

ORDINANCE NO. 2678

AN ORDINANCE OF THE CITY OF REDLANDS AMENDING CHAPTER 2.16 OF THE REDLANDS MUNICIPAL CODE RELATING TO CITY PURCHASES AND DELETING CHAPTER 3.74 OF THE REDLANDS MUNICIPAL CODE

THE CITY COUNCIL OF THE CITY OF REDLANDS DOES ORDAIN AS FOLLOWS:

Section 1. Chapter 2.16 of the Redlands Municipal Code is hereby deleted in its entirety and rewritten to read as follows:

Chapter 2.16

CITY PURCHASING AND SALE OF SURPLUS PERSONAL PROPERTY POLICIES

Sections:

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2.16.340	Disposal of Unclaimed Property
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2.16.010 Definitions

As used in this Chapter, the following words and phrases shall have the meanings indicated:

A. “Annual Purchase Order” means a City-issued document to a vendor allowing for the purchase of goods or services by authorized personnel for a specified time not to exceed one year. An annual purchase order shall be issued, using competitive procurement whenever practicable, for a specific amount of consideration that is drawn on throughout the specified time frame for payment of invoices related to such purchase order.

B. “Bid Security” means a guarantee, in the form of a bond or cash deposit, that the successful bidder will execute a contract as bid, or will forfeit the amount of the bond or deposit.

C. “Bidder’s List” means a list maintained by the Purchasing Office setting out names and addresses of suppliers of various good and services from which bids, proposals and quotations may be solicited.

D. “City Manager” means the City Manager for the City, or his or her designee.

E. “Change Order” means a City-issued document used to modify a purchase order to add, delete or revise the quantity, price or scope of goods, services or construction being provided.

F. “Competitive Procurement” means a process whereby formal bids, by formal procurement, or informal bids, by open market procurement, are solicited from bidders in accordance with applicable law under the direction of the Purchasing Agent.

G. “Conflict of Interest” means a situation where the personal interests of a contractor, public official or employee are, or appear to be, in conflict with the best interests of the City, as determined in accordance with the laws of the State.

H. "Contract" means any type of legally recognized agreement to provide goods, services or construction including purchase orders.

I. "Construction" means the process of building, altering, repairing, improving or demolishing any public structure or building, or other public improvement of any kind to any public real property. It does not include routine operation, maintenance or repair of existing structures, buildings or real property by the City's own forces. "Construction" shall also include "public project" as defined in Section 20161 of the California Public Contract Code.

J. "Cooperative Purchasing" means a purchasing method whereby the procurement requirements of two or more governmental entities are combined to obtain the benefit of volume procurement or reduction of administrative expenses.

K. "Emergency Purchase" means a purchase made without following the normal purchasing procedures or using competitive procurement, in order to obtain goods, services or construction to meet an urgent and previously unexpected requirement where public health and safety or the conservation of public resources is at risk.

L. "Equipment" means personal property of a durable nature which retains its identity throughout its useful life.

M. "Formal Bid" means a written bid which shall be (a) advertised in a newspaper of general circulation in the City; (b) submitted in a sealed envelope in conformance with a City-prescribed format and procedure; (c) publicly opened, read and recorded at a City-specified date, time and place; and (d) accepted by award made by the City Council.

N. "Formal Procurement" means procurement by written Notice Inviting Bids and Formal Bid.

O. "Gratuity" means a gift or favor, entertainment, loan or anything of monetary value from anyone who has or is seeking to obtain City business or conducts activities that may be affected by the performance or non-performance of the employee's official duties.

P. "Goods" mean supplies, materials, equipment and other commodities included within the definition of "Goods" in Section 2105 of the California Uniform Commercial Code.

Q. "Informal Bid or Quotation" means an unsealed competitive offer conveyed by letter, telephone, facsimile or other means and under conditions different from those required for formal bidding; informal bids should only be solicited by City personnel authorized to do so, and for each instance of informal bid the authorized personnel shall obtain informal bids from at least three different prospective bidders, if practicable.

R. "Negotiation" means contracting through the use of either competitive or other than competitive proposals and discussions. Any contract/purchase order awarded without using sealed bidding procedures is a negotiated contract/purchase order. Further, negotiation is a procedure that includes the receipt of proposals from offerors, which permits bargaining and usually affords an opportunity to revise their offers before award of a contract/purchase order. Bargaining in the sense of discussion, persuasion, alteration of initial assumptions of positions, and give-and-take may apply to price, schedule, technical requirements, type of contract/purchase order or other terms of a proposed contract/purchase order.

S. "Open Market" means the private sector business market place in which private persons, exercising prudent business practices and judgment, procure goods, services or construction utilizing an informal bid submitted by bidders from the open market.

T. "Procure or Procurement" means buying, purchasing, renting, leasing or otherwise acquiring or obtaining goods, services or construction.

U. "Professional Services" means services such as those of attorneys, auditors, physicians, architects, engineers and other individuals or organizations exercising professional discretion and independent judgment based on specialized knowledge, expertise or training.

