



General Services Department

PURCHASING DIVISION PROCUREMENT HANDBOOK

April 2008



An Overview of the Purchasing Division Procedures

Recipient of the 2006 & 2007
Achievement of Excellence in Procurement Awards
from CAPPO (California Association of Public Purchasing Officers)



(From Cover)



**Winner of the 2006 & 2007
Achievement of Excellence in Procurement Award (AEP)**

The Purchasing Division applied for and has received the Achievement of Excellence in Procurement Award two years in a row from the California Association of Public Purchasing Officers (CAPPO) which is one of eleven organizations that sponsor the AEP award. The Purchasing Division submitted an application which was evaluated by the AEP committee based on excellence in professionalism, productivity, eProcurement and leadership attributes of the procurement organization.

The Purchasing Manager, Jan Smith, received the AEP 2007 award at the 91st California Association of Public Purchasing Officers Conference in New Port Beach on February 14, 2008. The Purchasing staff was presented with a proclamation from the City Council on February 26, 2008 to congratulate them on this great accomplishment. Staff has just submitted their application for the 2008 AEP award.

MISSION STATEMENT

To provide prompt and effective procurement services
which meet the needs of City departments,
in accordance with the spirit and requirements of the
City Charter and Municipal Code
while affording equal access
to all entities seeking to do business with the City of Fresno.

Purchasing Division Ethics Policy Statement

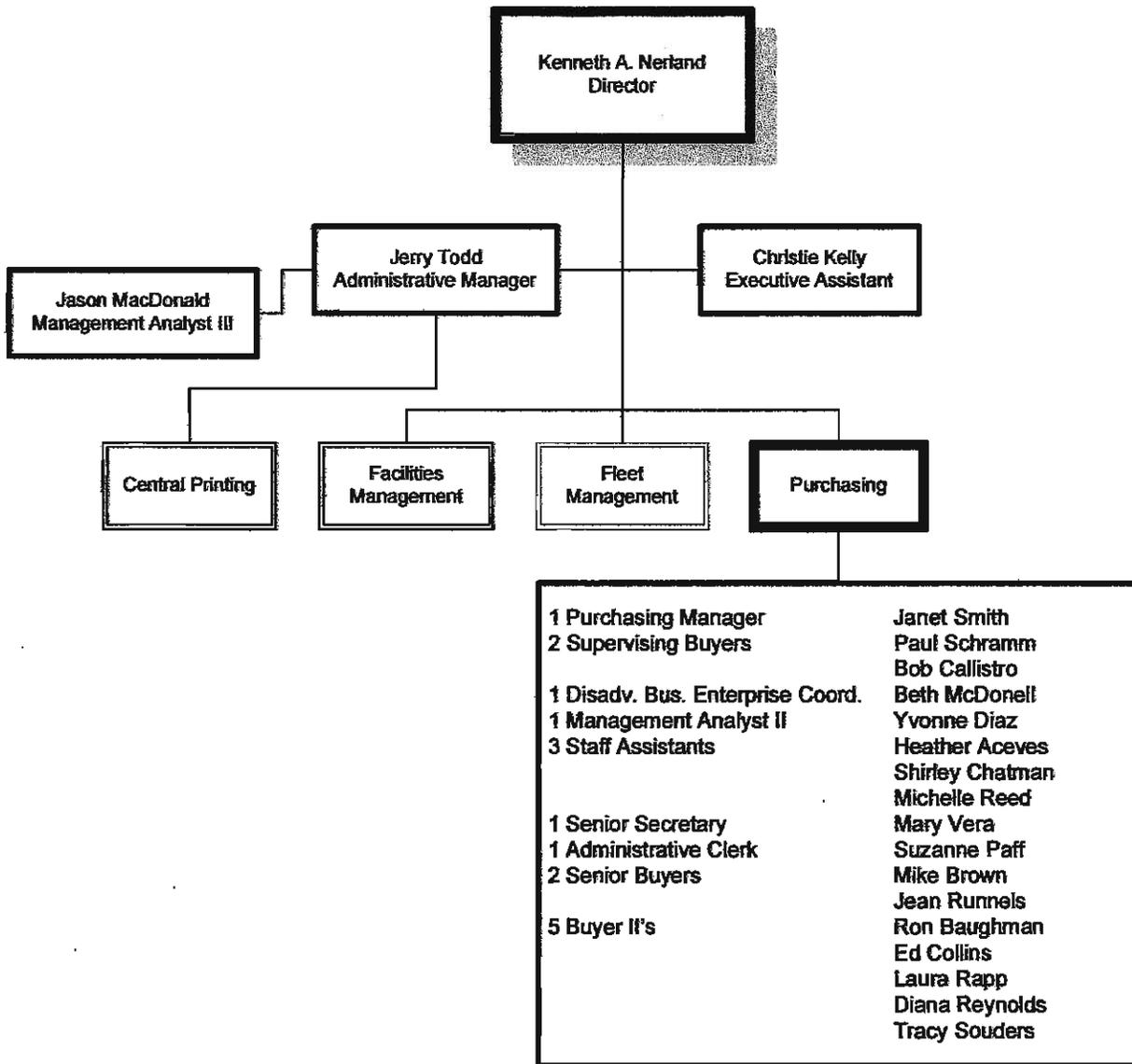
Serving the Internal City Customers and the Citizens of Fresno by:

- Achieving maximum value for each purchase
- Providing materials, equipment and services in a timely and practical manner
- Conducting business in an open, fair, truthful and inclusive manner
- Following the rule of applicable law or policy in all business dealings
- Treating internal and external customers with respect, honesty and fairness
- Striving for efficiencies in the procurement process
- Working with internal customers, as team members, to meet their needs as well as the needs of the Citizens of Fresno
- Protecting vendors' confidential information in accordance with the Public Records Act
- Seeking to maintain and continuously improve ones professional knowledge, skills and abilities

A culture of excellence where the people get the best every day

General Services Department PURCHASING DIVISION

FY 08



PURCHASING DIVISION TEAM ASSIGNMENTS

Effective March 17, 2008

Jan Smith – Purchasing Manager

ADMINISTRATIVE TEAM

Mary Vera – Sr. Secretary
PS New Vendors
Office Depot issues
CAL-Card Backup

Suzanne Paff – Administrative Clerk II
Receptionist
Office Depot orders
Surplus

Yvonne Diaz – MAII
CAL-Card Program
ID Billing
Budget

DISADVANTAGED BUSINESS ENTERPRISE (DBE)

Beth McDonell, *DBE Coordinator*
Shirley Chatman, *Staff Assistant*

BUYING TEAMS

TEAM 1

Bob Callistro – Supervising Buyer 621-1157

- PeopleSoft

Heather Aceves – Staff Assistant Support 621-1175

- Change Orders

Jean Runnels – Sr. Buyer - Lead for Team 621-1163

- Parks & Recreation
- Central Printing/Copiers
- Various Complex Formal Bids

Ed Collins – Buyer II 621-1191

- Facilities
- Fire
- Community Sanitation
- PW Admin. (Including Informals)
- PW Formal Bids: Various Projects

Tracy Souders – Buyer II 621-1159

- Water
- Furniture
- PW Formal Bids: Various Projects

TEAM II

Paul Schramm – Supervising Buyer 621-1155

- Blue Collar & Supervisor's Uniforms

Michelle Reed – Staff Assistant Support 621-1173

- Change Orders

Mike Brown – Sr. Buyer – Lead for Team 621-1165

- PD
- ISD/E&C
- Various Complex Formal Bids

Ron Baughman – Buyer II 621-1161

- Wastewater
- Solid Waste
- Sewer
- DPU – Admin.
- Linen & Dust
- PW Formal Bids: Various Projects

Diana Reynolds – Buyer II 621-1151

- FAX
- Streets/Traffic Signals
- Housing & Code Enforcement
- PW Formal Bids: Various Projects
- Administrative Divisions
 - City Attorney – City Clerk
 - Planning & Development/Econ. Dev.
 - Finance
 - Mayor/Council/City Manager
 - Personnel

Laura Rapp – Buyer II 621-11269

- Airports
- Fleet
- Transportation/Traffic
- PW Formal Bids: Various Projects

OUR PURCHASING TEAM

ADMINISTRATIVE TEAM



Jan Smith
Purchasing Manager



Mary Vera
Senior Secretary



Yvonne Diaz
Management Analyst

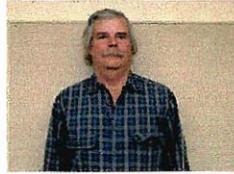


Suzanne Paff
Administrative Clerk II

TEAM I



Jean Runnels
Senior Buyer II



Bob Callistro
Supervising Buyer



Heather Aceves
Staff Assistant



Ed Collins
Buyer II



Tracy Souders
Buyer II

TEAM II



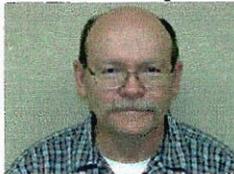
Mike Brown
Senior Buyer



Paul Schramm
Supervising Buyer



Michelle Reed
Staff Assistant



Ron Baughman
Buyer II



Diana Reynolds
Buyer II



Laura Rapp
Buyer II



Beth McDonald
DBE Program Coordinator

OUR DBE TEAM



Shirley Chatman
Staff Assistant

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Purchasing Division Guidelines

<u>Limits</u>	<u>Process</u>	<u>Average Turnaround Time For Complete Process</u> (Depending on Complexity)
Under \$1,000	Voucher	Purchasing Not Involved
Up to \$2,000	Emergency PO (EP)	Phone call or email to Buyer
\$2,000+	Emergency PO (EP)	Phone call or email to Buyer with explanation of circumstance of emergency, Sup/Mgr. approval
\$2,500 per Transaction	Cal Card (Visa)	User makes purchase with Visa
<u>Products</u>		
\$2,000 to \$114,000	Regular Purchase Order	2 weeks - BidsOnline quotes
\$2,000 to \$114,000	Informal Bid - RC	3-4 weeks, Including 5 days For Div. Evaluation
<u>Public Works</u>		
\$2,000 to \$25,000 (up to \$114,000 w/Sup. Buyer approval)	"PW Fast-Track"	2-3 weeks, including 2-3 days For Div. Eval; Insur; no walkthrough
\$25,000 to \$114,000	Informal Bid	5-6 weeks, include walkthrough; 5 days for Div eval; insur; bonds
<u>Products & PW</u>		
Over \$114,000	Formal advertised bid	2-3 months to award, includes: Purchasing review, Div eval & Council award
<u>Services – Non Professional</u>		
Under \$50,000	Informal RFP (Request for Proposal)	1 ½ months, Committee meet/ recommendation
Over \$50,000-Service	Formal RFP	2-3 months to award, includes: Purchasing & Atty. review, Committee meet/recommendation & Council award
<u>Services – Professional - Consultant</u> - Follow AO 6-19		
		Division handles
<u>RDA</u>		
Over \$5,000	Formal advertised bid	2-3 months to award, includes: Purchasing review, Div eval & Council award

Subject: Citywide Purchasing Policy	Number: 3.1
	Date Issued: Date Revised: 5/01/08
Responsible Department: GSD-Purchasing	Approved:

Purpose

To establish a Citywide purchasing policy and provide an overview over procurement options

Policy

The City of Fresno has a centralized purchasing function. The Purchasing Division is responsible for the purchase of equipment, materials and supplies, the bidding of public works projects, and for technical and non-professional services, such as custodial, security, temporary personnel and other services. Consultant and professional (i.e. "brain") services (such as engineering, design, legal, auditing, advertising, underwriting, medical, planning, training, customer service surveys and similar) are decentralized in the City of Fresno and are the responsibility of individual departments (see Administrative Order 6-19 Contracts for Service). However, the Purchasing Division is available for professional services as a mail-box to receive proposals, or as a resource, if requested by City clients.

Clients are encouraged to contact Purchasing for any special needs and priorities, such as grants, to allow Purchasing to plan for special assistance, if required, and to meet client needs. To maintain communication with its clients, Purchasing conducts liaison meetings with client divisions twice a year.

All business conducted by the Purchasing Division, except for services, is based on the principle of competitive bidding in accordance with Charter Section 1208 with award to the lowest responsive and responsible bidder. Competitive bidding assures the best pricing for the City, provides equal access to suppliers/contractors for City business and ensures accountability of public funds.

City clients determine their operational needs, and the Purchasing Division identifies the most effective and expeditious procurement to meet these needs. The Purchasing Division maintains an updated Procurement Handbook to assist their clients' understanding of procurement procedures.

