

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN MIGUEL
AUTHORITY FOR REGIONAL TRANSPORTATION
EVIDENCING ACTIONS TAKEN AT ITS MAY 11, 2017 REGULAR MEETING**

NO. 2017 -

RECITALS:

WHEREAS, the San Miguel Authority for Regional Transportation (“SMART”) was approved by the registered electors of the Town of Telluride, Town of Mountain Village, and that portion of the SMART combination that are within that part of the SMART boundaries located within unincorporated San Miguel County, pursuant to the Colorado Regional Transportation Authority Law, C.R.S Title 43, Article 4, Part 6, at the general election held on November 8, 2016;

WHEREAS, SMART is governed by the Colorado Regional Transportation Authority Law and the SMART Intergovernmental Agreement (“SMART IGA”) conditionally approved by each of the governing bodies of the Town of Telluride, Town of Mountain Village and San Miguel County pending approval by the registered electors at the November 8, 2016 general election;

WHEREAS, the Board held a regular meeting on May 11, 2017; and

WHEREAS, Section 3.09 of the SMART IGA requires all actions of the Board to be taken by written resolution;

WHEREAS, the Board desires to take action on certain items set forth below in accordance with the SMART IGA.

NOW THEREFORE, BE IT RESOLVED, by the Board of Directors of the San Miguel Authority for Regional Transportation as follows:

1. At its May 11, 2017 regular meeting, the Board took action on the following:
 - a. Approval of the May 11, 2017 meeting agenda. Exhibit A.
 - b. Approval of the Board Minutes for April 13, 2017 –Exhibit B.

ADOPTED AND APPROVED by the Board of Directors at a regular public meeting held on the 13th day of April, 2017.

**SAN MIGUEL AUTHORITY FOR REGIONAL
TRANSPORTATION**

By: _____
Laila Benitez, Chair

Attest:

Board Secretary

San Miguel Authority for Regional Transportation Board of Directors Meeting

April 13, 2017 Minutes

San Miguel County Meeting Room
333 West Colorado Avenue – 2nd Floor

Member Directors present: Mountain Village – Chair Laila Benitez and Dan Caton; Town of Telluride – Todd Brown and Sean Murphy (by phone); San Miguel County – Joan May and Kris Holstrom.

The meeting was called to order at 1 pm.

1. **Review and Approval of the Agenda**

Amy Levek, Interim Executive Director, noted that two additional items were added to the agenda that had been posted, so an updated agenda was provided in the packet of materials for this meeting.

MOTION – Kris Holstrom moved to approve the updated agenda, as presented.

Todd Brown seconded the motion.

A unanimous vote approved the motion.

2. **Review and Approval of March 9, 2017 Board Minutes**

MOTION – Dan Caton moved to approve the minutes for the March 9, 2017 SMART Board meeting.

Joan May seconded the motion.

A unanimous vote approved the motion.

3. **Review of 2017 SMART Revenue and Expenses to date**

Todd Brown provided a financial update and overview to date.

4. **Review of requests for appointment to the Community Advisory Committee**

Adrienne Christy, Erich Lange, and Rasa Kaunelis spoke to their interest of serving on this SMART Community Advisory Committee:

MOTION – Dan Caton moved to appoint the additional four people to the Committee.

Joan May seconded the motion.

FRIENDLY AMENDMENT: Sean Murphy amended the motion to assign seats to the appointees as follows:

Adrienne Christy – Town of Telluride

Kari Distefano – At large

Rasa Kaunelis – Organizations serving Seniors, Human Services, Trail System

Erich Lange – Organizations serving Seniors, Human Services, Trail System

The amendment was accepted by both Caton and May.

A unanimous vote approved the motion.

5. **Consideration of hiring graphic artist to produce 3 potential logos**

Amy Levek recommended hiring Kristal Graphics to produce three logos for SMART.

MOTION- Kris Holstrom moved to hire Kristal Graphics as presented in the proposal.

Dan Caton seconded the motion.

A unanimous vote approved the motion.

- 6. Update on hiring of Executive Director**
Amy Levek provided an update on the hiring process for an Executive Director and presented a schedule for interviewing candidates. It was noted that the applicants will not be presented to the public until they are down to the final four candidates. As a reminder, the hiring subcommittee consists of: Joan May, Todd Brown, and Laila Benitez.
- 7. Set up meeting with GovHR week of May 8th to consider job applicants**
No action was required for this matter.
- 8. Review of Code of Ethics for the SMART Board and staff offered by Paul Taddune P.C. for adoption by the Board**
The materials for this item (Exhibit 8a) were sent to the board via email and distributed to the public at the meeting. Paul Taddune and Jeff Conklin, legal counsel in attendance via Skype, reviewed the revised proposed Code of Ethics for SMART.

MOTION- Sean Murphy moved to approve the Code of Ethics as presented.
Dan Caton seconded the motion.
A unanimous vote approved the motion.
- 9. Draft Strategic Plan/Work Plan for 2017**
Amy Levek presented a Draft Strategic Plan Outline for 2017. She also received feedback and direction on the priorities for this Board.
- 10. Decision on Contract for SIPA grant-funded website design**
Amy Levek spoke to the two bid proposals submitted for this project and made a recommendation to hire Kaffeinated Kodemonkey.

MOTION- Dan Caton moved to hire Kaffeinated Kodemonkey for the SIPA website design, subject to Paul Taddune's review of the contract and making sure that we (SMART) are the client.
Kris Holstrom seconded the motion.
A unanimous vote approved the motion.
- 11. Updates on Procurement Manual and Employee Manual**
Drafts of both a procurement manual (Exhibit 11A.) and an employee manual (Exhibit 11B.) were sent separately to the board members. Paul Taddune spoke to creating a subcommittee to review these two documents. A subcommittee was formed and will include the towns' and county administrators, Lynn Black, Kim Montgomery, and Greg Clifton, as well as Sean Murphy and Dan Caton.
- 12. Update on state transit legislation (HB 17-1242) and consideration of letter to State Legislature**
Paul Taddune spoke briefly to the recent legislation coming out of the state regarding transit. Laila Benitez commented on a letter campaign regarding this matter.

Ed. Note: The order of the next two items is different than as was presented in the agenda.

- 14. Public Comment**
Local resident Pam Pettee commented on receiving robo-calls encouraging her to call her local legislators regarding the aforementioned transit legislation and she recommended that all of the representatives of SMART be better informed on the cause and what actions they can take. She also spoke briefly about an RFP in the Daily Planet

from Region-10 to provide services, including transportation, for older citizens. Lynn Black noted that she needs one representative on the ALL POINTS Board.

13. Other

Laila Benitez read a Commendation of Appreciation for Nina Kothe. Amy Levek spoke briefly to the May 11th meeting agenda.

15. Adjournment

MOTION- Todd Brown moved to adjourn the meeting.

Kris Holstrom seconded the motion.

A unanimous vote approved the motion.

The meeting was adjourned at 2:34 p.m.

Respectfully Submitted,

Deborah Gesmundo, Interim Secretary

Approval Date: May 11, 2017

SAN MIGUEL AUTHORITY FOR REGIONAL TRANSPORTATION

Laila Benitez, Board Chair

Meeting Digitally Recorded.

3:21 PM

05/04/17

Accrual Basis

S.M.A.R.T.
Profit & Loss Budget Performance
April 2017

	Apr 17	Budget	\$ Over Budget	Jan - Apr 17	YTD Budget	\$ Over Budget	Annual Bud...
Ordinary Income/Expense							
Income							
Tax Revenues							
Sales Tax Revenue	70,536.17	39,768.42	30,767.75	137,896.57	159,073.64	-21,177.07	477,221.00
Property Tax Revenue	50,286.79	46,083.33	4,203.46	261,103.58	184,333.36	76,770.22	553,000.00
Total Tax Revenues	120,822.96	85,851.75	34,971.21	399,000.15	343,407.00	55,593.15	1,030,221.00
Intergovernmental Revenue							
San Miguel County Contribution	0.00	4,166.67	-4,166.67	25,000.00	16,666.64	8,333.36	50,000.00
Town of Mountain Village Contr.	0.00	4,166.67	-4,166.67	25,000.00	16,666.64	8,333.36	50,000.00
Town of Telluride Contribution	0.00	4,166.67	-4,166.67	25,000.00	16,666.64	8,333.36	50,000.00
Total Intergovernmental Revenue	0.00	12,500.01	-12,500.01	75,000.00	49,999.92	25,000.08	150,000.00
Total Income	120,822.96	98,351.76	22,471.20	474,000.15	393,406.92	80,593.23	1,180,221.00
Expense							
Personnel Expenditures							
Contract Labor	1,265.00			1,265.00			
Salaries	0.00	8,333.33	-8,333.33	0.00	33,333.36	-33,333.36	100,000.00
Fringe Benefits							
Payroll Tax Expense	0.00	2,500.00	-2,500.00	0.00	10,000.00	-10,000.00	30,000.00
Total Fringe Benefits	0.00	2,500.00	-2,500.00	0.00	10,000.00	-10,000.00	30,000.00
Recruitment	0.00			5,722.30			
Total Personnel Expenditures	1,265.00	10,833.33	-9,568.33	6,987.30	43,333.36	-36,346.06	130,000.00
Professional Servies							
Treasurer's Fee	1,445.09			7,651.66			
Rent Office Expense	0.00	1,500.00	-1,500.00	0.00	6,000.00	-6,000.00	18,000.00
Operating Expenses	0.00	416.67	-416.67	1,052.78	1,666.64	-613.86	5,000.00
Attorney fees	0.00	2,000.00	-2,000.00	0.00	8,000.00	-8,000.00	24,000.00
Bookkeeping-CPA Audit	475.00	666.67	-191.67	1,219.59	2,666.64	-1,447.05	8,000.00
Consulting services - Transit	0.00	3,333.33	-3,333.33	0.00	13,333.36	-13,333.36	40,000.00
Total Professional Servies	1,920.09	7,916.67	-5,996.58	9,924.03	31,666.64	-21,742.61	95,000.00
Transit & Transp. Services							
Down Valley/Norwood Bus Service	0.00	2,083.33	-2,083.33	0.00	8,333.36	-8,333.36	25,000.00
San Miguel County cmtr shuttle	0.00	750.00	-750.00	0.00	3,000.00	-3,000.00	9,000.00
Mtn. Village Shuttles	0.00	5,831.33	-5,831.33	0.00	23,325.36	-23,325.36	69,976.00
Gondola Backup	0.00	10,000.00	-10,000.00	0.00	40,000.00	-40,000.00	120,000.00

3:21 PM

05/04/17

Accrual Basis

S.M.A.R.T.
Profit & Loss Budget Performance
April 2017

	Apr 17	Budget	\$ Over Budget	Jan - Apr 17	YTD Budget	\$ Over Budget	Annual Bud...
Medical Shuttles	0.00	833.33	-833.33	0.00	3,333.36	-3,333.36	10,000.00
Lawson Hill Service	0.00	8,127.00	-8,127.00	0.00	32,508.00	-32,508.00	97,524.00
Total Transit & Transp. Services	0.00	27,624.99	-27,624.99	0.00	110,500.08	-110,500.08	331,500.00
Total Expense	3,185.09	46,374.99	-43,189.90	16,911.33	185,500.08	-168,588.75	556,500.00
Net Ordinary Income	117,637.87	51,976.77	65,661.10	457,088.82	207,906.84	249,181.98	623,721.00
Other Income/Expense							
Other Income							
Grants	6,500.00			6,500.00			
Total Other Income	6,500.00			6,500.00			
Net Other Income	6,500.00			6,500.00			
Net Income	<u>124,137.87</u>	<u>51,976.77</u>	<u>72,161.10</u>	<u>463,588.82</u>	<u>207,906.84</u>	<u>255,681.98</u>	<u>623,721.00</u>

3:22 PM

05/04/17

Accrual Basis

S.M.A.R.T.
Balance Sheet
As of April 30, 2017

	Apr 30, 17
ASSETS	
Current Assets	
Checking/Savings	
Alpine Operating 9726	464,063.82
Total Checking/Savings	464,063.82
Total Current Assets	464,063.82
TOTAL ASSETS	464,063.82
	<hr/>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	475.00
Total Accounts Payable	475.00
Total Current Liabilities	475.00
Total Liabilities	475.00
Equity	
Net Income	463,588.82
Total Equity	463,588.82
TOTAL LIABILITIES & EQUITY	464,063.82
	<hr/>

3:15 PM

05/04/17

S.M.A.R.T.
A/P Aging Summary
As of May 4, 2017

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
Amy R. Levek	0.00	4,565.00	0.00	0.00	0.00	4,565.00
ASAP Accounting & Payroll, Inc	0.00	475.00	0.00	0.00	0.00	475.00
TOTAL	0.00	5,040.00	0.00	0.00	0.00	5,040.00

FORM FIELD COLOR GUIDE:



REQUIRED



OPTIONAL



CALCULATED



NEEDS CORRECTION

[Menu](#)

[Home](#) » [Revenue Ledger Ac...](#) » [Distribution Summary](#)

[Log Off](#)

Distribution Summary

Filter

Filing Period	Tax	Interest	Penalty	Balance	Credits
04/30/2017	0.00	0.00	0.00	0.00	81,391.33
03/31/2017	0.00	0.00	0.00	0.00	70,536.17
02/28/2017	0.00	0.00	0.00	0.00	67,360.40
01/31/2017	0.00	0.00	0.00	0.00	0.00

4 Rows



SMART

Memorandum

To: SMART Board of Directors
From: Amy Levek, Interim Director
Date: May 8, 2017

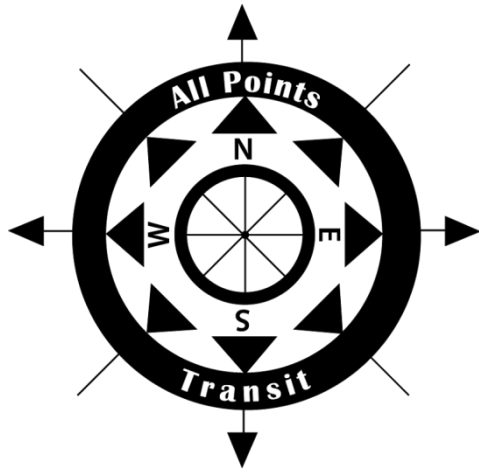
RE: Update on Recruitment Process for Administrator

The Personnel Subcommittee met with GovHR and reviewed resumes for 9 candidates. The group decided to invite 4 of these to interview, resumes for each are attached.

Two questions for consideration at your board meeting on Thursday are:

1. Would you authorize spending \$1000 each to defray the costs of their travel to the region?
2. Potential dates for interviews when most, hopefully all, board members are available. Potential dates include:

June 5 or 6
June 26 - 30



All Points Transit

SMART Board
May 11, 2017

All Points Transit Organization At-A-Glance

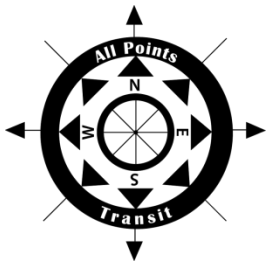
► Overview:

- Private 501c3 non-profit organization
- Serving Communities in 4 Counties:
Delta, Montrose, San Miguel, Ouray
(Serving 4,500 square miles)
- 29 Vehicles
- 30 Drivers (most are part time)
- 9 Admin Staff



► Programs:

- Door to Door Dial-A-Ride (seniors, people with disabilities)
- General Public Flex Route in Montrose /Olathe
- Regional Medical Shuttle
- Medicaid Transportation (on Dial A Ride)
- Volunteer Driver Program (piloting in Montrose)



San Miguel County Operations and Programs

- ▶ 2 Vehicles based in Norwood (plus 1 more in Nucla that can be used as back up)
- ▶ 2 part time drivers based in Norwood / West End to cover services. Drivers are sent from Montrose for additional coverage when necessary.
- ▶ **PROGRAMS**
 - Dial-A-Ride (Norwood)
 - Regional Medical Shuttle (Norwood, Telluride, Placerville)

About Dial-A-Ride in Norwood

Pre-scheduled, door-to-door, driver assisted transportation

- Medical, Nutrition and Personal Trips Available
- Serves predominantly seniors and people with disabilities. Open to the public.
- Grand Junction coordinated medical / shopping trips available on the 2nd Tuesday of the month for 2 or more people (when trips cannot coordinate with Regional Medical Shuttle schedule)

Norwood DAR Delivered Trips 2016 – 2017

Total 2016	Q1 2016	Q1 2017
866	223	192



Dial A Ride

Passenger Payment Options

Cash

Seniors 60+: \$3.50 each way local
\$5.00 regional

ADA or GP : \$5.00 each way

Grand Junction: \$10 each way



Medicaid

Must be approved for trips through San Miguel County HHS.

Vouchers for Seniors

Approved through Region 10 Area Agency on Aging

Regional Medical Shuttle

In partnership with Tri County Health Network and the Telluride Foundation

- ▶ Pre-scheduled rides to Montrose up to 7 times per month
- ▶ To Grand Junction up to 2 times per month

Pick Up Locations:

Nucla, Naturita,
Norwood, Telluride,
Placerville, Ridgway

Fares:

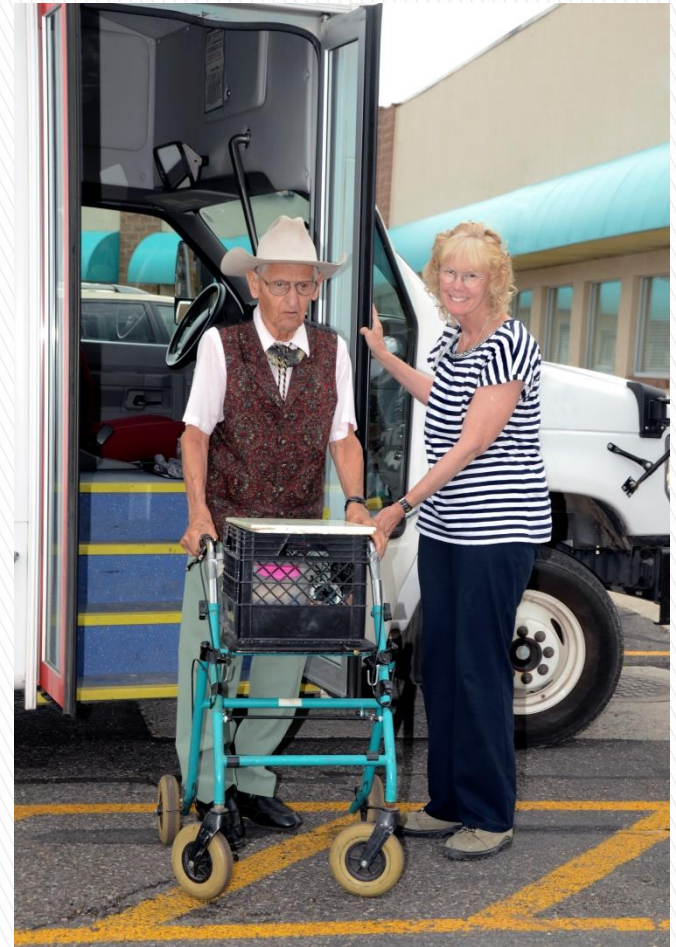
Medical – donation
Personal – \$5 each way




RMS Delivered Trips 2016 – 2017		
2016 Total	Q1 2016	Q1 2017
345	70	69

Identified Transit Gaps & Possible Opportunities for Partnership

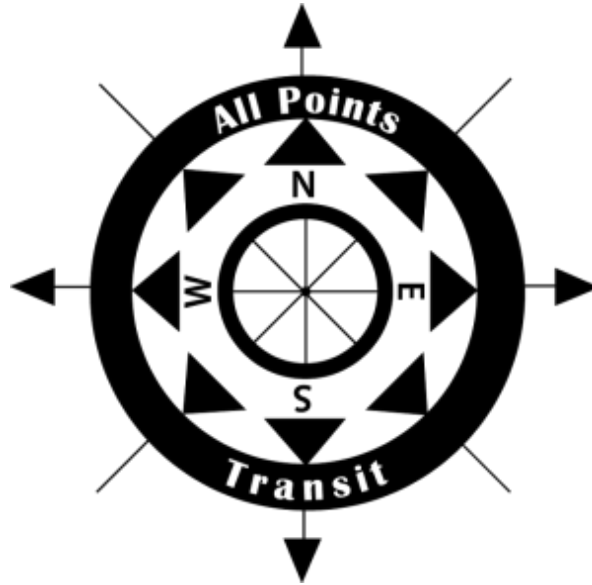
- ▶ Increase ridership on current services through promotion and education
- ▶ More regional trips to Grand Junction from Norwood, Telluride, Placerville
- ▶ Medicaid transportation (local and regional)
- ▶ Veterans Transportation to VA Hospital in Grand Junction
- ▶ Seniors / ADA in Mountain Village and Telluride
- ▶ Public Route – Montrose to Telluride



Mobility Management at APT

- ▶ Ride coordination within All Points Transit Programs and referrals to other providers
 - ▶ Travel training and working with passengers to navigate difficult trips (includes referrals to other providers – Road Runner, San Miguel County and Town of Mountain Village Vanpools, Telluride Express, etc.)
 - ▶ Managing Volunteer Driver Program
 - ▶ Coordinating with partner organizations, medical facilities, clinics (patient navigators)
 - ▶ Community Outreach and Education (visit senior centers, community groups, etc)
- 

Thank you for your support!





SMART

MEMORANDUM

To: SMART Board
From: Amy Levek, Interim Director
Date: May 8, 2017

RE: Update on Service Recommendations from Administrative Advisory Committee (AAC) and Community Advisory Committee (CAC)

Attached for your review and consideration are notes from the April 26, 2017 Administrative Advisory Committee meeting. The CAC met on May 4th and considered the same information.

The AAC identified some information that would help guide future decisions. The information includes:

1. Updated traffic counts
2. Surveys of both employees and businesses
3. Confirmation of future growth areas

I would recommend that SMART begin gathering this information in conjunction with other government organizations (local and state). As indicated in the notes, traffic counts either exist or could be fairly easily obtained with notice.

There are some potential increases in service that can be implemented without too much expense or difficulty according to the AAC. This would include:

1. An additional down valley/Norwood bus.
2. Increases in frequency and possibly time of day for Lawson Hill service.
3. Increase in shuttle vans, especially to Ridgway and Montrose, with some experimentation to the south.

The AAC agreed to inventory equipment, facilities, land and service in order to begin the process of creating service intergovernmental agreements for both continuation of and transfer of service. That process will be ongoing.

SMART should also consider getting its message out. The CAC talked about having a meeting in June to hear from the public about service and also to share the logos and get input. This, along with opportunities for regular press releases, will help provide more awareness about what SMART is doing.

SMART

Notes from Administrative Advisory Committee Meeting

April 26, 2017

In attendance: Greg Clifton, Jim Loebe, Rob Johnson, Heather Young, Nina Kothe, Amy Levek

Additional Information Needed

1. Traffic counts

2015 CDOT traffic counts are good to use. Nina will check with CDOT regarding when they will be scheduling new counts.

Mountain Village does regular counts on Mountain Village Boulevard, 200 yards from Highway 145, and will continue doing this.

Town can do counts on spur with existing sign equipment. Greg will discuss scheduling counts during summer during commuting times.

*SMART needs to provide parameters for counts.

2. Surveys

It would be helpful to survey employees/commuters and businesses about need for service and what kinds of service they might use. Nina has survey questions that have been used elsewhere.

Jim is currently doing gondola survey and it may be useful to add some transit questions to survey, as long as they do not increase survey time significantly.

Survey of employees/residents probably needs to be done in person, perhaps door-to-door in order to get meaningful results.

*Talk with HR directors about info they already have and for future surveys of businesses.