V. "Purchasing Office" means the City Department designated by the City Manager for the administration of this Chapter.

W. "Purchase Order" means a City-issued document which authorizes the delivery of goods, the rendering of services, or the performance of construction at a stated price and which encumbers City funds for the payment thereof.

X. "Purchase Requisition" means a written request in the form as the City may from time to time determine, submitted by a City Department to the Purchasing Office for procurement of goods, services or construction.

Y. "Recycled Goods" means finished manufactured products containing recycled materials in the production thereof.

Z. "Service (Contractual)" means a contract that directly engages the time and effort of a contractor whose primary purpose is to perform an identifiable task rather than to furnish an end item of supply. A service contract may be either non-personal or a personal contract. It can also cover services performed by either professional or non-professional personnel, whether on an individual or organizational basis. Examples of contractual service or services contracts are (a) maintenance, overhaul, repair, rehabilitation, salvage, modernization or modification of supplies, systems, equipment; (b) facilities maintenance; (c) janitorial services; (d) advisory and assistance services; (e) communication services; and (f) transportation and related services.

AA. "Single Source Purchase" means a purchase where it can be substantiated that a commodity or service can be obtained from one vendor or contractor which often is the "single" representative of the manufacturer or principle company. "Single Source" purchases frequently involve a vendor or contractor whose product or service is discernibly distinguishable from all others in the market and singularly meets all significant elements of the City's requirement. In this context, "single" means "the one among others."

BB. "Sole Source Purchase" means a purchase where it can be substantiated that a requirement involves commodity or service provided by only one vendor or contractor which has exclusive rights (e.g., rights to data, patent or copyright, proprietary interests or secret processes) to the manufacturing of the product or service. "Sole Source" requirements must withstand the questions of (a) is the commodity or service the only of its kind which can fully satisfy the requirement, and (b) the commodity is available from one, and only one, source. In this context, "sole" means "the only one."

CC. "Standardization" means the process of examining characteristics and needs per items of similar end usage and developing a single specification that will satisfy the need for most or all purchases for that purpose.

DD. "Surplus Property" means inventory not needed by the City at the present time or in the foreseeable future. This includes obsolete supplies, equipment and scrap materials that have little or no useful life.

2.16.020 Purchasing System

The purpose of this Chapter is to establish procedures for the purchase of goods, services and construction at the lowest possible cost commensurate with quality needed; to exercise financial control over purchases; to define authority for the purchasing function; and to assure the quality of such purchases. Therefore, a centralized purchasing system is hereby adopted and vested with the authority for the purchase of all goods, services and construction. In addition, this Chapter and the purchasing system it establishes is designed to provide appropriate procedures to implement the City's participation in the Uniform Public Construction Cost Accounting Act pursuant to Public Contract Code section 22000 et seq.

2.16.030 Purchasing Agent

The position of Purchasing Agent of the City is hereby established and shall be incorporated with the duties of the City Department director responsible for oversight of the Purchasing Office. When the term "Purchasing Agent" is used in this Chapter, such term shall include his or her designee.

2.16.040 Powers and Duties

The Purchasing Agent shall have charge of purchasing goods, services and construction required by any City Department, and shall have the power and the duty to:

A. Establish a purchasing program providing for competitive bidding or open market purchasing so as to obtain for the City the greatest possible advantage.

B. Establish and enforce specifications with request to goods, services and construction required by the City.

C. Supervise the inspection of all deliveries of goods, services and construction and determine their conformance with specifications.

D. Transfer surplus property between offices, departments or agencies, or make arrangements to sell surplus property or obsolete/unused goods.

E. Prepare operating policies and procedures to be followed by all departments regarding the purchase, inspection, storage, distribution and disposal of goods, services and construction.

F. Negotiate and recommend the execution of contracts for the purchase of goods, services and construction.

G. Endeavor to obtain full and open competition whenever possible on all purchases.

H. Prepare and recommend rules and regulations governing the purchase of goods, services and construction for the City.

I. Keep informed of current developments in the field of purchasing, prices, market conditions and new products. Recommend purchase of alternative products of a higher quality or lower cost.

J. Prescribe and maintain such forms as reasonably necessary to carry out the operation of this Chapter.

K. Maintain appropriate records needed for the efficient operation of the purchasing function.

L. Encourage the standardization of similar goods, services and construction used by City Departments.

M. Develop and maintain any bidder's list, contractor's list or vendor's catalog file necessary to the operation of this Chapter.

N. The Purchasing Agent, with approval of the City Manager or City Council, dependent on established dollar limits set for each, may authorize in writing any City Department to purchase or contract for specified goods, services and construction, independently of the Purchasing Agent. However the Purchasing Agent shall require that such purchases be made in conformity with the procedures established by this Chapter and that all documents supporting the formal or informal bidding procedures be attached to the City's copy of the purchase requisition.

