit by the 15th day of each month.
- Fraud or using the credit card for personal benefit.



Credit Card User Agreement

I agree to the following regarding the use of the Credit Card Policy:

1. I understand that I am making financial commitments on behalf of the City of North St. Paul and will strive to obtain the best value for the City.
2. I understand that under no circumstances will I use the credit card to make non-city business purchases, whether for myself or for others.
3. I understand the use of the credit card to obtain cash is expressly prohibited.
4. I have been given a copy of the Purchasing Policy, which I have read and understand the requirements for credit card use.
5. I understand that the credit card must only be used for expenditures that have been authorized in the adopted budget.
6. I will follow the established procedures for use of the credit card. Failure to do so may result in either loss of privileges or other disciplinary actions, including termination of my employment.
7. I agree that should I willfully violate the terms of this agreement, I will reimburse the City of North St. Paul for all incurred charges and any fees related to the collection of those charges.
8. I understand that any fees or interest charged by the card company because of late payments due to untimely submission of record to the Finance Department will be my responsibility and will not be paid from City funds.

Employee Name (Print)

Employee Signature

Date



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Credit Card Request Form

To: Finance Director

From: _____
(Department Head)

Re: Request for Credit Card

The following employee is authorized to be issued a City of North St. Paul Credit Card for the department indicated. The employee is fully aware of the Credit Card Policy and has provided a signed Credit Card User Agreement form.

Full Name (print): _____

Signature: _____

Title: _____

Department: _____

Single Purchase Limit: _____

30-Day Purchase Limit: _____

I have read the City of North St. Paul Credit Card Use Policy and I understand the responsibility of purchasing services and supplies using the City of North St. Paul Credit Card Program. I agree to abide by the policy for the use of a credit card. I also understand that misuse of the card can result in disciplinary action or may be cause for dismissal.

Signature of the Employee

Date

Signature of the Department Head

Date



City of North St. Paul
Credit Card Purchase Request Form
 For Purchases Under \$2,000

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Fund/Department	Requestor	Date	Card # (Last 4 Digits)
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I Acknowledge Having Read the Purchasing Policy (Please Sign):

Vendor	
Vendor Address	

For Product or Supplies Purchases				
Product	Quantity	Product Description	Price Each	Total Price

For Registrations of Conferences / Meetings / Trainings		
Name of Attendee	Date of Conf/Mtg	Location

Business Purpose of Each Product or Registration:		
Is the Purchase Budgeted: ☐ Yes ☐ No	Account Codes: <table border="1" style="width:100%; height:40px;"> <tr><td> </td></tr> </table>	

If Requestor Does Not Match the Cardholder		
Name on Credit Card	Date Card Taken	Date Card Returned
Cardholder Approval		

Department Head or City Manager Approval

Date



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City of North St. Paul
Credit Card Missing Receipt
Affidavit

Attachment A.4

This is to certify that on _____ 20_____

I paid the sum of \$_____ for _____

Vendor's Name _____

Vendor's Address _____

ITEMS

COST

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

TOTAL COST _____

I further certify that the *itemized receipt* for this payment has been lost or was not received from the vendor and that this statement is given in lieu of that itemized receipt to document the expenditure.

I certify that the expenditure incurred was solely for the benefit of the City of North St. Paul. I also certify that information identified above is valid and accurate.

SIGNED _____

PRINTED NAME _____

APPROVED FOR EXPENDITURE: _____

Appendix B:

State of Minnesota Bid, Quote, and Contract Requirements

The Uniform Municipal Contracting Law, Minn. Stat. § 471.345 sets out procedures that cities must follow for contracts to sell, purchase, or rent supplies, materials, or equipment, or to construct, alter, repair, or maintain real or personal property. The estimated amount of the contract dictates which procedures apply. Of course, estimates should be reasonable. ***For example, if a city asks for quotations because it estimates the value of a contract will be below the bid threshold but all of the quotations are over the threshold, the city should solicit formal bids.***

Contracts estimated to have a value over \$175,000 must be made by sealed bids, solicited by public notice, and awarded to the lowest responsible bidder. Bids should be retained for the period specified in the City's records retention schedule.

The requirement that the successful bidder be "responsible" protects cities from having to choose unqualified or unscrupulous low bidders. It allows a city council to consider factors such as the bidder's financial responsibility, integrity, skill and ability, and the likelihood that the bidder will do satisfactory work. A city can even include evaluation criteria for "responsible" bidders in the bid specifications.