Procedures

Procurements fall into two distinct categories, procurement over the formal bid limit and procurement under the formal bid limit. All procurement shall be initiated either by a requisition, or the submittal to Purchasing of bid specifications with funding information.

All City procurements are posted on the City's Web Site under Bid Opportunities (City's BidsOnline eprocurement system). Bidders register on the system and receive automatic emails when a bid is posted on line for the category in which the bidder registered. Bids can either be submitted electronically or by paper. At this time Formal bids are posted on the system but not received electronically.

1. Procurement over the formal bid limit

- a. Formal bids. The formal bid limit is determined by Charter Section 1208 (see Attachment). It is adjusted by the Consumer Price Index (CPI) each July 1 and communicated to departments by the Purchasing Manager. All purchases of equipment, supplies and public works construction over the formal bid threshold require formal, advertised bidding with award by the City Council.
- b. Sole sources. Materials, supplies and equipment that can be obtained from only one supplier may be purchased through the sole source process. Sole source purchases are subject to the approval of the Purchasing Manager or his/her designee, and sole sources over the formal bid limit require Council approval of a sole source resolution.
- c. Cooperative purchases and piggybacks. Under Charter Section 1208, the Purchasing Manager may purchase equipment and products through Cooperative Purchasing Agreements with other public agencies by being a primary party in a joint formal bid, or by purchasing from a supplier who has been awarded a contract by other governmental agencies under the same terms and at the same pricing ("piggyback"), including, but not limited to, General Services Administration (GSA) and California Multiple Award Schedule (CMAS) contracts or similar. All piggybacks must be authorized by the Purchasing Manager or his/her designee.

2. Procurement under the formal bid limit

Procurement under the formal bid limit may occur in various forms: obtaining quotes, including informal bids, posted on City's eProcurement system; providing "open" purchase orders (particularly for maintenance and repair items and low cost items that are difficult to bid) or through other processes. The Purchasing Division will choose the process best suited to a timely procurement.

One-time purchases under a certain limit (see Attachment) are decentralized and may be made directly by clients under the Direct Voucher Payment process, or by obtaining a purchase order number from Purchasing. Purchases under the decentralized limit for software, computers, City Hall furniture, remodeling, welding, vehicular equipment and printing shall be authorized through the respective Internal Service Funds. The decentralized limit is not intended for repetitive purchases which shall either be acquired through a requirements contract or Purchasing may provide an "open" purchase order.

It is the policy of the City to close out all "open" purchase orders (for maintenance, repair and low cost items) at the end of each fiscal year with a two-week grace period for payment. Purchase Orders for purchases of equipment, and for contracts for supplies, materials and services may roll over from one fiscal year to another and shall be closed out by the client when the equipment has been delivered or at the end of the contract period.

3. Services

a. Consulting/professional services (decentralized)

The Purchasing Division is not responsible for consultant and professional (i.e. "brain") services, which are decentralized in the City of Fresno (see Administrative Order 6-19 Contracts for Service). Consultant agreements over \$50,000 are subject to Council approval and shall be encumbered by means of a Purchase Order.

b. Technical and Non-professional services (Purchasing)

The Purchasing Division is responsible for technical and non-professional services, such as custodial, processing, security, temporary personnel and other services. Services that require a contractor's license (such as well cleaning), are considered public works projects. Requests for Proposals (RFPs) rather than bids are used for contracting for services. Requests for Proposals are awarded not on price alone, but on a combination of evaluation factors which include price. In accordance with Municipal Code Section 4-107(b), award of contracts for services over \$50,000 is made by the City Council; award under \$50,000 is delegated to the City Manager or his/her designee (see Attachment). The City Manager has designated the Purchasing Manager for award of contracts/Requests for Proposals for technical and non-professional services under \$50,000.

4. Other

a. Cal Card purchases

The Purchasing Division is responsible for the issuance of the Cal Card, the City's "Official" purchase card to be used for the purchase of parts, supplies or other goods in instances where the parts, supplies or goods are more immediately available than conventional sources. Each Cal Card transaction is limited to \$2,500. The Cal Card is not intended to be used for the purchase of inventory items, or services from Graphic Communications, Information Services, and Electronics & Communications. In addition, the Cal Card can not be used to purchase alcohol, tobacco, firearms, gambling, travel expenses, etc. (Administrative Order #3-9)

b. Emergency purchases.

(i) Repairs. For emergency purchases, such as a repair part for a "down" piece of equipment, material needed for repair of items providing vital services, unforeseen items not known prior to commencement of a project, or health and safety items, contact the Purchasing Division for a purchase order number. For emergencies at night or on weekends, complete the transaction and obtain a number on the next working day.

(ii) Equipment and Construction. The emergency purchase of equipment or emergency construction over the formal bid limit is subject to the Council's approval of an Emergency Resolution to suspend competitive bidding in accordance with Section 1208(a) of the Charter. The Emergency Resolution is submitted to the Council by the client; Purchasing is available as a resource.

- c. Prequalifications. Prequalifications are used in a two-step process to qualify products and suppliers for procurement of complex technical equipment. The prequalification consists of a Request for Proposals without pricing, followed by a formal bid with pricing.
- d. Requirements Contracts. Whenever effective, Requirements Contracts are recommended for any repetitive purchases, including inventory, and services. Requirements Contracts establish firm pricing for products or services with suppliers for a fixed time period and allow City clients to place orders directly with the supplier, or receive services, without further involvement of the Purchasing Division. Requirements contracts will normally be established for one-year periods with two one-year extensions. Terms of the contract will provide price adjustment methodology for the second and third years.
- e. Appeals. Appeals for procurement over the formal bid limit will follow the current Appeals Resolution. Appeals for procurement under the formal bid limit will be dealt with by the Purchasing Manager.

5. Contract Administration

Contracts are administered by client divisions. Only for Citywide contracts, such as uniforms and stationery, Purchasing is the contract administrator. Should City clients experience problems with any supplier/contractor to whom Purchasing recommended award, please alert the Purchasing Division. The City is committed to use only suppliers/contractors who perform satisfactorily and in accordance with specifications.

6. Local Preference - Formal Bidding

The Fresno Municipal Code (FMC) establishes a local preference for bidders who's main or branch office is located within a 25 mile radius from City Hall or for purchases of products, material and/or equipment the vendor can also be located within the County of Fresno. The local preference is applied when the low bidder is non-local and the second bidder is local. *Local preference cannot be applied to federally funded purchases and projects.* The local preference varies with type of procurement.

Products: (materials, supplies, equipment):

Five percent, however the preference shall not exceed \$25,000 (FMC, Section 4-108(a)(1))

Public Works projects:

One-half of one percent, not to exceed \$1,000 (FMC, Section 4-105(h)(2))

Services:

Five percent, no cap (FMC, Section 4-112.1(b)(4))

7. Surplus

In accordance with the Fresno Municipal Code, Section 4-202, the Purchasing Manager is responsible for the disposal of surplus.

Detailed purchasing procedures are contained in a separate Handbook.

**ATTACHMENT
to Citywide Purchasing Policy**

Thresholds as of January 19, 2008

Decentralized purchases (Departments/Divisions may purchase themselves)

Under \$1,000	Non-repetitive purchases with Direct Voucher Payment process
\$1000 - \$2,000	Non-repetitive purchases with use of Emergency Purchase Order No.

Cal Card purchases (For purchases of supplies, materials and equipment when needed)

Up to \$2500	Per each transaction (Reference AO #3-9)
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Informal bids (Materials, supplies, equipment and public works projects)

\$2,000 to \$114,000 Bid and award by Purchasing.

Formal bids (Materials, supplies, equipment and public works projects)

Over \$114,000	Bid and award by Council.
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Services (Consultant/professional services)

Up to \$50,000	Department Head approval
Over \$50,000	Council approval

Services (Technical/non-professional services)

Up to \$50,000	Purchasing approval
Over \$50,000	Council approval

SUBJECT: FORMAL BID PROCEDURE

Purpose

To establish a uniform procedure regarding formal bids for products, equipment and public works projects when required by Fresno City Charter, Section 1208. The formal bid limit is adjusted every July 1, and will be communicated to departments by the Purchasing Manager.

Procedures

1. **Development of bid specifications**

The requesting division/department shall develop the technical specifications and the rest of the bid packet in accordance with the standardized bidding documents ("boilerplates") made available by the Purchasing Division on the City's staff website. Boilerplates consist of pages in PDF format which are not to be changed by the customer, and "working pages" which require the customer's input (for example the notice inviting bids, the bid proposal, etc.)

- a. **Products and equipment.** Technical specifications shall be as concise and exact as possible without being ambiguous or proprietary. They shall be written to solicit as many bids as possible from vendors who can deliver a product meeting the spirit and intent of the specification. City employees developing technical specifications may contact potential vendors to obtain technical data or industry standards, but are cautioned against accepting technical data that would result in a proprietary specification. It shall be City policy that vendors cannot bid on equipment, supplies, or construction projects if they prepared a substantial part of the specification.
- b. **Public Works Projects which are federally funded.** A copy of the Engineer's Estimate shall be forwarded to the DBE Program Coordinator in the Purchasing Division to determine which boilerplate is to be used and if goals are to be set and at what level.

2. **Routing of bid packets**

- a. **Products and equipment.** Two copies of the completed bid packet shall be forwarded by the client division/department to Purchasing for approval, with a routing sheet and a legal authorization form for legal review of the bid packet (see Exhibits "A" and "B"). An electronic requisition number or a funding source will be referenced by the client in the routing sheet to allow for further processing. In addition to the hard copy, the client shall forward an electronic copy of the "working pages" of the bid and the technical specifications (if available electronically) to the assigned buyer to facilitate electronic corrections.

- b. Public Works projects. Except for Facilities Management projects and Water Division projects for which the Water Division is the Construction Manager, all bid specifications for public works projects shall first be routed to the Capital Management Division, Inspection/Surveying Services (formerly Construction Management) for approval as to wages and labor code compliance who, in turn, will forward the bid packet to Purchasing.

3. Approval of bid specifications

After approval by the Purchasing Manager, which shall be evidenced by notation on the face of both copies of the bid packet, the Purchasing Manager shall forward both copies to the City Attorney's Office for approval as to form and legality. Such approval shall be evidenced by notation on the face of both copies of the bid packet. Following legal approval, both copies shall be returned to the Purchasing Manager. The Purchasing Manager shall forward one copy to the client division/department and retain one copy in the bid file. After receipt of approval of bid specifications, the client shall contact the assigned buyer for dates for a pre-bid conference, if applicable, and the bid opening.

4. Prebid Conference and bid opening dates.

Generally, bid openings for formal bids will take place on Thursdays at 3 p.m. in a place designated by the Purchasing Manager. Any day or time other than Thursday at 3 p.m. shall be approved by the Purchasing Manager or his/her designee.

Upon establishment of the bid opening date, the client division/department shall forward the required number of bid packets, as established by the Purchasing Manager, to the Purchasing Division, accompanied by one separate copy of the Notice Inviting Bids.

5. The Purchasing Manager will ensure that the Notice Inviting Bids is published in sufficient time to meet legal requirements. Under no circumstances are divisions/departments authorized to advertise on their own. For Public Works projects, notices are also faxed to building exchanges selected by the Purchasing Manager or his/her designee. In addition, all Notices Inviting bids will be posted on the City's website under Bid Opportunities.

6. Distribution of bid packets

- a. **Products and equipment.** Bid packets will be distributed directly to known vendors. If the list is very large, Purchasing staff may choose to fax Notices Inviting Bids only and then distribute bid packets upon request. Purchasing keeps an updated list of vendors who have received/requested bid packets.

- b. **Public Works projects.** Typically, bid packets for public works projects are accompanied by plans for which the City requires a refundable deposit. For this reason, bid packets are not mailed out to potential bidders. Potential bidders or subcontractors or suppliers must request the bid and provide payment of the plan deposit, by mail or pick-up in person at Purchasing's Public Counter. Purchasing keeps an updated list of contractors who have picked up bid packets and plans (the Planholder's list), which is available upon request to interested parties.

7. **Contacts with City Staff during bid process**

From the time the bid packets are released until an award or rejection of all bids is made, no direct contact shall be made with potential bidders by anyone except Purchasing Division personnel without the Purchasing Manager's specific authorization. All inquiries shall be referred to Purchasing Division personnel who will be responsible for transmittal of information.

8. **Addendums**

If, as a result of inquiries or a pre-bid conference, additional information is required to be disseminated to prospective bidders, the Purchasing Division will be responsible for disseminating addenda, as appropriate.