O. Perform such other duties as may be imposed by the City Council or City Manager.

2.16.050 Purchasing Standards and Ethics

The Purchasing Office and all other employees involved in the procurement of goods, services and construction will be conducted with absolute integrity. The very highest ethical standards will be maintained in all material activities. The Purchasing Office and all other employees will be constantly aware of their responsibilities in spending public funds and subscribe to the principles and standards as advocated by the National Association of Purchasing Management and the California Association of Public Purchasing Officers. Some of these principles and standards are as follows:

A. Regard public service as a sacred trust, giving primary consideration to the interests of the City.

B. Purchase the best value obtainable, securing the maximum benefit for each tax dollar expended.

C. Allow for full and open competition and not participate in uniform bidding.

D. Know and respect their obligations to the public, private sector and using agencies.

E. Accord vendor representatives courteous treatment remembering that they are important sources of information and assistance in buying decisions.

F. Strive constantly for greater knowledge of purchasing methods and of the goods and services to be procured.

G. Conduct themselves with fairness and dignity, demand honesty in buying and selling.

H. Cooperate with all organizations and individuals engaged in enhancing the development and standing of the purchasing profession.

I. Remember that their conduct reflects on the City and the entire purchasing profession.

2.16.060 Conflict of Interest

No officer or employee of the City having any supervisory authority to purchase any specific goods, services or construction for the City shall have any financial interest in connection with the purchase of such goods, services or construction. No officer or employee shall participate in the procurement or selection process when such officer or employee has a relationship with a person or business entity seeking a contract under this Chapter which would subject such officer or employee to the prohibition of California Government Sections 87100 et. seq. or Government Code Section 1090.

2.16.070 Gratuities

The Purchasing Agent and all other officers and employees of the City are prohibited from accepting directly or indirectly from any person to which any purchase order or contract is, or might be, awarded, any rebate, kickback, gift, money or other unlawful consideration. The offer of such gratuity to an official or employee by any supplier or contractor shall be cause for declaring such individual to be an irresponsible bidder and for preventing such supplier or contractor from bidding as provided in Sections 2.16.140 and 2.16.150 of this Chapter.

2.16.080 Purchase Requisition

City Departments shall submit requests for goods, services and construction to the Purchasing Office on standard requisition forms prepared, maintained and updated by the Purchasing Agent. A requisition shall set forth the characteristics of the goods, services or construction being requested. At a minimum, the requisition shall state the brand name or be accompanied by a catalog cut. In the case of services, the requisition shall be in sufficient detail to permit competition if reasonably possible. No purchase requisition shall be broken into smaller units to evade any requirement of this Chapter, except that unrelated items requisitioned by departments may be separated to provide different lists to vendors dealing in different types of goods.

2.16.090 Purchase Order

The purchase of goods, services and construction shall be made only by the Purchasing Agent through the execution of a purchase order or by an approved contract, except in cases of emergency as defined herein. No officer or employee of the City shall request a supplier to deliver goods, services or construction to the City unless a regular purchase order number has been issued by the Purchasing Agent. Purchases and contracts shall not be split, staged or separated into smaller units of work for the purpose of evading the competitive bidding procedures or any other requirement of this Chapter.

2.16.100 Encumbrance of Funds

The Purchasing Agent shall not issue any purchase order for goods, services or construction unless there exists an unencumbered appropriation in the account against which the purchase is to be charged.

2.16.110 Competitive Procurement

Procurement of goods, services and construction by the City shall whenever practicable be based on competitive procurement, whether by formal procurement, if required, or procurement in the open market, if permitted, except that competitive procurement shall not be required in the following circumstances:

A. When emergency procurement is required as defined in section 2.16.130 of this Chapter.

B. When the procurement involved is \$5,000 or less;

C. When the City Department Director certifies, in writing, to the Purchasing Agent that procurement can only be obtained from a sole source, or timely from a single source, and the Purchasing Agent is satisfied that the best price, terms and conditions have been negotiated; Single or sole source procurement for goods, services or construction greater than \$5,000 and less than or equal to \$30,000 requires the approval of the City Manager, and approval of the City Council for single or sole source procurement in excess of \$30,000;

D. When cooperative purchasing is available and undertaken;

E. When the goods, services or construction can be obtained from a contractor who offers the same or better price, terms and conditions as the same contractor previously offered as the lowest responsible bidder under competitive procurement or negotiations conducted by the City or another public agency, provided that in the opinion of the Purchasing Agent, it is in the best interests of the City to do so.

F. When the goods, services or construction can be obtained through federal, state and/or other public entity pricing contacts or price agreements;

Purchasing without providing for full and open competition shall not be justified on the basis of a lack of advanced planning on the part of the requesting City Department or based upon concerns related to the amount of funds available (e.g., funds will expire as result of grant or fiscal year).

2.16.120 Formal Procurement

Formal procurement shall be required for all estimated procurement expenditures that meet the formal procurement limits set forth in Sections 2.16.140 and 2.16.150 of this Chapter. Except as otherwise provided herein, purchases and contracts for goods, services and construction shall be made pursuant to the procedures described herein:

A. Bid Notice. Notices inviting bids shall include a general description of the articles to be purchased and shall state where and when bid packages may be secured, and the time and place of the bid opening.