The Minnesota state statute above deems that contracts estimated to be worth more than \$25,000, up to \$175,000, can be made either by sealed bids or by direct negotiation based on quotations. Departments with a purchase between \$25,000 and \$175,000 should solicit two written quotes or RFPs, when possible. All quotes and proposals received must be kept on file for at least 18 months. **Each department is responsible for managing these records.**

Contracts with estimated values of \$25,000 or less may be made either upon quotation or in the open market. If quotations are used, at least two quotations must be obtained if practicable, and the quotations must be kept on file for at least 18 months.

Increases to contracted prices must be consistent with the specifications of the original contract. If the increases are not in the specifications of the original contract, the requested increases must include detailed reasoning for their inclusion, and those approving such increases must consider obtaining additional quotes, sealed bids, or RFPs for these increases depending on the levels outlined in the Quick Reference Guide on page 2.

"Best Value" Procurement Alternative

In 2007, the Minnesota Legislature authorized cities and other government entities to use a "best value" procurement process for construction, building, alteration, improvement, or repair contracts.

Best value procurement is a process based on competitive proposals (as an alternative to bids) that awards the contract to the vendor or contractor offering the best value, taking into account the specifications of the request for proposals, the price, and performance criteria as set forth in Minn. Stat. § 16C.02, subd. 4a and described in the solicitation document.

The price and performance criteria mentioned in the previous paragraph may include, but are not

limited to:

- (1) the quality of the vendor's or contractor's performance on previous projects;
- (2) the timeliness of the vendor's or contractor's performance on previous projects;
- (3) the level of customer satisfaction with the vendor's or contractor's performance on previous projects;
- (4) the vendor's or contractor's record of performing previous projects on budget and ability to minimize cost overruns;
- (5) the vendor's or contractor's ability to minimize change orders;
- (6) the vendor's or contractor's ability to prepare appropriate project plans;
- (7) the vendor's or contractors technical capacities;
- (8) the individual qualifications of the contractor's key personnel; or
- (9) the vendor's or contractor's ability to assess and minimize risks.

"Performance on previous projects" does not include the exercise or assertion of a person's legal rights.

The solicitation document must state the relative weight of price and other selection criteria. The award must be made to the vendor or contractor offering the best value applying the weighted selection criteria. If an interview of the vendor's or contractor's personnel is one of the selection criteria, the relative weight of the interview must be stated in the solicitation document and applied accordingly.

Notice of Solicitation of Bids

The notice that bids are being solicited must be published once in the City's official newspaper at least ten days before the last day for the submission of bids. As an alternative to publishing the notice in a newspaper, a city may put the bid notice on its website or in a recognized industry trade journal if certain steps (described below) are followed. Additional public notice and hearing requirements for public improvements ordered and specially assessed are provided in Minn. Stat. Chapter 429.

Alternative Dissemination of Bids and Requests for Proposals

As an alternative to publishing them in a newspaper, a city may post solicitations of bids, requests for information or requests for proposals by using a website or recognized industry trade journals. Printed and digital publications and websites that contain building and construction news of interest to contractors in Minnesota or that publish project advertisements or bids for review by contractors or potential bidders in the regular course of business are "recognized industry trade journals." The City must simultaneously publish, either in minutes or separately in a notice published in the official newspaper, a description of all solicitations or requests so distributed, along with the means by which the publication occurred. The publication by alternative means must be in substantially the same format and for the same period of time as a publication in a qualified newspaper.

For the first six months after the political subdivision designates an alternative means of publication, it must continue to publish solicitations of bids, requests for information, and requests for proposals in the official newspaper in addition to the alternative method. The publication in the official newspaper must indicate where to find the designated alternative methods.

If, in the normal course of its business, a qualified newspaper maintains a website, then as a condition of accepting and publishing public notices, the newspaper must agree to post all the notices

on its website during the notice's full publication period.

Electronic Bidding

Municipalities now have authority for the following procedures related to purchases and sales:

1. Reverse Auction Purchases—Minn. Stat. § 471.345, subd. 16
 - i. municipality may contract to purchase supplies, materials, and equipment (but not services),
 - ii. using an electronic purchasing process in which vendors compete to provide the supplies, materials, or equipment at the lowest price in an open and interactive environment.
2. Electronic Sales—Minn. Stat. § 471.345, subd. 17
 - i. municipality may contract to sell supplies, materials, and equipment which is surplus, obsolete, or used,
 - ii. using an electronic selling process in which purchasers compete to purchase the supplies, materials, or equipment at the highest purchase price in an open and interactive environment.

