

	CITY OF BELVEDERE – ADMINISTRATIVE POLICY MANUAL POLICY 2.7 PROCUREMENT		
	Adoption Date:	11/13/2018	Adopted by:
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Authority:	City Council		

2.7.1 PURPOSE

It is the policy of the City to obtain the quality and quantity of products and services required for the performance of City governmental functions at the lowest possible cost. There are three different types of procurements utilized by the City:

- 1) Public Works Projects, discussed in Section 2.7.4;
- 2) Supplies, Materials, Equipment, Non-Professional Services and Maintenance Work, discussed in Section 2.7.5;
- 3) Professional Services, discussed in Section 2.7.6.

2.7.2 PURCHASING AGENT

The City Manager, or the City Manager’s designee, is the Purchasing Agent, with the authority and the responsibility to:

- 1) Carry out the Purchasing Policy of the City,
- 2) Prepare or revise, in cooperation with each department, written standard specifications for purchases of goods, supplies, equipment, and services,
- 3) Purchase or contract for goods, supplies, equipment, and services required by City departments according to these purchasing procedures and such administrative regulations as the City Manager shall prescribe,
- 4) Obtain as full and open a competition as possible when purchasing or contracting for goods, supplies, equipment, and services,
- 5) Keep informed of current developments in the field of purchasing, prices, contracting for goods, supplies, equipment, and services,
- 6) Ensure the inspection of all supplies and equipment purchases to guarantee quality and conformance with City specifications,
- 7) Recommend the transfer of unused supplies and equipment between departments as needed,
- 8) Sell supplies and equipment that cannot be used by any department or that have become unsuitable for City use, and
- 9) Maintain a contractor’s list and necessary records for the efficient operation of the purchasing function

2.7.3 DEFINITIONS

For the purposes of the Purchasing Policy the following words and phrases shall have the following meanings:

- 1) “Commission” means the California Uniform Construction Cost Accounting Commission
- 2) “Act” means the Uniform Public Construction Cost Accounting Act (California Public Contracts Code Section 22000 et seq.)
- 3) “Force Account” means professional services, construction, rehabilitation, repair or demolition that is performed by City employees.
- 4) “Public project” means any of the following:
 - i. Construction, reconstruction, erection, alteration, renovation, improvement, demolition and repair work involving any city owned, leased or operated facility; or
 - ii. Painting or repainting of any city owned, leased, or operated facility.
- 5) “Public project” does not include maintenance work. “Maintenance work” includes all of the following:
 - i. Routine, recurring and usual work for the preservation or protection of any city owned or city operated facility for its intended purposes;
 - ii. Minor repainting;
 - iii. Resurfacing of streets and highways at less than one inch;
 - iv. Landscape maintenance, including mowing, watering, trimming, pruning, planting, replacement of plants, and servicing of irrigation and sprinkler systems; or
 - v. Work performed to keep, operate, and maintain city owned systems.
- 6) “Facility” means any plant, building, structure, ground facility, utility system, subject to the limitation of subsection (B)(4), real property, streets and highways, or other public work of improvement.

2.7.4 BID PROCEDURE FOR PUBLIC PROJECTS

- A. The procedures in this section shall be observed when conducting procurements for “public projects,” as defined in section 2.7.5(4).
- B. Force Account, Negotiated Contract, Purchase Order
Public projects that do not exceed the applicable dollar amount limitations under Section 22032 of the Act (currently \$45,000 or less) may be performed by force account or let by negotiated contract, or purchase order.
- C. Informal Bid Procedures;

Public projects that do not exceed the applicable dollar amount limitations under Section 22032 of the Act (currently \$175,000 or less) may be performed by the informal bidding provisions of this Policy, as applicable.

(1) Notice Inviting Informal Bids

Where a public project is to be performed which is subject to the informal bidding provisions of this Regulation, a notice inviting informal bids shall be mailed or e-mailed to all contractors for the category of work to be bid, as shown on the list developed in accordance with subsection (D) above, and to all construction trade journals as specified by the Commission in accordance with Section 22036 of the Act. Additional contractors and/or construction trade journals may be notified at the discretion of the department/agency soliciting bids, provided however:

- i. If there is no list of qualified contractors maintained by the City for the particular category of work to be performed, the notice inviting bids shall be sent only to the construction trade journals specified by the Commission.
- ii. If the product of service is proprietary in nature such that it can be obtained only from a certain contractor or contractors, the notice inviting informal bids may be sent exclusively to such contractor or contractors.

(2) Award of Informal Contracts

The Purchasing Agent is authorized to award informal contracts pursuant to this Regulation.

D. Formal Bid Procedures

Public projects that are required to be let by formal bidding procedures under the Act (currently \$175,000 or greater) must be let to the lowest responsive and responsible bidder after posting of notice inviting formal bids as specified in subsection (F) below.

- 1) The formal competitive bidding procedure shall comply with all aspects of state and local law governing formal competitive bidding, including, but not limited to, the California Public Contract Code, California Government Code, California Labor Code, resolutions of the City Council as may be adopted from time to time, and policies and procedures as the purchasing agent may approve from time to time.
- 2) The City may, in its sole and absolute discretion, reject any or all bids presented, and may waive any minor irregularities in each bid received.
- 3) Notice Inviting Formal Bids
The notice inviting formal bids shall comply with Section 22037 of the Act. Notice inviting formal bids shall state the time and place for the receiving and opening of sealed bids and distinctly describe the project. The notice shall be published at least 14 calendar days before the date of opening the bids in a newspaper of general circulation, printed and published in the city; or, if there is no newspaper printed and published within the jurisdiction of the public agency, in a newspaper of general circulation which is circulated within the city. The

notice inviting formal bids shall also be mailed to all construction trade journals specified in Section 22036 of the Act. The notice shall be mailed at least 15 calendar days before the date of opening the bids. In addition to notice required by this Section, the city may give such other notice as it deems proper.