B. Publication and Mailing. Notice inviting bids shall be published at least ten calendar days before the opening of bids in a newspaper of general circulation in the City. The Purchasing Agent may establish and maintain a list of prospective bidders. It shall not be the responsibility of the Purchasing Agent to ensure that the list contains current information in respect to the address, service or product of the prospective bidder. The Purchasing Agent is authorized to mail invitations for bids directly to the appropriate prospective bidders appearing on the list and to other prospective bidders.

C. Bidder's Security. Each bid or proposal may be required by the Purchasing Agent to be accompanied by a bidder's bond, certified or cashier's check, or cash, in an amount not more than ten percent of the total bid. When deemed necessary by the Purchasing Agent, bidder's security may be prescribed in the public notice inviting bids. When bid security is required, bidders shall be entitled to return of bid security; however, if a successful bidder refused to or failed to execute the contract within ten business days after the notice of award has been mailed, unless, and to the extent the City is not responsible for the delay, its bid security shall be deemed forfeited. The City Council may, upon refusal or failure of the successful bidder to execute the contract, award the contract to the next lowest and responsible bidder.

D. Bid Opening Procedures. Sealed bids shall be submitted to the Purchasing Agent and shall be identified as a bid on the envelope. Bids shall be opened in public at the time and place stated in the public notice. A record of the bids received shall be available for public inspection after the bids have been opened, indicating the amount bid by the various bidders and the basis for awarding the contract or purchase order if other than the lowest bidder is awarded the contract/purchase order. Such list shall be available for thirty days after the award has been made.

E. Rejection of Bids. The Purchasing Agent, City Manager or the City Council, in accordance with the limits established by this Chapter, shall each have the power to reject bids presented, for any reason, and re-advertise for bids.

F. Tie Bids. If two or more bids received are for the same total amount, unit price or quality, and service being equal, and if the public interest will not permit the delay of re-advertising for bids, the Purchasing Agent, City Manager or the City Council in accordance with the limits established by this Chapter, may accept the bid it chooses or accept the lowest bid made by negotiation with the tie bidders at time of the bid opening.

G. Performance and Payment Bonds. The City Council may require performance and payment bonds before executing a contract in such amounts as it shall find reasonably necessary to protect the best interest of the City and comply with law. If the City Council requires a performance or payment bond, the form and amount of the bonds shall be described in the notice inviting bids.

2.16.130 Emergency Procurement

While the need for emergency procurement is recognized, the practice shall be curtailed as much as possible by anticipating needs so that normal competitive procurement may be used.

A. Any one or more of the following circumstances shall constitute an emergency:

1. A great public calamity;
2. An immediate need to prepare for national or local defense;
3. A breakdown in machinery or essential service which requires the immediate procurement of goods, services or construction, to protect the public health, welfare, safety or property;
4. A City Department's operation, directly affecting the public health, welfare or safety or the protection of public property, is so severely impacted by any cause that personal injury or property destruction appears to be imminent and probable unless goods, services or construction designed or intended to mitigate the risks thereof are procured immediately;
5. A department is involved in a City project which is of such a nature that the need for particular goods, services or construction can only be ascertained as the project progresses and, when ascertained, must be satisfied immediately for the preservation of public health, welfare, safety or property.

B. Emergency procurement may be initiated by a City Department Director or his or her duly authorized representative as follows:

1. During normal City business hours, the Department Director, or his or her representative, shall provide reasons and justification for the emergency procurement. If the nature of the emergency is such that goods, services or construction must be procured immediately and the Purchasing Agent is satisfied with the explanation of reasons and justification given therefor, the Purchasing Agent shall authorize the procurement and cause an emergency purchase order to be issued as soon as possible, and in no event later than the following business day. A purchase requisition confirming the procurement must be prepared by the Department Director or his or her authorized representative and submitted to the Purchasing Agent no later than the following business day.
2. After normal City business hours, the City Department representative shall exercise his or her best judgment in ascertaining whether the actual circumstances necessitate emergency procurement, and if deemed necessary shall order it. As soon as possible and in no event later than the following business day, the City Department

representative, with approval of the Department Director, shall prepare a purchase requisition confirming the emergency procurement and deliver it to the Purchasing Agent, who shall then cause an emergency purchase order to be prepared.

C. Following the emergency procurement, a report shall be made to the City Manager for procurement between \$30,000 and \$50,000, and to the City Council for procurement exceeding \$50,000.

2.16.140 Public Projects

Procurement for Public projects shall be made in accordance with the Uniform Public Construction Cost Accounting Act.

A. A “public project” is defined in Public Contract Code section 22002 as any of the following:

1. Construction, reconstruction, erection, alteration, renovation, improvement, demolition and repair work involving any publicly owned, leased, or operated facility;
2. Painting or repainting of any publicly owned, leased or operated facility;
3. In the case of a publicly owned utility system, “public project” shall include only the construction, erection, improvement or repair of dams, reservoirs, power plants, and electrical transmission lines of 230,000 volts and higher.