The Cooperative Purchasing Venture (“State Contract”)

As part of marketing, vendors sometimes say cities can purchase from them without bidding because they are on the “state contract” or they will sell at the state contract price. Cities should beware of this approach. The real name of the state contract is the Cooperative Purchasing Venture. It is a members-only joint powers program operated by the Minnesota Department of Administration. To purchase through it, cities must join. Cities cannot avoid the normal bidding requirements by simply purchasing at the state contract price or from a state contract vendor without joining the program and following its requirements. For additional information, visit the Cooperative Purchasing Venture website at <http://www.mmd.admin.state.mn.us/cpv2.htm>.

Cooperative Purchasing

A municipality may contract for the purchase of supplies, materials, or equipment without regard to the competitive bidding requirements of Minnesota State Statute Section 371.345 (as described in this policy) if the purchase is through a national municipal association's purchasing alliance or cooperative created by a joint powers agreement that purchases items from more than one source on the basis of competitive bids or competitive quotations.

Responsible Contractor Minimum Requirements

The Responsible Contractor Requirements apply to construction contracts over \$50,000 that are awarded on the basis of bidding or “best value.” The threshold for formal bidding is \$175,000 and the best value alternative is available for contracts over \$20,000. Between \$50,000 and \$175,000 the City does not have to use the formal bidding process, however if the City does use formal bidding or “best value” procurement for these contracts they will have to comply with the Responsible Contractor Requirements.

The statute sets forth “minimum criteria” for contractors which include such things as compliance with state workers compensation laws and unemployment insurance laws, federal tax I.D number, authority to transact business in Minnesota, compliance with Federal Wage and Hour requirements, etc.

A contractor responding to the City’s contract solicitation must submit a signed statement under oath of compliance with the minimum criteria identified in this statute.

If that contractor is awarded the contract, then a supplemental verification under oath must be presented to the City that the contractor has received from all subcontractors’ statements under oath that they also meet the minimum requirements under this statute.

Prompt Payment to Subcontractors

City contracts that involve a prime contractor must require the prime contractor to pay subcontractors within ten days of the prime contractor’s receipt of payment from the City for undisputed services provided by the subcontractor.

The contract must require the prime contractor to pay interest of 1.5 percent per month or any part of a month to the subcontractor on any undisputed amount not paid on time.

Performance and Payment Bonds

For some contracts, cities must require contractors to provide a performance bond and a payment bond. This requirement applies to contracts over \$175,000 for the performance of public work. The required performance bond benefits the City by ensuring that the work is completed according to the terms of the contract, while the required payment bond benefits subcontractors and people who provide labor and materials, by seeing that their claims for labor and materials are paid. For any increases, such as change orders, to contracts with performance and payment bonds, City Council review is required to determine if additional performance and payment bonds are required. City Council will vote to require or waive such additional bonds.

Retainage

For a contract for public improvement, a public contracting agency may withhold up to five percent of any progress payment as retainage to ensure satisfactory performance. If it does so, it must release the retainage no more than 60 days after substantial completion.

“Substantial completion” is the date when construction is sufficiently completed so that the owner can occupy or use the improvement for the intended purpose. For streets, highways, and bridges, “substantial completion” is defined as the date when construction-related traffic devices and ongoing inspections are no longer required.

The City is permitted to continue to withhold up to 250 percent of the cost to correct or complete known work at the time of substantial completion, and the greater of \$500 or one percent of the value of the contract pending submission of final paperwork.

The amount withheld for cost to correct or complete must be released within 60 days of work completion. The amount withheld pending submission of final paperwork must be released within 60

days of submission of final paperwork.

Withholding Certificates

Before a city makes the final payment to a contractor under a contract requiring the employment of employees for wages, it must make sure the contractor and any subcontractors have complied with withholding tax laws. Contractors and subcontractors show compliance by submitting a withholding affidavit to the Minnesota Department of Revenue. This can be done electronically or by mailing a completed Form IC134, "Withholding Affidavit for Contractors." If a contractor or subcontractor has withheld taxes as required, the Department of Revenue will return an electronic confirmation or sign and return the Form IC134, certifying compliance.

Exceptions to Competitive Bidding

The following are some of the most common exceptions to the competitive-bidding requirements:

