

BIG SKY RESORT AREA DISTRICT

RESOLUTION No. 98-01<sup>R</sup>

A RESOLUTION OF BIG SKY RESORT AREA DISTRICT AUTHORIZING THE ADOPTION AND USE OF CERTAIN PORTIONS OF THE RULES OF THE STATE OF MONTANA GOVERNING PURCHASING OF SERVICES AND SUPPLIES

PURSUANT TO THE AUTHORITY VESTED IN THE BIG SKY RESORT AREA BOARD OF DIRECTORS UNDER § 7-6-1547, MCA, THE BOARD OF DIRECTORS OF THE BIG SKY RESORT AREA DISTRICT RESOLVES TO ADOPT THE RESOLUTION NO. 98-01 AS FOLLOWS:

WHEREAS, the Big Sky Resort Area District ("District") was created effective April 7, 1998 pursuant to Mont. Code Ann. §§ 7-6-1531 through 1550; and

WHEREAS, members of the District Board of Directors ("Board") were duly elected on June 2, 1998 by the electors residing within the District; and

WHEREAS, the Board is authorized to act by resolution under Mont. Code Ann. § 7-6-1547(4); and

WHEREAS, the Board wishes to establish a policy for purchasing of supplies and services to be used by the Board in its administrative duties; and

WHEREAS, pursuant to Mont. Code Ann. § 18-4-124 a political subdivision, such as the District, may adopt "any or all" parts of the chapter or rules governing the procurement of supplies and services by the State of Montana agencies.

NOW, THEREFORE BE IT RESOLVED by the Board as follows:

1. SMALL PURCHASES AND LIMITED SOLICITATIONS OF SUPPLIES AND SERVICES. The Board hereby adopts subsections (1) and (2) of Section 2.5.603, Administrative Rules of Montana (ARM). The portions of the rule adopted by the Board read as follows:

(1) The Board may procure supplies or services costing \$5,000 or less using a purchase technique that best meets the Board's needs.

(2) The Board may procure supplies and services costing between \$5,001 and \$15,000 using a limited solicitation procedure. This procedure requires a minimum of three viable written or oral quotations, if available.

**Explanatory Note:** Where "division," "state," or "agency" appeared in the sections of the ARM adopted above, the term "Board" has been inserted.

2. SOLE SOURCE PURCHASES. The Board hereby adopts subsection (1), subsection (2) and portions of subsection (4), and subsection (6) of ARM 2.5.604 relating to sole source purchases:

(1) The provisions of this rule apply to all sole source procurements of \$5,000 or more unless exigency procurements described in Paragraph 3 below are necessary.

(2) Sole source procurement is not permissible unless a required item is available from only a single supplier. A requirement for a particular proprietary item does not justify a sole source procurement if there is more than one potential bidder or offeror for that item. The following are examples of sole source procurement:

(a) The compatibility of equipment, accessories, or replacement parts is the paramount consideration; or

(b) There is no existent equivalent product.

(3) For purchases greater than \$5,000, the determination as to whether a procurement shall be made as a sole source shall be made by the Board.

(4) The following items do not require sole source justification and shall be purchased directly by the Board regardless of delegated authority:

(a) licenses;

(b) dues to associations;

- (c) renewal of software license agreements;
- (d) purchase or renewal of software or hardware maintenance agreements.

**Explanatory Note:** The term “Board” has been used to replace the terms “state”, “agency” or “division”. If exigent circumstances do not exist, then the Board will apply subsection (2) of this rule.

3. EXIGENCY PROCUREMENTS. The Board hereby adopts subsection (1), a portion of subsection (2), a portion of subsection (3), and all of subsection (4) of ARM 2.5.605 and all of ARM 2.5.201(11), relating to exigency procurements:

(1) An exigency procurement of \$5,000 or greater shall be limited to those supplies or services necessary to meet an exigency as defined in ARM 2.5.201.

2.5.201(12) “Exigency” means a purchase made without following normal purchasing procedures due to a sudden and unexpected happening or unforeseen occurrence or condition which requires immediate action.

(2) The determination as to whether a procurement shall be made as an exigency procurement shall be made by the Board.

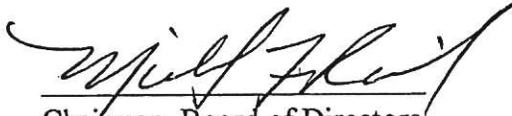
(3) The procedure used shall be selected to assure that the required supplies or services are procured in time to meet the exigency.

(4) A record of each exigency shall be made as soon as practicable and shall set forth:

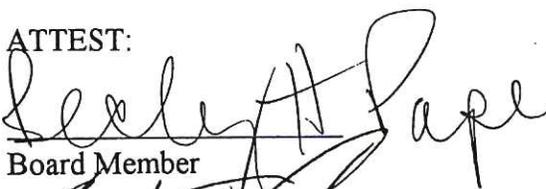
- (a) the vendor’s name;
- (b) the amount and type of the contract; and
- (c) a listing of the supplies and services procured under the contract.

**Explanatory Note:** The term "Board" has been used to replace the terms "state", "agency" or "division".

PASSED AND APPROVED this 15<sup>th</sup> day of July, 1998.

  
Chairman, Board of Directors

ATTEST:

  
Board Member