B. “Public projects” do not include maintenance work. For purposes of this section, “maintenance work” includes all of the following:

1. Routine, recurring and usual work for the preservation or protection of any publicly owned, or publicly operated facility for its intended purposes;
2. Minor repairing;
3. Resurfacing of streets and highways at less than one inch;
4. Landscape maintenance, including mowing, watering, trimming, pruning, planting, placement of plants and servicing of irrigation and sprinkler systems;
5. Work performed to keep, operate, and maintain publicly owned water, power or waste disposal systems, including, but not limited to, dams, reservoirs, power plants, and electrical transmission line of 230,000 volts and higher.

C. The contracting procedures and the dollar limits set forth in Public Contract Code section 22032 are as follows:

1. Public projects of \$30,000 or less may be performed by the employees of the City by force account, by negotiated contract or by purchase order.
2. Public projects of \$30,001 to \$125,000 may be let to contract by informal bidding procedures as set forth in the Uniform Public Construction Cost Accounting Act and as follows:
 - a. Contractors List. A list of qualified contractors shall be developed and maintained by those City Departments undertaking public projects in accordance with the provisions of Section 22034 of the Public Contract Code and any applicable criteria promulgated, from time to time, by the California Uniform Construction Cost Accounting Commission.
 - b. Notice Inviting Informal Bids. When a public project is to be undertaken which is subject to the provisions of this Chapter, a notice inviting informal bids shall be mailed to all contractors for the category of work to be bid, as shown on the City's list of qualified contractors and to all construction trade journals as specified by the California Uniform Construction Cost Accounting Commission in accordance with Sections 22036 of the Public Contract Code. Additional contractors and /or construction trade journals may be notified at the discretion of the City department responsible for undertaking the public project and soliciting bids, provided however:
 - 1) If there is not a list of qualified contractors maintained by the City for the particular category of work to be performed, the notice inviting bids for the public project shall be sent only to the construction trade journals specified by the Commission.
 - 2) If the product or service comprising the public project is proprietary in nature such that it may be obtained only from a certain contractor or contractors, the notice inviting informal bids for the public project may be sent exclusively to such contractor or contractors.
3. Public projects of more than \$125,000 shall, except as otherwise provided in the Uniform Public Construction Cost Accounting Act, be let to contract by formal bidding procedures.
4. Award of purchase orders or contracts for public projects shall be as follows:
 - a. \$30,000 or less: Award shall be made by the Purchasing Agent in the best interests of the City;

b. \$30,001 - \$50,000: Award shall be made by the City Manager to the lowest responsible bidder, pursuant to Public Projects informal bidding procedures;

c. \$50,001 - \$125,000: Award shall be made by the City Council to the lowest responsible bidder, pursuant to public projects' informal bidding procedures;

d. \$125,001 and above: Award shall be made by the City Council to the lowest responsible bidder pursuant to public projects' formal bidding procedures.

D. Each year, on a quarterly basis, the Purchasing Agent and the City Manager shall prepare and provide to the City Council a summary report of contracts awarded during such quarter pursuant to subsections 2.16.140C4a and 2.16.140C4b, above.

2.16.150 Non-Public Projects - Bidding Requirements for Supplies, Materials, Equipment and Construction

A. \$5,000 or less: Procurement of goods, services or construction of five thousand dollars (\$5,000) or less may be made by the Purchasing Agent in the open market without the use of competitive bidding. The City Manager may direct the Purchasing Agent to employ competitive bidding for certain types of goods, services or construction for amounts less than \$5,000.

B. \$5,001 - \$30,000: Procurement of goods, services or construction of more than five thousand dollars (\$5,000) but less than or equal to thirty thousand dollars (\$30,000) may be made by the Purchasing Agent in the open market using an informal bidding procedure whereby informal bids or quotations are obtained. Although less formal, procedurally, than formal procurement, procurement in the open market shall be conducted by the Purchasing Agent in a manner and under circumstances intended to elicit competitive informal bids. The Purchasing Agent shall obtain informal bids from at least three different bidders and shall maintain and keep records of all open market procurements, including informal bids received, in accordance with the City's Records Retention Schedule. Award shall be made by the Purchasing Agent to the lowest responsible bidder.

C. \$30,001 - \$50,000: Procurement of goods, services or construction of more than thirty thousand dollars (\$30,000) but less than or equal to fifty thousand dollars (\$50,000) may be made by the Purchasing Agent in the open market using an informal bidding procedure whereby informal bids or quotations are obtained. Although less formal, procedurally, than formal procurement, procurement in the open market shall be conducted by the Purchasing Agent in a manner and under circumstances intended to elicit competitive informal bids. The Purchasing Agent shall obtain Informal Bids from at least three different bidders and shall maintain and keep records of all open market procurements, including informal bids received, in accordance with the City's Records Retention Schedule. Award shall be made by the City Manager to the lowest responsible bidder.

D. \$50,001 and above: Procurement of goods, services or construction of more than fifty thousand dollars (\$50,000) shall be made by using formal procurement as required by Section 2.16.120 of this Chapter. Award shall be made by the City Council to the lowest responsible bidder.