*Amy to talk with Michael Martelon about business survey info he has. Talk with Jason White re: survey into from Lawson Hill.

3. Locations of growth areas and need for potential park and ride lots along transit lines

It would be useful to re-examine assumptions made in the 2010 Telluride Foundation Alternative Futures Report and to update information about where future housing projects may occur (I.e., Ilium Valley, Pathfinder, Church Camp, ideas included in Greg's 2016 memo that was included in this meeting's info packet, etc.). SMART should be considering obtaining land for park and ride facilities in these locations.

Potential locations include Placerville, Ilium near intersection with Highway 145, Fairgrounds in Norwood (for potential upgrades).

4. Other

Town is doing parking study on west side parking lots. Results may help shape transit policy.

Potential Changes in Service

1. Buses

Increase service to Lawson, Down Valley and Norwood. Jason has evaluated increases to service and can accommodate more. Consider having 2 buses devoted to down valley as well as an additional Norwood bus. Would need to evaluate timing for maximum use. Need to consider the need for buses on fixed routes being ADA compliant. Mountain Village has smaller bus that is compliant that rarely gets used.

2. Human Services

*Need to examine human services component to SMART service in greater detail. Is this something that All Points can satisfy and/or does SMART need to work with them and fund greater service for this part of population?

Human services need to be on demand with a reservation system. How does All Points provide now? Will address with All Points at next SMART board meeting.

*Amy/Nina to talk with All Points to get info on existing service.

3. Van Service

Mountain Village van use is currently up to 50 riders/day, but service can be increased to 65/day without adding additional vehicles. SMC vans serve 15 riders. There is a waiting list that would add another 15 riders/day if vans were provided.

Any increase in van service would need more drivers, who would have to be trained/certified.

There is a fall FTA grant and possibly state FASTER funding available for van funding. The group was hesitant to look at FTA funding now because of procurement and reporting requirements, but FASTER may be an option.

SMART should consider a southern van route that starts in Rico and picks up people in Trout Lake, San Bernardo, Ophir and possibly Ski Ranches. Evening return?

Telski contracts with Telluride Express for its employee van service. Probably a good idea to have Telluride Express address SMART board to brief them on services it provides.

*Amy and Heather will arrange for Telluride Express info for board.

*Amy and Jim will try to get more info on private vans provided by employers (Aplin).

*Amy will compile other private employer van data.

4. Late Night Service

The group recommends that extending the gondola hours on Friday and Saturday nights to perhaps 1 am during on-season/non-festival weekends would be an effective and meaningful increase in service, that hopefully would improve safety on the roads. Jim felt evening service increases would be easier to accommodate than morning because of the nature of their workforce and hours.

Consider an additional downvalley bus at 9 pm (families) or 1 am. Late night bus or van service might be trickier to provide, but could be a useful service.

5. Park/Ride Lots

Need to consider either upgrades to existing SMC lot at Placerville or alternative land for a new lot devoted to park/ride.

NOTE: Lawson Lot was not discussed but should probably be considered in future discussions.

6. App

Add an app to website for finding a bus and another to facilitate carpooling.

7. Marketing

Service needs to be as green as possible and marketing needs to reflect this. Perhaps have logo address this. The message also needs to include that “It’s the SMART thing” to take the bus, gondola, or vans.

Logo needs to create an identity separate.

Process for Creation of IGA(s)

The County/Telluride IGA for Lawson and Down Valley/Norwood bus service runs through 2017 as a result of grant commitments. However, increases in service can be contracted with SMART even if transfer cannot happen before then. The IGA process should include creation of a service IGA between Telluride/County and SMART that addresses changes to service after SMART decides on increases.

The service IGA should evaluate existing rolling stock and infrastructure that is in place.

*Each jurisdiction will provide a list of assets and facilities for consideration at next IGA meeting. This will include rolling stock, maintenance facilities, park and ride/other lots and anything that might be used by SMART.

Other

Amy will do update at Intergovernmental Meeting on May 15th.



SMART

MEMORANDUM

TO: SMART Board
FROM: Amy Levek, Interim Director
DATE: May 8, 2017

RE: Procurement Manual

The attached Procurement Manual has been reviewed and is recommended by the procurement subcommittee. After reviewing a number of options, the subcommittee decided to use the Mountain Village Procurement Manual as a model for SMART. The subcommittee wanted to keep the manual simple, while still meeting the standards necessary for federal and state grants.

Also attached, 8B, which are some suggested sections provided from Paul Taddune to add to the Procurement Manual. The attachment includes sections dealing with Cooperative Purchases (Section 9), Legal and Contractual Remedies; Dispute Resolution (Section 10), and Miscellaneous (Section 11).

SECTION 9: COOPERATIVE PURCHASES

9.1 Cooperative Purchasing Authorized.

- (a) Cooperative Purchase Contracts. These contracts (sometimes referred to by the FTA as a “joint procurement”) are created by a voluntary group of governmental units. If required by the bid documents or if the contractors agree, they may be used by other political jurisdictions. When in the best interest of SMART, the SMART Administrator has authority to “piggyback” such agreements for the acquisition of supplies and services without going through the formal bid/proposal process. Final authorization shall adhere to this Section 9.
- (b) SMART may either participate in, sponsor, conduct, or administer a Cooperative Purchase Contract for the procurement of any supplies, services, or construction with one or more governmental units in accordance with an agreement entered into between the participants. Such Cooperative Purchase Contract may include, but is not limited to, joint or multi-party contracts between governmental units and open-ended governmental unit contracts that are made available to other governmental units.
- (c) All cooperative purchases conducted under this Article shall be through contracts awarded through full and open competition, including use of source selection methods substantially equivalent to those specified in this Procurement Manual.

9.2 Joint Use and Supply of Facilities, Personnel, Informational and Technical Services.

SMART may enter into agreements for the common use or lease of facilities, capital equipment, or the provision of personnel, informational, technical and other services with another governmental unit under the terms agreed upon between the parties.

9.3 Cooperative Purchase Contracts.

Where a governmental unit complies with the requirements of this Procurement Manual, any governmental unit participating in a Cooperative Purchase Contract shall be deemed to have complied with this Procurement Manual. Smart may not enter into a Cooperative Purchase Contract for the purpose of circumventing the requirements of this Procurement Manual.

9.4 Review of Procurement Requirements.

The SMART procurement officer may collect information concerning the type, cost, quality, and quantity of commonly used supplies, services, or construction being procured or used by SMART governmental unit. The SMART procurement officer may make available all such information to any other governmental unit upon request.

9.5 Cooperative Purchase Contract Controversies.

Cooperative Purchase Contract controversies arising between an administering governmental unit and its bidders, offerors, or contractors shall be resolved between the ordering governmental unit and the supplying bidders, offerors, or contractors in accordance with the administering governmental units existing procedures.

SECTION 10: LEGAL AND CONTRACTUAL REMEDIES; DISPUTE RESOLUTION

10.1 AUTHORITY TO RESOLVE PROTESTED SOLICITATIONS AND AWARDS

- (a) **Right to Protest.** Any actual or prospective proposer or contractor who is aggrieved in connection with the solicitation or award of a contract shall first try to resolve the grievance/protest with the Procurement Manager. If the grievance is not satisfied or if SMART has not appointed a Procurement Manager, the prospective proposer or contractor shall then protest to the SMART ADMINISTRATOR. The protest shall be submitted in writing within 5 days after such aggrieved person knows or should have known of the facts giving rise thereto.
- (b) **Authority to Resolve Protests.** The SMART Administrator shall have the authority, prior to the commencement of an action in court concerning the controversy, to settle and resolve a protest of an aggrieved proposer or contractor, actual or prospective, concerning the solicitation or award of a contract.
- (c) **Decision.** If the protest is not resolved by mutual agreement, the SMART Administrator shall promptly issue a decision in writing. The decision shall:
 - i. state the reason for the action taken; and
 - ii. inform the protestant of its right to administrative review as provided in this Article.
- (d) **Notice of Decision.** A copy of the decision under Subsection (c) of this Section shall be mailed or otherwise furnished immediately to the protestant and any other party intervening.

- (e) **Finality of Decision.** A decision under Subsection (c) of this Section shall be final and conclusive, unless the protestant appeals administratively to the SMART Board acting as the Procurement Appeals Board.
- (f) In all instances involving FTA funds SMART will disclose information regarding the protest to the FTA Region VIII office, and keep the FTA Region VIII office informed about the status of the protest,

A protester shall exhaust all administrative remedies with the SMART before pursuing a protest with FTA.

10.2 AUTHORITY TO RESOLVE CONTRACT AND BREACH OF CONTRACT CONTROVERSIES

(a) **Applicability.** This section applies to controversies between SMART and a contractor which arise under or by virtue of a contract. This includes, without limitation, controversies based upon breach of contract, mistake, misrepresentation, or other cause for contract modification or rescission.

(b) **Authority.** The SMART Administrator is authorized upon written request, prior to commencement of an action in a court or arbitration concerning the controversy, to settle and resolve a controversy described in Subsection (a) of this Section.

(c) **Decision.** If such a controversy is not resolved by mutual agreement, the SMART Administrator shall promptly issue a decision in writing. The decision shall:

- (i) state the reason for the action taken; and
- (ii) inform the contractor of its right to administrative review as provided in this Article.

(d) **Notice of Decision.** A copy of the decision under Subsection (c) of this Section shall be mailed or otherwise furnished immediately to the contractor.

(e) **Finality of Decision.** The decision under Subsection (c) of this Section shall be final and conclusive, unless the contractor appeals administratively to the SMART Board acting as the Procurement Appeals Board.

(f) **Failure to Render Timely Decisions.** If the SMART Administrator does not issue the written decision required under Subsection (c) of this section within 120 days after written request for a final decision, or within such longer period as may be agreed upon by the parties, then the contractor may proceed with other remedies.

10.3 AUTHORITY TO DEBAR OR SUSPEND

- (a) **Authority.** After reasonable notice to the contractor involved and reasonable opportunity for that contractor to be heard, the SMART Administrator, after consultation with the SMART Attorney, shall have the authority to debar a contractor for cause from consideration for award of contracts. The debarment shall not be for a period of more than three years. The SMART Administrator, after consultation with the SMART Attorney, shall also have authority to suspend a contractor from consideration for award contracts if there is probable cause for debarment. The suspension shall not be for a period exceeding three months.
- (b) **Causes for Debarment or Suspension.** The causes for debarment or suspension include the following:
- (i) conviction for commission of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of such contract or subcontract;
 - (ii) conviction under state or federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other offense indicating a lack of business integrity or business honesty which currently, seriously, and directly affects responsibility as a SMART contractor;
 - (iii) conviction under state or federal antitrust statutes arising out of the submission of bids or proposals;
 - (iv) violation of contract provisions, as set forth below, of a character which is regarded by the SMART Administrator to be so serious as to justify debarment action:
 - a. failure without good cause to perform in accordance with the specifications or within the time limit provided in the contract; or
 - b. a recent record of failure to perform or of unsatisfactory performance in accordance with the terms of one or more contracts; provided that failure to perform or unsatisfactory performance caused by acts beyond the control of the contractor shall not be considered to be a basis for debarment;
 - (v) filing of false or misleading information as part of the procurement process;
 - (vi) filing or prosecution of protest or appeal that is groundless or frivolous;
 - (vii) collusion with other prospective competitors or any other anti-competitive act, omission or agreement that is contrary to the interest of the taxpayers;
 - (viii) any other cause the SMART Administrator determines to be so serious and compelling as to affect responsibility as a SMART contractor, including but not limited to debarment by another government for any cause; and
 - (ix) for violation of the SMART Code of Ethics or the ethical standards set forth in Section 2 (Ethics in Public Procurement).

(c) **Decision.** The SMART Administrator shall issue a written decision to debar or suspend. The decision shall:

- i. state the reasons for the action taken; and
- ii. inform the debarred or suspended person involved of its right to administrative review as provided in this Article.

(d) **Notice of Decision.** A copy of the decision under Subsection (c) of this Section shall be mailed or otherwise furnished immediately to the debarred or suspended person and any other party intervening.

(e) **Finality of Decision.** A decision under Subsection (c) of this Section shall be final and conclusive, unless the debarred or suspended contractor appeals administratively to the SMART Board acting as the Procurement Appeals Board.

SECTION 11: MISCELLANEOUS

11.1 GENERAL FTA PROCUREMENT REQUIREMENTS

All purchases must comply with general procurement standards applicable to Third Party Procurements as described in FTA Circular 4220.1F, Third Party Contracting requirements. The Procurement Manager will need to ensure that all FTA requirements are met. In addition to ensuring adequate and open competition for federally funded purchases of goods and services, grantees must ensure bidder/proposer compliance with applicable federally required clauses, requirements and regulations, including:

- Americans with Disabilities Act (ADA)
- Energy Conservation Requirements
- Federal Changes
- No Government Obligation to Third Parties
- Program Fraud and False or Fraudulent Statements or Related Acts
- Termination Clauses (Applicable to all Contracts in excess of \$50,000)
- Civil Rights Requirements
- Disadvantaged Business Enterprise (DBE) Requirements
- Buy America Requirements
- Seismic Safety Requirements (Applicable to new buildings or additions to existing buildings)

- Clean Water Requirements (Applicable to contracts and subcontracts that exceed \$100,000)
- Access to Records and Reports
- Clean Air Requirements (Applicable to all contracts exceeding \$100,000)
- Recycled Products (Applicable when contractor has procured \$10,000 or more of recycled items designated by EPA, using Federal funds)
- Drug and Alcohol Testing
- Bus Testing
- Federal Motor Vehicle Safety Standards
- Davis-Bacon and Copeland Anti-Kickback Acts
- Contract Work Hours and Safety Standards Act (applicable to contracts greater than \$100,000)
- Debarment and Suspension (applicable to all contracts in excess of \$25,000)
- Right of Protest
- Breaches and Dispute Resolution (applicable to all contracts in excess of \$99,999)
- Assignability
- Energy Conservation
- Conformance with National ITS Architecture (applicable to ITS contracts)
- Lobbying
- Bonding Requirements
- Lease Versus Purchase
- Metric Usage
- Environmental and Energy Efficiency Preferences

Federal Cost Principles - The Common Grant Rules require project costs to conform to applicable Federal cost principles for allowable costs. In general, costs must be necessary and reasonable, allocable to the project, authorized or not prohibited by Federal law or regulation, and must comply with Federal cost principles applicable to the recipient. As a government entity RFTA's cost principles will comply with "Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A-87)," 2 CFR Part 225 [Common Grant Rules, for purposes of this circular, means: (1) DOT regulations, "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments," 49 CFR Part 18, which apply to Federal grants and cooperative agreements with governmental recipients of Federal assistance including Indian tribal governments, and (2) DOT regulations, "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other NonProfit Organizations," 49 CFR Part 19, which apply to Federal grants and cooperative agreements with non-governmental recipients of Federal assistance]

Evaluation of Options - To be eligible for Federal funding, options must be evaluated as part of the initial price evaluation of offers. If options are not evaluated as part of the initial price evaluation the offer shall be treated as sole source procurements.

Exercise of Options

The exercising of an option must adhere to the terms and conditions of the option stated in the contract. Prior to exercising any option, a cost, or price analysis must be conducted and a written determination must be made that the option price is better than prices available in the market or that the option was a more advantageous offer at the time the option was exercised.

Prohibitions – The Common Grant Rules prohibit solicitation requirements that contain features that unduly restrict competition. FTA recipients are also prohibited by 49 U.S.C. Section 5325(h) from using FTA assistance to support an exclusionary or discriminatory specification. Some situations considered to be restrictive of competition include, but are not limited to, the following:

- (a) Excessive Qualifications. Imposing unreasonable business requirements for bidders or offerors.
- (b) Unnecessary Experience. Imposing unnecessary experience requirements for bidders and offerors.
- (c) Improper Prequalification. Using prequalification procedures that conflict with the prequalification standards described in subsection 1.c of this Chapter.
- (d) Retainer Contracts. Making a noncompetitive award to any person or firm on a retainer contract with the recipient if that award is not for the property or services specified for delivery under the retainer contract.
- (e) Excessive Bonding. To encourage greater contractor participation in FTA assisted projects, FTA does not require the recipient to impose bonding requirements on its third party contractors other than construction bonding specified by the Common Grant Rules and this circular for construction. FTA discourages unnecessary bonding because it increases the cost of the contract and restricts competition, particularly by Disadvantaged Business Enterprises. Bond companies exercise their discretion and assure their profits primarily by declining to undertake excessive risks. Consequently many bidders have limited “bonding capacity.” Unnecessary performance bonding requirements reduce a prospective bidder’s or offeror’s capability to bid or offer a proposal on bonded work. Small businesses with short histories may have particular difficulty obtaining bonds as may be specified.
- (f) Brand Name Only. Specifying only a “brand name” product without allowing offers of “an equal” product, or allowing “an equal” product without listing the salient characteristics that the “equal” product must meet to be acceptable for award.
- (g) In-State or Local Geographic Restrictions. Specifying in-State or local geographical preferences, or evaluating bids or proposals in light of in-State or local geographic preferences, even if those preferences are imposed by State or local laws or regulations. In particular, 49 U.S.C. Section 5325(i) prohibits an FTA recipient from limiting its bus purchases to in-State dealers. Exceptions expressly mandated or encouraged by Federal law include the following:
 - 1. Architectural Engineering (A&E) Services. Geographic location may be a selection criterion if an appropriate number of qualified firms are eligible to compete for the contract in view of the nature and size of the project.

2. Licensing. A State may enforce its licensing requirements, provided that those State requirements do not conflict with Federal law.
 3. Major Disaster or Emergency Relief. Federal assistance awarded under the Stafford Act, 42 U.S.C. Section 5150, to support contracts and agreements for debris clearance, distribution of supplies, reconstruction, and other major disaster or emergency assistance activities permits a preference, to the extent feasible and practicable, for organizations, firms, and individuals residing or doing business primarily in the area affected by a major disaster or emergency.
- (h) Organizational Conflicts of Interest. Engaging in practices that result in organizational conflicts of interest as prohibited by the Common Grant Rules
- (j) Arbitrary Action. Taking any arbitrary action in the procurement process.
- (k) Tag-ons. A significant change in contract work (property or services) that causes a major deviation from the original purpose of the work or the intended method of achievement, or causes a revision of contract work so extensive, significant, or cumulative that, in effect, the contractor is required to perform very different work from that described in the original contract, is a cardinal change. Such practices are sometimes informally referred to as “tag-ons.”

Payment Provisions – When using FTA assistance in a contract, RFTA will adhere to the following payment provisions:

- (a) Advance Payments. Advance payments are payments made to a contractor before the contractor incurs contract costs. The recipient may use its local share funds for advance payments. However, if there is no automatic pre-award authority for its project, then advance payments made with local share funds before FTA assistance has been awarded, or before a letter of no prejudice has been issued or other pre-award authority has been provided, or before FTA approval for the specific advance payment has been obtained, are ineligible for reimbursement. The following principles and restrictions apply:
1. Use of FTA Assistance Prohibited. The recipient may not use FTA assistance to make payments to a third party contractor before the contractor has incurred the costs for which the payments would be attributable.
 2. Exceptions for Sound Business Reasons. Apart from advance payments that are customary, as discussed further, FTA does occasionally make exceptions to its advance payment prohibitions, if the recipient can provide sound business reasons for doing so and has obtained FTA’s advance written concurrence. A recipient that seeks to use FTA assistance to support advance payments should contact the regional office administering its project to obtain FTA concurrence.
 - a. Adequate Security for Advance Payments. FTA recognizes that advance payments may be needed for certain costs supported by sound business judgment. Adequate security for the advance payment is an

essential pre-condition to FTA's concurrence in the use of FTA or local share funds.

b. Customary Advance Payments. FTA recognizes that advance payments are typically required for, but are not limited to, public utility connections and services, rent, tuition, insurance premiums, subscriptions to publications, software licenses, construction mobilization costs, transportation, hotel reservations, and conference and convention registrations. Accordingly, the recipient may use FTA assistance to support or reimburse the costs of such acquisitions. FTA concurrence is required only when such advance payment or payments customarily required in the marketplace exceed \$100,000.

In summary, if there are sound business reasons justifying the advance payment and adequate security for the payment, FTA will generally concur in a written request for an exception.

(b) Progress Payments. Progress payments are payments for contract work that has not been completed. The recipient may use FTA assistance to support progress payments provided the recipient obtains adequate security for those payments and has sufficient written documentation to substantiate the work for which payment is requested.

1. Adequate Security for Progress Payments. Adequate security for progress payments may include taking title or obtaining a letter of credit or taking equivalent measures to protect the recipient's financial interest in the progress payment. Adequate security should reflect the practical realities of different procurement scenarios and factual circumstances. FTA acknowledges the practical reality that taking title to work in progress may not be desirable in some circumstances. The recipient should always consider the costs associated with providing security (for example, the recipient may need to acquire bonds or letters of credit in the commercial marketplace) and the impact of those costs on the contract price, as well as the consequences of incomplete performance.

2. Adequate Documentation. Sufficient documentation is required to demonstrate completion of the amount of work for which progress payments are made.

3. Percentage of Completion Method. The Common Grant Rules require that any progress payments for construction contracts be made on a percentage of completion method described therein. The recipient, however, may not make progress payments for other than construction contracts based on this percentage method.

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN MIGUEL
AUTHORITY FOR REGIONAL TRANSPORTATION
ADOPTING A PROCUREMENT MANUAL**

NO. 2017 -

RECITALS:

WHEREAS, the San Miguel Authority for Regional Transportation (“SMART”) was approved by the registered electors of the Town of Telluride, Town of Mountain Village, and that portion of the SMART combination that are within that part of the SMART boundaries located within unincorporated San Miguel County, pursuant to the Colorado Regional Transportation Authority Law, C.R.S Title 43, Article 4, Part 6, at the general election held on November 8, 2016;

WHEREAS, SMART is governed by the Colorado Regional Transportation Authority Law and the SMART Intergovernmental Agreement (“SMART IGA”) conditionally approved by each of the governing bodies of the Town of Telluride, Town of Mountain Village and San Miguel County pending approval by the registered electors at the November 8, 2016 general election;

WHEREAS, the Board held a regular meeting on May 11, 2017; and

WHEREAS, Section 3.09 of the SMART IGA requires all actions of the Board to be taken by written resolution;

WHEREAS, the attached SMART Procurement Manual shall apply to all purchases and contracts of the organization.

NOW THEREFORE, BE IT RESOLVED, by the Board of Directors of the San Miguel Authority for Regional Transportation adopts the attached Procurement Manual, with the following additions or changes:

ADOPTED AND APPROVED by the Board of Directors at a regular public meeting held on the 11th day of May, 2017.