- **See Quick Reference Table on Page 2 of the Purchasing Policy.**
- **Non-contracts.** An agreement that does not meet the definition of a contract under the competitive-bidding law is exempt from the competitive-bidding requirements. For example, an agreement in which a company supplied a special scoreboard system in exchange for the right to sell or lease advertising space on it was found to be exempt from the competitive-bidding requirements because it was not a contract for "materials, supplies or equipment." Likewise, contracts for refuse hauling and janitorial services were also found to be exempt from the competitive-bidding requirements because they were not considered to be contracts within the definition of the competitive-bidding law.
- **Electronic reverse-auction purchases.** Cities may use an electronic reverse-auction procedure to contract for the purchase of supplies, materials, and equipment regardless of their cost. This procedure allows vendors to compete to provide the requested supplies, materials, or equipment at the lowest selling price in an open and interactive electronic environment.
- **Electronic sales of surplus supplies, materials, and equipment.** Cities may contract to sell supplies, materials, and equipment, which are surplus, obsolete, or unused, regardless of their cost, using an electronic selling process in which purchasers compete to offer the highest purchase price in an open and interactive environment.
- **Best value contracting.** Under certain circumstances, cities may use best value contracting for construction projects. Best value contracting requires cities to consider two factors as part of a request-for-proposals process: price and performance. There are additional factors that may be considered.
- **Intergovernmental contracts.** Contracts between governmental entities for the sale, lease, or purchase of real or personal property between federal, state, or political subdivisions.
- **Professional services contracts.** Professional services, such as those provided by doctors, engineers, lawyers, architects, accountants, and other services requiring technical, scientific, or professional training.
- **Some group-insurance contracts.** Group insurance for 25 or more employees. This type of insurance must be solicited through requests for proposals. The request for proposals must be in writing and must include the coverage to be provided, the criteria for evaluation of carrier proposals, and the aggregate-claims records for the appropriate period. The request for proposals must be published in a newspaper or trade journal for at least 21 days before the final day for submitting proposals.
- **Real estate contracts.** The purchase or sale of real property is generally not required to be competitively bid.

- **Emergency contracts.** The emergency-management statutes give cities the ability to declare an emergency for a limited period of time. During such an emergency, cities are not required to use mandated contracting procedures. If the facts of the situation do not indicate that a true emergency exists, such a contract would likely be void.
- **Some intergovernmental construction contracts.** A cooperative agreement to construct a project with the state or with another political subdivision of the state when the other unit does the construction. This applies only where there is an agreement prior to the initial advertising for bids on the project.
- **Some municipal electric power construction contracts.** A city may contract for the planning, acquisition, construction, reconstruction, operation, maintenance, repair, extension, and improvement of generation and transmission facilities without using the competitive-bidding process. The facilities must be located outside of the City's corporate limits.
- **Some fuel contracts.** Fuel contracts for generation of municipal power may be made using direct quotations or competitive bidding.

Appendix C:
Federal Grant Procurement Requirements

The OMB Uniform Guidance went into effect on December 26, 2014 and applies to awards or funding increments issued on or after that date. Purchases funded by federal grant funds must adhere to regulations found in Uniform Guidance as a condition of receiving funds and to meet annual audit compliance. The OMB Memo M-18-18 increased the micro-purchase threshold to \$10,000 and the simplified acquisition threshold to \$250,000 (note, since the State of Minnesota threshold is \$175,000, the City will follow the lower threshold from the State of Minnesota).

Methods of Procurement (see CFR §200.320):

- **Micro-purchases** - the acquisition of supplies or services, the aggregate dollar amount of which does not exceed \$10,000. Use your own judgment in identifying potential suppliers. Federal guidance asks that, if possible, spread purchases between multiple suppliers. When possible, attempt to get discounts. If you are uncertain as to whether or not a purchase qualifies as a micro purchase or a small purchase, please contact the finance department prior to making the purchase. For example, installment payments less than \$10,000 towards a total purchase price greater than \$10,000 do not count as micro purchases
- **Small purchase** - the acquisition of supplies, services or equipment in the range of \$10,001 to \$175,000. Price or rate quotations must be obtained from an adequate number or qualified sources prior to making a purchase. A purchase order documenting at least 2 price quotes and the basis for vendor selection prior to making a purchase is required. Documentation needs to be in writing from the vendors and can include screen shots from websites, copies of published price lists and advertised pricing in established magazines or journals. This documentation should be attached to the purchase order and the buyer should not make the purchase until the purchase order has been fully approved. If a purchase order is not received prior to an accounts payable voucher, the Finance department will have the authority to reject the invoice from being paid against federal funds. If you require assistance in obtaining 2 quotes, please contact the Finance department.
- **Sealed bids** - For acquisitions costing more than \$175,000, bids are publicly solicited and a firm fixed price contract is awarded to the responsible bidder whose bid is the lowest price. See appendix B for more detail.
- **Competitive proposals** - For acquisitions costing more than \$175,000, conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. Contracts must be awarded to the responsible firm whose proposal is most advantageous to the City with price and other factors considered.
- **Noncompetitive proposals** - procurement through solicitation of a proposal from only one source. A waiver must be granted by submitting the Single/Sole Source Justification Form (see Appendix D).