9. **Receipt of Bids**

All bids will be stamped upon receipt with the date and time. Any bids received after the bid opening time will be time/date stamped and returned unopened to the vendor.

10. **Bid Openings**

The Purchasing Manager or his/her appointee will conduct the bid opening at the time, date, and location designated on the Notice Inviting Bids. The person conducting the bid opening will orally announce the bid prices of each bidder after ascertaining that the bid deposit is with the bid proposal. Prices of bid proposals that do not have bid deposits, as required, or an annual bid bond, will not be announced. Purchasing Division personnel will then proceed to check all figures and extensions. Each bid will be checked by Purchasing for proper surety, if a bond is used as bid deposit, and responsiveness.

11. Bid Evaluations

- a. The Purchasing Manager will forward to the appropriate division/department all documents related to the specific bid with a transmittal memorandum, and an Evaluation of Bid form (See Exhibit C) listing all bids and specifying the date a reply is required to meet the award deadline. In addition, any errors, irregularities, or apparent areas of responsibility shall be identified. Typically, copies of the three lowest bids are sent to the client.
- b. The divisions/departments will review the bids for adherence to the technical specifications. Bids will also be evaluated on price; life-cycle cost when included in the specifications; trade-in allowances, if included; and trade discounts. The reviewing division/department will prepare its recommendation for award. If the recommendation is to award to other than the lowest bidder or if rejection of all bids is recommended, a written justification must accompany the recommendation.

12. Recommendation for award

Upon receiving the department's recommendation on the Evaluation of Bid form, the Purchasing Manager shall, if in agreement, forward it to the City Manager or his designee for concurrence. Subject to the City Manager's concurrence, the Purchasing Manager will publicly notice the recommendation for a period of five working days. If, within the posting period, an appeal(s) is received, the provisions of the current Council resolution establishing appeals procedures will apply.

13. Council award

Together with the Evaluation of Bids form and the award recommendation, the Division shall prepare and route a Council Agenda Item for Council award of a contract to the City Manager for approval, within the time frames established by the City. Typically, awards of contract will be placed on the Council agenda as Consent items.

14. Contract Documents

- a. Products and equipment. After Council award, Purchasing will notify all bidders of the award of bid, or rejection of all bids, and will send contract documents (contract, specifications and bid received) to the successful proposer for signature.

- b. Public Works projects. After Council award, Purchasing will notify all bidders of the award of bid, or rejection of all bids, and prepare a Purchase Order which will be forwarded to the Capital Management Division of the Public Works Department.

This division is also responsible to prepare and send a formal contract to the successful proposer for signature and to request insurance certificates and Performance and Payment bonds. The Capital Management Division administers all contracts for the Public Works Department and projects, as agreed upon, for the Water Division.

Formal Contracts for other public works projects, not to be administered by the Capital Management Division of Public Works, will be prepared and sent out by the Purchasing Division and Purchasing will request insurance certificates and Performance and Payment bonds.

15. Notice to Proceed

After Contracts and insurance and bonds, as applicable have been returned to Purchasing and found acceptable, they will be routed for approval to Risk Management for insurance and to the City Attorney for approval of contract and bonds. After full execution of the contract documents by the City, Purchasing issues a Notice to Proceed in coordination with the client division/department.

16. Contract administration

Contract administration will be the responsibility of the client division/department, except for Citywide contracts (for example, stationery), which are the responsibility of Purchasing (see #17.)



**FRESNO CITY ATTORNEY'S OFFICE
REQUEST/AUTHORIZATION FOR LEGAL SERVICE**

Project Title: Legal Advice & Assistance to Purchasing Division		City Attorney Office Control No.:	
Dept. Contact:		Phone #:	X
Pick Up Contact: (If different from above)		Phone #:	
Rush Item: <input type="checkbox"/> Yes <input type="checkbox"/> No (Response Required)			
Describe Reason (Council meeting date, statutory deadline, etc.):			
Description of Legal Service Being Requested (attach separate sheet if necessary):			
Legal Issues concerning competitive bidding and other procurement with regard to Charter, Municipal Code, Resolutions and other legal documents.			
Legal Review of documents for standardization or legal review of special language.			
ALL OF A CITYWIDE NATURE, NOT ATTRIBUTABLE TO ANY ONE PROJECT, EXCEPT CITYWIDE PROJECTS.			
Complete Sections Below:			
Fund #: _____	Project ID: _____	PC BU: _____	
Org #: _____	Activity ID: _____	KRA: _____	Res Type: _____
Capital Improvement Project (CIP): <input type="checkbox"/> Yes <input type="checkbox"/> No (Response Required)			
The above numbers will be used to bill for costs incurred as a result of this request for legal service.			
No service can or will be provided for this project unless this form is completed, and all information sought is supplied. If resubmitting documents, a copy of this form and previous drafts must be attached.			
Estimates from the City Attorney available on request to cover all legal services and costs. When fee expenditures reach a certain level, a revised estimate for the completion of the project should be requested.			
I am authorized to request these services from the City Attorney and to identify the appropriate funding source and CIP designation, as appropriate, in the Sections above. There are now and will be for the duration of this project, sufficient funds in the accounts designated above to pay for the legal services requested.			
Director, General Services Department		7/17/07	
Title	Department Signature	Date	
Title	Department Signature	Resubmitted Date	

FORMAL BID SPECIFICATION
ROUTING FORM (EXCEPT FOR PUBLIC WORKS)

Received (Purchasing Date Stamp):

1. TO: PURCHASING DIVISION

[] 1st Submittal [] 2nd Submittal (Resubmit old specification sheets)

Project Assigned to Buyer: _____ Date: _____

BETH MCDONELL, DBE/SMALL BUSINESS COORDINATOR

Approved: _____ Date: _____

Comments: _____

JANET SMITH, PURCHASING MANAGER

Approved: _____ Date: _____

Comments: _____

TO: CITY ATTORNEY'S OFFICE

STACIE MELIKIAN, DEPUTY CITY ATTORNEY II

Approved: _____ Date: _____

Comments: _____

TITLE: _____ BID FILE NO. _____

SPECIFICATIONS PREPARED BY: _____ EXT. _____

CONTACT PERSON FOR QUESTIONS: _____ EXT. _____

DEPT/DIV: _____

PS FUND NO. _____ PS ORG NO _____

PROJECT NO. _____ KRA _____

BUDGET ALLOCATION. _____

DOES THIS PROJECT HAVE FEDERAL FUNDING? _____ NO _____ YES AGENCY _____

DIVISIONS HAVE THE OPTION:

- a. To encumber a requisition with submittal of this project; or
- b. To encumber a requisition after bid opening when submitting the bid evaluation for final sign-off to GSD and the City Manager.

If you choose b, please have the Division Manager or other authorized individual sign below that funds have been budgeted and are available for this project.

DIVISION AUTHORIZED SIGNATURE: _____ DATE: _____

FORMAL BID SPECIFICATION
ROUTING FORM FOR PUBLIC WORKS

1. TO: CONSTRUCTION MANAGEMENT Date Sent: _____

LILLIAN GENTZ, CONTRACT COMPLIANCE OFFICER

Approved: _____ Date: _____

Comments: _____

2. TO: PURCHASING DIVISION Date Received: _____

[] 1st Submittal [] 2nd Submittal (Resubmit old spec sheets)

Project Assigned to Buyer: _____ Date: _____

BETH MCDONELL, DBE/SMALL BUSINESS COORDINATOR

Approved: _____ Date: _____

Comments: _____

JANET SMITH, PURCHASING MANAGER

Approved: _____ Date: _____

Comments: _____

3. TO: CITY ATTORNEY'S OFFICE

STACIE MELIKIAN, DEPUTY CITY ATTORNEY II

Approved: _____ Date: _____

Comments: _____

TITLE: _____ BID FILE NO. _____

SPECS PREPARED BY: _____ EXT. _____

DIVISION AUTHORIZED SIGNATURE: _____ DATE: _____

CONTACT PERSON FOR QUESTIONS: _____ EXT. _____

DEPT/DIV: _____ PS FUND NO. _____ PS ORG NO _____

PROJECT NO. _____ KRA _____ REQUISITION NO. _____

RESOURCE CODE _____ BUDGET ALLOCATION \$ _____

ENGINEER'S ESTIMATE (IF APPLICABLE) SENT ON: _____

DOES THIS PROJECT HAVE FEDERAL FUNDING? _____ NO _____ YES AGENCY _____

DIVISIONS HAVE THE OPTION:

a. To encumber a requisition with submittal of this project; or

b. To encumber a requisition after bid opening when submitting the bid evaluation for final sign-off to GSD and the City Manager.

If you choose b, please have the Division Manager or other authorized individual sign below that funds have been budgeted and are available for this project.

DIVISION AUTHORIZED SIGNATURE: _____ DATE: _____

EVALUATION OF BID PROPOSALS

PROCEDURE #1
EXHIBIT C

Page 1

FOR: TRAFFIC SIGNAL UPGRADES CHESTNUT AND TULARE AVENUES

Bid File No: 2243-10362
Bid Opening: December 13, 2001

	<u>BIDDERS NAME</u>	<u>TOTAL BID</u>
1.	A-C ELECTRIC COMPANY P.O. BOX 6060 FRESNO, CA 93703	\$186,505.00
2.	ELECTRIC MOTOR SHOP 253 FULTON STREET FRESNO, CA 93721	\$191,407.00
3.	SUMMIT ELECTRICAL CONSTRUCTION INC P.O. BOX 1860 CLOVIS, CA 93613	\$203,100.00

Each bidder has agreed to allow the City sixty-two (62) days from date bids are opened to accept or reject their bid proposal. Purchasing requests that you complete the following sections and return this bid evaluation to the Purchasing Division at the latest by Wednesday, January 9, 2002, 5:00 P.M.

BACKGROUND OF PROJECT (To be completed by Evaluating Department/Division. Explain need for project/equipment):

The Engineer's Estimate/Budget Allocation for this expenditure is \$_____. The contract price is _____% above/below the Engineer's Estimate/Budget Allocation. If the overage is greater than 10% or only one bid was received, give explanation:

S A M P L E

FOR: TRAFFIC SIGNAL UPGRADES CHESTNUT AND TULARE AVENUES

Bid File No: 2243-10362

Bid Opening: December 13, 2001

DEPARTMENT CONCLUSIONS AND RECOMMENDATION:

Award a contract in the amount of \$ _____
to _____
as the lowest responsive and responsible bidder.

Remarks:

Reject all bids. Reason:

Department Head Approval

SAMPLE

Title _____
Date _____

Approve Dept. Recommendation

Approve DAS/Purchasing Recommendation

Disapprove

Disapprove

See Attachment

ADMINISTRATIVE SERVICES

CITY MANAGER

Purchasing Manager Date

City Manager or Designee Date

Director Date

FISCAL IMPACT STATEMENT

PROGRAM: _____

<u>RECOMMENDATION</u>	<u>TOTAL OR CURRENT</u>	<u>ANNUALIZED COST</u>
Direct Cost	_____	_____
Indirect Cost	_____	_____
TOTAL COST	=====	=====
Additional Revenue or Savings Generated	_____	_____
Net City Cost	=====	=====
Amount Budgeted (If none budgeted, identify source)	_____	_____

S A M P L E

SUBJECT: SOLE-SOURCE PURCHASES OVER THE FORMAL BID LIMIT

POLICY

In the event that there is one, and only one, source for a product in excess of the formal bid limit, a sole source contract may be used.

PROCEDURE

When a department wishes to purchase a product over the formal bid limit from a "sole source" without competitive bidding, a sole-source resolution is to be prepared and submitted with a Council agenda item. In order to establish a legal basis for a sole-source exception, the following statements and findings must be made and set forth in every sole-source resolution:

1. A statement describing every unique or specialized feature of the product in question.
2. A statement of why the department requires that the product in question has such unique or specialized features (i.e., a statement of why a product without such features would not meet the department's needs).
3. A description of the department's efforts to locate all possible suppliers of such product.
4. A statement that, in spite of its efforts, the department has been able to locate only one supplier of the product in question.
5. A statement that indicates the ultimate cost of the product and the process used to determine the cost of the product.
6. A finding that it is, therefore, proper for the City to dispense with the competitive bidding requirement in this instance and to authorize the Purchasing Manager to purchase the product in question under the sole source exception.

