

CHAPTER 3.20

PURCHASING POLICIES AND PROCEDURES

Section

3.20.010	Purpose of purchasing policies and procedures
3.20.020	Definitions
3.20.030	Exceptions to this chapter
3.20.040	Purchasing Officer duties and authority
3.20.050	Procedures for purchases of less than or equal to \$45,000
3.20.060	Procedures for purchases of more than \$45,000
3.20.070	Prevailing wages
3.20.080	Recycled products
3.20.090	Inspection and testing of purchases
3.20.100	Local preference for discretionary purchases

Statutory references:

Provisions regarding the purchase of supplies and equipment by local agencies, see Cal. Government Code § 54201 et seq.

Provisions regarding contracting for specially trained and experienced persons, firm, or corporation for special services and advice in financial, economic, accounting, engineering, legal, or administrative matters, see Cal. Government Code §§ 37103 and 53060.

Provision regarding the City's authority to make and enforce within its limits all local, police, sanitary, and other ordinances and regulations not in conflict with general laws, see Cal. Const. Art. XI, § 7.

3.20.010 PURPOSE OF PURCHASING POLICIES AND PROCEDURES.

The purpose of this chapter is to:

- A. Comply with the requirements of state law;
- B. Establish efficient and effective processes for the purchase or lease of services, supplies, materials, and equipment at the lowest feasible cost commensurate with the level of quality required;
- C. Exercise financial control and accountability over purchases; and
- D. Clearly define authority for the purchasing function.

In adopting the ordinance codified in this chapter, it is the intent of the City Council to responsibly manage public funds and provide responsibility for, and consistency in, implementing purchasing policies and procedures.

(Ord. 917, § 3, passed 08-10-2015)

3.20.020 DEFINITIONS.

For the purpose of this chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning:

GOODS OR SERVICES. Goods, services, supplies, materials and equipment that are the subject of this chapter.

LOCAL VENDOR. A bidder, vendor, or supplier of goods or services having an established place of business within the City and having had a current City business license continuously for at least 12 months prior to the date of the purchase or contract.

PURCHASING OFFICER. The City Manager or designee as provided for in § 3.20.040(B).

(Ord. 917, § 3, passed 08-10-2015)

3.20.030 EXCEPTIONS TO THIS CHAPTER.

The procedures described in this chapter shall govern the purchase of all goods and services except as follows:

- A. Any public project described in Chapter 3.22, unless the public project is under \$45,000 and informal bidding procedures are not used.
- B. Contracts for professional services of private architectural, landscape architectural, engineering, environmental, land surveying, or construction project management firms which shall be on the basis of demonstrated competence and on the professional qualifications necessary for the satisfactory performance of the services required.
- C. Contracts for furnishing special services and advice in financial, economic, accounting, engineering, legal, or administrative matters if such persons are specially trained and experienced and competent to perform the special services.
- D. In case of an emergency, when public interest and necessity demand the immediate expenditure of public money to safeguard life, health, or property.
- E. Situations where no quotes or bids have been received following requests for quotes or all quotes received exceed budget appropriations or cost estimates.
- F. Contracts for which other public agencies have gone through a competitive bidding process and are able to have the bid prices they received extended to the City. These “cooperative purchasing” or “piggyback purchasing” agreements (including, but not limited to, CCOP State Department of General Services, U.S. General Services Administration, any county, and state cooperative purchasing pools) in which the City is eligible to participate may be used in lieu of any bidding requirement under this chapter.
- G. When, by a four-fifths vote, the City Council specifically waives the procedures described in this chapter and authorizes staff to negotiate the purchase.
- H. When the goods or services are unique and only available from one source.

(Ord. 917, § 3, passed 08-10-2015)

3.20.040 PURCHASING OFFICER DUTIES AND AUTHORITY.

- A. The City Manager is designated as Purchasing Officer for the City.
- B. The City Manager may delegate all or a portion of the duties of Purchasing Officer to the Administrative Services Director and/or the Finance Director.
- C. All purchases, leases and contracts are to be made or executed on behalf of the City.
- D. Except in cases of emergency or in cases where specific authority has been first obtained from the City Manager, the Purchasing Officer shall not issue any purchase order or payment for goods or services unless there exists an unencumbered appropriation in the account against which said purchase is to be charged.
- E. Purchases of goods and services in excess of \$5,000 shall be made only by purchase order. Except as otherwise provided herein, no purchase shall be issued unless the prior approval of the Purchasing Officer has been obtained. Departments shall submit requests to the Purchasing Officer for goods and services by standard requisition form, or by other means as may be established by administrative regulation. The Purchasing Officer shall prepare a purchase order once an approved requisition has been submitted.
- F. The Purchasing Officer shall have the authority to:
 - 1. Recommend a contract for execution for the purchase or lease of goods or services required by the City in an amount equal to or less than \$25,000;

2. Execute contracts, leases or agreements for the purchase or lease of goods or services by the City in an amount equal to or less than \$25,000 if the adopted budget has appropriated funds for the goods or services;
3. Execute all purchase orders in accordance with this chapter;
4. Act to procure for the City the necessary quality in goods or services;
5. Prepare and recommend to the City Council amendments to this chapter;
6. Establish and maintain such forms as reasonably necessary to the purchasing function and maintain other records necessary for the efficient acquisition of goods or services;
7. Supervise the inspection of all goods or services purchased or leased by the City to ensure conformance with specifications; and
8. Authorize for payment invoices for goods or services purchased or leased.