4) Award of Formal Contracts

Formal contracts made under this Regulation shall be awarded by the City Council.

E. Contractors List

A list of contractors shall be developed and maintained by the Public Works Manager or his or her designee in accordance with the provisions of Section 22034 of the Act and criteria promulgated from time to time by the Commission.

J. Approval of Plans and Designs

The City Engineer, or the City Engineer's designee, is authorized to approve plans and designs, and all amendments and addenda thereto, for performance of a public project of the City.

2.7.5 BIDDING AND CONTRACTING FOR SUPPLIES, MATERIALS, NON-PROFESSIONAL SERVICES AND MAINTENANCE WORK

A. Materials, Supplies, Equipment, and Non-Professional Services

Materials, supplies, and equipment required by any city department for its daily operation and use may be purchased through the following alternative procedures at each dollar threshold. This section does not apply to any materials, supplies, and equipment required for the construction of a public project.

- Buyer's best judgement: Up to \$2,000
- Two written or oral quotes: Over \$2,000 and up to \$10,000
- Three written quotes: Over \$10,000 and up to \$50,000
- Sealed competitive bidding: Greater than \$50,000

Evidence of the selection process used at the \$2,000 or greater threshold must be submitted to the finance department.

B. Maintenance Work

Contracts for maintenance work, and all working details, drawings, plans and specifications prepared for maintenance work contracts shall be reviewed and approved by the City's Public Works Manager, or his or her designee. Contracts for maintenance work shall be awarded to the contractor that will best serve the interests of the city, taking into account any or all of the following:

- 1) The ability, capacity, and skill of the contractor to perform the contract;
- 2) Whether the contractor has the facilities to perform the contract promptly, or within the time specified, without delay or interference;
- 3) The character, integrity, reputation, judgment, experience, and efficiency of the

- contractor;
- 4) The contractor's record of performance on previous contracts with the city;
 - 5) The previous and existing compliance by the contractor with laws and ordinances relating to the contract;
 - 6) The sufficiency of the financial resources and ability of the contractor to perform the contract;
 - 7) The quality, availability, and adaptability of the supplies and equipment needed to fulfill the contract;
 - 8) The ability of the contractor to provide future maintenance and service for the subject of the contract;
 - 9) The number and scope of conditions attached to the bid; and
 - 10) The contractor's price proposal

C. Award of Maintenance Contracts; Contracts for the Purchase of Materials, Supplies and Equipment

The Purchasing Agent is authorized to award maintenance contracts and contracts for the purchase of materials, supplies and equipment of \$175,000 or less. The City Council shall award maintenance contracts and contracts for the purchase of materials, supplies and equipment of more than \$175,000.

2.7.6 EXCEPTIONS TO THE BIDDING REQUIREMENTS

The bidding requirements for a Municipal Improvement Project or for the purchase of goods, supplies, equipment, and services need not be observed if any of the following conditions is met:

- Emergency - Where the City has declared an emergency justifying the expenditure.
- Public Cooperative Purchasing Agreement - Except for public projects subject to informal or formal bidding under Section 2.7.4., where another governmental entity has an agreement with a vendor which allows the City to purchase particular items on a cooperative basis at a reduced rate.
- Negotiations - Except for public projects subject to informal or formal bidding under Section 2.7.4 where the City Council finds that negotiation would best serve the City due to the nature of the project, good, supply, equipment, or service.
- Sole Source – A sole source justification exists in any of the following circumstances:
 - *Specialized Item* - Where the project, good, supply, equipment, or service is of such a specialized nature that it can only be obtained from one manufacturer or vendor or where the service sought is to maintain an article for which the bidder was also the manufacturer or vendor of the article.
 - *Existing Contract* - Except for public projects subject to informal or formal bidding under Section 2.7.4, where the project, good, supply, equipment, or service is similar to one being provided under an existing contract, and in the judgment of the Department Head the project, article or service can be obtained by negotiations with the existing contractor for the same price that formal bidding would yield.

- *Bidding Not Beneficial* – In instances when the responsible purchasing authority determines competitive bidding is ineffective or will not produce an advantage and, therefore, is not in the best interests of the City.
- Sole Source Contracts must be approved by the Purchasing Agent.

2.7.7 PROCUREMENT OF SPECIALIZED SERVICES

- A. Professional services are advisory, consulting, architectural, engineering, computer, data processing, telecommunications, legal, financial, surveying or any service which involves the exercise of professional discretion or independent judgment based on an advanced or specialized knowledge, expertise or training gained by formal studies or experience.
- B. Whenever practicable as determined by the Purchasing Agent in his or her sole discretion, a minimum of three (3) proposals shall be obtained from separate firms for professional services.
- C. The Purchasing Agent is authorized to award professional services contracts of \$175,000 or less, with the exception of contracts for independent financial audits. Contracts for services for independent financial audits shall be awarded by the City Council. The City Council shall award professional services contracts of more than \$175,000.
 - 1. Award of contracts for architectural, landscape architectural, engineering, environmental, land surveying, or construction project management services the emphasis in the selection process shall be on the basis of demonstrated competence and on the professional qualifications necessary for the satisfactory performance of the services required.
- D. The City Manager shall issue a request for proposals for ongoing professional services contracts not less frequently than every five years, and shall conduct mid-service reviews of professional services contractors at thirty months into their contracts.