A copy of the draft agenda item', a sole source resolution and a matrix showing comparisons of features between manufacturer/suppliers, if applicable to the particular sole source, shall be submitted to the Purchasing Manager for review and processing prior to placement on the Council agenda. The Purchasing Manager will obtain a quote from the vendor and forward the documentation, with a recommendation, to the City Attorney's Office for review and recommendation.

An example of a sole-source resolution may be obtained from the Purchasing Division.

SUBJECT: COOPERATIVE PURCHASING AND “PIGGYBACKS”

PURPOSE

To establish general policies and procedures regarding purchases made through Cooperative Purchasing Agreements with the State of California, Counties, municipalities, and other public agencies or jurisdictions irrespective of the formal bid limit set by the City Charter.

POLICY

It shall be the policy of the City of Fresno that the Purchasing Manager may purchase equipment and products by participating in a cooperative purchase of several agencies (joint bid) or through contracts entered into by other governmental agencies (“piggyback”). All such purchases must be from contracts which were competitively bid. The Purchasing Manager is also authorized to purchase products and services under the California Multiple Award Schedule (CMAS) of the State of California or federal GSA contracts.

PROCEDURE

1. **Cooperative Purchases.** The Purchasing Manager is authorized to participate in cooperative purchases of several municipal entities and/or other public agencies as a lead agency or as a participating agency under another agency's leadership. When the City of Fresno is the lead agency, the City of Fresno “boilerplate” for that particular procurement shall be used. If the lead agency is another agency, the City of Fresno may award to another bidder than the lead agency as a result of the application of local preference (see Procedure #17).
2. **Piggybacks.** The Purchasing Manger is authorized to “piggyback” contracts for products and equipment, entered into by other governmental agencies (municipality, county or State) through a competitive bid. The Purchasing Division will obtain documentation to verify the contract and bid process. All products or equipment purchased under this provision must substantially meet the technical specifications of the bid. Major deviations from the product specification will not be allowed. However, minor modifications which result in a price differential of 5 percent or less are authorized.

The Purchasing Manager is also authorized to purchase technical products or services under the California Multiple Award Schedule (CMAS) of the State of California or federal GAS contracts. Purchases under CMAS require that a copy of the purchase order issued by the City be mailed to:

Department of General Services (DGS), Procurement Division, CMAS Unit,
1500-5th Street, Suite 116, Sacramento, CA 95814; Attn: Carol Umfleet
(IMS#C-39).

The City will be charged a fee of 1.21 % by the State for the use of CMAS.

SUBJECT: REQUIREMENTS CONTRACTS

PURPOSE

To establish policies and procedures whereby the City establishes Requirements Contracts and client divisions/departments may purchase products and services directly from vendors without submitting requisitions to Purchasing. Requirements Contracts decrease the procurement time by providing a ready source of supply for various commodities/services at a fixed price for a specified period of time.

POLICY

It shall be the policy of the City of Fresno that the Purchasing Division may establish Requirements Contracts for commodity groups when repetitive purchases and the anticipated annual expenditures make such action feasible and appropriate. Requirements Contracts may also be established for services, i.e., travel agency, contract extra help, etc. Contracts will be awarded to single or multiple vendors for products or services at a set price for a given period of time. Client divisions/departments may purchase those commodities or services covered by a Requirements Contract directly from vendors as required for their day-to-day operation.

PROCEDURE

- Commodity group requirements (or scope of services) will be generally determined by client division(s)/ department(s) which will submit a bid packet (or Request for Proposals) to Purchasing. For Commodity groups, the division/department will submit a list of the major items and the anticipated annual usage of each item. The quantities will be used for bid purposes and the actual quantities purchased may be increased or decreased depending on the actual needs of the City.
- Purchasing Division buyers may also identify needed Requirements Contracts through their experience in the repetitive purchases of products. In those instances, Purchasing will be responsible for coordinating the initiation of the Requirements Contract with the client division(s)/department(s).
- Requirements Contracts will normally be awarded for a one-year period, but may be extended for two one-year periods if: (1) the client division(s)/department(s) confirm in writing that the vendor is performing satisfactorily and that they wish to extend the contract; and (2) for all extensions the vendor either agrees to hold the price or has agreed to a price change (increase or decrease) methodology as stated in the specifications.

- Approximately six months prior to the end of a contract, Purchasing will notify the client division/department to update the specific commodity items and quantities for rebid purposes.
- Requirements contracts may follow the formal bid process (see #1), the informal bid process (see #9), or Requests for Proposals for Technical and Nonprofessional Services (see #6).
- Once a requirements contract has been established, departments shall not purchase any goods or services for which the contract has been established, outside of that contract without the express permission of the Purchasing Division.

SUBJECT: PREQUALIFICATIONS - TWO STEP FORMAL BIDS FOR EQUIPMENT

PURPOSE

To establish a uniform procedure regarding formal bids requiring a two-step process which normally includes a pre-qualification component. This process is primarily used for equipment to allow some flexibility and negotiation of non-critical technical specifications with the bidders, followed by the formal bid where bidders submit pricing of their pre-qualified equipment.

PROCEDURES

The two step process is primarily used to purchase equipment and products only when specifications are so complex or so indeterminate that a formal bid specification is impractical. Under the two-step process, proposers will initially submit technical proposals only for pre-qualification. After evaluation of the submitted product by the client and Purchasing, proposers will be requested to submit cost proposals for their qualified product. When the two-step process is used for products or equipment, the second step will be a competitive bid. Normally, both the pre-qualification packet (first phase) and the formal bid packet (second phase) are mailed together with instructions for the bidders as to which packet they submit and when. Contact the Purchasing Division for a sample.

The requesting division/department shall develop the technical specifications for the project. They shall be written to solicit as many bids as possible from vendors who can deliver a product meeting the spirit and intent of the specification. City employees developing technical specifications may contact potential vendors to obtain technical data or industry standards, but are cautioned against accepting technical data that would result in a proprietary specification. It shall be City policy that vendors cannot bid on equipment, supplies, or construction projects if they prepared a substantial part of the specification.

The process follows the formal bid procedure (#1), with the following additional steps, prior to actual bidding with pricing.

- a. Technical Pre-qualification - The technical specifications are usually expressed as minimum requirements for specific equipment but still allowing flexibility and negotiation of minor technical points during the evaluation process. Typically, specifications are set up for the potential bidder to mark "comply" or "non-comply" of its equipment. Bidders are required to respond to each specification. If a bidder is unable to conform to the specifications or has deviations to the specifications they are encouraged to submit a form stating their deviations/exceptions.

- b. Notification of Pre-qualified equipment - After a complete evaluation of all proposals which were received timely, Purchasing notifies all bidders of pre-qualified equipment by addendum.
- c. Appeal - If any proposer desires to appeal a denial for pre-qualification, the proposer must submit in writing a justification for acceptance as a pre-qualified proposer to the Purchasing Manager within five working days from date of notification.

**SUBJECT: REQUEST FOR PROPOSALS FOR TECHNICAL AND
 NONPROFESSIONAL SERVICES (REQUIRING COUNCIL AWARD)**

PURPOSE

To establish policies and procedures for the use of Requests for Proposals (RFPs) for technical and nonprofessional services of \$50,000 or more.

POLICY:

It shall be the policy of the City of Fresno that a formal Request for Proposal (RFP) will be utilized to solicit proposals for technical and nonprofessional services of \$50,000 or more. The RFP process must ensure that the most advantageous procurement for the City will be made.

RFPs for consultants and professional services, i.e., accounting, engineering, architectural, legal, medical, etc., are decentralized and the policies and procedures of Administrative Order 6-19 apply.

PROCEDURE:

1. Development of Request for Proposals (RFP)
 - a. The client division/department will develop the scope of work for services to be provided and will describe the required services, location, frequency, quality, special requirements, etc. as precisely as possible. The appropriate standardized RFP("boilerplate") to prepare an RFP can be found on the City Staff Website.
 - b. The RFP will also include the criteria to evaluate the proposals. Criteria must not be subjective in nature and must correlate to the information requested in the proposal.
2. Establishment of Evaluation Committee

It is recommended that the members of the evaluation committee be selected prior to the publication of the RFP and have an opportunity to review the RFP before it is distributed.

3. Review Process for RFP

The client division/department submits two copies of their RFP to the Purchasing Manager for review/approval as well as an e-mail copy of the document.

Subject to the Purchasing Manager's approval, which shall be evidenced by notation on the face of both copies of the proposal packet, the Purchasing Manager shall obtain the City Attorney's approval as to form and legality. Such approval shall be evidenced by notation on the face of both copies of the RFP.

4. Pre-Proposal Conference and proposed opening dates

Following legal approval, both copies shall be returned to Purchasing. The Purchasing Manager or his/her designee shall forward one copy to the issuing division/department and retain one in the RFP file. At this time, the pre-proposal conference and proposal opening times and dates shall be established through coordination with the client division/department.

5. Distribution of RFPs

Upon establishment of the pre-proposal conference and proposal opening times and dates, the client division/department shall forward the required number of proposal packets, as established by the Purchasing Manager, to Purchasing accompanied by one separate copy of the "Notice Inviting Proposals." The Division should also submit a list of names and addresses of any proposers they have been in contact with or who have shown an interest in receiving a RFP packet. Purchasing will add names of potential proposers from its files. RFP packets will be mailed to all known potential proposers.

6. Advertising Notice Inviting Proposals

Purchasing shall advertise the Notice in a local newspaper of general circulation. Clients are not authorized to advertise themselves.

7. Contact with City Staff during RFP process

From the time the proposal packets are released until an award or rejection of all proposals is made, no direct contact shall be made with potential proposers by anyone except Purchasing personnel without the Purchasing Manager's specific authorization. All inquiries shall be referred to Purchasing who will be responsible for transmittal of information.

8. Addendums

If a pre-proposal conference is required, the Purchasing Manager or his/her designated representative will chair the conference. If, as the result of the pre-proposal conference, additional information is required to be disseminated to issuing addenda, as appropriate.

9. Receipt of Proposals

All proposals will be stamped upon receipt with the date and time. Any proposals received after the proposal opening time will be time/date stamped and returned unopened to the proposer.

10. Opening of Proposals

The Purchasing Manager or his/her designated representative will publicly open the proposals and read pricing if included in the submittal. Because the cost is not the sole criteria for RFPs in determining which proposer will be selected for contract award, the Purchasing Manager or his/her designated representative will make no reference to the "apparent low bidder."

11. Evaluation of Proposals

- a. The proposals will be sent to the requesting division/department for evaluation with an evaluation form. This form lists all proposers and is used for client's recommendation. Each proposal will be rated based on the criteria set forth in the RFP. Use of a numerical rating is discouraged. All proposals shall be ranked in numerical sequence in relation to each other for the various evaluation criteria. For instance, if one of the evaluation criteria is financial strength of the company and assuming that five proposals were received, rank all companies with the strongest company number one and the weakest company number five. Be prepared to justify your rankings. If the evaluation committee needs clarification of a proposal, the Purchasing Division will request the information in writing or may ask for presentations from proposers.
- b. The client division/department or evaluation committee will rank proposals and determine the proposer who offers the most advantageous combination of low price and high ranking of criteria. A report describing the evaluation process and reasons for selection is recommended.

12. Recommendation for Award

Upon receiving the Evaluation form with the division's/department's recommendation, the Purchasing Manager shall, if in agreement, forward the recommendation for award to the City Manager for concurrence. Subject to the City Manager's concurrence, the Purchasing Manager will publicly notice the recommendation for a period of five working days. There is no appeal procedure for RFPs. Proposers need to bring their concerns to the Council at the time of award.

13. Council Award

Together with the signed off evaluation, the Division will prepare a Council Agenda Item which:

- a. Recommends awarding a contract to the selected proposer to include the Evaluation Committee's report or recommendation; or
- b. Recommends commencement of contract negotiations by the client division/department with the selected proposer.

14. Contract Documents

After Council award, unless Council has approved negotiations, Purchasing will send a formal contract, as included in the RFP specifications, to the successful proposer and request insurance certificates and, generally, a performance bond of at least 25 % of the annual contract amount.

15. Notice to Proceed

After the successful proposer has executed the contract and provided the other contract documents to the satisfaction of the City, a Notice to Proceed and a Purchase Order are issued.

16. Contract Administration

The client division/department will receive a copy of the fully executed contract documents and will be responsible for contract administration.

**SUBJECT: REQUEST FOR PROPOSALS FOR TECHNICAL AND
NONPROFESSIONAL SERVICES (WITHOUT COUNCIL AWARD)**

PURPOSE

To establish policies and procedures for the use of Requests for Proposals (RFPs) for technical and nonprofessional services under \$50,000.