E. Each year, on a quarterly basis, the Purchasing Agent and the City Manager shall prepare and provide to the City Council a summary report of contracts awarded during such quarter pursuant to subsections 2.16.150B and 2.16.150C, above.

2.16.160 Lowest Responsible Bidder

In addition to price in determining the “lowest responsible bidder,” consideration will be given to quality and performance of the commodity to be purchased or service provided by the bidder. Criteria for determining the lowest responsible bidder shall include, but not be limited to, the following:

A. Ability, capacity and skill of the bidder to provide the supplies, materials, equipment or contractual services as required.

B. Ability of the bidder to provide the goods, services or construction services within time specified.

C. Character, integrity, reputation, judgment, experience, and efficiency of the bidder.

D. Quality or performance of previous purchases from said bidder.

E. Ability of the bidder to provide future maintenance, repair parts and services for the use of the commodity purchased.

F. Performance by bidder under contracts with other public or private entities.

G. Listing of contractor as “debarred” or determination of other public agency that bidder has submitted a fraudulent bid within the prior five years.

H. Possession of required license(s), permit(s) or other governmental approvals, if any, to supply or provide the subject goods, services or construction services.

2.16.170 Professional Services

A. Landscaping, engineering, architectural, surveying, and construction management. The retention of professional services for architectural, landscape architectural, engineering, land surveying or construction project management shall be on the basis of demonstrated competence and on the professional qualifications necessary for the satisfactory performance of the services required, and at fair and reasonable prices to the City, in accordance with Section 4526 of the

Government Code. A request for proposal and/or statement of qualifications shall be prepared by the initiating City Department, and proposal requests solicited, where practical, from at least three professional services providers.

B. Other professional services. Except as may otherwise be provided in this Code or as may be required by state or federal law, the retention of other professional services of individuals or organizations exercising professional discretion and judgment based upon advanced or specialized knowledge, expertise or training, gained by formal study or experience, shall be based upon both the demonstrated competence and on the professional qualifications necessary for the satisfactory performance of the services required, and the cost for such services. A request for sealed proposals and/or statement of qualifications, including a request for a separate, sealed proposal for the cost for the performance of the services, shall be prepared by the initiating City Department. Proposals shall be solicited, when practical, from at least three professional service providers. The negotiations associated with the award of a contract for services identified in this subsection 2.16.170B shall occur as follows: Upon receipt of the proposals, the initiating City Department shall first determine and identify those persons or organizations that are qualified to perform the services and shall rank such persons and organizations based on their demonstrated competence and professional qualifications deemed necessary for the satisfactory performance of the services required. Second, the cost proposals submitted by all the qualified persons and organizations shall be opened and reviewed. Third, negotiations shall be undertaken with the person or organization ranked most qualified in an attempt to secure the services at a cost equivalent to the lowest cost offered to the City by the qualified persons and organizations. If the person or organization ranked most qualified is unwilling to provide the services at a cost equivalent to such lowest cost: (i) such person or organization may nevertheless be awarded a contract, provided the Purchasing Agent, City Manager or City Council, as appropriate, determines the initiating City Department Director has substantiated that the cost for the services is reasonable and appropriate; or, (ii) negotiations with the most qualified person or organization may be terminated and the initiating City Department may undertake similar negotiations with the other qualified persons and organizations in order of rank.

C. Notwithstanding any other provisions of this section 2.16.170, a professional services contract may be awarded as a single source purchase or a sole source purchase; as such purchases are defined in this Chapter.

D. Professional services contracts shall be awarded by the Purchasing Agent, City Manager or City Council, as appropriate, based upon the dollar limits specified in subsection 2.16.140 C.4 of this Chapter.

2.16.180 Non-Professional Services

Non-Professional Services shall be retained on the basis of competitive procurement in accordance with section 2.16.150 of this Chapter.

2.16.190 Change Orders

Changes to previously awarded purchase orders or contracts in excess of ten percent (10%) of the original value of that purchase order or contract shall require approval by the Purchasing Agent, City Manager or City Council depending on the new value of the purchase order or contract after the increase and in relation to the approval limits established in Section 2.16.140 and 2.16.150 of this Chapter. Changes of less than ten percent (10%) that cause the new value of the purchase order or contract to exceed \$50,000, if the purchase order or contract was not previously approved by City Council, shall require the approval of the City Council. Any change order that increases a purchase order or contract by fifty percent (50%) or more of the original value requires City Manager approval for purchase orders or contracts totaling less than or equal to \$50,000 and City Council approval for those totaling \$50,000 or more. The City Manager may request City Council approval for the former, if he or she believes it is in the best interests of the City to do so

2.16.200 Cooperative Purchasing

Where advantageous for the City, the Purchasing Agent is authorized to allow for the purchase of goods, services and construction services through legal contracts of other governmental jurisdictions or public agencies without further contracting, solicitation or formal bidding, provided such practice otherwise complies with state law.