**SAN MIGUEL AUTHORITY FOR REGIONAL
TRANSPORTATION**

By: _____
Laila Benitez, Chair

Attest:

Board Secretary



**SAN MIGUEL AUTHORITY FOR
REGIONAL TRANSIT
PROCUREMENT MANUAL
AS ADOPTED BY BOARD
5-3-17**

TABLE OF CONTENTS

SECTION 1	INTRODUCTION	1
SECTION 2	ETHICS IN PUBLIC PROCUREMENT <ul style="list-style-type: none">• GUIDELINES• GRATUITIES• KICKBACKS• EMPLOYEE PURCHASES• SANCTIONS	2
SECTION 3	PURCHASING AUTHORITY <ul style="list-style-type: none">• BOARD CHAIRPERSON• SMART ADMINISTRATOR• DEPARTMENT AUTHORIZATION• POLICIES AND PROCEDURES• PURCHASING AUTHORIZATION MATRIX• COMPUTER HARDWARE AND SOFTWARE PURCHASES• CELL PHONE PURCHASES AND PLAN ADMINISTRATION• LEGAL REVIEW	3 - 5
SECTION 4	SOLICITATION REQUIREMENTS <ul style="list-style-type: none">• SMALL PURCHASES• REQUEST FOR QUOTE• INVITATION FOR BID• REQUEST FOR PROPOSAL• SERVICE/MAINTENANCE CONTRACTS• PROFESSIONAL SERVICES• SOLE SOURCE PROCUREMENT	6- 8
SECTION 5	INVITATION FOR BID PROCEDURES <ul style="list-style-type: none">• INVITATION FOR BID• PUBLIC NOTICE• BOND REQUIREMENTS• SPECIFICATIONS• BID OPENING AND AWARD• BID IRREGULARITIES• EXEMPTIONS TO FORMAL COMPETITIVE BIDDING• WAIVER OF FORMAL COMPETITIVE BID PROCESS	9 - 11
SECTION 6	REQUEST FOR PROPOSAL PROCEDURES <ul style="list-style-type: none">• NEED• WHO CAN ISSUE• REQUEST FOR PROPOSAL• PUBLIC NOTICE• BOND REQUIREMENTS• FORMAT/OUTLINE• RECEIPT OF RFP• EVALUTAION COMMITTEE• EVALUATION PROCESS• LETTER OF INTENT• OVERVIEW	12 - 16
SECTION 7	CONTRACTS <ul style="list-style-type: none">• GENERAL• TYPES OF CONTRACTS• CONTRACT APPROVAL	17 - 18

- CONTRACT ADMINISTRATION
- CONTRACTS INVOLVING GRANT FUNDING

SECTION 8	PURCHASING AND PAYMENT APPROVALS	19 - 20
	<ul style="list-style-type: none"> • PLANNING AND FORECASTING • VENDOR APPROVAL PROCESS • PAYMENT PROCESSING • RECEIPTING 	
SECTION 9	SURPLUS PROPERTY	21 –22
	<ul style="list-style-type: none"> • SURPLUS STOCK • METHODS OF DISPOSAL • SALES TO EMPLOYEES • GRANT FUNDED EQUIPMENT 	
SECTION 10	GLOSSARY OF PROCUREMENT TERMS	23– 27
SECTION 11	APPENDICES	28
	<ul style="list-style-type: none"> • FORM A: SOLE SOURCE WAIVER REQUEST • FORM B: REQUEST FOR QUOTE • FORM C: REQUEST FOR PROPOSAL • FORM D: OFFEROR REQUIREMENTS • FORM E: REQUEST FOR CHANGE ORDER • FORM F: REQUEST FOR PROPOSAL - SCHEDULE OF ACTIVITIES • FORM G: PAYMENT APPROVAL FORM 	

SECTION 1: INTRODUCTION

The San Miguel Authority for Regional Transit ("SMART") has prepared this Procurement Manual for departmental use. It serves as a guide for fair and equitable treatment of all persons involved in public purchasing, and a tool for maximizing quality and value for the tax dollar.

As trusted public servants, SMART personnel must work as a team and cooperate with one another to administer an effective procurement program. Employees who are part of the purchasing cycle must be aware of policies and procedures that are the background for ethical and fair procurement practices.

OVERVIEW

This Procurement Manual shall be a complete source of information and detailed procedures for centralized purchasing of commodities, services and equipment. All SMART employees shall be familiar with the regulations set forth and shall adhere to the procedures and policies established herein.

The sections that follow cover administration of our purchasing authority, contract formation, specifications, solicitation and evaluation process, contract award, delivery terms, bidder and owner responsibilities, payment terms, source selection and surplus property.

Proper planning will increase SMART procurement power by eliminating duplication, consolidating purchases and encouraging competition among vendors.

STATEMENT OF PURPOSE

SMART is governed by the highest ideals of honor and integrity in all public relationships, striving to merit respect and inspire confidence as a trusted public servant.

SMART shall maintain an effective, efficient and economical program for the purchase of goods, services and implementation of construction contracts, resulting in the greatest quality and value for the lowest possible cost.

SMART shall continue to enhance open competition in public purchasing, based on impartiality and fair opportunity.

Signed this _____ day of _____, 2017

SMART Administrator

Board Chairperson

SECTION 2: ETHICS IN PUBLIC PROCUREMENT

2.1 GUIDELINES

Any attempt to realize personal gain through public employment is a breach of public trust. No favoritism shall be extended to any vendor. Purchases and contracts shall be made on the basis of competence, quality, price, delivery and performance.

It shall be a breach of ethical standards for any employee or public official to knowingly use confidential information for his or her personal gain or for the personal gain of others.

Any agent or employee of SMART making unauthorized purchases or contracts shall be personally liable for any obligations that result.

2.2 GRATUITIES

It is a breach of ethical standards for any person to offer, give or agree to give any employee or public official a gratuity or an offer of employment in connection with any decision or recommendation concerning a possible or actual purchase on behalf of SMART. Gratuity items shall not mean pens, pencils, calendars or other novelty items used as advertising by vendors and suppliers. Those items stated above or any gifts received shall become the property of SMART.

2.3 KICKBACKS

It shall be unethical for any payment, gratuity or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or any person associated therewith, as an inducement for the award of a subcontract and solicitation thereof.

2.4 EMPLOYEE PURCHASES

Any attempt to realize personal gain through public employment is a breach of public trust. It is a breach of ethical standards for any employee or public official to solicit or request monetary discounts from vendors and suppliers based on employment with SMART.

No SMART employee may purchase on any SMART vendor account unless the purchase is specifically approved by SMART Administrator. Employees may purchase from the same vendors or suppliers on their own.

2.5 SANCTIONS

SMART Administrator may impose any one or more of the following sanctions on any employee found to be in violation of the ethical standards so stated in this section:

1. Oral or written warning or reprimand; or
2. Termination of employment

A vendor or supplier found to be in violation of SMART's ethical standards may risk exclusion or suspension for cause from consideration for award of contracts, with exclusion not to exceed five (5) years. The SMART Administrator will require a W-9 from all vendors prior to remitting payment. Any falsification of vendor identification will be reported to the IRS and SMART would seek the maximum IRS penalties as disclosed on the W-9 form.

SECTION 3: PURCHASING AUTHORITY

3.1 BOARD CHAIRPERSON

The responsibility for all purchases made by SMART is vested in the Board Chairperson. The Board Chairperson has authorized SMART Administrator to establish procurement rules and regulations for all SMART personnel.

3.2 SMART ADMINISTRATOR

SMART Administrator has established these rules and regulations for the purchase and procurement of all goods and services, and these rules and regulations shall be applicable to all SMART employees. SMART Administrator and the Board Chairperson possess the sole authority for any deviation from purchasing regulations. SMART Administrator may invoke disciplinary action upon any individual or department for improper purchasing practices. Disciplinary action may be in the form of restricted purchasing privileges, restitution, suspension, termination or any other form deemed appropriate by SMART Administrator.

All capital outlay or improvement projects, service and maintenance contracts and professional services contracts over \$50,000, insurance contracts or any other items consistent with these policies and practices must be approved in writing, by SMART Administrator and the Board Chairperson.

3.3 DEPARTMENT HEADS

By authority of SMART Administrator, department heads are granted the purchasing authority and responsibility as set forth herein.

Department heads have total control of their respective budgeted funds and expenditures, but expenditures shall follow the procurement guidelines contained herein.

Department heads are given the responsibility of ensuring that their personnel fully understand the procedures established by this manual. Department heads must utilize proper planning of purchases, allowing sufficient time to obtain proposals, quotations or bids.

Department heads may delegate purchasing authority but are responsible for the list of department personnel authorized to purchase commodities and services. The list shall include the names and signature (as they sign for approval) of each individual and shall be submitted to the SMART Administrator. On occasion, vendors send a receipt to the SMART Administrator for something that is not a SMART purchase or the signature may be illegible. A list of employees authorized to purchase will assist the SMART Administrator in paying vendors for SMART purchases.

If Department Heads have questions concerning procedures, the SMART Administrator is prepared to offer assistance.

3.4 PURCHASING POLICIES AND PROCEDURES

Department heads shall be responsible for the daily operations of purchasing and shall be required to comply with the following policies and procedures:

1. Procure the best value for the quality of supplies and contractual services.
2. Discourage uniform bidding and endeavor to obtain as full and open competition as

possible on all purchases and sales.

3. Stay current with changes in pricing, market conditions and products, and secure the benefits of the research and experience of other governmental jurisdictions, national technical societies, trade associations or private businesses.
4. Prepare and maintain forms as reasonably necessary for compliance with the Procurement Manual.
5. Prepare and maintain a current file of potential vendors for solicitation purposes. Maintain current list of commodities and/or services they provide.
6. Take advantage of the possibilities of buying "bulk" for maximum discounts.
7. Exercise direct supervision over inventories of supplies belonging to SMART.
8. When in the best interest of SMART, participate in or administer cooperative purchasing agreements with the State or one or more political subdivisions of the State of Colorado.

3.5 PURCHASING AUTHORIZATION MATRIX

The following table is to be used as a reference indicating final approval authority for all SMART purchases. The matrix indicates department required for final approval based on the amount of the purchase and method of purchase. All disbursements require SMART Administrator approval.

Employees shall not use a piece meal approach by breaking a project or purchase into multiple smaller parts for informal purchasing to avoid the need for a formal purchasing process,

The SMART Administrator may consider other factors in the bid process and the Board Chairperson may elect to waive any bid process.

COMPETITIVE SOLICITATION	METHOD OF PURCHASE	EXPENDITURE AMOUNT	AGENCY APPROVAL
INFORMAL	DIRECT PURCHASE	Up to \$2,500	DEPARTMENT HEAD
INFORMAL	REQUEST FOR QUOTE (Minimum 3 quotes)	\$2,501-\$50,000	SMART ADMINISTRATOR
FORMAL	RFP or IFB	OVER \$50,000	SMART ADMINISTRATOR and BOARD CHAIRPERSON
PROF. SERVICES and MAINTNANCE CONTRACTS	DIRECT NEGOTIATION	UNDER \$50,000	SMART ADMINISTRATOR
PROF. SERVICES and MAINTENANCE CONTRACTS	RPP or IFB	OVER \$50,000	SMART ADMINISTRATOR and BOARD CHAIRPERSON

3.6 COMPUTER HARDWARE AND SOFTWARE PURCHASES

All purchases of computer hardware and software must have prior approval of the SMART

Administrator. This procedure is followed for all hardware and software purchases regardless of price, including printers, plotters, monitors, memory and multifunction cards, disk drives, backup type units and other pertinent hardware/software products.

This policy does not apply to computer accessories or furniture including desks, stands, ribbons, anti-glare screens, surge protectors, etc. Normal purchasing procedures may be followed for these items.

This policy has been adopted in order to standardize and regulate SMART's computer system.

3.7 CELL PHONE EQUIPMENT PURCHASES AND PLAN CHANGES

All purchases of cell phone equipment or cell phone plan changes must be approved by both the department head and SMART Administrator.

This policy has been adopted in order to standardize and regulate SMART's cell phone plan and maximize purchasing power.

3.8 LEGAL REVIEW

All legal documents related to purchases for items greater than \$2,500 must be reviewed by SMART Attorney including but not limited to Requests for Proposals, Invitations for Bid and all contractual agreements. Written documentation of such review must be provided to the SMART Administrator prior to seeking the required purchase order approval.

SECTION 4: SOLICITATION REQUIREMENTS

4.1 SMALL PURCHASES (Up to \$2,500)

Purchases of up to \$2,500 may be made by each department's authorized personnel, with approval by the department head. Required signatures of the department head must be on the PO prior to submittal to the SMART Administrator. All purchases shall be from pre-approved vendors. In order to establish a vendor as an approved vendor the department head shall fill out an approved vendor form with the SMART Administrator prior to submitting any request for approval of payment to the SMART Administrator.

4.2 REQUEST FOR QUOTE (\$2,501-\$50,000)

Department heads shall budget and plan for purchases over \$2,500 to allow time to obtain the required 3 quotes.

A Request for Quote (RFQ) (see Section 12: Appendices, FORM B), with a minimum of 3 vendor names, must be submitted to the SMART Administrator with any PO for over \$2,500.

Acceptable quotes may be obtained by a department head by mail, email, in person, over the phone, or by facsimile. If award is not made to the lowest quote, justification for accepting a higher quote must be included and be acceptable to the SMART Administrator. All PO's for purchases over \$2,500 must be approved by the SMART Administrator. All purchases shall be from pre-approved vendors. In order to establish a vendor as an approved vendor the department head shall fill out an approved vendor form with the SMART Administrator prior to submitting any PO for such vendor to the SMART Administrator.

Any expenditure for supplies, materials, or equipment less than \$50,000 may be made without newspaper advertisement and without observing the procedure described in the award of competitive sealed bids or proposals. However, department heads are required to make every effort to ensure that the process is competitive and meets SMART's goal of achieving the best value for goods or services.

4.3 INVITATION FOR BID (over \$50,000)

Section 5 details the procedures used in the IFB process.

An Invitation for Bid (IFB) shall be solicited through the formal competitive sealed bid process where none of the factors involved in an RFP are present. Any expenditures for supplies, materials and equipment in excess of \$50,000 shall be purchased in this manner and approved by SMART Administrator and the Board Chairperson.

Telephone, facsimile or email bids (unless facsimile or email bids are specially allowed by the specific IFB) are not acceptable in the formal competitive sealed bid process. All bids must be submitted on the appropriate bid forms, attached.

IFB solicitations require that a public notice be published at least twice in a general circulation newspaper in the Telluride/Mountain Village region at least seven (7) days preceding the bid opening date. The notice shall include a general description of the articles to be purchased, specifications, time and place of bid opening and other pertinent information.

The requesting department shall seek approval of the IFB from SMART Administrator and legal counsel prior to issuing the public notice.

The bid shall be awarded based on *best value* for the *best interest* of SMART. The determining factors in awarding a bid based on *best value*, not necessarily low dollar, shall be addressed in the bid documents.

Following review of bids, the requesting department shall issue a Memo of Recommendation to the SMART Administrator for approval of award of contract by the SMART Administrator and the Board Chairperson.

4.4 REQUEST FOR PROPOSAL (RFP)

Section 6 details the procedures used in the RFP process.

A Request for Proposal (RFP) is utilized in acquiring services or specialized products when SMART Administrator determines one or more of the following:

- (a) The complex nature or technical details of a particular procurement may make the IFB process impractical or not advantageous for SMART;
- (b) Specifications cannot be prepared fairly or objectively so as to permit open competition in an IFB;
- (c) Materials or services are available from a limited number of sources; or
- (d) Specifications cannot be prepared except by reference to specifications of the equipment of a single source of supply.

SMART Administrator must be contacted prior to issuing an RFP. The requesting department must provide a draft copy of the statement of work, specifications and other pertinent information to SMART Administrator and legal counsel for review, clarification and/or modification.

4.5 SERVICE/MAINTENANCE CONTRACTS

Service or maintenance contracts for less than \$50,000 may be negotiated by the department head but must be approved by the SMART Administrator. The RFP or the IFB process shall be used for service or maintenance contracts over \$50,000.

4.6 PROFESSIONAL SERVICES

Professional services are services rendered by members of a recognized profession and/or possessing a special skill. Such services are generally acquired for information, advice, training or direct assistance to SMART operations.

Professional services for less than \$50,000 may be negotiated by department heads and must be approved by the SMART Administrator and any related documents approved by legal counsel prior to execution. The RFP or the IFB process shall be used for professional services contracts over \$50,000.

4.7 SOLE SOURCE PROCUREMENT

There are times or situations when only one vendor exists that can successfully furnish a service or product.

The Procurement Manual allows for exemption from the competitive process when a written determination has been made by the department head and approved by the SMART Administrator for items up to \$20,000 or by the Board Chairperson for items greater than \$20,000 that only one source is available to supply a service or product as set forth in 4.8 below. (See Appendices: FORM A: Sole Source Justification). All sole source procurement processes must be reviewed by legal counsel.

4.8 SOLE SOURCE CRITERIA

- (a) The vendor is the original manufacturer and there are no regional distributors;
- (b) The part or equipment is not interchangeable with similar parts or equipment available from another manufacturer;
- (c) Compatibility or conformity with SMART owned material is required in that non-conformance would require the expenditure of additional funds;
- (d) No other material or equipment is available that meets the specialized needs of the department or performs the intended function; or
- (e) Detailed justification is available which reasonably establishes that vendor as the only source practicably available to provide the item or service required.
- (f) Legal review of the sole source process in each instance.

<p>Personal preference, convenience or standardization is not sufficient justification for spending public funds under non-competitive conditions.</p>

SECTION 5: INVITATION FOR BID PROCEDURES

5.1 INVITATION FOR BID (IFB)

The Invitation for Bid (IFB) is the method of soliciting bids for supplies, materials, equipment and construction projects through a formal competitive sealed bid process. Award is generally made to the lowest responsive and responsible bidder whose bid complies with the requirements set forth in the Contract Documents.

The IFB states the time and date which bids must be submitted and the procedures to be followed in receiving and opening all bids. Invitations also convey contractual terms, pre-bid conferences and other conditions applicable to the bidders. The IFB will indicate where contract documents may be obtained and any special considerations such as bid bonds, payment and performance bonds, etc.

There may be special provisions such as warranty, service, brands, delivery, type of contracts, delivery penalties, bidder and owner responsibilities, escalation clause, or special equipment information that are applicable to a particular bid and may become part of the contract documents. Any such special provisions should be stated in the IFB.

5.2 PUBLIC NOTICE

Procurement for services and/or commodities estimated to cost over \$50,000 shall be advertised by a public notice published a minimum of two (2) times in a general circulation newspaper in the Telluride/Mountain Village area.

A public notice shall be published at least seven (7) days preceding the bid opening date. This notice ensures all interested bidders have the opportunity to bid. All pertinent bid information should be contained in the notice.

5.3 BOND REQUIREMENTS

Bid bonds or other security acceptable to SMART, generally 5% of the total bid price, and performance and payment bonds (50% of total bid price) are required on construction projects over \$50,000 or as SMART Administrator deems necessary to protect SMART's interest. Bonds shall not expire prior to one (1) year following final payment. The SMART Administrator may waive the requirement for a bond as set forth in this section.

Bid bonds or other security may be requested for commodity or service contracts as the SMART Administrator deems advisable to protect SMART's interests.

Bonding security shall be held by the SMART Administrator until the contractor is in total compliance with bid specifications and contract documents. Final executed contract documents will be on file with the SMART Administrator and the SMART Administrator.

Bid and performance/payment bonds shall not be used as a substitute for a determination of a bidder's responsibility.

5.4 SPECIFICATIONS

Specifications are an important part of the IFB and shall be available to all bidders as stated in the IFB. If for any reason it is necessary to change the specifications, an addendum will be issued setting forth the changes.

Preparation of specifications is the responsibility of the requesting department head, subject to review and approval by the SMART Administrator.

Specification changes must allow adequate notice and mailing time and shall be coordinated between the requesting department and the SMART Administrator. This addendum will be mailed to everyone who received a copy of the IFB. In certain instances, the bid opening may be postponed to allow adequate time for respondents to prepare their bid, based on specification changes. If there is not sufficient time, the IFB will be canceled and a new bid process initiated.

5.5 BID OPENING

Bids remain sealed and secure prior to bid opening. The opening of sealed bids shall be a public ceremony. Bids shall be opened by the SMART Administrator or a designated representative at the time and place specified in the IFB. Public bid openings shall have a representative from the requesting department present as witness to the bid opening.

Prior to bid opening, the SMART Administrator shall allow a final opportunity for submission of bids prior to allotted time. The SMART Administrator will announce the names of those who bid and inquire if any bid previously submitted may have been omitted.

The name of each bidder, amount of bid and any other information the SMART Administrator or designated representative deems to be relevant shall be recorded on a bid tabulation sheet. The bid tabulation sheet is a clear and concise abstract of the bid information and becomes part of the public record.

Bids must be received **PRIOR TO THE SPECIFIED DATE AND TIME** as established in the IFB. Bids received after the specified deadline must be immediately returned unopened to the non-responsive vendor.

5.6 AWARD

Award shall generally be made to the lowest responsible and responsive bidder whose bid meets the requirements and criteria set forth in the IFB, unless circumstances exist that may cause SMART Administrator to recommend differently. The SMART Administrator shall make written recommendation to the Board Chairperson, who may approve or reject the recommendation

Following a bid opening and tabulation, bids become confidential documents until the Board Chairperson approves the recommendation from the SMART Administrator. **Department staff shall not discuss bids with competing bidders.** Bidder questions must be referred to the SMART Administrator. Department staff shall not discuss the recommendation or reasons for award or non-award with any vendor.

5.7 BID IRREGULARITIES

The SMART Administrator has authority to waive bid irregularities if the item is an immaterial variation from exact requirement of the IFB, has trivial or no effect on price, quality, quantity, delivery or performance and waiver would not affect the relative standing of bidders or be otherwise prejudicial.

Examples of minor bid irregularities that may be waived are:

- Failure to furnish information regarding the bidder's qualifications to perform the contract;
- Failure to submit the required descriptive information or brochure on product(s) offered;

- Failure to return bid addendum if bidder acknowledges receipt of such on the face of bid;
- Failure to return bid addendum and there is no material affect on bidder's liability under the terms of the contract;
- Failure to sign a bid, when evidence is submitted with the bid that clearly shows the bid was the one intended by the bidder, and that failure to sign was strictly an oversight.

The above are examples only and when such minor irregularities are discovered by the SMART Administrator, the bidder is requested to remedy the problem within a reasonable time by submitting omitted data or by providing a written statement of intent.

5.8 EXEMPTIONS TO FORMAL COMPETITIVE BIDDING

The following items are exempted from the competitive bidding process if approved in writing by the SMART Administrator:

- Supplies, materials, or services under \$50,000
- Purchases made cooperatively with other units of government such as the State of Colorado and government cooperative groups utilizing extended awards from other governmental agencies;
- Professional services, when it is deemed in the best interest of SMART;
- Purchases from federal, state or other local government units;
- Cleanup and disposal of hazardous materials;
- Supplies, products or services, obtainable only from a single source as identified by the procedures herein, that may be indispensable to SMART;
- Although more than one source may exist, a competitive bid process cannot reasonably be used or, if used, would result in a substantially higher cost to SMART, would otherwise injure SMART's financial interests or substantially impede SMART's administrative functions or delivery of services to the public;
- Product or service that is required to maintain interchangeability or compatibility as a part of an existing integrated system;
- Product or service required to standardize or maintain standardization for the purpose of reducing financial investment or simplify administration;
- Product that is perishable;
- Product that is required to match product in use, so as to produce visual harmony;
- Product prescribed by a professional advisor;
- Repair parts, warranty work and maintenance services when purchased from *source vendor* or *original manufacturer* for SMART-owned equipment and vehicles

5.9 WAIVER OF FORMAL COMPETITIVE BID PROCESS

The formal bid process may be waived in writing by the SMART Administrator and the Board Chairperson under the following conditions:

- If the process would cause undue delay or hardship for a department or office of SMART; and,

- When deemed in the best interest of SMART.
- Legal review of any waivers of formal competitive bid process in each instance.

SECTION 6: REQUEST FOR PROPOSAL PROCEDURES

PLEASE CONTACT SMART ADMINISTRATOR **PRIOR** TO STARTING ANY PROJECT THAT MAY REQUIRE A REQUEST FOR PROPOSAL

6.1 NEED

A Request for Proposal (RFP) is a process to be utilized in acquiring both *services and specialized products* when objective bid specifications cannot be used.

SMART requires the specialized skills, knowledge, resources and services of private contractors or consultants to complete complex studies, to develop or revise procedures, to conduct audits, or to provide a specialized product. Examples include management consulting services, feasibility studies, software programming, social or community programs, specialized products such as computer equipment, scientific/research equipment, etc.