POLICY:

It shall be the policy of the City of Fresno to use an "informal" Request for Proposals (RFP) process for technical and nonprofessional services under \$50,000.

PROCEDURE:

- The client division/department submits a scope of work to the Purchasing Division and enters an electronic requisition into the system.
- The Purchasing Division will put together a Request for Proposals in consultation with the client.
- The procedure for Requests for Proposals (RFPs) under \$50,000 is a less formal version of the procedure for Requests for Proposals over \$50,000 which are awarded by the Council (see #6A).
 - Under \$50,000, there is no sign-off of specifications by the Attorney's Office after approval of the basic standardized RFP document ("boilerplate");
 - no advertising in a newspaper, but posting of a Notice on the City's website;
 - no formal Evaluation Committee, but consultations between the client and Purchasing;
 - no Council award;
 - and no formal, separate contract.
- Contract administration is the responsibility of the client division/department.

SUBJECT: REQUEST FOR PROPOSALS - TWO STEP PROCESS FOR SERVICES

PURPOSE

To establish a uniform procedure regarding Request for Proposals (RFP's) for Services requiring a two-step process. This process is primarily used for services which are broadly defined by the Division. From the responses received from the proposers in the first step, the Division develops complete specifications for the services required in the second step.

PROCEDURES

The two-step process lends itself to complex technical projects, such as custom software (not off the shelf) Step One is used to define the scope. Step Two is used to develop the scope based on information received in Step One. The process follows the Request for Proposal procedure (see (#6), except for the following additional steps:

Step One

The client Division provides a broad scope of the project and uses the Step-One process to assess what is available on the market. Proposers will be asked to complete a questionnaire which requests specific information about system features, functions and capabilities and any other technical information proposers wish to submit, to allow the City to have a clear picture of what is available.

The proposals from Step One will be evaluated by the Client and Purchasing and the Client will develop the specifications for Step Two (RFP) spelling out the needs of the City based on the information that has become available in Step One. It is important that the client Division's requirements are not exclusionary and will provide responses in Step Two from a sufficient number of proposers (three or more).

Step Two

The second step consists of a RFP (see procedure #6).

The documents for Step One and Step Two may be included in one document, except for the final scope, or may be based on two separately issued documents.

SUBJECT: PROCUREMENT UNDER THE FORMAL BID LIMIT - GENERAL

PURPOSE

To establish policies and procedures for purchases of equipment, materials, services, and public works projects for amounts under the formal bid limit as established by Charter Section 1208.

PROCEDURES

Procurement under the formal bid limit may occur in various forms: obtaining quotes; using a sealed, but informal bid process, providing "open" purchase orders (particularly for maintenance and repair items and low cost items that are difficult to bid) or through other processes. The Purchasing Division will choose the process best suited to a timely procurement.

For all budgeted purchases of products and services (excluding professional/consultant services) and public works projects, under the formal bid limit, client divisions/departments shall electronically transmit a requisition to the Purchasing Division that clearly describes their needs. The requisition may include a recommended vendor. Divisions/departments are requested not to obtain quotes from vendors, but may obtain an estimate from a vendor if needed for budget reasons.

1. **Purchases under \$1,000**

One-time purchases under \$1,000 are decentralized and may be made directly by clients under the Direct Voucher Payment process. Purchases under the decentralized limit for software, computers, communication equipment, City Hall furniture, remodeling, welding, vehicular equipment and printing shall be authorized through the respective Internal Service Funds. The decentralized limit is not intended for repetitive purchases which shall either be acquired through a requirements contract or Purchasing may provide an "open" purchase order.

2. **One-Time purchases between \$1,000 and \$2,000**

Purchases between \$1,000 and \$2,000 may be made using the emergency order process. The authorized employee shall obtain a purchase order number from the Purchasing Division. Prior to submittal of the signed invoice to Purchasing the client division must follow the electronic procedure for entering, editing and budget checking a Purchase Order. Once Purchasing receives the signed off invoice, the Purchase Order will be verified, approved, and dispatched in the system. Then Purchasing forwards the invoice to Accounts Payable.

Note: Purchases under the decentralized limit for software, computers, communication equipment, City Hall furniture, remodeling, welding, vehicular equipment shall be authorized through the respective Internal Service Funds. Note: Clients must attach an approved Form 10X (computers), Form 10C (communications) or Form 10 (furniture) and Form 11 for remodeling, welding, and vehicular equipment to the invoice. This procedure will ensure that items to be purchased are compatible with existing systems and furnishings.

3. Request for Quotation (\$2,000 to formal bid limit amount)

A Request for Quotation process is usually used for straightforward purchases of non-complex supplies and equipment through Purchasing's eProcurement system (BidsOnline). Also, Informal bids for small public works projects (including plans) are being posted on the eProcurement system and soon Informal Requirements Contracts.

The requesting division/department shall submit an electronic requisition describing their needs. For products and equipment the requesting division/department will include, in the comments section of the requisition, the preferred vendor. Purchasing will request quotations through the Division's BidsOnline system from several vendors that can supply the specific product or equipment. Once all the quotations are received, Purchasing will issue a purchase order to the lowest responsive and responsible bidder.

It is at the discretion of the buyer to use a Request for Quotation process or an informal bid.

4. Cal Card purchases

The Cal Card, the City's "Official" purchase card to be used for the purchase of parts, supplies or other goods in instances where the parts, supplies or goods are more immediately available than conventional sources. Each Cal Card transaction is limited to \$2,500. The Cal Card is not intended to be used for the purchase of inventory items, or services from Graphic Communications, Information Services, and Electronics & Communications. In addition, the Cal Card can not be used to purchase alcohol, tobacco, firearms, gambling, travel expenses, etc. (Administrative Order #3-9)

5. Informal Bids (up to formal bid limit amount)

Normally the Informal Bid process, may be a sealed bid, is used for products with complicated technical specifications or public works projects with full size plans. (See Procedure #9)

6. Open Purchase Orders (up to \$6,000)

Open Purchase Orders are to be used for low cost items that are difficult to bid and are not intended for repetitive purchases that would be better facilitated by the use of a Requirements Contract (See Procedure # 11). Open Purchase Orders are normally requested for a specific vendor and are not competitively bid.

The requesting division/department shall submit an electronic requisition to the Purchasing Division, so that Purchasing staff can determine if an open purchase order is the best process to use. All Open Purchase Orders will be issued with an expiration date not later than June 30. All Open Purchase Orders will be closed out at the end of each fiscal year. Clients will be given approximately two weeks beyond June 30 for payments of purchases in June.

7. Sole Source (up to formal bid limit amount)

The requesting division/department shall submit an electronic requisition to the Purchasing Division describing their needs. The requesting division/department will include, in the comments section of the requisition, proper justification for use of a sole source, i.e. product is available only from one manufacturer, and has unique or specialized features that are only available from one manufacturer or there exists a matching issue. It is at the discretion of the Purchasing Manager or his/her designee whether to proceed with the requisition as a sole source, or to ask additional vendors for quotation. If the sole source is approved, a quotation is obtained from the indicated vendor and a purchase order is processed.

SUBJECT: INFORMAL BIDS

PURPOSE

To establish policies and procedures for the purchase of products, equipment and public works projects for amounts under the formal bid limit using the informal bid process.

POLICY

It shall be at the discretion of the Purchasing Manager or his/her designee when to use either the sealed or electronic informal bid process.

PROCEDURES

Normally the informal bid process is used for products, equipment, and public works projects when complicated technical specifications are involved and when full size plans must accompany the specifications.

1. **Development of bid specifications.**

Divisions/departments have the option to either submit detailed technical specifications/requirements to Purchasing who will put together the remaining bid packet, or to submit the complete packet by using the standardized bidding documents ("boilerplates") made available on the City's staff website. Informal bids with complete packets will be given priority.

2. **Routing of bid packets.**

One hard copy of the technical specifications or a complete packet shall be forwarded by the client division/department to Purchasing for review with an e-mailed copy to the Buyer to allow quick corrections. In addition, an electronic requisition should be entered into the Purchasing system.

3. **Approval of Bid Specifications**

No formal sign-off for informal bids. The Buyer reviews and approves the specifications

4. Prebid Conference and Bid Opening Dates

Once the bid specifications are finalized, the Buyer coordinates with the client division the dates for a pre-bid conference, if applicable, and the bid opening. Typically a pre-bid conference is only required for public works projects and takes the form of a walkthrough at the jobsite.

5. Advertising Notice Inviting Bids

No advertising in a local newspaper is required. The Notice Inviting Bids will be posted on the City's Web site.

6. Distribution of Bid Packet

If the informal bid is to be mailed the final packet is either printed by the client division/department or Purchasing. The number of copies will be based on the bidders' list (either provided by the client or Purchasing.) If Purchasing prepares copies of the bid, the copying cost will be passed on to the client division/department through ID Billing. Note: the bid can also be electronically posted on Purchasing's BidsOnline system (eprocurement system).

7. Contact with City Staff During Bid Process

From the time the bid packets are released, or posted electronically, until an award or rejection of all bids is made, no direct contact shall be made with potential bidders by anyone except Purchasing Division personnel without the Purchasing Manager's specific authorization. All inquiries shall be referred to Purchasing Division personnel who will be responsible for transmittal of information.

8. Addendums

If, as a result of inquiries or a pre-bid conference, additional information is required to be disseminated to prospective bidders, the Purchasing Division will be responsible for disseminating addenda, as appropriate.

9. Receipt of Bids

If bids are mailed, they will be stamped upon receipt with the date and time. Any bids received after the bid opening time will be time/date stamped and returned unopened to the vendor. If the bid is posted electronically the bids will be made available by the BidsOnline system to the buyers at the date and time of the bid closing. Each electronic bid will automatically be tabulated in price order for the buyers review.

10. Bid Opening

Informal bids that are mailed in are normally opened on Tuesday and Friday at 2 p.m, if mailed. The Buyer for the project will conduct the bid opening at the time, date, and location designated on the Notice Inviting Bids. The person conducting the bid opening will orally announce the bid prices of each bidder and the total net bid amount will be entered into an Evaluation Form (see attached Exhibit A). Purchasing Division personnel will then proceed to check all figures and extensions.

No bid deposit by vendors is required.

11. Bid Evaluation

The Buyer will identify the apparent low bidder on the Evaluation Form and forward the form with the lowest bid, or several bids, as applicable, to the client division for review and approval of the low bidder.

12. Recommendation of Award

Once the lowest responsive and responsible bidder is determined, the Evaluation Form is signed by an authorized representative of the client and faxed back to the buyer for processing.

No posting of staff determination.

13. Award

No contract award by City Council. The awarding authority for informal bids is the Purchasing Manager or his/her designee.

The Buyer reviews the client's recommendation for award and cuts the Purchase Order for products and equipment at this point. For public works projects, the Buyer will request, prior to issuance of the Purchase Order, insurance documents from the successful bidder, and for public works projects over \$25,000 also a payment bond of 100 % of the contract amount.

The level for requiring a payment bond is set by the Public Works Director.

14. Contract Documents.

The Purchase Order is the contract. There is no formal, separate contract.

15. Notice to Proceed

The Purchase Order is also the Notice to Proceed.

The purchase order is emailed or faxed to the successful bidder, except for public works projects the original purchase order is forwarded to the client, so the project start date can be coordinated between the client and the Contractor.

16. Contract Administration.

The client division/department is responsible for contract administration.

Note: In March of 2008 the buyers started placing Informal Public Works projects on BidsOnline, City's eprocurement system. This new process is eliminating the copying, mailing and postage costs of mailing bid packets to vendors. By June of 2008 all informals, including informal quotes, informal bids and informal Requirements Contracts will be posted and received electronically with an overall savings of \$1,000 per bid.

PURCHASING EVALUATION FORM

OPENING DATE: _____

TO: _____ DESCRIPTION: _____ EXT. #: _____ RETURN TO PURCHASING BY: _____ CONTROL/BID #: _____

FROM: PURCHASING/ _____

<u>BIDDER</u>								
<u>Read</u> Total Net Bid:	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
<u>Corrected</u> Total Net Bid:	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Terms:								
Addendum								
Auth. Signature								
Business License								
Contractor Lic.								
Mfg. Lit./Wty.								
Samples Included								
Overall Ranking								

- _____ Low Bidder meets specifications/Purchasing Recommends.
- _____ Low Bidder does not meet specifications. (See comments below)
- _____ Low Bidder bid brand other than specified. Division to verify if meets specifications.