2.16.210 Preferences

In administration of competitive procurement pursuant to this Chapter, the Purchasing Agent shall be authorized to give such preferences for goods, services or construction as general law cities are permitted or required to give by applicable state or federal law, or as provided for in this Chapter.

A. Local Preference. To promote the economic health of the City and to encourage local participation in the procurement process, the Purchasing Agent, in determining the lowest responsible bidder, may take into consideration the 1% sales tax which would be returned to the City as a result of the bid award. For procurement where sales tax would not be generated as a result of the bid award and where the quality and price are equal to another bidder or bidders, the local vendor may be given the bid award.

B. Recycled Goods. Whenever practicable, all City Departments shall use recycled content products and recycled materials to meet their needs and the City shall require its contractors and consultants to use recycled content products in fulfilling contractual obligations whenever practicable. All other considerations being equal, preference shall be given to the purchase of products with the highest post-consumer content. The following requirements are to be followed by the Purchasing Office and City staff in the procurement of recycled goods:

1. City staff shall identify the recycled content products available and the vendors from whom such products are available for purchase and provide the information to the Purchasing Agent.
2. From the information provided by City staff, the Purchasing Agent shall establish a list of recycled products for purchase by all departments when practicable and shall review purchase requests to encourage substitution of recycled products when practicable. The list shall be reviewed and updated periodically as additional products become available.
3. The Purchasing Agent shall develop standard specifications based on existing data bases available through recognized and accepted sources (e.g., EPA, CIWMB, etc.) to assist departments in identifying and purchasing recycled products, including the development of minimum recycled content standards. Minimum content standards shall be reviewed and updated periodically.
4. The Purchasing Agent shall maintain a data base to track the procurement of recycled content products and shall compile, in coordination with the City Department responsible for such activities, an annual report quantifying the City's use of recycled content products for the purpose of determining compliance with AB 939 planning requirements.

2.16.220 Authorization to Execute Contracts

Pursuant to section 40602 of the Government Code, the Mayor must execute all contracts on behalf of the City, unless another City officer or employee is authorized to do so. The City Manager and Purchasing Agent, in addition to the Mayor, in accordance with the procurement dollar limits established in this Chapter, are hereby authorized to execute contracts on behalf of the City. Execution of all contracts shall be attested to by the City Clerk.

2.16.230 Standardization of Equipment/Supplies

The Purchasing Agent shall encourage standardization of equipment and supplies to promote efficiency and reduce costs to the City. Equipment and supplies standardization shall not, however, negate the requirement to solicit competitive bids for standardized equipment and supplies, when reasonably possible.

2.16.240 Insurance Requirements

Any individual, firm, partnership, corporation or combination thereof who is awarded a purchase order or contract with the City must comply with all insurance requirements as established by state law or within the limits established from time to time by the City and its insurance advisors.

2.16.250 Federal Requirements

If any section, subsection, subdivision, sentence, clause or phrase of this Chapter conflicts with any federal requirements mandated for any grant funded procurement, the applicable Federal requirements shall apply to that procurement.

2.16.260 Resale Items

Items purchased for resale, even though their form may be changed before sold to a customer, may be purchased noncompetitively; however, a reasonableness of price statement must be included in the file. Items consigned or purchased for resale may also be given away as prizes. A summary of resale items acquired and sold shall be submitted to the Purchasing Agent annually for review.

2.16.270 Commercial Entertainment/Excursions and Competition

Commercial entertainment/excursions provided by the City's Recreation Division to the general public may be purchased noncompetitively by group, act name or tour agency. The negotiated prices must be at the lowest obtainable prices based on the particulars of performance/services desired. Transportation services shall be acquired by way of the competitive bidding process, unless it is an intrinsic part of the excursion as determined by the Purchasing Agent.

2.16.280 Designation of Surplus Personal Property

The City Council, and any City Department Director, may declare any personal property held by such department as surplus. Such declaration shall be in writing, and such property, together with such written declaration, shall be delivered to the Purchasing Agent. The Purchasing Agent shall store such property and maintain a written inventory for review by each City Department Director. If any Department Director has a use for such property, he or she may so request from the Purchasing Agent, who shall have the authority to assign the property to any department (able to make best use of such property).

2.16.290 Sale in Open Market of Surplus Personal Property

Surplus City property in usable condition, if its estimated value is less than five thousand dollars (\$5,000), may be disposed of in the following manner: the Purchasing Agent shall make an investigation of the market conditions of personal property of the type declared surplus and determine prices for all surplus property, which in his/her opinion, will be competitive with

prices in the open market. The Purchasing Agent may then sell such personal property at such prices by advertising in the most appropriate means, which in his or her opinion, will bring the greatest number of potential purchasers to include sale on a consignment basis. He or she shall cause to be published at least once, at least three days before such sale, in a newspaper of general circulation, published and distributed in the City, a notice of the sale setting forth the day it shall begin; the number of days it is to be continued, if it is to last more than one day; the place where the articles may be examined; the place where the purchase price is to be paid and the property delivered; and a general description of the type of property being sold. The terms of all such sales shall be cash in the amount of the full purchase price. The Purchasing Agent shall give a receipt to the purchaser of such property and keep a copy for the official files, and shall forward a copy of such receipt to the City Treasurer's Office, together with the money so collected from the buyer. The City Treasurer's Office shall receive and deposit such money and shall forward the information to the Finance Director who shall credit the money received from the sale of such property to the appropriate fund account.