A contract for professional services or for specialized products between SMART and a contractor is an agreement containing the *Scope (Statement) of Work (SOW)*, goods and services to be delivered, the timetable, and the responsibilities for the services to be provided.

Prior to issuing an RFP and prior to any contract being issued, the SMART Administrator must determine that the RFP process is the appropriate process to be utilized in the purchase of the needed product or service and that competitive sealed bidding is either not practicable or not advantageous to SMART.

6.2 WHO CAN ISSUE AN RFP

The requesting department head shall provide a draft copy of the RFP to the SMART Administrator for review and approval. SMART Administrator shall issue **ALL** proposals and shall provide assistance to the requesting department in making practicable use of these guidelines.

6.3 REQUEST FOR PROPOSAL (RFP)

The RFP process generally takes as much time as the sealed bid process. The steps are as follows:

- * Requesting department head submits draft RFP to the SMART Administrator or the SMART Administrator's designee for approval
- * Draft is approved by legal counsel
- * Draft is issued
- * Selection Committee evaluates submittals
- * SMART Administrator issues Letter of Intent
- * SMART Administrator and requesting department head negotiate contract
- * Legal counsel reviews contract
- * Contract routed for signatures

The SMART Administrator must insure that all communication between SMART and any persons or companies responding to the RFP is through him. The purpose for this requirement is to ensure that all respondents have the same information in order to develop and submit their proposals.

Supplements to the RFP may become necessary because of inquiries or because SMART feels additional information is necessary for further clarification. All supplements shall be issued by SMART Administrator.

6.4 PUBLIC NOTICE

A notice shall be placed in a general circulation newspaper in the Telluride/Mountain Village area for advertisement of proposals. In certain instances, notices may be placed in newspapers outside of the immediate area.

A public notice shall be published at least seven (7) days preceding the bid opening date. This notice ensures all interested respondents have the opportunity to bid. All pertinent proposal information should be contained in the notice.

6.5 BOND REQUIREMENTS

Bond requirements are as set forth in Section 5.

6.6 FORMAT/OUTLINE

The RFP format should consist, at a minimum, of the following sections:

- A. ADMINISTRATIVE INFORMATION:** Formal “boiler plate” information must be included in the RFP. This information includes the schedule of activities; how, when and where proposals will be accepted, material ownership, confidential/proprietary information, etc. The procedure for answering inquiries and any pre-bid conference or site visit requirements must be described.
- B. BACKGROUND, OVERVIEW, GOALS:** This includes a general explanation of SMART’s involvement in the project, the need for the project, and the specific goals or results to be achieved by the project.
- C. SCOPE OF WORK (SOW):** The most important section of the RFP is the SOW, as it is the foundation of the development of any resulting contract. The contents of the SOW are not only specifications, but also a well thought out, complete effort to clearly communicate all elements of the project. The SOW is both results and procedures-oriented.
- D. CONTRACTOR’S RESPONSIBILITIES,** which may include, but are not limited to:
 - Work to be completed;
 - Listing of items to be furnished;
 - Schedule of activities;
 - Completion date of the project; and
 - Personnel to be utilized
- E. SMART’S RESPONSIBILITIES,** which should include, but are not limited to:
 - Interviews or conference calls as necessary
 - Developing an evaluation format
 - Determining committee involvement
 - Setting up contract negotiations

6.7 RECEIPT OF RFP

All proposals shall be officially received and stamped upon receipt by the SMART Administrator. All proposals shall be registered and the register shall contain the name of the respondent and a description sufficient to identify the product or service being requested. No other information, *including proposal price*, shall be disclosed at the opening. The register of proposals shall become public record after a Letter of Intent (preliminary award) has been formally issued by the SMART Administrator.

Confidential/proprietary information must not be disclosed at ANY time. SMART has established procedures regarding the submittal of confidential/proprietary information and it is included in the procedures for the RFP.

The respondent must specifically state the elements of the proposal that are considered confidential/proprietary. It must be separated/packaged from the rest of the proposal.

6.8 EVALUATION COMMITTEE

An Evaluation Committee may be utilized and shall be comprised of a minimum of three qualified individuals. The names of the evaluation committee members are NOT to be revealed until all respondents have been officially notified as to the results of the evaluation. The SMART Administrator may not be a member of the Evaluation Committee.

The committee shall be comprised of knowledgeable personnel, excluding The SMART Administrator representing SMART's best interest. The committee may consist of personnel from SMART, other agencies, other governmental entities, and from private business. The evaluation committee members shall be unbiased, instructed to follow the established evaluation format and be able to objectively evaluate all proposals. The SMART Administrator or an authorized representative shall be a designated evaluation committee member for each RFP.

Once the evaluation committee has been established, their review of the individual proposals must be conducted INDEPENDENTLY. The evaluation committee may elect to hold discussions or ask for answers to specific questions from a respondent in order to clarify the respondent's proposal. Any discussion will be held strictly between the committee and the respondent. Any clarifications to the proposal must be confirmed in writing by the respondent.

The committee may also elect to have the most qualified respondents give oral presentations. The purpose of the oral presentation is to give the respondents the opportunity to further promote or sell their proposal and to develop a better understanding of both SMART's requirements and the proposals. These discussions are to be held strictly between the committee and the respondents.

Terms and price of a RFP may be negotiated following preliminary award. If the respondent cannot meet our terms during the negotiations, the evaluation committee may elect to begin negotiations with the next most qualified respondent.

Respondents not considered for further evaluation are notified in writing and all documents pertaining to the RFP shall be made available for public inspection after the Letter of Intent has been issued by SMART.

6.9 EVALUATION PROCESS

A general description of the evaluation process and general evaluation factors should be included in the RFP:

- A. An Evaluation Committee will review the merits of proposals received in accordance

with the evaluation factors stated in the RFP. The recommendation of committee will be forwarded to the SMART Administrator for review and approval.

- B. Failure of the respondent to provide any information requested in the RFP may result in disqualification of the proposal. This responsibility is that of the respondent.
- C. The sole objective of the evaluation committee will be to recommend the proposal which is most responsive to SMART's needs, within available monetary resources. The specifications within the RFP represent the minimum performance necessary for response.
- D. Local Preference may be given under the following circumstances:
 - a. If a local bidder submits a bid for goods or services, not of inferior quality to those offered by non-local bidders, primary preferences shall be given to a local bidder in accordance with the policies set forth herein.
 - b. It is the intent of SMART to provide local bidders, as defined herein, with an advantage in the procurement of goods and services, so that the funds received from such contract will be spent by the employees of the local bidders within SMART and surrounding area.
 - c. A bidder is considered local if it:
 - a. Has maintained a business office, either leased or owned within San Miguel County, Montrose County, Ouray County, or Dolores County for a minimum of six (6) months prior to solicitation; and
 - b. Will use San Miguel Montrose County, Ouray County, or Dolores County residents for at least fifty percent (50%) of the total delivery of goods or services (a County resident is defined as maintaining a primary residence within the Counties boundaries); and
 - c. Uses a fleet for the job comprised of no less than fifty percent (50%) of San Miguel, Montrose County, Dolores County or Ouray County licensed vehicles.
 - d. In the event that SMART determines that a submitted bid is from a responsible and responsive bidder and that the business submitting the bid meets SMART definition of a local bidder, such business shall be awarded the contract if its bid is within five percent (5%) of, but, in any event no more than ten thousand dollars (\$10,000.00) higher than the lowest responsible bidder which does not meet SMART's definition of a local bidder.

6.10 LETTER OF INTENT

The SMART Administrator will issue a Letter of Intent to the successful respondent. SMART will also notify all unsuccessful respondents, in writing, as to the outcome of the evaluation process. The evaluation factors, points, evaluation committee member names, and completed evaluation summary and recommendation report will be made available to all interested parties after the Letter of Intent has been issued by SMART.

*The SMART Administrator is the official custodians of **ALL** RFP documents and is, therefore, the **SOLE** point of contact for inspection and/or copying of any such documents.*

Following the Letter of Intent to the successful respondent, the RFP documents will become part of the public record and open to public inspection.

In the event that no award is made or the RFP is canceled, all proposals received must *remain confidential and not open for public inspection*. The purpose is to not allow any future potential respondents an opportunity to review other respondents' proposals and gain an advantage when submitting future proposals.

6.11 SMART RESPONSIBILITY FOR COMPLETION

The employment of an outside contractor or consultant does not in any way lessen the responsibility of SMART for achieving the goals of the project, for the way it is carried out, or for its ultimate results. A project is always a joint undertaking. Getting good results, therefore, demands a clear definition of the role played by SMART personnel in working with the contractor toward achieving the objectives of the project.

The SMART Administrator has copies of the Evaluation Criteria Worksheets, Activity Checklist (for requesting department), Committee Rules and Affidavit.

Refer to Section 5 of the Procurement Manual for “*Bid Irregularities, Exemptions to Competitive Bidding and Waiver of Formal Competitive Bid Process*” information.

SECTION 7: CONTRACTS

7.1 GENERAL

A contract shall mean any agreement enforceable by law between SMART and one or more outside parties, regardless of form or title, for the procurement of materials, services or construction. A contract must include offer and acceptance by competent parties and the furnishing of some good or service for an agreed monetary consideration to be effective.

7.2 TYPES OF CONTRACTS

SMART uses several types of contracts as defined by the following:

- A. Term Contract: This type establishes a source of supply for materials or service for a specified period of time.
- B. Blanket Agreement: This type establishes the commitment of a vendor to furnish SMART's requirements for materials or service on an as-needed basis; i.e. blanket purchase order.
- C. Requirements Contract: This type is for an indefinite quantity, but SMART is obligated to order and the vendor is obligated to supply all of SMART's requirements for a specified price during a specified period.
- D. State Contract: SMART may purchase from State Contracts and Price Agreements under a permissive State law CRS 24-110-101 et. seq. These Contracts are entered into by the State of Colorado. If these agreements have a clause acknowledged by the contractor, they may be used by other political jurisdictions, such as SMART. When it is in the best interest of SMART and when available, SMART may forego the bid process and purchase directly from the State awarded vendors list.
- E. Cooperative Purchase Contract: These contracts are created by a voluntary group of governmental units. If required by the bid documents or if the contractors agree, they may be used by other political jurisdictions, such as SMART. When in the best interest of SMART, the SMART Administrator has authority to "piggyback" such agreements for the acquisition of supplies and services without going through the formal bid/proposal process. Final authorization shall adhere to Section 2.
- F. Multi-Year Contract: A contract for supplies or services may be entered into for a period of time deemed to be in the best interest of SMART if the term of the contract and conditions of renewal or extension are included in the solicitation and if funds are available for the first year at the time of contracting. Payment and performance obligations for succeeding fiscal years shall be subject to availability and appropriation of funds. When funds are not appropriated or otherwise made available to support the continuation of performance in a subsequent fiscal year, the contract shall be canceled and the Contractor may be reimbursed for the reasonable value of any non-recurring costs incurred but not amortized in the price of the supplies or services delivered under the contract.

Annual service and product contracts may be renewed or extended by the Department Head up to <u>four (4) times</u> based on satisfactory performance and price stability and with SMART Administrator approval.

7.3 CONTRACT APPROVAL

The SMART Administrator and, occasionally, department heads are authorized to sign contracts which bind SMART for the procurement of goods, services, insurance or construction. The following provisions shall apply for contract approval:

- All written contracts are subject to approval by the attorney for SMART;
- For contracts regarding an expenditure that is not specifically appropriated in the budget, the Board Chairperson's signature shall be required;
- Any transaction involving the conveyance of real estate shall require the signature of the Board Chairperson, through formal SMART Board approval; and
- Contracts entered into using grant funds may require the signature of the Board Chairperson or SMART Administrator.

7.4 ADMINISTRATION

The SMART Administrator or his / her designee and the requesting department head shall administer the contract. They shall be responsible for the following activities:

- Inspecting and accepting contractor performance;
- Communicating SMART requirements to contractors;
- Evaluating contractor performance;
- Notifying the Board Chairperson of any disputes, failure to perform or other problems with contractors;
- Documenting all activities of the contract;
- Issuing PO's, processing payments and contract close-out documents;
- Maintaining the file of the contract;
- Reviewing and approving all requests for changes in delivery, change orders or changed conditions, price or specification *before* any action is taken by the department head or contractor;
- Issuing notices, letters and contract default/termination notices to contractors; and
- Maintaining records of vendor performance.

7.5 CONTRACTS INVOLVING GRANT FUNDING

When any State or Federal grant funds are used for an approved SMART Project, the procurement guidelines issued by that funding agency will govern the procurement process. If there are no procurement guidelines issued by that funding agency, then all procurement guidelines will fall back on the approved procedures as stated in the SMART Procurement Manual.

Because project activities performed by a third party contractor must comply with Federal requirements, the recipient agrees to include appropriate clauses in each third party contract stating the third party contractor's responsibilities under Federal law, regulation, or derivative, including any necessary provisions requiring the third party contractor to extend applicable requirements to its subcontractors to the lowest tier necessary.

SECTION 8: PURCHASING AND PAYMENT APPROVALS

8.1 PLANNING & FORECASTING

Anticipating a department's needs well in advance of actual purchasing enables each department head to research and procure those items based on best value for best quality. There should be little or no need for "impulse and/or emergency" purchases, which are always more expensive.

Adherence to the policies set forth herein are required for all purchases by SMART and SMART employees. All purchases requiring the SMART Administrator and or Board Chairperson's approval must be approved prior to making such a purchase.

Required delivery dates on goods and services vary drastically and purchasing schedules should be prepared accordingly. Unnecessary work delays may be created if order requests are not presented in a timely manner.

This procurement manual is designed to control, expedite and confirm purchases for SMART. SMART is not responsible for payment of purchases made by employees without the required approval as set forth herein.

8.2 VENDOR APPROVAL

Prior to ordering any good or service from a vendor, such vendor must be an approved vendor of SMART. In order to be an approved vendor, the vendor's name, address, phone number, email address and primary contact person must be submitted by a department director to the SMART Administrator for approval.

Vendors may be removed from the approved vendor list of SMART for cause. Cause shall include, but not be limited to failure to perform a previous contract, or purchase according to the terms of such contract or purchase of SMART. SMART staff shall inform vendors that are removed from the approved vendor list of such decision.

8.3 PAYMENT APPROVAL PROCESS

In order for the SMART Administrator to process payment of all SMART purchases, such purchases shall be made in accordance to the terms set forth herein and shall fill out the Payment Approval Form (Appendix Form G). The information to be included in the Payment Approval Form shall include:

- a. The appropriate signatures relative to the level of purchase as demonstrated by the payment approval matrix set forth herein.
- b. Obtaining legal review if required herein.
- c. A description of the project and or contract for which payment is requested
- d. Description of full or partial payment and if partial what the percentage of the total
- e. The type of backup documentation required by the Procurement Manual shall be attached to the Payment Approval Form (ie. Contract resulting from IFB or RFP, sole

- source justification, waiver form, request for quote form, change order form)
- f. For all purchases involving construction work, such work shall be permitted and inspected, by SMART for completion of the work for which payment is requested and the SMART Administrator shall sign the applicable portion of the Payment Approval Form certifying that such work has been completed and inspected, prior to the SMART Administrator approving payment.

The SMART Administrator shall be responsible for verifying that the terms of the procurement manual have been followed and that the Department submitting the Payment Approval Form has completed the required portion of the form by completing the SMART Administrator portion of the Payment Approval Form with the following information:

- a. Certifying that the required contract, quote, or applicable waiver form (sole source) is attached to the Payment Approval Form
- b. Verifying that the payment request/invoice conforms to the contractual terms and bid/quote documentation
- c. Certifying that the payment request conforms to budget authority
- d. Certifying that the payment request is accurate for rates and calculations
- e. Providing comments for allowing for payment or disallowing payment if any
- f. Certifying that the appropriate signature of either the Department Head or SMART Manager is on the Payment Approval form.

8.4 RECEIVING PROCEDURE

The requisitioning department will receive all materials and inventory and inspect the material for correct quantity and acceptable condition. Appropriate documentation includes the packing slip which should be marked and signed by an authorized employee to indicate verification of goods.

SECTION 9: SURPLUS PROPERTY

9.1 SURPLUS STOCK

Department heads shall have authority to transfer or “re-cycle” surplus materials, supplies and equipment between departments as needed. SMART owned personal property may be disposed of when no longer useful by destruction, disposal, trade, sale, auction or by soliciting bids, as appropriately determined by the SMART Administrator.

9.2 METHODS OF DISPOSAL

Equipment that is no longer useful to SMART and is being disposed of (excess, obsolete or surplus), with an original purchase cost of \$500 or more, shall be reported to the SMART Administrator in order to update the department’s Fixed Asset Account.

The following methods of disposition may be used for departmental surplus items.

- (a) **Transfer:** The best method of disposition is transferring to another department. Both the transferring and receiving departments’ inventory records must be updated to document the disposition of such item.
- (b) **Sale:** There are various methods of selling excess property and surplus items as outlined below:
 - i. **Auction:** SMART may auction to sell items to the highest bidder at advertised public auctions.
 - ii. **Sealed Bids:** The SMART Administrator may offer surplus items for purchase by sealed bid. The items shall be advertised locally, by posting at the SMART office, by internet or by publishing in a local newspaper.
 - iii. **Scrap:** Some items are of no use but may have a residual value. Department heads may arrange for the sale of scrap items with the money returned to SMART’s general fund.
 - iv. **Posted Prices:** When there is no regular market and demand is erratic, an item may be marked with a pre-established price and sold to the public on a first-come basis.
- (c) **Trade-in:** The SMART Administrator may determine that it is advantageous to SMART to seek bids on replacement items with the bidders offering trade allowance and no trade allowance pricing. Award may be made in the manner that is most advantageous to SMART.
- (d) **Cannibalization:** Disassembling an item to use its components for repair or maintenance of a similar item is authorized only if cannibalization has more value and benefit than disposal or trade-in of the item. The SMART Administrator must grant approval prior to cannibalizing an item.
- (e) **Donation:** **Only the Board Chairperson** may dispose of an item by donation to a qualifying entity if the item has a value in excess of \$5,000. Items donated with a value of less than \$5,000 may be approved by the SMART Administrator.

- (f) **Hazardous Materials:** There are strict federal and state laws regarding the disposal of hazardous materials. Departments generating hazardous materials shall follow posted guidelines for the proper disposal of these materials.

9.3 SALES TO EMPLOYEES

To avoid any appearance of impropriety in the disposition program, employees of SMART may only purchase SMART owned property when the sale is to the highest bidder at a public auction or by sealed bid.

9.4 GRANT FUNDED EQUIPMENT

Equipment purchased with State or Federal grant funds shall be disposed of by following the provisions of the grant, if any. It is the responsibility of the disposing department to notify the SMART Administrator if grant provisions for disposal need to be followed. If there are no special provisions for disposal, the requirements of this Section shall apply.

SECTION 10: GLOSSARY OF PROCUREMENT TERMS

*The Glossary of public procurement terms is offered as a communication tool to avoid misinterpretation of text. Precision and consistency in public procurement documents are necessary to avoid protests, disputes and litigation. **The glossary seeks primarily to present meanings for purchasing purposes, not legally or literally accurate definitions.***

Addendum - An addition or supplement to a document such as items or information added to a procurement document.

Advertise - To make a public announcement or legal notice of forthcoming solicitation with the aim of increasing the response and enlarging the competition; often required by law.

Agreement - The bargain of the parties in fact as found in their language or by implication from the other circumstances, including course of dealing, usage of trade or course of performance.

All Or None Bid - A bid submitted for a number of different items, services, etc., in which the bidder states it will not accept a partial award, but will accept only an award for all the items, services, etc., included in the Invitation for Bids. Such bids are acceptable only if provided for in the invitation or if the bidder quoted an individual price for each of the items, services, etc., as listed and is the low bidder on each item.

Alternate Bid - A bid submitted in knowing variance from the specifications, terms, conditions or provisions of the solicitation. Such a bid is acceptable only when the variance is deemed immaterial.

Amendment - A revision or change to a document, often used to correct a solicitation. Compare with *modification*, a term generally used with respect to changes to an existing contract.

As Is - A term indicating that goods offered for sale are without warranty or guarantee and that the purchaser takes the goods at his or her own risk without recourse against the seller for the condition or performance of the goods.

Authority - The right to perform certain acts or prescribe rules governing the conduct of others.

Award - The acceptance of a bid or proposal; the presentation of a purchase agreement or contract to a bidder.

Best Interests of SMART - The rationale granting a procurement official discretion in taking action most advantageous to the jurisdiction when it is impossible to delineate adequately a specific response by law or regulation. Case law affirms this discretion.

Best Value - An assessment of the return, which can be achieved, based on the total life cycle cost of the item; can include an assessment of the functionality of the item; can use cost/benefit analysis to define the best combinations of quality, services, time, and cost considerations over the useful life of the acquired item.

Bid - The executed document submitted by a bidder in response to an Invitation for Bid, a Request for Quotation or a multi-step bidding procedure.

Bid Bond - An insurance agreement in which a third party agrees to be liable to pay a certain amount of money in the event that a specific bidder, if the bid is accepted, fails to accept the contract as bid.

Bid Opening - The formal process through which bids are opened, usually in the presence of one or more witnesses, and the contents revealed for the first time to the jurisdiction, other bidders and the public.

Bid Tabulation - A recording of bidders and abstracts of their bids listing items offered, prices, deliveries, etc., in response to a specific solicitation. Made for purposes of comparison and record keeping and is part of the bid's public record.

Bidder - Any person submitting a competitive bid in response to a solicitation.

Bidders List - A list maintained by the procurement office setting out the names and addresses of suppliers of various goods and services from who bids, proposals and quotations could be solicited. This is also known as "Vendors List".

Blanket Order (purchase) - A contract under which a contractor, vendor or supplier agrees to provide goods or services to a purchaser on a demand basis. The contract generally establishes prices, terms, conditions and the period covered, although no quantities are specified.

Brand Name - A name that serves to identify a product of a particular manufacturer or a trade name.

Change Order - A written order signed by authorized SMART personnel, directing the contractor or vendor/supplier to make changes to the contract; a modification or addition to the purchase order.

Collusion - A secret agreement or cooperation between two or more persons to accomplish a fraudulent, deceitful or unlawful purpose.

Competitive Negotiation - A method of contracting for goods and services, whereby proposals are solicited from qualified suppliers, following submission of which changes in proposals and prices are allowed and the offer deemed by the awarding authority to be most advantageous, in terms of criteria as designated in the Request for Proposal, is accepted.

Competitive Sealed Bidding - The submission of prices by individuals or firms competing for a contract, privilege, or right to supply merchandise or services, based solely on the response to the criteria set forth in the Invitation For Bid and does not include discussions or negotiations with the bidders. Competitive sealed bidding is the preferred method of source selection in public procurement.

Competitive Sealed Proposal - A method of contracting for goods and services whereby proposals are solicited from qualified suppliers. Following submission of such, discussions or negotiations may be conducted and changes in proposals and prices are allowed and the offer deemed by the awarding authority to be most advantageous, in terms of criteria designated in the Request for Proposal, is accepted.

Conflict of Interest - A situation where the personal interests of a contractor, public official or classified employee are in actual or potential conflict in which a person may gain from (or holds interest in) a company doing business with his employer and is at odds with the best interests of the jurisdiction.

Contract - A deliberate oral or written agreement, enforceable by law, between two or more competent persons to perform or not to perform a specific act or acts.

Contract Modification - Any written alteration to specifications, delivery point, rate of delivery, period of performance, price, quality or other provisions of any contract accomplished by mutual action of the parties to the contract.