G. Contracts or agreements for the purchase or lease of goods or services in excess of \$25,000 require City Council approval prior to execution by the City Manager. Contracts of less than \$25,000 which are approved by the City Manager shall be reported to the Finance and Administration Committee on a quarterly basis.

(Ord. 917, § 3, passed 08-10-2015)

3.20.050 PROCEDURES FOR PURCHASES OF LESS THAN OR EQUAL TO \$45,000.

A. For purchases of goods or services less than or equal to \$45,000, the Purchasing Officer shall use the following procedures:

1. For purchases of goods or services having an estimated value of \$5,000 or less in a 12-month period, informal quotes may be obtained from vendors/suppliers but are not required. No purchase order is required.
2. For purchases of goods or services having an estimated value of more than \$5,000, but less than or equal to \$45,000, firm quotes from at least 3 vendors/suppliers, either received in writing or taken verbally but confirmed in writing, shall be obtained. At the discretion of the Purchasing Officer, the process described in § 3.20.060 may be used for the acquisition of goods or services having an estimated value of more than \$5,000 but less than or equal to \$45,000. A purchase order is required.
3. Purchases made by credit card are limited to \$5,000

B. Quotes should be solicited and obtained from responsible local vendors whenever feasible.

C. Contracts shall be awarded to the vendor that meets the City's requirements and is otherwise in the best interests of the City.

D. The City Manager may approve contract change orders not exceeding a total of 10% of the approved contract or up to the contingency amount whichever amount is less for any 1 purchase. Such change orders shall be made by standard requisition form, or by other means as may be established by administrative regulation, and shall be reported to the Finance and Administration Committee on a quarterly basis.

(Ord. 917, § 3, passed 08-10-2015)

3.20.060 PROCEDURES FOR PURCHASES OF MORE THAN \$45,000.

When the estimated amount of value involved in a purchase transaction exceeds \$45,000, the authorization to award a purchase contract shall be made by City Council resolution following a process as outlined below:

A. A request for quotes shall be prepared and shall include a general description of the goods or services to be purchased and the time and place for submittal of quotes.

B. The Purchasing Officer shall solicit quotes from known responsible local vendors whenever feasible.

- C. The Purchasing Officer may advertise the request for quotes in applicable publications and websites accessible to the public. At least 3 quotes from vendors shall be obtained.
- D. Quotes shall be submitted to the Purchasing Officer and shall be identified on the envelope.
- E. Where the goods or services are standardized or of uniform quality, the award shall be given to the vendor with the lowest quote. If the goods or services are not standardized or of uniform quality, the City Council shall award the contract to the vendor that meets the City's requirements and is otherwise in the best interests of the City.
- F. In its sole discretion, the City Council may reject all quotes presented.
- G. The City Manager may approve contract change orders not exceeding a total of 10% of the approved contract or up to the contingency amount whichever amount is less for any 1 project. Such change orders shall be reported to the Finance and Administration Committee on a quarterly basis.

(Ord. 917, § 3, passed 08-10-2015)

3.20.070 PREVAILING WAGES.

Potential bidders for goods and services that are subject to the requirements of the California Prevailing Wage Law (Cal. Labor Code § 1720 et seq.) shall comply therewith.

(Ord. 917, § 3, passed 08-10-2015)

3.20.080 RECYCLED PRODUCTS.

Product purchases, whenever feasible, shall contain the highest amount of post-consumer and recovered materials practicable. In all cases, goods or services must meet reasonable performance standards, and be readily available at a competitive price.

(Ord. 917, § 3, passed 08-10-2015)

3.20.090 INSPECTION AND TESTING OF PURCHASES.

The Purchasing Officer is authorized to order the inspection of supplies and equipment delivered and services performed to determine their conformance with the specifications set forth in the order or contract. The Purchasing Officer shall have authority to require chemical and physical tests of samples submitted with bids and samples of deliveries which are necessary to determine their quality and conformance with specifications.

(Ord. 917, § 3, passed 08-10-2015)

3.20.100 LOCAL PREFERENCE FOR DISCRETIONARY PURCHASES.

To the extent permitted by applicable law, and subject to the provisions of this chapter, purchases that are exempt from competitive bidding law shall be made from local vendors, so long as the Purchasing Officer determines that the local vendor meets the City's requirements and that the purchase from a local vendor is otherwise in the best interests of the City.

(Ord. 917, § 3, passed 08-10-2015)