2.16.300 Sale by Sealed Bid Auction of Surplus Personal Property

As an alternate to the method of sale in the Open Market, the Purchasing Agent shall, in all cases, where the estimated value of personal property is five thousand dollars (\$5,000) or more, and may, in the sale of all other personal property, where in his or her discretion, determines it in the best interest of City, sell surplus personal property by means of sealed bid or public auction. In conducting an auction, the Purchasing Agent may contract with professional auctioneer, and his/her fee may either allow a flat fee, hourly fee, or a percentage of the amount of the sale, based upon that which is the common and customary method and rate for such auctioneering services. The procedure for conducting such sale shall be determined by the Purchasing Agent; provided, however, that the following are included in such procedure:

A. At least one notice, three days before the sale, shall be published in a newspaper of general circulation published and distributed in the City, containing general description of the type of property to be sold and the time and place of such bid opening or auction.

B. That the terms of all sales shall be cash.

C. The sale by sealed bid or auction shall be to the highest responsible bidder.

D. That a receipt be given to the purchaser and a copy of such receipt, together with the money received, be deposited with the City Treasurer's Office, and that the Finance Director shall credit such funds to the appropriate fund account.

2.16.310 Trade-in Surplus Personal Property

Notwithstanding any provisions of this Chapter for the sale of surplus personal property in the open market or any auction, the Purchasing Agent may trade-in surplus personal property with an amount he/she determines to be reasonable, to be allowed toward the purchase of a similar type of personal property. Typical situations where this might apply might be in the disposal of

used motor vehicles and other machinery and equipment for which trade-ins are commonly permitted by the manufacturer/dealer.

2.16.320 Sale of Unserviceable Junk or Scrap Personal Property

When any surplus City property is deemed to be unserviceable, junk or scrap, no longer suitable for its original purpose, the Purchasing Agent shall dispose of such personal property by destruction, trade or sale of said personal property at the best competitive price available in the open market without regards to the other provisions of this Chapter.

2.16.330 Sale of Surplus Personal Property to Other Public Agencies

Notwithstanding any other provision of this Chapter, the City Council may sell without recourse to sealed bid or auction surplus personal property to other public agencies including cities, counties, school districts, special districts and joint powers agencies as may be determined by the City Council.

2.16.340 Disposal of Unclaimed Property

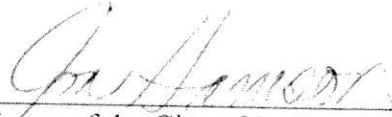
Notwithstanding other provisions of this Chapter, unclaimed property in the possession of the Police Department held by the Department for the period set forth by this Code or state law for such property, if the true owners thereof do not make claim for their return in accordance with the provisions of Division 3, Title 6, Chapter 4 (entitled "Lost and Unclaimed Property"), commencing at Section 2080 of the Civil Code may be either retained by the City upon the finding that the property is needed for public use or may be disposed of in accordance with the provisions set forth in this Chapter for disposing of personal surplus property.

2.16.350 Disposal of Bicycles

Notwithstanding other provisions of this Chapter, bicycles that have been lost or abandoned and recovered by the Police Department and held by the Department for the minimum time period set forth by this Code or state law, may be disposed of by the City by either auction or by placing such bicycles with service club, charitable agencies, other government agencies concerned with the welfare of the poor and needy, or with individuals who are poor, needy or disadvantaged."

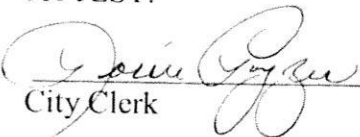
Section 2. Chapter 3.74 of the Redlands Municipal Code, entitled "Informal Bids for Public Works," is hereby deleted in its entirety.

Section 3. The Mayor shall sign this ordinance and the City Clerk shall certify to the adoption of this ordinance and cause it, or a summary of it, to be published once in the Redlands Daily Facts, a newspaper of general circulation within the City, and thereafter, this ordinance shall take effect in accordance with law.



Mayor of the City of Redlands

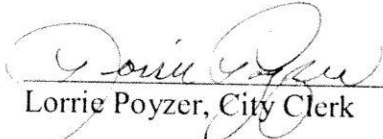
ATTEST:



City Clerk

I, Lorrie Poyzer, City Clerk of the City of Redlands, hereby certify that the forgoing ordinance was duly adopted by the City Council at a regular meeting thereof held on the 18th day of March, 2008 by the following vote:

AYES: Councilmembers Gilbreath, Aguilar; Mayor Harrison
NOES: Councilmembers Gallagher and Bean
ABSENT: None
ABSTAIN: None



Lorrie Poyzer, City Clerk