Debarment - The exclusion of a person or company from participating in a procurement activity for an extended period of time, as specified by law, because of previous illegal or irresponsible action.

Default - Failure by a party to a contract to comply with contractual requirements; contractor failure to perform.

Disposition - Transferring, trading-in, selling or destroying goods that are excess property, surplus property or scrap.

Emergency Purchase - A purchase made to alleviate a situation in which there is a threat to health, welfare or safety under certain conditions defined as an emergency by the jurisdiction that does not allow time for normal, competitive purchasing procedures.

Escalation Clause - A contract provision which permits the adjustment of contract prices by a given amount or percentage if certain specified contingencies occur, such as changes in the contractor's raw material or labor costs.

Ethics - The principles of conduct governing the behavior of an individual or a profession

Evaluation of Bid - The process of examining a bid after opening to determine the bidder's responsibility, responsiveness to requirements and to ascertain other characteristics of the bid that relate to determination of the successful bidder.

Formal Bid or Offer - A bid that must be submitted in a sealed envelope and in conformance with a prescribed format, to be opened at a specified time.

Identical Bid - A bid that is the same in all salient respects with another bid.

Ineligible Bidder - A supplier or prospective supplier who, by reason of financial instability, unsatisfactory reputation, poor history of performance, or other deficiency, does not meet the qualifications for placement on the vendors' list or for award.

Informal Bid - An unsealed competitive offer conveyed by letter, telephone, telegram, or other means and under conditions different from those required for formal bidding (see Request for Quote).

Invitation For Bid - A formal request to prospective vendors soliciting bids. Invitation for Bid contains, or incorporates by reference, the specifications or scope of work and all contractual terms and conditions. This is the customary method used by state and local governments for the purchase of equipment, materials, supplies and construction.

Legal Notice - Notice of a proposed purchase as required by law. Depending upon the legal requirement, notice may be satisfied by posting an announcement of the purchase in a public place, notification of the appropriate bidders from the bidders' list, formal advertisement in a newspaper or a combination of these methods.

Local Preference - An advantage in consideration for award of a contract granted to a bidder by

reason of the bidder's residence, business location, origin of product offered, or other reason.

Lowest Responsive and Responsible Bidder - Originally, the bidder submitting the lowest initial price and capable of performing the proposed contract. For clarity and accuracy, the recommended provision for determining award is the "responsive and responsible bidder whose bid is most economical for the purpose intended, according to criteria set forth in the solicitation".

Modification - Any formal revision of the terms of a contract.

Multiple Award - The award of contracts to two or more bidders for the same or essentially similar items. Appropriate only in situations where the award of a single contract would be impossible or impractical and awards are limited to the least number of suppliers necessary for a workable contract.

Multi-Step Competitive Bidding - A competitive process calling for separate submissions of a technical proposal (which may be negotiated) as the first step or steps of the process followed by a call for non-negotiable competitive-price bid as the final step.

Non-Responsive Bid - A bid that does not conform to the essential requirements of the Invitation for Bid;

Open-Market Purchase - A purchase, usually of a limited monetary amount, from any available source (direct purchase).

Option to Renew - A contract clause that allows a party to elect to reinstate the contract for an additional term; in public procurement, where competitive bidding is required; exercise of the option must rest solely with the purchaser. Specific provision for the renewal option must be incorporated into the solicitation and the contract.

Payment Bond - A bond which assures payments, as required by law, to all persons supplying labor or material for the completion of work under the contract.

Penalty Clause - A clause in a contract specifying the sum of money to be paid if the contractor defaults on the terms of the contract, particularly in respect to time.

Performance Bond - A contract of guaranty executed subsequent to award by a successful bidder to protect SMART from loss due to contractor inability to complete the contract as agreed.

Professional Services - Services rendered by members of a recognized profession or possessing a special skill. Such services are generally acquired to obtain information, advice, training or direct assistance (architectural, engineering)

Qualified Bidder - A bidder determined by the government to meet standards of business competence, reputation, financial ability, and product quality for placement on a list of prospective bidders.

Request For Information - The document used in *informal*, non-competitive solicitation of information, data, comments, or reactions from possible suppliers preceding the issuance of a Request for Proposals or a multi-step bidding procedure.

Request For Proposal (RFP) - All documents, whether attached or incorporated by reference, used for soliciting *formal* competitive proposals. The RFP procedure permits negotiation of proposals and prices as distinguished from competitive bidding and an Invitation for Bid.

Request For Quote (RFQ) - An *informal* solicitation or request for information, where oral or

written quotes are obtained from vendors, without formal advertising or receipt of sealed bids. Used only where statutes do not require formal sealed bids such as small or emergency purchases, but price competition is desired.

Responsible Bidder or Offeror - A person who has the capability in all respects to perform in full the contract requirements and the integrity and reliability that will assure good-faith performance.

Responsive Bidder - A person who has submitted a bid that conforms in all material respects to the Invitation for Bid.

Sealed Bid - A bid that has been submitted in a sealed envelope to prevent its contents being revealed or known before the deadline for the submission of all bids; usually required by law or rule on major procurements, to ensure fair competition.

Service Contract - A contract that calls for a contractor's time and effort rather than for a concrete end product. The term as defined here does not include employment agreements or collective bargaining agreements.

Services - The furnishing of labor, time, or effort by a contractor, not involving the delivery of a specific end product other than reports that are merely incidental to the required performance. This term does not include employment/collective bargaining agreements.

Sole-Source Procurement - An award for a commodity or service to the only known capable supplier, occasioned by the unique nature of the requirement, the supplier, or market conditions. The sole supplier possesses the unique and singularly available capability to meet the technical qualifications, the ability to deliver at a particular time or services from a public utility.

Solicitation - The process of notifying prospective bidders or offerors that SMART wishes to receive bids for furnishing goods or services. The process may consist of public advertising, mailing Invitations for Bids or Requests for Proposals, posting notices, telephone or telegraph messages to prospective bidders or all of these.

Statement (Scope) Of Work - The product of organizational analysis, activity analysis, data gathering, performance analysis and cost analysis identifying the specifics that address the need of the using agency and how that need may be met.

Term Contracting - A technique by which a source of supply is established for a specific period of time. Term contracts characteristically are established through competitive sealed bidding and usually are based on indefinite quantities to be ordered "as needed", although such contracts can specify definite quantities with deliveries extended over the contract period.

Waiver of Bid - A process authorized by law or rule whereby a government procurement office may procure items without competitive bidding procedures because of unique circumstances related to a particular need or procurement.

In writing – Any requirement that an approval, bid or other form be in writing shall include email as an approved "in writing" approval.

SECTION 11: APPENDICES

Forms A through F are included for your reference. The SMART Administrator is available to answer any questions and to assist in the preparation and usage of these forms.

FORM A: Sole Source Justification

FORM B: Request For Quote (two-sided form)

FORM C: Request for Proposal

FORM D: Offeror Requirements

FORM E: Request for Change Order

FORM F: Request for Proposal - Schedule of Activities

FORM G: Payment Approval Form

*This is a guide for fair and equitable public purchasing procedures.
Let it be your tool for administering an effective, efficient and economical
procurement process for SMART*

FORM A

SMART

SOLE SOURCE WAIVER REQUEST

REQUESTING DEPARTMENT:

DATE:

REQUESTED BY:

BID NO.

VENDOR NAME:

COST:

JUSTIFICATION

(INITIAL ALL ENTRIES THAT APPLY TO REQUEST)

PRODUCT OR SERVICE DESCRIPTION:

1. Vendor is the original equipment manufacturer and there are no regional distributors.
2. The product, equipment or service requested is clearly superior functionally to all other similar Products, equipment or service from another manufacturer or vendor.
3. The over-riding consideration for purchase is compatibility or conformity with SMART - owned equipment in which non-conformance would require the expenditure of additional funds.
4. No other equipment is available that shall meet the specialized needs of the department or perform the intended function.
5. Detailed justification is available which establishes beyond doubt that the vendor is the only source available to provide the item or service required.
6. Detailed justification is available which proves it is economically advantageous to use the product, equipment or service.

I recommend that competitive procurement procedures be waived and the product or service described herein be purchased as a sole source.

DEPARTMENT AUTHORIZATION:

Authorized Signature

Title

Date

PURCHASING APPROVAL:

Authorized Signature

Title

Date

FINAL AUTHORIZATION: Board Chairperson Approval Required (\$20,000+) YES / NO

SMART Administrator Approval Required (up to \$20,000) YES / NO

Legal Review Required on all Waivers YES / NO

Attach detailed justification documentation and forward to Purchasing Agent

FORM B

SMART

PO Box 3040, Telluride, Colorado 81435

PHONE

Fax #

REQUEST FOR QUOTE

BID NO. _____ CLOSING DATE: _____
TIME: _____

SMART is requesting quotes on the items listed below. Please **sign** the Offer and Acceptance. SMART is tax exempt so **do** not include taxes in your quote.

Item	Quantity	Description	Unit Price	Total Amount

The undersigned offers and agrees to furnish any or all of the items listed herein at the prices, terms and delivery stated.

COMPANY _____ ADDRESS _____

TELEPHONE NO. _____ FAX NO. _____

SIGNATURE: _____ PRINT NAME _____

PURCHASING USE ONLY

AWARD TO _____ ACCEPTANCE DATE _____ ITEMS _____

PURCHASE ORDER NO _____ DELIVERY ARO _____ APPROVED BY _____

METHOD OF SOLICITATION: (Check one) Phone FAX Informal Bid (Attach information)

QTY DESCRIPTION #1	PRICE #2	PRICE #3	PRICE

33

REQUEST FOR PROPOSAL OUTLINE

FORM C

REQUESTING DEPARTMENT: _____ DATE: _____

PROJECT NAME: _____

Is a Statement of Qualification required with Request for Proposal? Yes _____ No _____

(Statement of purpose, mission, or describe why project or service is necessary)

STATEMENT OF WORK OR SCOPE OF WORK

Requires clear statement of the work tasks to be completed by Offeror, a list of deliverables to be furnished and a schedule of activities to be met. Be as definitive as possible to enable contractor/professional to prepare Technical Offer. Define responsibilities, time schedule, and evaluation team. Outline project, list tasks/services to be performed Le. Provide project plan, meet with OR, prepare project schedule (specify timelines), provide project analysis, specify services to be provided. General specifications may be provided in SOW.

SECTION I: TECHNICAL OFFER

The Offeror will specify each task of the Statement of Work above and explain an approach to the task with specific steps for accomplishment.

SECTION II: QUALIFICATIONS AND EXPERIENCE

(Check those items you require in the RFP and add other information)

Previous experience

1. List of past projects, similar in nature
2. Provide pictures and/or samples, if possible
3. Resumes of key personnel and qualifications of significant (consultants and/or specialists)
4. Proof of required insurance
5. References of completed projects, completion date, company, contact person, phone number
6. Additional: _____

SECTION 111: COST PROPOSAL

(Check those items you require in RFP and add other information)

1. Proposed fee schedule for completed project
2. Payment based on _____
3. Hourly rates for project personnel and rates for any expenses
4. Guaranteed maximum fee
5. Additional: _____

FORM D

OFFEROR REQUIREMENTS

(INFORMATION REQUIRED FROM OFFERORS AS STATED IN REQUEST FOR PROPOSAL)

1. **SCOPE OF WORK** Proposals must detail the Offeror's understanding of and approach to the project describer in the Scope of Work. Offeror shall address how each task of the Scope of Work and/or Technical Offer will be accomplished. Identify any work performed by subcontractors.

PROJECT TASKS:

2. **EXPERIENCE AND QUALIFICATIONS** List all relevant work experience and qualifications related to the proposed studies. Identify previous or on-going studies that your firm is involved with that are related to this study. Identify all individuals to be assigned to this project. Provide resumes on each individual listing qualifications and relevant expertise and work experience related to the study. Also, this information will be provided for all subcontractors.

OTHER:

3. **COST STAFFING PROPOSAL** Provide a cost estimate for all elements of the study, including a firm price for each task in the Scope of Work and staffing. These estimates shall support all costs as specified in the proposal. The Offeror shall provide this information in the specified format in submitting their proposal. No "best and final offer" will be requested or considered prior to proposal evaluation.

OTHER INFORMATION:

4. **SCHEDULE OF SERVICES**

All proposals shall include a schedule as to the time frame for conducting the project. List the tasks and their scheduled completion as appropriate to the Scope of Work.

DEPARTMENT'S TENTATIVE SCHEDULE REQUIREMENTS:

ADDITIONS:

DEPARTMENT: _____ DATE: _____ NAME: _____

FORM E

REQUEST FOR CHANGE ORDER

REQUESTING DEPARTMENT: _____ REQUEST DATE: _____

PROJECT NAME/LOCATION: _____

BID NO. _____

CHANGE ORDER # _____ OF _____

ADDITION TO CONTRACT: YES ___ NO ___

MODIFICATION TO BID: YES ___ NO ___

REASON FOR CHANGE ORDER *(Attach cost and pricing information, contractor tender "in-field" requests/statements and other information supporting request. Return to Purchasing Department)*

ACCEPTANCE

I certify that unencumbered funds are available in Account No _____. and that the change order is proper and in the best interest of SMART.

Name

Title

BOARD CHAIRPERSON APPROVAL (OVER \$20,000) YES / NO

SMART ADMINISTRATOR APPROVAL (UP

FORM F

REQUEST FOR PROPOSAL SCHEDULE OF ACTIVITIES

The following checklist for the RFP process should be utilized by all SMART representatives. Copies of the Schedule of Activities will be given to SMART representative each time the RFP process is used.

1. Department Head contacts SMART Administrator or their designee to obtain information regarding the RFP process.
2. SMART Administrator and Department Head discuss process and determine if RFP process is appropriate. Final determination is made by SMART Administrator / Board Chairperson
3. Department Head prepares and submits a draft copy of the RFP to the SMART Administrator
4. SMART Administrator reviews draft of RFP.
5. SMART Administrator and Department Head discuss and modify the draft RFP.
6. Legal counsel reviews, modifies and approves RFP.
7. SMART Administrator and Department Head discuss advantages/disadvantages of a *pre-proposal conference* where potential offerors can obtain answers to their inquiries.
8. Department Head sets bid opening date and time.
9. Department Head compiles bid list. SMART Administrator approves.
10. Department Head and SMART Administrator discuss advertisement of RFP
11. Department Head and SMART Administrator set up Evaluation Committee according to the requirements of Section 6.
12. SMART Administrator's Office assigns official RFP bid number and logs RFP in Bid Book.
13. Department Head submits RFP to Bidders on bid list
14. SMART Administrator's Office advertises RFP, if applicable.
15. SMART Administrator's Office receives and time stamps RFP packets when they are submitted.
16. SMART Administrator's Office and Department Head open/record proposals at established date, time and location.
17. SMART Administrator reviews proposals in order to determine if they were submitted properly.
18. SMART Administrator distributes evaluation documents to the Evaluation Committee, along with instructions regarding the evaluation process as described in Exhibit 6.
19. Evaluation Committee meets and each member individually evaluates the RFP's and then discusses proposals and adjusts recommendations as necessary. *NO DISCUSSION OCCURS EACH MEMBER HAS REVIEWED EACH RFP SUBMITTAL INDIVIDUALLY.*
20. SMART Administrator reviews and approves/disapproves recommendation of Evaluation Committee and makes recommendation to Board Chairperson for approval.
21. Once approved by Board Chairperson, SMART Administrator's Office notifies all offerors, in writing, of the results and recommendation.
22. SMART Administrator issues a "Notice of Intent to Make an Award" letter to the apparent successful offeror.
23. Unsuccessful offerors are allowed seven (7) working days to protest/appeal the award.
24. Following above time period, Evaluation Committee and successful offeror negotiate and develop a written final contract in accordance with the terms of the RFP, which is

- approved by SMART Administrator and legal counsel.
25. SMART receives insurance and bonding requirements.
 26. Approved contract is routed and signed by appropriate SMART agencies.
 27. Department Head monitors and evaluates contractor's performance.
 28. Department Head and SMART Administrator approve and submit progress payments on project.
 29. SMART Administrator's Office submits advertisement for Final Payment Notice upon approval of project inspection.
 30. Contractor receives final payment and project is complete.

EMPLOYEE HANDBOOK

SMART

San Miguel Authority for Regional Transportation

Adopted xxx, 2017

ABOUT THE HANDBOOK

The San Miguel Authority for Regional Transportation (SMART) employee handbook will acquaint you with SMART and some policies affecting your employment. Because it is impossible to anticipate every situation that could arise, this handbook will highlight general policies, practices, and benefits. Some existing policies and practices may not appear in this handbook; if you are not sure about a written or unwritten policy of SMART, have questions about any portion of this handbook, any aspect of your job, or need further information, please ask your supervisor.

SMART recognizes that SMART's business needs may change from time to time and that new governmental regulations take effect. Therefore, SMART reserves the right to amend, rescind, or modify any policies, practices, and benefits at any time, with or without prior notice. SMART intends to apply these policies consistently and without discrimination so that all similarly situated employees receive uniform treatment. A situation may arise that causes SMART to deviate from normal operating procedures. While SMART attempts to minimize these situations, SMART reserves the right to consider each case separately and make any appropriate exceptions when appropriate. The only recognized deviations from these policies, practices, and benefits are those with signed authorization by the SMART Executive Director.

This handbook has been created without bias toward the employee, the employer, or any group of employees. The provisions of this handbook or any other documents (such as benefit statements or confidentiality agreements) are not intended to create any contractual obligation that conflicts in any way with this policy. This handbook is not a contract.

Employees are provided with their own personal copy of the employee handbook. Employees are encouraged to review their handbook as soon as possible and refer to it whenever questions arise about SMART policies, practices, or benefits. These policies are effective immediately, and all employees are expected to know and comply with them accordingly.

Employees should contact their supervisor with questions they may have regarding SMART's policies and procedures.

SMART'S VISION / MISSION / VALUES

SMART is dedicated to providing exceptional community transportation services, which will enhance the quality of life for residents, homeowners, employees, businesses, and guests in the Town of Telluride, the Town of Mountain Village and San Miguel County.

SMART is committed to providing a safe work environment for employees. SMART employees are SMART's greatest resource and SMART strives to prevent any possible injury or illness. Responsibility for safety lies with all levels of SMART employees. SMART employees need to work together to accomplish SMART's goal of zero injuries by reporting unsafe conditions immediately.

In the necessary push toward a greener nation, SMART is moving toward a greater awareness of our habits, and a deeper appreciation for our natural environment. SMART, therefore, asks all employees of SMART to make environmentally-conscious decisions daily regarding energy use, behavior, and recycling.

SECTION 100 - EMPLOYEE CONDUCT

POLICY NO. 101

GUEST SERVICE POLICY

It is the philosophy of SMART to serve everyone in the SMART service area as a guest. SMART strives to provide consistently high quality "Guest Service" to everyone in the SMART service area. Guest Service refers to the interaction and assistance SMART provides the residents, visitors, business owners, and employees of businesses in the SMART service area.

POLICY NO. 102

SAFETY

SMART aims to provide a safe and healthy work environment. The biggest single factor in insuring your safety on the job is YOU. It is YOUR responsibility, to both yourself and those working in your area, to practice safe work habits. Report any unsafe practices and conditions to your supervisor so corrective action can be taken.

SMART has general safety rules that apply to every department. Violations of these rules will not be tolerated. Should an on-the-job injury occur because of a violation of these safety rules, a reduction in worker's compensation benefits may occur. General safety rule violations may include but are not limited to:

- Failure to abide by established safety rules.
- Falsification of accident or incident reports.
- Being impaired by or under the influence of alcohol or any drugs (legal or illegal) while on duty.
- Fighting or other disorderly conduct that may endanger the well-being of co-workers or guests.
- Unauthorized operation of SMART vehicles or equipment.
- Reckless operation of SMART vehicles or equipment.
- Failure to utilize safety seat belts, at all times, when the vehicle is in service (Buckle Up!).
- Remember safety rules are only as effective as you make them. Safety is a cooperative endeavor and must be kept constantly in mind by all of us. Exercise common sense and good judgment in all that you do on the job. Then, we all can enjoy an excellent safety record.

Upon employment with SMART, employees will be provided a general orientation session designed to acquaint them with their department, its safety concerns, equipment, first-aid kits, and fire extinguishers. Any unsafe conditions or practices an employee observes must be reported to your supervisor and your department's Safety Committee representative immediately.

POLICY NO. 103

REPORTING ACCIDENTS (INJURIES) AND INCIDENTS

Notify your supervisor of any incident or injury (no matter how minor) either to yourself or to a co-worker immediately. Failure to notify a supervisor of a work-related injury to one's self or a co-worker immediately but not later than within twenty-four (24) hours, will be considered cause for disciplinary action for both the injured worker and co-worker. Untimely reporting of injuries may also result in worker's compensation benefits being denied in most cases or greatly reduced in other cases.

Once informed of an injury, the supervisor, the employee, and any witnesses to the injury must complete the worker's compensation First Report of Injury form. This form will be submitted to your supervisor for processing and opening of your worker's compensation claim.

Receive authorization from the supervisor for medical treatment. When an injury has occurred, the supervisor will send the employee immediately for medical treatment. All employees have the choice of receiving treatment for work-related injuries and illnesses from four designated medical providers. The four providers are:

1. Telluride Medical Center, 500 W. Pacific Avenue, Telluride, CO 81435 * (970) 728-3848
After hours personnel are "On Call"
2. Uncompahgre Medical Center, 1350 Aspen Street, Norwood, CO 81423 * (970) 327-4233
3. Mountain Medical Center, 295 Sherman Street (295 Hwy 62), Ridgway, CO 81432 * (970) 626-5123
After hours personnel are "On Call"
4. O'Meara DO, Patrick D, 330 S 9th Street, Montrose, CO 81401 * (970) 240-3775

Failure to receive treatment from a designated medical provider may result in non-payment of medical benefits.

Any employee sustaining a work-related injury may be asked to submit a drug and/or alcohol test in accordance with SMART policy. An employee injured while under the influence of drugs or alcohol is only entitled to half of the normal compensation allowed by law. If it is determined that the injury occurred in the course of an activity unrelated to the employee's job, benefits may be denied completely.

The treating physician determines needed time off from work. Compensation payments made to the employee for lost wages resulting from an injury or occupational diseases begin after the third consecutive missed day of work and will commence until the employee is released to return to work. The compensation rate while unable to work is 2/3 of the average weekly wage, not to exceed a maximum amount as provided under the worker's compensation laws. Time spent away from work, during a work-related injury leave will be applied to FMLA leave if eligible.

Worker's compensation requires all employees to adhere to the physician's instructions, including attendance at follow-up appointments. If unable to comply, employees must notify their physicians and their supervisors. Failure of employees to comply with their physician's prescribed treatment and follow-up plan could jeopardize their worker's compensation benefits.

IMPORTANT NOTES:

1. If an employee, qualifying for leave and benefits under FMLA is released by their physician to return to work and is able to work but decides they do not want to return to work, SMART reserves the right to pursue reimbursement from the employee for all benefit premiums paid retroactive to the end of the required period of benefit continuation under FMLA.
2. If an employee, technically ineligible for leave and benefits under FMLA is released by their physician to return to work and is able to work but decides they do not want to return to work, SMART reserves the right to pursue reimbursement from the employee for all benefit premiums paid retroactive to the beginning of the leave.

Worker's compensation does not cover recreational skiing and off-the-job accidents. However, injuries sustained off-the-job may be covered by SMART's health insurance.

Filing a fraudulent claim under worker's compensation for non-work-related injuries is against the law and will be grounds for termination.

SECTION 200 – EMPLOYMENT PRACTICES

POLICY NO. 201

THE ENVIRONMENT

SMART cares about the environment and has made energy conservation and waste reduction a priority goal. SMART collectively participates in efforts to reduce waste and conserve energy in the workplace.