Rankings: Bids will be ranked from lowest (No.1) to highest. Award will be made to the lowest responsible bidder. If the low bidder's product is not acceptable or does not meet specifications, the divisions must explain the reasons.

A check mark will be used to indicate if the bidder provided required information and a Q will be used if the information is missing as noted above.
 Note: Upon reviewing this evaluation document and determining that samples are needed to make an adequate evaluation, please contact the buyer listed above.

Division Sign-off
 DATE: _____ DIV. AUTHORIZED SIGNATURE _____ PHONE NO. _____
 Division comments: _____
 Purchasing comments: _____

SUBJECT: PURCHASE ORDERS

PURPOSE

To establish uniform procedures for all phases of the purchase order process, i.e. initiating, issuing, modification, return and exchange of materials, payment of the purchase order, and cancellation of a purchase order.

PROCEDURES

1. **Electronic Submittal of a Requisition.** (See attached Exhibit A) For all budgeted purchases of products and services, the requesting division/department shall electronically transmit a requisition to the Purchasing Division using Peoplesoft Financials. The requisition shall include a complete description of the users needs, such as Requester, Quantity, Unit of Measurement (UOM), Description, and Price. (For instructions on how to complete a requisition, under Start Menu, go to PeopleSoft Financials, Training, FS8 Training Docs and select HTML Tutorials.) **Once the requisition is complete, it will not become available to Purchasing for processing unless the next three steps are followed:**

1. The requisition has been edit checked.
2. The requisition has been budget checked.
3. The requisition has been approved by a Supervisor or Division Manager of the requesting division/department. (See Appendix for full instructions)

If any one of these processes are not completed, the requisition will not be visible to the Buyer.

2. **Processing of Requisition into a Purchase Order.** (See attached Exhibit B) Once the Requisition has been made electronically available to the Purchasing Division, several types of procurement are available for processing a Requisition into a Purchase Order. These types of procurement include the following:

\$ Open Purchase Orders (up to \$6,000)

Open purchase orders are to be used for items that are difficult to bid and not to be used for repetitive purchases or items for inventory that would be better facilitated by the use of a Requirements Contract.
(For further information, see procedure # 11)

\$ Request for Quotations (\$2,000 to \$114,000)

To promote competition and ensure fair purchasing practices, Requisitions over \$2,000 but less than the formal bid limit generally require Request for Quotations. A Request for Quotation process is usually used for straightforward purchases of non-complicated supplies and equipment.

Solicitation of quotes are achieved by placing a Request for Quotation on BidsOnline, with approximately two to three days for bidders to submit their quote electronically. Once the quotations are submitted to Purchasing, the Buyer selects the lowest responsive and responsible bid, taking into account freight and payment terms. A Purchase Order is then issued, with a copy sent to the successful bidder.

A Requisition is also required for the following:

\$ Informal Bids

Informal bids are for purchases of goods or services or public works projects up to the formal bid limit. A Requisition is submitted to Purchasing to initiate the informal bidding process. At completion of the informal bidding process, a Purchase Order is issued. This Purchase Order is both the Contract and a Notice to Proceed. (For further information, see Procedure # 9)

\$ Formal Bids

Formal bids are for any purchases of goods or services or public works projects over the formal bid limit. A Requisition is required for Formal Bids at either the beginning of the process or after the award of a bid, as applicable. A Purchase Order is issued mainly for purposes of encumbrance, and in support of a separate formal contract. (For further information, see Procedure # 1)

The amount of time required to process a Requisition into a Purchase Order is dependent upon what type of procurement the Requisition requires. Open Purchase Orders and Request for Quotes will be processed within two weeks. However, turnaround times for informal and formal bids are longer. (See respective procedures)

3. **Checking Status of a Requisition.** To view the status of a particular Requisition, see Appendix for full instructions.

To view the status of all Requisitions submitted by a particular requester, or a group of requisitions, see Appendix.

4. **Payment of Purchase Orders.** When goods or services have been rendered or ordered, it will be the responsibility of the division/department receiving the materials or services to keep a written record of the date, quantity, condition, by who received, and other pertinent information relative to the materials or services listed on the purchase order.

A. One-Time Payment

Where all goods or services have been rendered, or the public works project has been completed in less than thirty (30) calendar days, the invoice and corresponding packing slip/receiving copy should be dated, signed by authorized personnel and forwarded at once to the Finance Division, Accounts Payable, for payment.

Where goods or the price differ from the order or the price, a Purchase Order Adjustment Form should be completed and forwarded to the Purchasing Division for processing.

B. Progress Payments-Ongoing Purchase Order

Normally, partial payments are authorized only for Open Purchase Orders, for Requirements Contracts for products and services, for public works projects with time of completion over 30 calendar days, or for an order where a special justification can be made for partial payment.

The invoice must be signed by the authorized Supervisor/Division Manager of the division/department receiving the goods or services. The invoice, together with the corresponding packing slip/receiving copy, should then be forwarded to Finance, Accounts Payable.

5. Modification of a Purchase Order. When the dollar amount of a purchase order needs to be increased or decreased, or changes have been made to the contract, the purchase order must be modified to reflect these changes. Modification of a purchase order must be coordinated through the Buyer in the Purchasing Division.

Purchase Order Adjustment. The requesting division/department must submit a Purchase Order Adjustment form (see attached Exhibit C) or via e-mail to the Purchasing Division, relating the following information when applicable:

- \$ The specific line item to adjust or modify.
- \$ The fund number, org number, and account number of the modification being requested.
- \$ The starting balance of the purchase order, the dollar amount of the adjustment or modification, and the ending balance of the purchase order with the adjustment.
- \$ Signature of authorized personnel from requesting division/department.

The Buyer will review the Purchase Order modification request and forward to the Purchasing staff assistant. The staff assistant will use the information to update the Purchase Order electronically, and retain the information as back-up to the Purchase Order.

6. **Return and Exchange of Materials.** Actual returns or exchange of materials or supplies will be coordinated by the requesting division/department with the vendor.

A. **Returns**

A Purchase Order Adjustment form shall be submitted by the requesting division/department to Purchasing for any materials or supplies returned. The invoice, with the appropriate documentation indicating the return, shall be forwarded to the Finance Division, Accounts Payable.

B. **Exchanges**

If there is a substantial price difference due to an exchange, a Purchase Order Adjustment form shall be submitted by the requesting division/department to Purchasing. The invoice, with the appropriate documentation indicating the exchange, shall be forwarded to the Finance Division, Accounts Payable.

7. **Cancellation of a Purchase Order.** Cancellation of a purchase order must be coordinated through the Purchasing Division. The requesting division/department must submit a Purchase Order Adjustment form to the Purchasing Division for any cancellation of purchase orders, relating the following information:

- Purchase order number
- Date
- Reason for cancellation
- Signature of authorized personnel from requesting division/department

Requisition

**PROCEDURE #10
EXHIBIT A**

Ship To: Facilities Management Division
2101 G Street, Bldg. A
Fresno, CA 93706
USA

Business Unit: FRSNO		APPROVED
Req ID	Date	Page
0000007760	05/24/2001	1
Requestor		
Major, Dennis		
Requestor Signature		

Line-SchdItem	Description	Mfg ID	Quantity	UOM	Price	Extended Amt	Due Date
1 - 1	3 1/2" VERTICAL BLINDS		1.0000	EA	3,376.32	3,376.32	
Buyer ID:	McKnight, Patricia						
Vendor:	0000001807	Z BLINDS COMPANY			Vendor Item:		
<u>Item Total: 3 1/2" VERTICAL BLINDS</u>						<u>3,376.32</u>	
<u>Total Requisition Amount:</u>						<u>3,376.32</u>	

SAMPLE

Approval Signature	Approval Signature	Approval Signature
--------------------	--------------------	--------------------

Purchase Order

PROCEDURE #10
EXHIBIT B
PO No. 0000016663

City of Fresno
Purchasing Division
2101 G Street, Bldg. A
Fresno, CA 93706

Vendor: 0000001807
Z BLINDS COMPANY
680 P ST #13
FRESNO, CA 93721
Fax: 497-6548

Purchase Order	Date	Revision	Page
FRSNO- 0000016663	06/29/2001		1
Payment Terms	Freight Terms	Ship Via	
N30	FOB Destination	BESTWAY	
Buyer: McKnight, Patricia			

Ship To: Facilities Management Division
2101 G Street, Bldg. A
Fresno, CA 93706

Bill To: Facilities Management Division
2101 G Street, Bldg. A
Fresno, CA 93706

Line-Schd	Description	Quantity	UOM	PO Price	Extended Amt	Due Date
1 - 1	3 1/2" VERTICAL BLINDS	1.00	EA	3,376.32	3,376.32	06/29/2001
Schedule Total					<u>3,376.32</u>	

Item Total 3 1/2" VERTICAL BLINDS 3,376.32

Total PO Amount 3,376.32

SAMPLE

- ALL DELIVERIES MUST BE F.O.B. DESTINATION UNLESS OTHERWISE SPECIFIED ABOVE.
- PACKING LIST MUST ACCOMPANY ALL MERCHANDISE DELIVERED ON THIS ORDER.
- CITY OF FRESNO RESERVES THE RIGHT TO CANCEL THIS ORDER IF GOODS NOT SHIPPED AS DIRECTED.
- IF THIS PRODUCT CONTAINS ANY HAZARDOUS SUBSTANCE AS DEFINED BY THE STATE OF CALIFORNIA DIRECTOR OF INDUSTRIAL RELATIONS, A MATERIAL SAFETY DATA SHEET MUST ACCOMPANY DELIVERY.
- PURCHASE ORDER NUMBER MUST APPEAR ON ALL PAYMENT AND DELIVERY CORRESPONDANCE.

Authorized Signature

XM NUMBER _____
DATE _____

**PURCHASE ORDER ADJUSTMENT
DEPARTMENT OF FINANCE**

DEPT _____

Program	Activity	Group	Task	Project	Finance	Expense	P.O. Date	P.O. Number	Vendor	
Reason For Adjustment							Program	P.O. Price	Adjusted Price	Difference
<input type="checkbox"/> Change Order No. <input type="checkbox"/> Open P.O. More/Less than Actual <input type="checkbox"/> Quantity Less _____ Item Nos. _____ <input type="checkbox"/> Quantity More _____ Item Nos. _____ <input type="checkbox"/> Freight _____ Prepay & Add per P.O. <input type="checkbox"/> Unit Price Change(enter reason below) <input type="checkbox"/> Cancel (reference cancellation notice below) <input type="checkbox"/> Payment per invoice <input type="checkbox"/> Discount										
							TOTAL			

Other _____
Explanation _____

Dept. Approval By _____ Date _____
Purchasing Approval _____

White-Accounting: Blue-Vendor: Green-Purchasing: Canary-Department: Pink-Division Goldenrod-Originator

SUBJECT: OPEN PURCHASE ORDERS

PURPOSE

To establish a uniform policy and procedure for the establishment of Open Purchase Orders.

POLICY

It shall be the policy of the City of Fresno to use Open Purchase Orders for low cost items that are difficult to bid and not for repetitive purchases.

PROCEDURE

The requesting division/department shall submit an electronic requisition to the Purchase Division, so that Purchasing can issue a purchase order. Since Open Purchase Orders are issued without going through any competitive process, they are limited to \$6,000. This amount can be increased with authorization from the Purchasing Manager or his/her designee if it can be established that the items cannot be bid economically. If several Open Purchase Orders are issued to the same vendor in the same fiscal year, Purchasing will review if a requirements contract would be a better means of procurement.

All Open Purchase Orders will be issued with an expiration date not later than June 30. All Open Purchase Orders will be closed out at the end of each fiscal year. Clients will be given approximately two weeks beyond June 30 for payments of purchases in June.

SUBJECT: EMERGENCY PURCHASES

PURPOSE

To establish a uniform procedure in regard to emergency purchases.

POLICY

An emergency purchase is defined as a repair part for a "down" piece of equipment; material needed for repair of items providing vital services; unforeseen items not known prior to commencement of project; situations where a return visit to repair equipment or complete a project would not be cost-effective. The Purchasing Manager or his/her designee will approve such a purchase.

PROCEDURES

1. **Emergency Purchase Under the Formal Bid Limit**

Before making a purchase, the authorized employee must call the Purchasing Division (except for nighttime emergencies) and obtain a purchase order number. (Be prepared to give reason for request, vendor, and dollar estimate of expenditure). Prior to submittal of the signed invoice to Purchasing, the client division must follow the electronic procedure for entering, editing and budget checking a Purchase Order. Once Purchasing receives the signed off invoice, the Purchase Order will be verified, approved, and dispatched in the system. Then Purchasing forwards the invoice to Accounts Payable.