APPENDIX D

Single/Sole Source Justification Form(Form Attached Separately):

There may be times when competitive bids are not appropriate and the requirement for obtaining them is waived. Failing to anticipate needs resulting from poor planning is not an exception to the bidding policy. For an exception to be valid, a clear statement of justification for waiving the competitive bidding process must be submitted in writing for approval by completing the Sole Source Justification Form.

Situations that would justify purchases without the competitive bid process are:

- The supplier is obviously a sole source for the item. Examples:
 - Artwork
 - Unusual and not generally available used equipment
 - A very specialized piece of scientific equipment
 - A specialized service (lobbyist, consultant) when the supplier has a one-of-a-kind ability to provide the required service due to demonstrably unique circumstances (knowledge, contacts, experience)
- There is an undeniable compatibility requirement. The item will be hooked up to existing equipment or the purchase is an upgrade to existing equipment/software.
- There has been an unpredictable emergency and there is no time to bid. Examples:
 - Human life, health, or City property is in jeopardy
 - Repairs are immediately needed for equipment where delay would lead to higher expense.
- Subcontracts whereby the agreement to work with another individual or institution was written into the grant award.

Situations that would NOT justify purchases without the competitive bid process are:

- Supplier is offering a very good deal. While this may be true, federal guidelines require a competitive bidding process that demonstrates that due diligence was used.
- Long-term need was ignored and now the purchase needs to be made as soon as possible. Busy schedules do not excuse the City from following federal regulations
- Supplier is very convenient to use. Convenience is not a strong enough factor to allow the granting of a waiver from the process. An emergency situation must be present.
- The company already started the work. Making such agreements or purchases at a departmental level is contrary to this policy and federal regulations.

PROFESSIONAL/TECHNICAL CONTRACT SINGLE SOURCE REQUEST FORM**Submit form to:** City of North St. Paul Finance Department**Submit with:** Detailed Quote/Scope of Work

DEPARTMENT	
PROPOSED CONTRACTOR Name of company: Address: Telephone: Web Address (if available):	CONTRACT PERIOD _____ to _____ *The term of the contract must not exceed two years unless the Council determines that a longer duration is in the best interest of the City. If you are requesting that the original contract length be longer than two years, please attach a written justification.
	CONTRACT PRICE \$ _____
DESCRIPTION OF SERVICE REQUIRED:	

SINGLE SOURCE CATEGORY (Check applicable box, attach documentation or provide explanation below)	
☐ Legislation or appropriation mandates use of contractor (Legislation attached) ☐ Expert witness required by AGO (attach documentation) ☐ Mailing lists, subscriptions or media advertising ☐ Warranty voided if service provided by other contractor	☐ Software license renewals, additions or upgrades available from only one source ☐ Brand compatibility available from only one source ☐ Other proprietary situation ☐ Other
THIS PROCUREMENT IS A SINGLE SOURCE BECAUSE (attach additional page if needed):	

NOTE: The following are unlikely to be sufficient single source justifications:

- ◆ Personal or agency preference for a contractor
- ◆ Agency perception that the vendor is the best qualified (this should be determined through a competitive process)
- ◆ Lack of agency planning resulting in limited time to conduct a competitive procurement
- ◆ Past or existing relationship with the vendor
- ◆ Special incentive or deal offered (can be assessed in open and competitive solicitation)
- ◆ Agency convenience

SEARCH (Check applicable boxes and describe as indicated)	
☐ No search was conducted or necessary because (explain): A search was conducted consisting of: (check all that apply) ☐ Market research ☐ Other vendors contacted ☐ Public notice given ☐ Other	RESULTS AFTER THE SEARCH... ☐ no alternatives were identified ☐ no alternatives were deemed acceptable (explain below)
Description of search identified above: 	

PRICE (Check applicable boxes and provide description below)	
Price has been fairly and reasonably established by: ☐ Independent estimate ☐ Comparison to public sector contract pricing ☐ Comparison to previous comparable pricing	☐ Discount off published price ☐ Market survey ☐ Other
Describe methodology and results (attach any written supporting data, e.g. survey or market analysis): 	

CERTIFICATIONS	
I certify: 1) I recognize that state law requires the use of competitive solicitations unless exempted by law. I have reviewed the information and materials relevant to this procurement of services and am requesting approval of an exception to the competitive process for the reasons described. 2) the price to be paid to the proposed single source contractor is fair, reasonable, and provides the best value to the City of North St. Paul; and 3) this request for an exception to the competitive solicitation process is not the result of inadequate advance planning or for purposes of securing the services of a preferred contractor	
Department Head Signature 	Date