Reduce Waste:

- **REDUCE:** Reduce daily office waste by making sure hard copies are necessary before printing and stop unwanted junk mail. Carpool, walk, bike, bus, or gondola instead of driving.
- **REUSE:** Reuse paper for scratch pads before recycling. Reuse plastic food containers as Tupperware before throwing away. Use a re-usable coffee mug, lunch containers and silverware at work.
- **RECYCLE:** All offices should be equipped with recycling bins. Recycle all paper, cardboard, glass, plastic #1, and aluminum products in these bins for collection. Recycling these items is mandatory.

Save Energy:

- **OFFICE HEAT:** All thermostats in the office building should be set no higher than 68 degrees. SMART realizes that everyone's comfort level is different so please do your best to dress appropriately for the season with enough layers to stay warm throughout the workday.
- **WINDOWS:** Pulling your blinds down at the end of the day could help keep the offices warm and prevent the heaters from coming on during the night when no-one is here. Please close your blinds when you leave your office for the night to keep the heat in and the cold out.
- **COMPUTERS, PRINTERS, ELECTRONICS:** Remember to turn off electronic devices when leaving for the night and/or weekend; these devices require a "phantom" load of energy when plugged in and not in use.
- **OFFICE LIGHTS:** Please turn off your lights when employees are not in the office or shop, and especially at night and on weekends, to make sure valuable electricity is not being wasted.

If you have additional ideas for how to conserve in the workplace, please bring them to the attention of your supervisor.

POLICY NO. 202

EQUAL EMPLOYMENT OPPORTUNITY AND UNLAWFUL HARASSMENT

SMART is dedicated to the principles of equal employment opportunity (EEO). We prohibit unlawful discrimination against applicants or employees on the basis of age 40 and over, race, sex, color, religion, national origin, disability, military status, genetic information, or any other applicable status as protected by federal, state or local law. This prohibition includes unlawful harassment based on any of these protected classes. Unlawful harassment includes verbal or physical conduct which has the purpose or effect of substantially interfering with an individual's work performance or creating an intimidating, hostile, or offensive work environment. This policy applies to all employees, including managers, supervisors, co-workers, and non-employees such as customers, clients, vendors, consultants, etc.

POLICY NO. 203

ADA, RELIGIOUS AND PREGNANCY ACCOMMODATION

SMART will make reasonable accommodation for qualified individuals with known disabilities and for employees whose work requirements interfere with a religious belief, unless doing so would result in an undue hardship to SMART or cause a direct threat to health or safety. SMART will make reasonable accommodation to otherwise qualified employees due to pregnancy, a health condition related to pregnancy, or the physical recovery from childbirth absent undue hardship. Employees needing such accommodation are instructed to contact their supervisor immediately.

POLICY NO. 204

PREGNANT WORKERS FAIRNESS ACT (C.R.S 24-34-402.3)

The Pregnant Workers Fairness Act makes it discriminatory or unfair employment practice if an employer fails to provide reasonable accommodations to an applicant or employee who is pregnant, physically recovering from childbirth, or a related condition. Under the Act, if an applicant or employee who is pregnant or has a condition related to pregnancy or childbirth requests an accommodation, an employer must engage in the interactive process with the applicant or employee and provide a reasonable accommodation to perform the essential functions of the applicant or employee's job unless the accommodation would impose an undue hardship on the employer's business.

The Act identifies reasonable accommodations as including, but not limited to:

- provision of more frequent or longer break periods;
- more frequent restroom, food, and water breaks;
- acquisition or modification of equipment or seating;
- limitations on lifting;
- temporary transfer to a less strenuous or hazardous position if available, with return to the current position after pregnancy;
- job restructuring;
- light duty, if available;
- assistance with manual labor or a modified work schedule.

The Act prohibits requiring an applicant or employee to accept an accommodation that the applicant or employee has not requested or an accommodation that is unnecessary for the applicant or the employee to perform the essential functions of the job.

An accommodation may not be deemed reasonable if the employer must hire new employees that the employer would not have otherwise hired, discharge an employee, transfer another employee with more seniority, promote another employee who is not qualified to perform the new job, create a new position for the employee, or provide the employee paid leave beyond what is provided to similarly situated employees. Under the Act, a reasonable accommodation must not pose an "undue hardship" on the employer. Undue hardship refers to an action requiring significant difficulty or expense to the employer. The following factors are considered in determining whether there is undue hardship to the employer:

- Nature and cost of accommodation;
- Overall financial resources of the employer;
- Overall size of the employer's business;
- Accommodation's effect on expenses and resources or its effect upon the operations of the employer;

If the employer has provided a similar accommodation to other classes of employees, the Act provides that there is a rebuttable presumption that the accommodation does not impose an undue hardship.

The Act prohibits an employer from taking adverse action against an employee who requests or uses a reasonable accommodation and from denying employment opportunities to an applicant or employee based on the need to make a reasonable accommodation.

POLICY NO. 205

ANTI-VIOLENCE

Employees have the right to a safe, violence-free and drug-free workplace. To that end, SMART's position on workplace violence is very inflexible. Employees who engage in workplace violence, whether instigating it or not, may be drug and/or alcohol tested.

Employees must not engage in physical and/or verbal intimidation, bullying, threats, or hostile behaviors, physical abuse, vandalism, arson, sabotage, use of weapons, carrying weapons onto SMART property regardless of whether or not the employee possesses a concealed carry permit, or any other act, which, in management's opinion, is inappropriate to the workplace. In addition, employees must refrain from making bizarre or offensive comments regarding violent events and/or behavior. Employees are expected to report any prohibited conduct to management.

Employees should immediately report any such occurrences to their supervisor. See complaint procedure in Section 207 below. Employees should directly contact law enforcement if they believe there is an imminent threat to the safety and health of themselves or co-workers.

POLICY NO. 206

SEXUAL HARASSMENT/ INAPPROPRIATE CONDUCT

Because sexual harassment raises issues that are to some extent unique in comparison to other harassment, SMART believes it warrants separate emphasis. SMART strongly opposes sexual harassment and inappropriate sexual conduct. Sexual harassment is defined as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature, when:

- Submission to such conduct is made explicitly or implicitly a term or condition of employment.
- Submission to or rejection of such conduct is used as the basis for decisions affecting an individual's employment.
- Such conduct has the purpose or effect of substantially interfering with an individual's work performance or creating an intimidating, hostile, or offensive work environment.

All employees are expected to conduct themselves in a professional and businesslike manner at all times. Conduct which may violate this policy includes, but is not limited to, sexually implicit or explicit communications whether in:

- Written form, such as cartoons, posters, calendars, notes, letters, emails
- Verbal form, such as comments, jokes, foul or obscene language of a sexual nature, gossiping, questions about another's sex life, or repeated unwanted requests for dates.
- Physical gestures and other nonverbal behavior, such as unwelcome touching, grabbing, fondling, kissing, massaging, and brushing up against another's body.

POLICY NO. 207

COMPLAINT PROCEDURE

Employees who believe there has been a violation of the EEO policy or harassment based on the protected classes outlined in this handbook, including sexual harassment, should use the following complaint procedure. SMART expects employees to make a timely complaint to enable SMART to investigate and correct any behavior that may be in violation of this policy.

1. Report the incident to the employee's supervisor or manager who will investigate the matter where appropriate and take corrective action. The complaint will be kept as confidential as practicable.
2. If an employee prefers not to go to either of these individuals with a complaint, the employee should report the incident to any SMART Board Member or the SMART General Counsel.

SMART prohibits retaliation against an employee for filing a complaint under this policy or for assisting in a complaint investigation. If an employee perceives retaliation for making a complaint or for employee's participation in the investigation, the employee should follow the complaint procedure outlined above. The situation will be investigated.

If SMART determines that an employee's behavior is in violation of this policy, appropriate disciplinary action will be taken against the offending employee up to and including suspension or termination of employment.

Filing a Retaliation Complaint

A retaliation complaint may be filed directly with the employee's supervisor or SMART's Executive Director. A retaliation claim must be filed within 90 days of the retaliation behavior. If there is a pattern of retaliation, the complaint must be filed within 45 days of the most recent alleged act or threat of interference or retaliation.

Investigation

The complaint will be investigated. SMART's Executive Director or the employee's supervisor will convene a meeting for the purposes of making a determination about the investigation. SMART's Executive Director may request any documentation or verbal statements by employees as may be legitimately required for appropriate fact finding.

Decision

If a finding that interference or retaliation has occurred, SMART's Executive Director will review the incident. The determination is final and binding. SMART's Executive Director will ensure that, through appropriate channels, corrective action is taken against the employee who is found to have interfered or retaliated. SMART's Executive Director will communicate the determination in writing to the complainant, if known, and to the person or persons accused of violating this guideline.

With regard to complaints where it is alleged that SMART's Executive Director interfered or took retaliatory action, the finding of the investigation shall be presented for a decision to the SMART Board Chair.

Appeal

An employee may appeal the decision to the SMART Board on the basis of whether the complaint is timely and qualifies for review under the scope of this Policy, and the SMART Board may request any documentation or verbal statements as may be reasonably necessary for appropriate fact finding and may conduct a hearing at which the employee filing the complaint may present the complaint in person.

POLICY NO. 208

WHISTLEBLOWER POLICY

SMART is committed to protecting employees from interference with or retaliation for having made a protected disclosure or for having refused an illegal order. SMART prohibits its employees, contractors, subcontractors, or other agents from discriminating in the terms and conditions of employment with respect to employees who:

- Provide information to or assist in securities law investigations with SMART supervisors or investigators, federal regulatory or law enforcement agencies, or Congress, or

- File, testify, participate in, or otherwise assist in any proceedings, including private actions, currently filed or to be filed involving alleged violations of the securities laws, SEC regulations, or securities fraud.

POLICY NO. 209

JOB DESCRIPTIONS

Job descriptions are available for each position within SMART. Immediate supervisors will provide employees with a copy of their job description and answer any questions that they may have regarding it. Each job description typically indicates duties and responsibilities, major reporting relationships, measures of job performance, and required skills, education, and physical ability.

POLICY NO. 210

CONFIDENTIALITY OF INFORMATION

In recognition of the trust and confidence placed in SMART by guests and employees, SMART must maintain the confidentiality of information within SMART. Confidential information obtained as a consequence of employment is released only when properly authorized and subject to the requirements of the Colorado Open Records Act. This information includes, but is not limited to, personnel records, confidential meetings, memoranda, documents, and other methods of internal communication. Any copying, reproducing, or distributing of confidential information in any manner must be authorized by SMART's Executive Director.

A breach of confidentiality may subject SMART to liability. Confidential information may not be used for the purpose of furthering a private interest or as a means of making a profit. Such use of confidential information will not be tolerated.

POLICY NO. 211

PERSONNEL RECORDS

SMART keeps a personnel file as a record of employment of its employees. It is important for this record to be up-to-date and complete. This enables SMART to reach employees in an emergency, forward your mail, and properly maintain insurance and other benefits. It also helps keep track of payroll deductions and many other things that are of concern to SMART employees. Employees should notify their supervisor immediately if there are changes in any of the following areas: name, residence, telephone, marital status, insurance changes, tax exemptions, person to notify in case of an emergency, and other relevant information. Additionally, employees should notify their supervisor upon completion of educational or training courses. This information may be considered with other employment records as job opportunities arise. All requests by employees to view their personnel records must be made in writing to the employee's supervisor with reasonable notice.

POLICY NO. 212

EMPLOYEE SELECTION

Application Accuracy

Prospective employees will be required to complete an employee application and necessary hiring forms. SMART reserves the right to verify all employment data. False or misleading information on an application or other hiring forms before or during employment may be cause for disciplinary action or employment denial. If an employee realizes he or she has put inaccurate information on forms, he or she must notify their supervisor and correct the information immediately.

Interviews

Considered applicants for SMART positions participate in an interview with the supervisor/manager of the department to which the position reports. Interviews will be job-related and will be used, in conjunction with employment and driver background checks, and a variety of other measures, as a tool for making hiring decisions.

Promotions

Employees may be considered for promotion to fill vacancies based upon the following factors including, but not limited to: individual's experience, training, work related background, attendance, present and past performance, and anything else management believes to be important to the job at the time the open position is filled. Length of service for SMART will be considered when two or more applicants possess equal qualifications. To be eligible to apply for a posted position, employees must meet the minimum hiring specifications for the position, be capable of performing the essential functions of the job with or without a reasonable accommodation.

Employees are responsible for monitoring job vacancy notices on SMART website and for completing an online application during the posting period for a specific opening.

POLICY NO. 213

EMPLOYMENT OF RELATIVES (see Code of Ethics)

SMART recognizes that the work force in the region is limited, and on occasion, more than one close relative may work for SMART and even in the same department. To avoid any real or apparent conflict of interest, impropriety or favoritism, no person shall be permitted to be involved in the hiring, evaluation, salary adjustments, promotions, disciplinary decisions or other budgetary or financial decisions of a relative. For purposes of this Section, a relative shall mean spouses, parents, children, brothers and sisters, grandparents, grandchildren, in-laws, or relatives living in the same household.

SECTION 300 – EMPLOYEE CLASSIFICATIONS AND COMPENSATION

POLICY NO. 301

EMPLOYEE CLASSIFICATION & INTRODUCTORY PERIOD

The following employee group definitions are assigned at the time of hire and are used to determine eligibility for benefits such as PTO, health insurance, etc.

Group 1 Full time, year-round employees (Exempt) - Exempt employees must meet both the duties test and the salary basis test under Fair Labor Standards Act for exempt status. Exempt employees are expected to work at least 40 hours per week or until the job is done, whichever is greater and are compensated based upon a biweekly salary. The employee is expected to work, at a minimum, the hours established for a department and be available when necessary outside those hours, either daily or weekly. No overtime will be paid for hours worked more than 40 hours per week.

Group 2 Full time, year-round, hourly employees (Non-exempt) - Full-time hourly employees are normally scheduled for 40 hours per week. Benefits are calculated based upon hours worked up to 40 hours per week. Some employees may regularly be scheduled less than a 40-hour week with supervisor approval.

Group 3 Seasonal employees (Non-exempt) - Work for a limited period, referred to as a season (i.e. summer season, winter season, shoulder season, or during summer or holiday breaks from school or a period of time identified and agreed upon by SMART and the employee on the date of hire).

Group 4 Part time, hourly employees (Non-exempt) –Part time employees generally work more than 15 hours, but less than 30 hours per week and have a schedule that has been defined and agreed upon prior to the commencement or employment.

Definition of Seasons:

- Winter Season – Thursday before Thanksgiving through Monday following close of ski season, based on available work.
- Summer Season – Wednesday before Memorial Day in May through the third Sunday in October, based on available work.
- Off-season Season - The period between the closing of the Gondola in April and the Wednesday before Memorial Day and between the third Sunday in October and the Thursday before Thanksgiving when SMART may be operating with a reduced work force.
- Other Season - A period identified and agreed upon by SMART and the employee and noted on the employment paperwork at the time of hire.

SECTION 400 – EMPLOYEE BENEFITS AND ELIGIBILITY

POLICY NO. 401

BENEFITS & ELIGIBILITY

Employee Benefits

This section describes the current employee benefits provided for SMART employees. The "Benefits Eligibility Chart" will familiarize you with our total benefits package. Seniority for benefits will accrue based on the employee's eligibility date.

BENEFIT	1	2	3	4
401(k)	x	x		
Bereavement Leave- paid	x	x		
Direct Deposit	x	x	x	x
Employee Assistance Program (EAP)	x	x	x	x
Employee Shuttles	x	x	x	x
Flex Spending Accounts (FSA) - Dependent Care	x	x		
Flex Spending Accounts (FSA) - Medical	x	x		
FMLA (minimum 1250 hrs., 1 yr. service)	x	x	x	
Holiday Pay		x	x	x
Jury Duty - full pay	x	x	x	x
Life Insurance - paid	x	x		
Life Insurance (PERA) - voluntary	x	x	x	x
Long Term Disability (LTD)	x	x		
Medical, Dental, Vision Insurance	x	x		
Military Leave (paid)	x	x	x	x
PERA	x	x	x	x
PTO (Paid Time Off)	x	x		

Eligible Dependents

Dependents eligible for coverage under SMART group health plan, employee assistance program, and other benefits are as follows:

1. The employee's lawful spouse, as defined in the State that you reside; if:
 - a. the spouse is not legally separated from the employee, and
 - b. the employee is eligible to claim a marital status of marriage on their Federal Income Tax Return as a result
2. Common-law spouse verified by valid affidavit
3. A covered *employee's* Civil Union partner, who meets the requirements of Colorado's Civil Union Act, on a post-tax basis; verified by civil union certificate
4. A covered *employee's* married or unmarried: natural born, blood-related child; step-child; foster child; a Civil Union partner's child; legally adopted child; child placed in the *employee's* legal guardianship by court order; or a child placed with the *employee* for purpose of adoption and for which the *employee* has a legal obligation to provide full or partial support; whose age is less than the *limiting age.

*The limiting age for each *dependent* child is 26 years of age.

Your supervisor must be notified within twenty-one (21) days to add newly acquired dependents (birth, marriage, adoption, etc.). New dependents become effective on the date of their eligibility.

POLICY NO. 402

401(k) PLAN

SMART participates in PERA's 401k retirement plan. Participation in the 401k plan is voluntary for eligible employees; employees who participate in the 401k plan decide how much money they want to contribute, consistent with current IRS regulations, and they control how their money is invested. 401k plan contributions will be automatically deducted from your paycheck and SMART will match that amount dollar for dollar based upon the table below. Employee contributions are 100% vested immediately.

Employees that are eligible for 401k will receive the following match:

- Employees in their first year of eligibility who contribute to the 401k will receive an equal matching contribution up to 2% to their 401k.
- Employees in their second year of eligibility who contribute to the 401k will receive an equal matching contribution up to 3% to their 401k.
- Employees in their third year of eligibility who contribute to the 401k will receive an equal matching contribution up to 4% to their 401k.
- Employees in their fourth year of eligibility and beyond who contribute to the 401k will receive an equal matching contribution up to 5% to their 401k.

A 401k summary plan description booklet outlining all aspects of the plan is provided to all Group I and II employees upon hire.

POLICY NO. 403

EMPLOYEE ASSISTANCE PROGRAM (EAP)

SMART recognizes there may be times when employees need professional help with substance abuse and other personal or family matters, therefore, SMART offers an Employee Assistance Program (EAP). All SMART employees and their families are eligible for three (3) free counseling sessions per incident per year. Two financial counseling sessions with certified financial planners and two 30-minute consultations with an attorney are also included. It is not necessary that employees consult their

Kim Montgomery 4/19/2017 10:19 AM

Comment [1]: I think Mountain Village is the only one who uses PERA for 401(k). We may want to keep this to a generic 401(k).

supervisor before using the EAP. Employees may confidentially request information about the EAP from their supervisor. An employee may seek assistance directly from the EAP by contacting:

Triad, EAP
Phone: 877.679.1100 or 970.242.9536
Fax: 970.257.1157
Email: triadeap.com
www.triadeap.com/SMART

HorizonCare
Phone: 888.293.6948
www.horizoneap.com
login: standard
password: eap4u

Use of the EAP must be on the employee's own time and is not designed to be a substitute for good job performance or an excuse for not completing their work duties and responsibilities. Those employees initiating a request for assistance from the EAP prior to receiving a positive drug or alcohol test or any disciplinary action for violating SMART policies will be given positive consideration for their attempt to obtain help.

POLICY NO. 404

MEDICAL/DENTAL/VISION/LIFE INSURANCE PLAN

SMART provides health, dental, vision and life insurance coverage for all eligible employees effective the first day of the month following 30 days of employment eligibility. Details about these coverages are outlined in the summary plan information provided to each employee upon hire. Dependents of the employees can obtain health, dental and vision coverage under the same group plan for a reasonable employee contribution. The dependent cost for coverage will be deducted from the employee's biweekly paycheck. Specific information regarding the health/dental/vision plan is available at **XXXXXXX**.

Dependent Eligibility

Dependents may only be covered if the employee is covered. Late enrollment may result in a delay of coverage. A dependent is eligible to be covered on the later of:

1. The date the *employee* is covered;
2. The date of the *employee's* marriage for a dependent acquired on that date.
3. The child's date of birth
4. The date a court order places a child in the *employee's* home. The child must be under the *employee's* legal guardianship
5. The date a child is legally adopted
6. The date a valid court order is issued which requires the *plan* to provide coverage
7. For a Civil Union partner, the date you meet the definition of dependent as stated in the plan

Newborn and Adopted Children

A newborn child of a covered employee or dependent is automatically covered during the first 31 days of life and an adopted child is automatically covered in the 31-day period immediately following placement of adoption. Coverage is only provided automatically under this plan in the absence of other coverage under another plan. Dependent coverage must be in force for coverage to continue past the first 31 days or the child's coverage will terminate immediately.

Annual Open Enrollment Period

Each year, a 30-day period will be provided for enrollment. Once employees have made elections for the year, employees' choices cannot be changed until the next annual enrollment period unless employees have a change in status or request to voluntarily terminate coverage mid-year. Completed enrollment forms must be received before the end of the 30-day annual enrollment period or employees will not be able to enter the plan until the next annual enrollment period or change in status.

Changes in Eligibility / COBRA Coverage

Employees must notify their supervisor immediately regarding ANY CHANGE IN ELIGIBILITY. If employees have a change in status, employees have 30 days from the date of that change to make new elections under this plan. Qualifying events include:

- Marriage, divorce, or legal separation
- Death of any dependent
- Birth or adoption of a child
- Total disability
- Employment status change of your or your dependent
- Employee's dependent child reaches 26 years of age
- Court order which requires you or another individual to provide coverage
- Retirement
- Medicare eligibility
- Medicaid plan or State child health plan eligibility

An employee's failure to inform their supervisor of a qualifying event may result in a dependent being uninsured. Qualifying events allow dependents to remain on the SMART plan by electing COBRA coverage. Coverage under COBRA for an employee and dependents may be elected for up to 18 to 36 months depending on the nature of the qualifying event. Employees should contact their supervisor with any questions they may have regarding COBRA coverage.

Upon termination of employment, all medical benefits will cease at the end of the month unless the employee elects to continue their coverage at their own expense under COBRA, for up to 18 months. Termination of continued coverage will occur if:

- The employee becomes covered under another group health plan,
- The employee becomes eligible for Medicare, or
- The employee fails to pay the monthly coverage premium

Survivorship Continuation

If an employee has dependent coverage in force on the date that employee dies, coverage under this plan will continue for the employee's surviving dependents that were covered under the plan on the date immediately preceding employee's death.

Coverage will end on the earliest of the following:

1. The end of two consecutive years following employee's death
2. The date employee's surviving dependents become covered under another group plan

Reinstatement of Coverage

If an employee's coverage ends due to termination of employment and the employee qualifies for eligibility under this plan again (are rehired or considered to be rehired for purposes of the Affordable Care Act) within 26 weeks from the date the employee's coverage ended, the employee's coverage will be reinstated. If the employee's coverage ends due to termination of employment and the employee does not qualify for eligibility under this plan again within 26 weeks from the date the employee's coverage ended, the employee will be treated as a new hire and will be required to meet all of the requirements of a new employee. Employee should refer to the Family and Medical Leave Act (FMLA) for possible exceptions.

Termination of Coverage

Coverage terminates:

1. For employees, the end of the month in which employment is terminated
2. For dependents, the day the employee's coverage terminates or the day the dependent no longer meets the plans eligibility requirements (for example, reaches 26 years of age)

NOTICE for Active Employees and Spouses Age 65 or Over

The plan cannot terminate your coverage due to age or Medicare status. An active employee that is eligible for Medicare due to age (age 65 or over) has the choice to:

1. Maintain coverage under this plan, in which case Medicare benefits would be secondary to this plan; or
2. End coverage under this plan, in which case Medicare would be the only coverage available to the employee. An active employee's spouse who is eligible for Medicare due to age (age 65 or over) has the same choice.