2. **Nighttime Emergencies**

For nighttime emergencies, which require the immediate acquisition of materials, services or supplies, complete the transaction accordingly. Then call the Purchasing Division the next working day and secure a Purchase Order number following above procedure.

3. **Emergency Purchase Over the Formal Bid Limit**

The emergency purchase of equipment or emergency construction over the formal bid limit is subject to the Council's approval of an Emergency Resolution to suspend competitive bidding in accordance with Section 1208(a) of the Charter. The Emergency Resolution is submitted to the Council by the client; Purchasing is available as a resource.

SUBJECT: CAL CARD – “Official” Purchase Card

PURPOSE

To establish policies and procedures for the purchase of small dollar purchase of materials, parts, supplies for City employees immediate needs up to \$2,500 per transaction using a Visa Card. Participation in the Cal Card program is volunteer.

POLICY

The Purchasing Manager is designated to be responsible for the City of Fresno purchasing card issuance, accounting, monitoring, retrieval, and for general oversight compliance with this purchasing card us policy.

PROCEDURES

1. Issuance of Purchasing Cards

- a. Purchasing cards will be issued to employees who are authorized by their Department Director. The cards will be issued to individuals, in the name of the individual; there will be no department cards. Only one card will be issued in an individual's name. Cards are nontransferable.
- b. The authorized credit limit of all purchasing cards issued shall be determined by the Purchasing Manager and Department Director or their designee. The amount will be based on the specific operational needs of each card holder. The authorized limit may be subsequently adjusted based on actual experience. Changes to the limit will be reviewed and approved by the Purchasing Manager and Director or their designee. The authorized credit limit shall not exceed \$2,500 per transaction.
- c. In order to obtain a CAL-Card, contact Purchasing Division at 621-1332.

2. Card Use

- a. The purchasing card shall be used for the purchase of parts or supplies or other goods in instances where the parts, supplies or goods are more immediately available than conventional sources. An example would be minor plumbing or electrical parts that can be purchased within a short drive from the worksite as opposed to a cross city trip to a normal part source.
- b. Purchases made via the purchasing card must comply with the City's purchasing and expenditure policies. The card in no way changes such policies.

- c. Anyone issued a City of Fresno purchasing card (CAL-Card) shall sign an Acknowledgement and Responsibility Form issued by Purchasing, thereby agreeing to abide by adopted City Purchasing Card Policies and Procedures and will be provided a copy of such policies and procedures during training and upon the receipt of the CAL-Card. The card holder is responsible for assuring that all purchasing card charges are accurate and consistent with policy guidelines.

3. Card Holder Responsibilities

a. The card holder must:

- (1) Ensure the card is used only for legitimate business purposes.
- (2) Maintain the card in a secure location at all times.
- (3) Not allow other individuals to use the card.
- (4) Adhere to City purchase limits and restrictions.
- (5) Obtain all sales slips, register receipts, and/or purchase card slips and provide same to their designated approving official.
- (6) Attempt to resolve disputes related to billing errors with the vendor directly or in conjunction with the Purchasing Manager.
- (7) Ensure the appropriate credit is issued for disputed items or billing errors on a subsequent purchase card statement.
- (8) Immediately report a lost or stolen purchase card to the card issuer and notify the Purchasing Manager of the lost or stolen card at the first opportunity during business hours.
- (9) Return the card to the Purchasing Manager upon terminating employment with the City.

4. Card Holder Liability

- a. The purchasing card will not affect the card holder's personal credit; however, it is the card holder's responsibility to ensure that the card is used within stated guidelines, policies and procedures of the City. Failure to comply with program guidelines may result in the permanent revocation of the card, charge-back of an improper or unsupported transaction to the card holder for reimbursement to the City, notification of the situation to management, and further disciplinary measures, which may include termination.

5. Card Holder Termination or Card Cancellation

a. The City is required to close an account if a card holder:

- (1) Terminates City employment.
- (2) Moves to another Division.

b. The City reserves the right to cancel a purchase card for any of the following reasons:

- (1) The card is used for personal or unauthorized purposes.
- (2) The card is used to purchase any material or service that violates policy, law or regulation pertaining to the City.
- (3) The card holder allows the card to be used by another individual.
- (4) The card holder fails to provide the required receipts and supporting documentation.
- (5) The card holder does not adhere to all of the appropriate City Administrative Orders, policies and procedures.

6. Examples of Items That Cannot Be Purchased With the Credit Card:

a. Cash advances

b. Services such as: any item or service centrally managed by another City agency, such as:

- Graphic Communications printing, copying, binding, and related capabilities
- Information Technology Services managed automated equipment and software
- Communications managed fax machines and telephone related equipment

c. Firearms and ammunition

d. Tobacco and alcohol products

e. Travel or travel related expenses

- f. Recurrent requirements such as making several purchases for items that should be put on a multi—year contracts.
- g. Personal use items

7. Purchase Card Use Audits

The Purchasing Division will make periodic random audits of card use and charges for appropriateness. Areas to be monitored include, but are not limited to, compliance with this and other related Administrative Orders. Excessive and/or non-use by card holders will also be monitored. The City's Internal Audit Section may also perform periodic audits of the CAL-Card Program and credit card usage by City employees to ensure that all purchases are appropriate and for City Business purposes only.

SUBJECT: APPEALS

PURPOSE

To establish a general policy and procedures for filing, accepting and hearing appeals.

POLICY

It shall be the policy of the City of Fresno to provide "due process" to all bidders.

PROCEDURE

1. **Posting of staff determination.** Typically, five (5) working days prior to award, Purchasing staff shall post the staff determination for award on a telephone hotline, bulletin board and/or the City's website. Generally, the appeals period ends on the day before the Council meeting for which award is scheduled. If any bidder is bypassed for award for being non-responsive to the specifications or a non-responsible bidder, the bypassed bidder shall be notified in writing five (5) working days prior to the Council meeting of the reasons for being considered non-responsive or non-responsible and given the opportunity to appeal staff determination.
2. **Appeal.** If an appeal is filed within the deadline and deemed acceptable by the City based on the current Appeal Resolution, it shall be heard in accordance with the procedures of that Resolution. When an appeal is received and accepted, it will be distributed to all other bidders allowing them until three (3) working days prior to the appeal hearing to submit any evidence if they wish to be heard at the appeal hearing. The appellant will be informed of the date, place and time of the appeal hearing. The Purchasing Division will notify the client division and invite a client representative to attend the appeal hearing.

Should the appeal hearing result in a different determination of the lowest responsive and responsible bidder, it will be necessary to post the new staff determination for five (5) working days before an award is made.

For further details on appeals procedures, please consult the Appeal Resolution in the Appendix, page 16.

**SUBJECT: INTERNAL PURCHASING POLICY FOR THE ACCEPTANCE OF BIDS
AND REQUESTS FOR PROPOSALS**

PURPOSE

The purpose of this policy is to set standards for the acceptance of bids and Requests for Proposals for technical/non-professional services by Purchasing staff.

PROCEDURE

1. Acceptance of bids for products and public works projects under the formal bid limit.
 - a. Requests for Quotation (RFQs) for products. All requests for quotation for items under the formal bid limit shall be accompanied by standardized terms and conditions, approved one time by the City Attorney's Office. The RFQ will be awarded to the bidder who submits the lowest bid price for the requested product(s), including freight, discounts and any other cost related factors, without exceptions. The Purchase Order references the bid of the successful bidder and constitutes the contract between the parties.
 - b. Informal bids. Informal bids consist of a standardized bid packet ("boilerplate"), approved one time by the City Attorney's Office, including standardized terms and conditions, and including technical specifications. Boilerplates will be available to City clients through the City staff website. The bid proposal page states that the bidder "proposes to furnish, all in strict accordance with plans and/or specifications" at the listed price. Award of an informal bid, therefore, will be made to the bidder who submits the lowest total bid price. Bidders who take an exception will be considered non-responsive and not eligible for award. Such bidder will be bypassed, unless the Purchasing Manager or designee determine that the exception consists of a minor deviation that does not give the bidder a competitive advantage.

Acceptance of a bid is made by issuing a purchase order referencing the bid. For public works projects, the bidder must also submit insurance and a payment bond (over \$25,000) that meets City requirements. When all documents have been received and are determined by Purchasing staff to meet requirements, a purchase order is issued. The purchase order is the contract between the parties and also the notice to proceed.

2. Acceptance of bids for products and public works projects over the formal bid limit. Formal bids consist of a standardized bid packet (“boilerplate”), including standardized terms and conditions and a standardized contract, all approved by the Attorney’s Office, and technical specifications. Boilerplates will be available to City clients through the City staff website. Each bid is individually reviewed and approved by the City Attorney’s Office before publication.

The bid proposal page states that the bidder “proposes to furnish, all in strict accordance with plans and/or specifications” at the listed price. Therefore, award of a formal bid will be made to the bidder who submits the lowest total bid price. Purchasing staff will carefully check all documents submitted by bidders while the City client reviews any technical submittals. Bidders who take an exception will be considered non-responsive and not eligible for award. Such bidder will be bypassed, unless a determination is made by the Purchasing Manager that the exception is a minor irregularity which does not have give the bidder a competitive advantage and is in the public interest.

A minor irregularity must be called out to the Council in the agenda item for award and must be specifically approved by the Council. All award decisions for formal bids are reviewed and formally approved by the Purchasing Manager, the Director of Administrative Services and the City Manager.

After award, the bidder shall execute the standardized contract within a stated time frame, and provide bonds and insurance meeting City requirements, otherwise the City may pull the bid deposit to reach the next bidder. If a bidder is bypassed in the acceptance of the bid by Purchasing staff, the bidder is given the opportunity to appeal staff’s determination to a hearing officer.

3. Requests for Proposals (RFPs) for technical/non-professional services over \$50,000.

Purchasing staff shall use a scope of work provided by the City client and the standardized document (“boilerplate”) for Requests for Proposals (RFPs), including standardized terms and conditions and a standardized contract (over \$50,000), approved by the City Attorney’s Office. A boilerplate will be available to City clients through the City staff website. Some RFPs may contain a contract that is tailored to the particular RFP instead of the short standardized contract.. Each individual RFP (over \$50,000) is reviewed and approved by the Attorney’s Office prior to publication. RFPs under \$50,000 are reviewed by the Purchasing Manager or his/her designee prior to publication. RFPs include a specific document in which proposers must check that they will accept the City’s indemnification and insurance requirements. If they do not, that fact will be taken into account in the evaluation process.

The evaluation team for Requests for Proposals will include representatives of the client Department/Division and one representative from Purchasing. If a proposer submits terms and conditions that differ from the terms and conditions contained in the RFP, the proposer will be down ranked accordingly by the evaluation team. If a proposer who submits its own terms and conditions or changes to the City's terms and conditions is the proposer who submitted otherwise the most advantageous proposal, the terms and conditions shall be submitted to the City Attorney's Office for review and evaluation prior to Council award. Based on the Attorney's legal advice, Purchasing staff will either recommend award to that proposer or go to the next proposer for whom the Attorney review process would be repeated, if applicable.

In particular, all maintenance and license agreements for software shall be reviewed by the Attorney's Office before recommendation for award is made to the Council, since, according to the Attorney's Office, it is not possible to standardize these agreements.

It is the policy of the Purchasing Division to identify the proposer who offers the best combination of conformance with specifications, quality of service, price and experience. The decision to accept a proposer is always made by Purchasing in cooperation with the client Department/Division, in accordance with the specifications and in accordance with the City's legal requirements, including the Municipal Code.

After award and execution of the contract, a copy of the contract, which includes proposal specifications, is made available to the City client for contract administration. Contracts for services are then added to Purchasing's internal list of contracts for tracking purposes.

SUBJECT: ANNUAL ADJUSTMENT TO FORMAL COMPETITIVE BID LIMIT

PURPOSE

To establish the procedures for annually adjusting the formal bid limit.

POLICY

On July 1 of each year, the Purchasing Manager shall be responsible to adjust the formal bid limit to the nearest whole thousand dollars based on changes in the Consumer Price Index for all products.

PROCEDURE

Through a Charter Amendment, the formal bid limit was increased by the voters in November 1992 to \$25,000.