POLICY NO. 405

FLEXIBLE SPENDING PLANS

SMART offers eligible employees the opportunity to participate in flexible spending plans. Employees become eligible to participate in the plans on the first day of the month following thirty days of employment eligibility. These plans enable participants to pay health care and dependent care expenses with pre-tax dollars rather than after-tax dollars. The plans require advance annual enrollment and money not used during the period specified in the plan document is forfeited. Open enrollment is in November/December each year for the following year.

SMART currently offers three Flexible Spending (Section 125) Plans:

Premium Only Plan

This salary reduction plan converts employee premiums for health and/or dental benefits from an after-tax to a pre-tax basis. Employees who pay for health premiums are automatically included in this Plan, unless an employee specifically requests to be omitted from the Plan.

Health Plan

This plan allows employees to designate a portion of their income, up to a maximum amount allowed per year, to be placed into their flexible spending account. This money can be used to pay for medical expenses, such as dental care, vision care, coinsurance, deductibles, and over-the-counter and prescription drugs that are not covered by other insurance.

Dependent Care Plan

This plan allows employees to designate a portion of their income, up to a maximum amount allowed per year, to be placed into their flexible spending account. This money can be used to pay for eligible child or eldercare expenses.

In the event the above information conflicts with the actual terms and conditions of coverage, the latter governs. For more information, employee should refer to the Summary Plan Description, or contact their supervisor.

POLICY NO. 406

PAID TIME-OFF (PTO)

SMART strives to provide equity, consistency, and flexibility in the delivery of benefit alternatives to SMART employees. Where appropriate, certain benefits have also been designed to incorporate employee tenure to recognize and reward long-term service to SMART. All eligible employees accrue PTO based on the schedule as set forth below, not including overtime and leaves of absence.

It is the policy of SMART to provide employees necessary time away from work. This policy is implemented by means of the PTO plan, which covers all paid PTO previously available under SMART's PTO and PTO policies.

PTO can be utilized for any purpose, subject only to necessary request/ approval procedures consistent with this Employee Handbook.

PTO Accrual Plan

Years of Eligibility	Annual Accrual Rate (hours)	Hourly Accrual Rate	Maximum Bankable Hours	PTO Payout Cap
0 – 2 years	192	0.0923	384	124.8
2.1 – 3 years	208	0.1	416	129.6
3.1 – 4 years	216	0.1038	432	134.4
4.1 – 5 years	224	0.1076	448	139.2
5.1 – 6 years	232	0.1115	464	144
6.1 – 7 years	240	0.1153	480	146.4
7.1 – 8 years	248	0.1192	488	148.8
8.1 – 9 years	256	0.123	496	151.2
9.1 – 10 years	264	0.1269	504	153.6
10.1 – 11 years	272	0.1307	512	156
11.1 – 12 years	280	0.1346	520	158.4
12.1 – 13 years	288	0.1384	528	160.8
13.1 – 14 years	296	0.1423	536	160.8
14.01– 15 years	304	0.1461	536	160.8
15.1 – 16 years	312	0.15	536	160.8
16.1 – 17 years	320	0.1538	536	160.8
17.1 – 18 years	328	0.1576	536	160.8
18.1 – 19 years	336	0.1615	536	160.8
19.1– 20 years	344	0.1653	536	160.8
Ø 20 years	352	0.1692	536	160.8

Use of PTO

- PTO is accrued on a per hour basis up to 80 hours and may be used after the payroll in which it was earned.
- PTO time is available for an employee's absence due to a minor illness or injury. In the event an employee is absent for more than three days or in cases of excessive absenteeism, medical certification from a healthcare provider must be provided by the employee if requested by the employee's supervisor or Department Head. The Department Head may also require certification from a physician that the employee is capable of returning to work. (See FMLA)
- PTO will continue to accrue up to the Maximum Bankable Hours listed above but only the number of hours set forth below will be paid out at termination:
 - Non-scheduled use must be requested prior to the beginning of a shift or per departmental practices. Non-scheduled PTO requests may be denied depending on staffing needs.
 - Employees receiving Workers Compensation may use accrued PTO hours to return to 100% of their net salary.
 - Employees taking an unpaid leave of absence must use all accrued PTO hours before beginning unpaid leave.
 - Supervisors have the authority to encourage and/or deny use of PTO during critical times.

Termination Benefits

Upon termination of employment with SMART, PTO will be paid at the employee's hourly wage based upon the PTO Payout Caps listed above. Termination pay cannot be used to extend the employee's date of termination beyond the last scheduled workday.

Unemployment Insurance

SMART contributes a percentage of employee's wages to the state to provide unemployment benefits if an employee becomes unemployed through no fault of their own. Eligibility for benefits is an individual determination made by the appropriate state agency.

POLICY NO. 407

EMPLOYEE INFORMATION CHANGES

Employees are required to contact their supervisor if changes occur in the following information:

- Marital status
- Dependent insurance coverage information
- W-4 or 401(k) contribution
- Address, telephone or other contact information
- Driver's license or identification renewal
- Completion of education, credential or training program
- Beneficiary changes
- Bank information for direct deposit
 - *Inaccurate bank routing information may result in delayed processing of funds until the next pay period. Employee should use pre-note if unsure of account numbers.*

In some cases, an employee's insurance eligibility or other dependent coverage options may be affected by inaccurate information.

POLICY NO. 408

GARNISHMENTS AND ATTACHMENTS

By court action, a creditor may require SMART to withhold a certain percentage of an employee's pay. If garnishments or similar proceedings are instituted against an employee, SMART will deduct the required amount from the employee's paycheck. Garnishment actions are conducted in compliance with appropriate federal and state laws.

POLICY NO. 409

HOLIDAY PAY DATES

It is the policy of SMART to provide employees with certain holiday pay dates; Employees must work their regularly scheduled shift prior to and after the holiday to be eligible for the holiday pay rate. If an employee does not work on a holiday pay date they must use PTO if they want to be compensated for that day. All non-exempt employees of SMART shall receive time and one half if they work on the following designated official holiday pay dates:

- New Year's Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day

- Christmas Day

Compensation and Calculation of Holiday Pay

When a non-exempt employee is scheduled to work an official holiday pay date, the employee shall be paid time and one-half for the hours worked. (i.e. An employee that makes \$10.00/hr will be paid \$15.00/hr for working a designated holiday pay date). If overtime is worked on a holiday over forty hours, the overtime hours will be paid at 2.25 times the regular pay rate (i.e. if an employee that makes \$10/hr works 36 hours of regular time, and 8 hours on a holiday pay date he/she will be paid \$15/hour for 4 hours and \$22.50 for the 4 overtime hours).

POLICY NO. 410

LOST PAYCHECKS

Employees are responsible for their paychecks once they have been received from the supervisor. If an employee loses a check, he or she should immediately notify this or her supervisor. Employees should not expect to receive their replacement paycheck until five working days after a check has been reported lost. This delay is due to the amount of time required to stop payment on one check and to issue a new one.

POLICY NO. 411

OVERTIME COMPENSATION

From time to time, employees may be required to work overtime. In these instances, employees are given as much advance notice as practical. Non-exempt employees are paid at the rate of one and one-half times their regular rate for hours worked in excess of 40 during the established workweek. For purposes of calculating overtime, only hours actually worked are counted.

Non-exempt (Hourly) Employees

All non-exempt employees (employees paid on an hourly basis) will be compensated at an overtime rate of one and one-half times their regular rate for all hours worked in excess of 40 hours per week. A week is defined as Sunday through Saturday. Time paid but not worked (i.e. PTO and/or jury duty) will not be counted as hours in calculating weekly overtime. All overtime must be pre-authorized by a supervisor.

Exempt (Salaried) Employees

Exempt employees are not subject to overtime provisions. No overtime will be paid for hours worked more than 40 hours per week.

POLICY NO. 412

PAY PERIOD AND PAYDAYS

Employees are paid on a biweekly basis. The pay period runs from Sunday through Saturday. Actual paydays are regularly scheduled for the Friday following the close of the pay period the previous Saturday. Employees may obtain their paychecks and/or pay statements directly from their supervisor. We offer the option of having paychecks automatically deposited to bank account(s). Employees who also opt to receive an electronic statement can view/print their direct deposit statement via online employee self-service.

POLICY NO. 413

PAYROLL DEDUCTIONS

Applicable federal and state taxes are withheld from your paycheck each pay period. The law requires that a specified amount be withheld for Medicare Tax and **Public Employees Retirement Association (PERA)** benefits. The number of exemptions each employee claims on their W-4 form determines the amount of federal and state withholding. If an employee needs to increase the employee's federal or state withholding or change the number of exemptions claimed, the employee must initiate the changes with the employee's supervisor.

Kim Montgomery 4/19/2017 10:27 AM
Comment [2]: Same comment about PERA

POLICY NO. 414

PAYROLL DISRUPTION

If SMART experiences computer failure or some other complication that could cause disruption of the paycheck distribution schedule, SMART will use its best efforts to distribute the paychecks within forty-eight (48) hours of the affected payday.

POLICY NO. 415

PERSONAL EXPENSES

From time to time employees may use cash or their personal credit card on behalf of SMART. These circumstances should be rare and limited to relatively minor sums of money. SMART will only reimburse employees for expenses incurred while conducting legitimate SMART business, including training, and accompanied by a receipt.

POLICY NO. 416

TIME REPORTING

All employees are required to record the hours worked and project tasks via time clock, computer, or phone. Time utilized commuting to and from the workplace is not considered hours worked. Scheduled time off for any employee must be taken as PTO or unpaid leave. All timesheets must reflect the actual hours worked. The accuracy of employee time reporting is the responsibility of the employee.

The supervisor is responsible for verifying, approving, and submitting time records. If there is a discrepancy between times shown on the time record and the employee's paycheck, employees should notify their supervisor immediately. If an employee has not recorded his or her time properly, adjustments may be made to the next paycheck if appropriate.

Employees may not punch another person's time card. Employees may not falsify information on time cards. Should an employee punch another person's time card by mistake, the employee must notify their supervisor immediately. Falsification or tampering with time records or violation of this policy is subject to disciplinary action including termination.

POLICY NO. 417

TIPS, COMMISSIONS OR FEES

The solicitation or acceptance of unauthorized tips, commissions, fees, or items of monetary value from guests, representatives, suppliers, or any other source, as compensation for services rendered is improper and illegal. (See Code of Ethics)

POLICY NO. 418

TRAVEL, TRAINING & EDUCATION

Employees may be given the opportunity to develop their work capacity so that they can improve and extend their contribution to the employer. The department head must approve in advance any employee training to determine the value to the employee and SMART.

A completed *Per Diem Travel Expense Form* with department head approval is necessary for any reimbursement. Cash advances may be allowed if requested at least 48 hours in advance. Expenses for alcoholic beverages and personal

entertainment are not reimbursable. Mileage for use of a personal vehicle is reimbursable at the current IRS rate. Registration fees and/or airfare are generally paid before the trip.

SECTION 500 – TIME OFF AND TYPES OF LEAVE

POLICY NO. 501

TIME OFF

Absence Requests

Requests for absence from work must be submitted to the employee's supervisor. Supervisors have the authority to grant or deny requests based upon a variety of factors including but not limited to: department staffing considerations, reason for needing the absence, whether the employee has adequate PTO accrued to accommodate the request, tenure with SMART, etc. Failure to submit absence requests in a timely manner may result in requests being denied.

POLICY NO. 502

BEREAVEMENT/FUNERAL

All full time, year-round employees will be granted up to five days (40 Hours) of paid leave due to a death of an immediate family member. "Immediate family" is defined as follows: spouse, children, parents, brothers, sisters, grandchildren, or grandparents of either employee or employee's spouse. This paid leave is in addition to any PTO the employee may be eligible for. SMART reserves the right to request proof of such death. Pay will be calculated based on straight time of the employee's normally scheduled work week.

POLICY NO. 503

DOMESTIC ABUSE LEAVE

SMART provides leave to employees who are the victims of domestic violence or abuse, stalking, sexual assault, or a crime found by the court to include an act of domestic violence. To be eligible for this leave, an employee must be employed for at least 12 months preceding the leave. Upon reasonable notice (except in cases of imminent danger to the health or safety of an employee), an employee may take up to three working days of leave in any 12-month period. The 12-month period will be measured forward from the date the first domestic violence leave begins.^a Leave is unpaid although employees may use accrued PTO. Employees must use the leave to:

- Seek a civil protection order to prevent domestic abuse
- Obtain medical care or mental health counseling for him or her or for his or her children to address physical or psychological injuries resulting from the domestic abuse, stalking, sexual assault, or other crime involving domestic violence
- Make his or her home secure or seek new housing to escape the perpetrator
- Seek legal assistance and prepare for and attend court-related proceedings arising from acts of domestic violence

Employees must contact their supervisor to request leave. SMART requires appropriate documentation to approve this leave. Appropriate documentation may include police reports, court orders, confirmation of court appearances, or documentation from medical and other professionals.

POLICY NO. 504

UNPAID TIME OFF/EXTENDED LEAVES OF ABSENCE

Employees may, with their department director's approval, take unpaid time off from work; however, employees are required to exhaust all PTO first.

Full time, year-round employees may be granted an extended leave of absence that is voluntary time off without pay for reasons other than otherwise protected under federal or state law (illness, disability). Such requests will be granted in SMART's sole discretion based on a variety of factors, but not limited to, the reason for, and length of the requested leave, length of employment, employee performance, workload, and the ability of SMART to cover an employee's job responsibilities during the requested leave. To be eligible for an unpaid personal leave of absence, employees must be in good standing and have continuously worked for SMART for one year.

SMART will consider an unpaid personal leave of absence up to six weeks.

Employees should submit requests to their supervisor. Except in the case of emergencies, requests for personal leaves of absence should be submitted at least four weeks in advance of the need for the leave. Employees must use all paid leave available before starting a personal leave of absence. Employees will not accrue PTO during unpaid time off since PTO is based upon hours worked. Paid bereavement leave or employer's jury duty pay are not granted on unpaid leave. Health, dental and vision benefits will remain in force if the individual makes prior arrangements to pay their share of the costs. Employees should consult human resources to determine the impact of any approved leave on an employee's eligibility for group benefits and required premium payments.

POLICY NO. 505

JURY DUTY

Employees will receive the necessary time off for jury duty. Any employee who is summoned for jury duty or subpoenaed in connection with his or her employment during regularly scheduled work time will be compensated for scheduled hours. When summoned, employees should notify and submit a copy of the summons to their immediate supervisor. If excused from jury duty during regular working hours, employees are expected to return to work. Employees will receive their normal pay for all jury duty hours worked that coincides with their regularly scheduled work time. Employees must endorse all jury duty compensation checks to SMART or have the amount deducted from their pay.

POLICY NO. 506

FAMILY AND MEDICAL LEAVE (FMLA)

SMART provides up to 12 weeks of unpaid, job-protected leave to eligible employees for the following reasons:

- Incapacity due to pregnancy, prenatal medical care, or child birth.
- To care for the employee's child after birth, or placement for adoption or foster care.
- To care for the employee's spouse, son or daughter, or parent, who has a serious health condition
- Serious health condition that makes the employee unable to perform the employee's job.

Military Family Leave Entitlements

Eligible employees with a spouse, son, daughter, or parent on active duty or called to active duty status in the Armed Forces, National Guard, or Reserves may use their 12-week leave entitlement to address certain qualifying exigencies. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, and attending post-deployment reintegration briefings.

FMLA also includes a special leave entitlement that permits eligible employees to take up to 26 weeks of leave to care for a covered service member during a single 12-month period. A covered service member is: (1) a current member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious injury or illness*; or (2) a veteran

who was discharged or released under conditions other than dishonorable at any time during the five-year period prior to the first date the eligible employee takes FMLA leave to care for the covered veteran, and who is undergoing medical treatment, recuperation, or therapy for a serious injury or illness.*

*The FMLA definitions of “serious injury or illness” for current service members and veterans are distinct from the FMLA definition of “serious health condition.”

Benefits and Protections

During FMLA leave, SMART maintains the employee’s health coverage under any group health plan on the same terms as if the employee had continued to work. Employees must continue to pay their portion of any insurance premium while on leave. If the employee is able but does not return to work after the expiration of the leave, the employee will be required to reimburse SMART for payment of insurance premiums during leave.

Upon return from FMLA leave, most employees are restored to their original or equivalent positions with equivalent pay, benefits, and other employment terms. Certain highly compensated employees (key employees) may have limited reinstatement rights.

Use of FMLA leave cannot result in the loss of any employment benefit that accrued prior to the start of an employee’s leave. As with other types of unpaid leaves, paid leave will not accrue during the unpaid leave. Holidays, funeral leave, or employer’s jury duty pay are not granted on unpaid leave.

Eligibility Requirements

Employees are eligible if they have worked for SMART for at least 12 months and for 1,250 hours over the previous 12 months.

Definition of Serious Health Condition

A serious health condition is an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee’s job, or prevents a qualified family member from participating in school or other daily activities.

Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than three consecutive full calendar days combined with at least two visits to a health care provider or one visit and a regimen of continuing treatment, or incapacity due to pregnancy, or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.

Use of Leave

The maximum time allowed for FMLA leave is 12 weeks in the 12-month period. SMART uses the 12-month period measured forward from the first day of an employee’s leave.

An employee does not need to use this leave entitlement in one block. Leave can be taken intermittently or on a reduced leave schedule when medically necessary. Employees must make reasonable efforts to schedule leave for planned medical treatment so as not to unduly disrupt SMART’s operations. Leave due to qualifying exigencies may also be taken on an intermittent basis. .

Employees taking intermittent or reduced schedule leave based on planned medical treatment and those taking intermittent or reduced schedule family leave with SMART’s agreement may be required to temporarily transfer to another job with equivalent pay and benefits that better accommodates that type of leave.

Substitution of Paid Leave for Unpaid Leave

SMART requires employees to use accrued paid leave while taking FMLA leave. Paid leave used at the same time as FMLA leave must be taken in compliance with SMART's normal paid leave policies. If an employee's leave of absence does not constitute paid leave as defined by SMART's paid leave policies, the employee cannot use accrued paid leave, but can take unpaid leave. FMLA leave is without pay when paid leave benefits are exhausted.

Employee Responsibilities

Employees must provide 30 days advance notice of the need to take FMLA leave when the need is foreseeable. When 30 days' notice is not possible, the employee must provide notice as soon as practicable and generally must comply with SMART's normal call-in procedures.

Employees must provide sufficient information for SMART to determine if the leave may qualify for FMLA protection and the anticipated timing and duration of the leave. Sufficient information may include that the employee is unable to perform job functions; the family member is unable to perform daily activities, the need for hospitalization or continuing treatment by a health care provider, or circumstances supporting the need for military family leave. Employees also must inform SMART if the requested leave is for a reason for which FMLA leave was previously taken or certified.

Employees also may be required to provide a certification and periodic recertification supporting the need for leave. SMART may require second and third medical opinions at SMART's expense. Documentation confirming family relationship, adoption, or foster care may be required. If notification and appropriate certification are not provided in a timely manner, approval for leave may be denied. Continued absence after denial of leave may result in disciplinary action in accordance with SMART's attendance guideline. Employees on leave must contact the Human Resource Director at least two days before their first day of return.

SMART's Responsibilities

SMART will inform employees requesting leave whether they are eligible under FMLA. If they are, the notice will specify any additional information required as well as the employees' rights and responsibilities. SMART will provide a reason for the ineligibility if they are not eligible.

SMART will inform employees if leave will be designated as FMLA-protected and the amount of leave counted against the employee's leave entitlement. If SMART determines that the leave is not FMLA-protected, SMART will notify the employee.

Unlawful Acts

- FMLA makes it unlawful for SMART to: Interfere with, restrain, or deny the exercise of any right provided under FMLA.
- Discharge or discriminate against any person for opposing any practice made unlawful by FMLA or for involvement in any proceeding under or relating to FMLA.

Enforcement

An employee may file a complaint with the U.S. Department of Labor or may bring a private lawsuit against SMART.

FMLA does not affect any federal or state law prohibiting discrimination, or supersede any state or local law or collective bargaining agreement which provides greater family or medical leave rights.

Non-Work Related and Non-FMLA Medical Leave

Employees who have not worked 12 months or 1,250 hours are not eligible for SMART's FMLA guideline. New employees requiring non-work related medical leave may have up to two (2) weeks unpaid time off without jeopardizing their employment status. Employees requiring more time off than two weeks may be involuntarily terminated in order to allow SMART to address staffing needs. Employees terminated under these circumstances may be eligible for consideration for future positions once they are able to return to work.

Any employee requiring non-work related medical leave must produce a doctor's excuse in order to receive approval for that leave. Upon the employee's return to work, he or she must produce a doctor's release for full or modified duty.

Family Care Act Leave

SMART provides up to 12 weeks of unpaid leave to eligible employees to care for their partners in a civil union or domestic partnership, who have serious health conditions. Generally, leave under the Family Care Act is administered consistent with FMLA regulations. Contact your supervisor or your supervisor if you need family care leave.

Military Leave/ Reserve Duty

Employees are granted an unpaid military leave of absence, subject to federal law.

If employees are in the Reserves or National Guard and are called for training, the training period will not be charged to paid time off (PTO) unless the employee makes such a request. SMART currently compensates employees for a portion of military leave by paying employees the difference between military pay (not including travel or subsistence allowances) and SMART pay up to 15 days per calendar year.

SMART prohibits retaliation against any employee for taking time off under this policy. Employees who believe there has been a violation of SMART's retaliation standard, should contact his or her supervisor.

POLICY NO. 507

OFFICE CLOSURES

In the case of inclement weather or emergency conditions, SMART may close facilities or suspend operations. Employees are expected to be at their work stations unless SMART declares the offices officially closed. Any employee who is absent from this or her work station when offices are officially open will be charged personal time off (PTO) or leave without pay for the time missed. Employees will be paid for their regular work day when offices are officially closed due to weather conditions.

POLICY NO. 508

VOTING

SMART will give an employee time off to vote. The employee will be paid for working time he or she is required to miss to vote. The employee is required to apply for the leave before the day of election and the supervisor may specify the hours that the employee may be absent, provided, however, that the hours shall be at the beginning or end of a shift if the employee so requests.

SECTION 600 – WORK ENVIRONMENT

POLICY NO.601

APPEARANCE

SMART believes an employee's dress and grooming should be appropriate to the work situation. Radical departures from what SMART considers conventional dress or grooming are not permitted, regardless of the nature of the job performed.

Personal appearance is important to maintaining our commitment to excellence, and SMART's commitment to a professional image. While appearance is a matter of personal taste and personal pride, certain standards must be adhered to. Employees may be required to wear a specific uniform, however if they are not, they are expected to have a "resort casual" appearance. In that respect, the following list is a partial list of inappropriate attire/styles:

- Extremely "short" shorts, skirts and dresses.
- Extremely low cut blouses or shirts with cleavage or chest hair showing.
- Clothing that reveals undergarments (or lack thereof).
- Frayed, worn-out or overly faded clothing.
- Belts, chains, or other attachments that could become a safety issue.
- Excessive ear piercing (more than three earrings per ear).
- Any overly-extreme hairstyles, dress, or jewelry.
- Flip-flops, thongs, or sandals worn in safety sensitive areas are not permissible. These types of shoes may only be worn where job appropriate and where safety standards permit.

All employees should wear their hair clean and neatly groomed so that it does not interfere with operational duties or the professional image of the employee. Departmental guidelines may require certain hair restrictions due to health and safety requirements at the direction of their department supervisor/manager.

POLICY NO. 602

ATTENDANCE AND PUNCTUALITY

Excessive absenteeism and late attendance places a huge burden on other employees and on SMART. In many cases, working short staffed compromises employee safety and it is detrimental to the quality of guest service we provide the public and our customers. Each employee is expected to be prompt and regular in attendance. Your attendance and punctuality record will be a key consideration in granting pay raises, promotions, or transfers. Personal appointments should be scheduled during the lunch hour or after work hours, whenever possible. If scheduling a personal appointment during working hours is necessary, advance approval from your supervisor is required.

SMART has a strict policy relative to an employee's failure to report to work. As soon as you know that you will be absent or late to work, you must telephone your supervisor to report your absence or lateness. Permission not to report to work must be obtained directly from your supervisor. Leaving a message with a non-designated employee is not acceptable. Failure of an employee to promptly report an absence or lateness will not be tolerated. The employee's supervisor will determine what constitutes an excused or unexcused absence. SMART reserves the right to make allowances, at its sole discretion, for what it considers emergency or extraordinary circumstances.

POLICY NO. 603

NAME TAGS

Failure to wear a provided nametag or wearing another person's nametag is not acceptable. Employees who lose their nametags, should notify their supervisor immediately so that a replacement can be obtained.

Front-line employees are asked to wear buttons to be more visible for guests, visitors, and residents.

POLICY NO. 604

ID CARDS

Employees are issued employee identification cards when required by their position. Upon termination employees must return cards to their supervisor.

POLICY NO. 605

UNIFORMS

Many employees are required to wear a uniform during working hours, furnished by SMART. When uniforms and other SMART owned equipment are issued, employees will be asked to sign a uniform/equipment log identifying each item received its value and SMART's policy regarding return of these items to SMART. The uniform/equipment log clearly states that the value of any items not returned to SMART may be deducted from an employee's final paycheck

Employees are responsible for the maintenance of all uniforms and equipment assigned to them. All uniform and employee clothing shall be in good condition, free of stains, rips, holes, and excessive wear. It is the responsibility of each SMART employee to maintain his/her uniform work clothing in a neat, clean, and identifiable condition. Replacement of worn, tattered or stained clothing may be arranged with the supervisor upon the return of the excessively worn or stained clothing at the supervisor's discretion.

Department Managers and Supervisors are responsible for department inventory of all uniforms – issuing at hire and collecting upon termination. Employees will be charged for all items not returned.

POLICY NO. 606

LUNCH

Supervisors determine when, during a shift, an employee may take a lunch period. Lunch periods are not paid by SMART unless the employee is required to take a working lunch. Employees who take their meal breaks at their desks are asked to refrain from working during that time. SMART encourages employees to leave their work area during meal time. On the rare occasion that an employee must work through lunch, due to staffing shortage or other considerations, the employee will be paid for the portion of their lunch time worked. Prior authorization is required before employees work overtime or through meal breaks. Employees who abuse this regulation may be subject to disciplinary actions.

POLICY NO. 607

COMMUNICATION SYSTEMS POLICY

The communication systems are property of SMART and intended for business use, therefore, SMART maintains the ability to access any computer files, use of software, Internet usage, voice mail and e-mail. Although employees may select individual passwords, employees should not assume that such files are confidential; however, other than management employees acting on behalf of SMART, employees should not attempt to gain access to another employee's computer, Internet files, e-mail or voice mail without the latter's permission.

Email

Because SMART provides the e-mail system to employees to help them with the performance of their jobs, it should be used for official business. Incidental and occasional personal use of email is permitted. However, employees should be aware that these

messages will be treated the same as business messages, and subject to review at any time without notice. Employee correspondence on email may be a public record under the public records law and may be subject to public inspection.

Employees cannot control where their messages will ultimately end up. For example, a message meant for one person can be mistakenly sent to the wrong individual(s), or the message can be forwarded to unintended recipients. In addition, e-mails that were deleted are stored elsewhere on the system.

Personal Use of the Internet

Use of the internet must not interrupt the operation of SMART network or interfere with employee productivity.

Software and Copyright

SMART licenses and does not own the software it utilizes. Therefore, use of the software must be in accordance with the applicable Software Agreements or as directed by SMART's designated Software Manager.

Employees must not use SMART's technology resources to copy, retrieve, forward, or send copyrighted materials unless the employee has the author's permission.

Voice Mail

Employees are responsible to make certain their voice mail messages are reviewed in a timely fashion. When employees know that they are going to be out of the office for a day or more, they must leave messages on their voice mail stating when they will be returning messages, and who will be an alternate contact in the meantime.

Telephones/ Cell Phones / Mobile Devices

SMART provides mobile devices to those employees who need them to perform their jobs. Such devices are intended for business use. In the interest of good business practice, personal telephone calls, including those made with cell phones, must be minimal and not interfere with employees' performance of their jobs. Where personal use of SMART phones costs SMART money, SMART is entitled to reimbursement. This includes any additional expenses incurred when doing an upgrade.

For safety reasons, employees should avoid the use of cell phones while driving. In accordance with Colorado law, all drivers are prohibited from texting while driving.

SMART cell phone numbers shall be published on the SMART website. Phone numbers remain with SMART upon termination.

POLICY NO. 608

CONFLICT OF INTEREST

A "conflict of interest" exists when the interests of SMART or the community it serves are compromised by an employee's involvement in outside interests, businesses, or employment. Employees must report in writing any outside interests, businesses, or employment to their supervisor so that any possible conflicts of interest may be identified.

An employee may engage in outside interests, businesses, or employment only after the following has occurred:

- The employee has informed their supervisor and the SMART Administrator in writing,
- No conflict of interest is found to exist, and
- The employee has received written permission from the SMART Administrator to proceed.

Where there is the possibility of a conflict of interest an employee may be asked either to forgo outside interests, businesses, and employment during his or her employment with SMART or to seek employment elsewhere. SMART believes that, in these instances, the community is better served by doing what is right rather than what is expedient or of direct personal gain.

SECTION 700 – DISCIPLINE / DISCHARGE

POLICY NO. 701

DISCIPLINE / DISCHARGE

Occasionally performance or other behavior falls short of SMART standards and/or expectations. Disciplinary actions can range from a formal discussion with the employee about the matter to immediate discharge. Action taken by management in an individual case does not establish a precedent in other circumstances. An employee's conduct is a major factor affecting the health and growth of SMART. It is also an important aspect of SMART's image within the community. When management finds an employee's performance is unsatisfactory or an employee's conduct is unacceptable, disciplinary action may be taken. If it becomes necessary to discipline an employee for unsatisfactory performance or violation of SMART policies and procedures, one or more of the following disciplinary actions may be taken.

Verbal Reprimand – A verbal reprimand is usually considered the least serious form of disciplinary action. It is generally intended to inform the employee of the need for improvement in job performance or to confirm an employee's understanding and application of SMART policies and procedures. Written documentation of a verbal reprimand, verifying that the employee has been informed and is aware of the issue in question will be filed. Goals for improvement are established and documented. Both the supervisor and the employee may make comments on the documentation and both must sign it.

Written Reprimand – A written reprimand is a formal reprimand considered to be an appropriate disciplinary action to be taken for more serious job performance or SMART policy infractions. This type of reprimand requires a counseling session with the employee during which the supervisor discusses the serious performance or policy related problem with the employee. A Disciplinary Notice form is filled out as written documentation of the written reprimand, verifying that the employee has been informed and is aware of the issue in question. Goals for improvement are established and documented on the form. Both the supervisor and the employee may make comments on this form and both must sign it.

Termination – While meant to be the exception rather than the rule, immediate termination without warning may be a justified course of action in light of the seriousness of the particular violation and for employees who are repeat violators of policies and work rules. The employee is clearly informed as to the reason(s) for termination during a counseling session with their Supervisor. The employee is given the opportunity to make this or her written comments and sign the "Termination Record" form.

Employees should realize that these general guidelines for disciplinary action must have a degree of flexibility as there are varying degrees of seriousness that pertain to performance and/or policy infractions. SMART does not have a policy of progressive discipline and reserves the right to handle each disciplinary issue on a case-by-case basis. The fact that SMART has or has not utilized any of these actions does not set any precedent and should not be relied upon in future disciplinary situations by any employee.

POLICY NO. 702

DRUGS & ALCOHOL

SMART is committed to a safe, healthy, and productive work environment for all employees that are free from the effects of substance abuse. Abuse of alcohol, drugs and controlled substances impairs employee judgment, resulting in increased safety risks, injuries, and faulty decision-making; this includes working after the apparent use of marijuana.

In accordance with the Drug-Free Workplace Act of 1988, SMART prohibits the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance during work time, on work premises, or other work sites.

Testing is an important element in SMART's efforts to ensure a safe and productive work environment. Employees should contact their supervisor if they have specific questions.

POLICY NO. 703

PARTIES & ACTIVITIES

As a measure of SMART's responsibility to promote safety, the following standards have been established for SMART-sponsored events and activities:

- Alcohol is not allowed on SMART premises. All possession and/or consumption of alcohol on SMART premises shall be considered in direct violation of SMART Drug and Alcohol Policy.
- Employees scheduled to work immediately following attendance at a SMART-sponsored event must refrain from the use of alcohol during the event.
- Employees attending a SMART-sponsored event who are not scheduled to work immediately following the party must exhibit good judgment in their alcohol consumption to ensure their capability of safe travel home.

POLICY NO. 704

INSPECTIONS

SMART may conduct searches after notice is given and with the employee's consent of employees' personal effects. This may include, but is not limited to: lunch bags, boxes, purses, personal computers, packages, or vehicles.

SMART may conduct searches of the above items without employee consent if we have a reasonable suspicion to believe that illegal activity is taking place and after obtaining a warrant to do so. Any illegal and unauthorized articles discovered may be taken into custody and will be turned over to law enforcement representatives.

Employees do not have a reasonable expectation of privacy in lockers, desks, cabinets, or file drawers, all of which are keyed by SMART and copies of those keys are kept by SMART.

POLICY NO. 705

PERFORMANCE EVALUATIONS

SMART reserves the right to review employee performance at any time. Evaluating employee job performance and providing feedback is an important factor in making employment-related decisions. Seasonal employees will receive evaluations at the end of each season. All other employees receive an annual performance evaluation.

POLICY NO. 706

EMPLOYEE POLITICAL PARTICIPATION

SMART encourages employees to participate in matters of responsible citizenship. SMART will not interfere with the conduct of employees engaged in political activity, if the activities are confined to hours when the employees are not on duty, are not campaigning in their official SMART uniforms, and that the activities do not impair the employee's job efficiency or that of others. Employees whose principal employment is in connection with federally financed activities are subject to the following federal requirements as a condition of such employment.

1. Covered employees may not use their official authority or influence for the purposes of interfering with or affecting the results of elections or nominations for office.
2. In addition, they may not coerce, attempt to coerce, command, or advise other covered employees to pay, lend or contribute anything of value to a party, committee, town, agency, or person for political purposes.

Political beliefs, activities, and affiliations are the private concern of the employee. An employee's work status is not affected by participating or not participating in lawful civic and political activities. No employee of SMART can directly or indirectly coerce or command any other employee to pay, lend, or contribute salary, compensation, service, or anything else of value to any political party, group, town, or candidate.

Any SMART employee may be a candidate for a partisan political office if the involvement does not interfere or present a conflict of interest with his/her job. If involvement is necessary during normal working hours, the individual must take PTO or leave without pay. Employees whose salary comes in part or in whole from federal government sources are subject to the Hatch Act and its revisions.

POLICY NO. 707

PROBLEM SOLVING

Employees who have a problem concerning a work-related matter, should discuss it with their immediate supervisor, where appropriate. Normally, this discussion should be held within 3-5 days of the incident or in a timely manner. Discussions held in a timely manner will enhance our ability to resolve concerns while it's fresh in everyone's mind. Most misunderstandings can be resolved at this level.

If the solution offered is not satisfactory, or if it is inappropriate to go to the supervisor, then employees are encouraged to take the problem to their supervisor [Administrator]. If the problem still cannot be resolved, employees may submit a written complaint to the SMART Board of Directors for review and final decision about the situation.

POLICY NO. 708

PROPERTY LOSS OR DAMAGE

Theft of SMART or Employee Property

SMART assumes no responsibility for the property of its employees, however, SMART is committed to ensuring a safe and secure working environment. Theft of money or property from SMART or its employees will be promptly and thoroughly investigated. Such investigations will be conducted by SMART and, if the size and nature of the theft warrants, the appropriate Law Enforcement Department (depending on municipality/location theft occurred). All employees are asked to assist in ensuring the on-going security of SMART and employee property by immediately reporting any suspicious activity to their supervisor, your supervisor, or law enforcement.

POLICY NO. 709

SMART PROPERTY LOSSES OR DAMAGE

All losses of SMART property, including theft, fire, or accidental damage, must be reported immediately to a supervisor. In cases involving losses or damage to property, SMART may ask an employee to submit to a drug and/or alcohol test in accordance with SMART's Drug and Alcohol Policy. The employee has the option of obtaining insurance to cover any possible loss or damage to personal property.

POLICY NO. 710

SMART VEHICLES AND EQUIPMENT LOSSES

Employees must comply with all state and local laws in reporting accidents involving SMART vehicles and equipment. All vehicle accidents on public roads or private property should be immediately reported to the appropriate law enforcement agency and to the employee's supervisor. Vehicles involved in an accident should not be moved until a law enforcement officer provides direction to do so.

POLICY NO. 711

INCIDENT INQUIRIES

Employees should anticipate that an accident or incident relating to SMART's operations will generate inquiry from the press, insurance adjusters, attorneys, etc. Before responding to any such inquiry, it is essential that employees first bring the inquiry and the circumstances surrounding the inquiry to the attention of their supervisor and the SMART Administrator. Employees should not talk to anyone regarding the incident without permission from the SMART Administrator. Employees should obtain the phone number and name of the individual inquiring and indicate that they will have someone follow up. By following this procedure, employees will not only protect their own interests but also the interests of SMART.

POLICY NO. 712

SMOKING

SMART prohibits smoking and tobacco chewing in the workplace; this includes e-cigarettes and all other tobacco products. An employee's time away from the job to smoke or chew tobacco is limited to breaks and lunch.

In accordance with the Colorado Clean Indoor Air Act, smoking is prohibited in all SMART facilities, vehicles, or in any workplace. This includes lobbies, elevators, restrooms, reception areas, hallways, and any other common-use areas. In addition, smoking is prohibited within 15 feet of any main entrance; this includes all buildings.

POLICY NO. 713

TERMINATING EMPLOYMENT

Exit interviews

Exit interviews gather constructive feedback from employees who leave SMART. The purposes of this interview are to review eligibility for benefit continuation and conversion, ensure necessary forms are completed, collect all SMART property that may be in the employee's possession (keys, phones), and provide employees with an opportunity to discuss their job-related experiences. Employees may be considered for re-employment provided they qualify for the position of interest and while they were employed with SMART maintained satisfactory performance and attendance.

Final Paycheck Issuance

The supervisor ensures that all SMART property (uniforms, keys, tools, radios, ski passes, advances, etc.) is returned or paid back prior to the preparation of the employee's final check. As disclosed in this handbook, SMART will deduct an amount equal to the value of all money owed or un-returned SMART property from the employee's final paycheck OR depending upon the circumstances, SMART may hold a portion of the employee's final check pending the return of SMART property or money. Final

paychecks are issued for all voluntarily and involuntarily terminated employees on the next regularly scheduled payday, unless other arrangements are requested and approved for earlier issuance. Paydays occur every two weeks on Friday.

POLICY NO. 714

VEHICLE USE

SMART owns a variety of vehicles that are used for transporting personnel, equipment, and supplies, and for working on a variety of projects. In some cases, employees use vehicles during and after normal business hours while conducting SMART business. Employees of SMART will not be authorized to use SMART-owned vehicles for personal use. "Personal use" is defined as any use of a vehicle that does not occur during the performance of one's job duties. The operation of SMART vehicles by non-employees (i.e.; friends or family members of employees) is strictly forbidden. Non-employees shall not use, operate, or perform any kind of maintenance on a SMART vehicle.

Any employee who operates a SMART vehicle must be on a qualified SMART Vehicle Operator list and must meet the following criteria:

- Have valid Drivers' License to operate vehicle,
- Have supervisor's authorization to operate the vehicle,
- Have acceptable driving record (as verified by a DMV background check),
- Be operating a vehicle on SMART business or for authorized direct commute to work or home only,
- Have completed vehicle checklist before operating the vehicle,
- Obey ALL traffic laws, and
- Be responsible for ensuring the safe operation of the vehicle at all times.

The driver and passengers must utilize the safety seat belts at all times when the vehicle is in service in compliance with Colorado law. A driving record search will be conducted on all drivers prior to employment and subject to observation throughout employment.

The following activities will not be tolerated:

- Operating a SMART vehicle in violation of applicable laws and regulations or in a careless manner.
- Operating a SMART vehicle without permission.
- Operating a SMART vehicle without a valid driver's license or without proof of insurance.
- Operating a SMART vehicle while using or while under the influence of alcohol or drugs.
- Smoking and tobacco chewing are strictly prohibited in SMART vehicles
- Utilizing a SMART vehicle to transport hitchhikers.
- Falsification of information on employee's driving history

If an employee operates a SMART vehicle in violation of any of the above, the employee will receive a written warning and depending upon the nature and circumstances surrounding the infraction, may be subject to additional disciplinary action up to and including termination. If the driver is cited and fined for an invalid driver's license, proof of insurance, expired registration, driving a vehicle not in proper working condition or for disobeying the law, any fines will be the responsibility of the employee. These are not SMART expenses. Proof of insurance and copies of the current registration can be obtained from the transportation department.

POLICY NO. 715

USE OF SMART OWNED, LEASED OR SPONSORED VEHICLES FOR BUSINESS TRAVEL

It may be necessary for an authorized employee to use a SMART vehicle for business travel, locally or out-of-the region. In these cases, a supervisor may authorize a properly licensed employee to use an appropriate SMART vehicle, if one is available.

ACKNOWLEDGEMENT OF RECEIPT

I HAVE RECEIVED A COPY OF THE EMPLOYEE HANDBOOK DATED _____. I UNDERSTAND THAT I AM
TO BECOME FAMILIAR WITH ITS CONTENTS. FURTHER, I UNDERSTAND:

- The language used in this handbook and any verbal statements of management are not intended to constitute a contract of employment, either express or implied, nor are they a guarantee of employment for a specific duration.
- The handbook is not all inclusive, but is intended to provide me with a summary of some of SMART's guidelines.
- This edition replaces all previously issued handbooks. The need may arise to change the guidelines described in the handbook. SMART therefore reserves the right to interpret them or to change them without prior notice.
- No representative of the San Miguel Authority for Regional Transportation, other than SMART Administrator, has the authority to enter into an agreement of employment for any specified period and such agreement must be in writing, signed by the Administrator and myself. We have not entered into such an agreement.

Print Employee Name

Signature

Date _____



SMART

Memorandum

To: SMART Board of Directors
From: Amy Levek, Interim Director
Date: May 8, 2017

RE: Consideration of Adoption of Employee Manual (Handbook)

As you are aware, the Board needs to adopt an Employee Manual prior to offering the job to the Administrator. The draft attached has been reviewed by the Employee Manual Subcommittee, who are in agreement about most of the document. Several questions remain which should be addressed prior to adoption, or direction should be given on these items if the manual is otherwise approved.

The outstanding issues include:

1. Decide retirement benefits program: Telluride and SMC use social security and 401-K for retirement benefits, while the Mountain Village uses PERA (Policy 402, p. 10/11 and P. 17/18).
2. Finalize the employee benefit chart (Policy 401, 9/10-10/11): the idea is to match both towns' program.
3. Insert where medical/dental plan is available. (Policy 404, p. 12/13).

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN MIGUEL
AUTHORITY FOR REGIONAL TRANSPORTATION
ADOPTING AN EMPLOYEE MANUAL**

NO. 2017 -

RECITALS:

WHEREAS, the San Miguel Authority for Regional Transportation (“SMART”) was approved by the registered electors of the Town of Telluride, Town of Mountain Village, and that portion of the SMART combination that are within that part of the SMART boundaries located within unincorporated San Miguel County, pursuant to the Colorado Regional Transportation Authority Law, C.R.S Title 43, Article 4, Part 6, at the general election held on November 8, 2016;

WHEREAS, SMART is governed by the Colorado Regional Transportation Authority Law and the SMART Intergovernmental Agreement (“SMART IGA”) conditionally approved by each of the governing bodies of the Town of Telluride, Town of Mountain Village and San Miguel County pending approval by the registered electors at the November 8, 2016 general election;

WHEREAS, the Board held a regular meeting on May 11, 2017; and

WHEREAS, Section 3.09 of the SMART IGA requires all actions of the Board to be taken by written resolution;

WHEREAS, the attached SMART Employee Manual shall apply to all employees of the organization.

NOW THEREFORE, BE IT RESOLVED, by the Board of Directors of the San Miguel Authority for Regional Transportation adopts the attached Employee Manual, with the following additions or changes:

ADOPTED AND APPROVED by the Board of Directors at a regular public meeting held on the 11th day of May, 2017.

**SAN MIGUEL AUTHORITY FOR REGIONAL
TRANSPORTATION**

By: _____
Laila Benitez, Chair

Attest:

Board Secretary



SMART

Memorandum

To: SMART Board of Directors
From: Amy Levek, Interim Director
Date: May 5, 2017

RE: Background Information for Meeting

Some information and updates to be discussed as needed at the meeting:

1. Logo – We have signed the contract with Kristal Graphics and should have three options available for review May 15th. We talked with the Community Advisory Committee about their role in soliciting public input on the potential logos. This will happen late May/early June.
2. Website – We have received a revised contract from Kaffeinated Kodemonkey and after it's reviewed by Paul Taddune, it will be signed. Meanwhile, we have notified SIPA that we are moving forward and are now in line with their system. Our new website should be ready in approximately 3 months.
3. One of Community Action Committee members, Erich Lange, resigned. He and Rasa both work at Tri County Health Network and they felt that they might be over-represented. Hopefully, we can find a way to involve Erich in future activities. I conferred with several board members and we decided not to re-advertise the position yet, since we have ten active members.



SMART

San Miguel Authority for Regional Transportation

Board of Directors – Meeting Agenda
San Miguel County Miramonte Conference Room
333 West Colorado Avenue 2nd Floor
May 11, 2017 – 1:00 p.m.

	PRESENTER	TYPE	TOPIC
1.	Board	Meeting Resolution	Review and Approval of the Agenda
2.	Levek	Meeting Resolution	Review and Approval of April 13, 2017 Board Minutes
3.	Brown	Financial Report	Review of 2017 SMART Revenue and Expenses to date.
4.	Personnel Subcommittee/ Levek	Update	Update on meeting with GovHR and ED recruitment process
5.	Levek	Review	Draft Strategic Plan/Work Plan for 2017 -set up subcommittees: 1. Organization/System Overview 2. Resource Assessment 3. Planning Goals – Service 4. Planning Goals – Capital 5. Marketing 6. Citizen Advisory Committee 7. Organizational 8. Implementation 9. Budget
6.	Sarah Curtis	Review	Presentation by Allpoints on service provided.
7.	Levek	Review	Update on Service Recommendations from Administrative Advisory Committee and Community Advisory Committee
8.	Levek/Taddune	Resolution	Consideration of Adoption of Procurement Manual
9.	Levek/Taddune	Resolution	Consideration of Adoption of Employee Manual
10.	Board/Levek	Other	Updates
11.			Public Comment



SMART

San Miguel Authority for Regional Transportation

12.		Motion	Adjournment
13.			Next Meeting is Thursday, June 8, 2017