After July 1 of each year as soon as the National Consumer Price Index (United States City Average For All Products) becomes available, the Purchasing Manager shall adjust the formal bid limit to the nearest whole thousand dollars to reflect inflationary cost increases. The adjustment shall be calculated from the point in time when the bid limit was last adjusted. On January 19, 2008, the formal bid limit is \$114,000.

After calculating any adjustment, the Purchasing Manager shall notify all City departments of the revised bid limit, or if no adjustment is warranted, departments shall be so notified as well.

SUBJECT: CONTRACT ADMINISTRATION

PURPOSE

To establish a uniform policy and procedure for the administrations of contracts.

POLICY

It shall be the policy of the City of Fresno that contracts be administered by client divisions.

Only Citywide contracts (uniforms, stationery) shall be administered by the Purchasing Division.

PROCEDURE

At the end of the bidding process, contracts and projects bid by the Purchasing Division or Requests for Proposals for services are handed over by the Purchasing Division to the client for contract administration.

A great effort is put into the development of specifications to represent the City's interest. Therefore, client divisions shall carefully study the contract documents provided by the Purchasing Division, ask for clarification from Purchasing, where necessary, and monitor that the contractor's performance in all respects meets specifications. Should City clients experience problems with any supplier/contractor to whom Purchasing has recommended award, please alert the Purchasing Division or submit a Supplier Complaint Form (see attached Exhibit "A"). Client divisions should always document performance issues. If the performance of a supplier/contractor consistently does not meet contract provisions, the City will consider notification of breach of contract allowing the supplier/contractor to correct problems within a certain time frame, or the contract will be terminated. Please consult the Purchasing staff or the City Attorney's Office regarding notification for breach of contract.

The Purchasing Division is committed to use only suppliers/contractors who perform satisfactorily and in accordance with specifications and, therefore, appreciates feedback on performance from clients.

CITY OF
FRESNO

PURCHASING
DIVISION

Date _____

SUPPLIER COMPLAINT FORM

PO NUMBER _____	BUYER NAME _____
SUPPLIER _____	_____
PHONE # _____	SALESPERSON _____

NATURE OF COMPLAINT

<input type="checkbox"/> PRICE VARIANCE	<input type="checkbox"/> PRODUCT SUBSTITUTION
<input type="checkbox"/> QUANTITY	<input type="checkbox"/> INFERIOR PRODUCT
<input type="checkbox"/> FREIGHT VARIANCE	<input type="checkbox"/> UNAUTHORIZED SHIPMENT
<input type="checkbox"/> LATE DELIVERY # OF DAYS _____	<input type="checkbox"/> FREIGHT DAMAGE
<input type="checkbox"/> OVER 30 DAYS OLD	<input type="checkbox"/> SLOW TO RESOLVE PROBLEMS
<input type="checkbox"/> SUPPLIER COULD NOT DELIVER	<input type="checkbox"/> LACK OF SUPPORT / SERVICE
<input type="checkbox"/> BACKORDERS (PARTIAL SHIPMENTS)	<input type="checkbox"/> OTHER

ACTION TAKEN BY YOUR DIVISION AS OF TODAY'S DATE:

FROM _____ PHONE # _____ DIV. _____

PLEASE SUBMIT OR FAX SUPPORTING DOCUMENTATION, AS NEEDED

SUBJECT: LOCAL PREFERENCE

PURPOSE

To establish a uniform policy and procedure for the application of local preference for products and equipment, services and public works projects.

POLICY

It shall be the policy of the City of Fresno to provide a local preference to local firms whose main or branch office is located within a 25-mile radius from City Hall.

PROCEDURE

The Fresno Municipal Code (FMC) establishes a local preference for bidders who's main or branch office is located within a 25 mile radius from City Hall or for purchases of products, material and/or equipment the vendor can also be located within the County of Fresno. The local preference is applied when the low bidder is non-local and the second bidder is local. ***Local preference cannot be applied to federally funded purchases and projects.*** The local preference varies with type of procurement.

Products: (materials, supplies, equipment):

Five percent, however the preference shall not exceed \$25,000 (FMC, Section 4-108(a) (1))

Public Works projects:

One-half of one percent, not to exceed \$1,000 (FMC, Section 4-105(h) (2))

Services:

Five percent, no cap (FMC, Section 4-112.1(b) (4))

The rate of preference is calculated on the non-local bid and the resulting amount is deducted from the local bid. If the local bid is lower after the deduction, award may be made to the local bidder. If after application of the preference, the local bid remains higher than the non-local bid, award shall be made to the non-local bidder.

SUBJECT: SURPLUS

PURPOSE

To establish policies and procedures for surplus as established by Municipal code Section 4-202 - Sale or Other Disposition of Surplus Personal Property

PROCEDURES

All City owned equipment which is no longer of use to a City Division, shall be declared surplus by the Purchasing Manager if such item has an estimated value of the current Formal Bid limit or less. Any item with a value over the Formal Bid limit must be declared surplus by the City Council.

A. Surplus Disposal Process

1. **Defining an Item as Surplus**
If an item is no longer of use by a Division or has become unfit or unsuitable for further use because of age, wear, damage or obsolescence.
2. **How to Dispose of the Item**
Division to complete a Fixed Asset Inventory Input Document (FA91) and submit to Purchasing. A separate form needs to be completed for each item if each item has separate Fixed Asset tags.
3. **Making the Surplus Item Available to Other City Divisions**
Once all surplus items are accumulated and a list developed, the list will be e-mailed Citywide. If any Division is interested in any surplus item, the Division must make arrangements to have the item picked up and inform Purchasing so that the item will be removed from the list. This item of the procedure does not apply to Fleet vehicles.
4. **Declaring the Item Surplus**
A master list of the remaining items will then be declared by the Purchasing Manager as being surplus to the City's needs, if under current Formal Bid limit.
5. **Disposing of Surplus Items**
Purchasing contacts the current contract auctioneer to pick up the surplus items which will be taken to the auctioneer's site for disposal during the auctioneer's weekly auction.

6. Surplus Revenue

Proceeds from any auctioned items are returned to Purchasing by the auctioneer and are typically deposited into the General Fund in accordance with the Code, with the exception of Fleet vehicles whose proceeds are deposited into the Fleet Replacement Fund account.

B. Individual Sales

Surplus may also be disposed of through individual solicitations of offer prepared by the Purchasing Division. Solicitations including items over current Formal Bid limit will be submitted to Council for declaration of surplus and for approval of sale. Proceeds from all individual sales can only be deposited into a client's fund if there are established accounting procedures which require such proceeds into a special fund of the city which must be approved by the Purchasing Manager.

APPENDIX

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GLOSSARY

(Purchasing Terms)

Bidder	Company/Individual
Contractor	Bidder who bids on Public Works Projects
Cal Card	User makes individual transaction purchases up to \$2500
EP	Emergency Purchase Order
Formal Bid	Sealed bid over \$114,000
Formal Bid Limit	Threshold at which the Charter applies, in July 2007 is \$114,000
Informal bid	Sealed bid under \$114,000
Open PO	A Purchase Order without competitive bidding for repetitive small purchases, with progress payments
Piggyback	Using a bid from another governmental agency without going through a City bidding process
Prebid Conference	Conference with bidders prior to bid opening
Requirements Contract	Annual contract with a supplier/vendor, put in place through Purchasing, allowing direct contact from Division to Supplier
RFEI	Request for Expression of Interest ("loose RFP")
RFP	Request for Proposals (for services other than consulting)
RFQ	Request for Qualifications (for consulting services)
Sole Source	Procurement of equipment which is only available from a single manufacture
Supplier	Company/individual who supplies products
Vendor	Same as Supplier
Walkthrough	Rebid conference for informal bids

SEC. 1208. PROCUREMENT AND COMPETITIVE BIDDING.

(a) Every contract involving an expenditure of city moneys of more than one hundred thousand dollars (\$100,000), adjusted annually on the first of July to the nearest one thousand dollars (\$1,000) in response to changes in the National Consumer Price Index (United States City Average For All Products), for materials, supplies, equipment or for any public work of improvement, shall be let to the lowest responsive and responsible bidder after notice by publication in a newspaper of general circulation within the city by one or more insertions, the first of which shall be at least seven days before time for opening bids. For purposes of this subsection, Council shall by ordinance define "public work of improvement".

(1) All bids hereunder shall be accompanied by either a certified, or cashier's check, an irrevocable letter of credit, or a bidder's bond executed by a corporate surety admitted by the California Insurance Commissioner to do business in California, payable and acceptable to the city. Such security shall be in an amount not less than that specified in the notice inviting bids or in the specifications referred to therein, or if no amount be so specified, then in an amount not less than ten percent of the aggregate amount of the bid. A certificate of deposit or other instrument approved by Council may be accepted by the city in lieu of a bidder's bond. If the successful bidder neglects or refuses to enter into the contract within the time specified in the notice inviting bids or specifications referred to therein, the amount of the bidder's security may be declared forfeited to the city and may be collected and paid into a lawful, available city fund, and all bonds so forfeited shall be prosecuted and the amount thereof collected and paid into such fund.

(2) All bids hereunder shall be submitted in a sealed envelope and shall be filed with the officer in charge of the purchasing function prior to the opening time specified in the notice inviting bids. Such officer shall receive and be custodian of such bids and keep the same confidential until they are opened and declared.

(3) All bids received hereunder shall be publicly opened and declared at the time and at the place fixed in the notice inviting bids. Thereafter, the bids shall be tabulated and analyzed by the officer in charge of the purchasing function, who shall submit them, together with recommendations thereon, to the Chief Administrative Officer. The Chief Administrative Officer shall review the bids and submit them to the Council, along with his/her recommendations, at a duly scheduled meeting of the Council.

(4) The Council shall have the right to waive any informality or minor irregularity in a bid. The Council may reject any and all bids presented and may readvertise in its discretion.

(5) The provisions of this subsection (a) shall not apply to any of the following:

(i) A work of improvement obtained through a design build process if authorized pursuant to subsection (c) herein.

(ii) Work done by the city with its own personnel and/or equipment.

(iii) Materials, supplies, equipment or any public work of improvement obtained from or through any governmental agency.

(iv) When Council determines that the work to be done or the goods to be supplied can only be provided by one source, and the purchase is authorized by resolution of the Council containing a declaration of the facts constituting the sole source.

(v) When the purchase is deemed by Council to be of urgent necessity for the preservation of life, health or property, and such purchase is authorized by resolution passed by at least five affirmative votes of the Council and containing a declaration of the facts constituting the urgency.

(6) For those instances when alternative bid forms, or additive or deductive items are included in bid specifications, Council may establish by ordinance the method that will be used to determine the lowest bid. The establishment of any such method by the Council will not preclude the city from adding to or deducting from the contract any of the additive or deductive items after the lowest responsive and responsible bidder has been determined. Nothing in this subsection (a) shall preclude the Council from establishing a method reserving to the Council the right to award, after consideration of the amount of the bids and the combination of work to be performed, to the lowest responsive and responsible bidder of any alternative bid form or any combination of bid prices on the base contract and additive and/or deductive items identified in the city specifications, when in Council's discretion it determines such award to be either in the best interests of the city or obtains for the public the best economic result. Notwithstanding subdivisions (2) and (3) of this subsection (a), Council may establish by ordinance a method whereby the identity of the bidder is kept confidential until following Council's determination of the lowest bid.

(7) The Council may by resolution or ordinance establish procedures and requirements for hearing appeals by any bidder who has been determined by the Chief Administrative Officer to be nonresponsive or nonresponsible. The Council may also by resolution or ordinance establish procedures and requirements for the debarment of any bidder who has been determined by the Council to be nonresponsible.

(b) Notwithstanding subsection (a) above, the Council may by ordinance authorize the officer in charge of the purchasing function, in the evaluation of any or all sealed bids for the purchase of materials, supplies, equipment and/or any public work of improvement, to extend up to a five percent preference for a local business in award of all contracts except for those contracts funded by the federal or state government when such funding would be jeopardized because of this preference. For purposes of this section, "local business" shall be as defined by Council within such ordinance.

(1) The amount of the preference shall be equal to the amount of the percentage applied to the lowest responsive and responsible bid.

(2) If the bidder submitting the lowest responsive and responsible bid is not a local business, and if a local business has also submitted a responsive and responsible bid, and, with the benefit of the preference, the local business's bid is equal to or less than the original lowest responsive and responsible bid, the city shall award the contract to the local business at its submitted bid price.

(3) The bidder shall certify, under penalty of perjury, that the bidder qualifies as a local business. The preference is waived if the certification does not appear on the bid.

(c) Council may by ordinance establish a "design build process" which may be utilized in lieu of a competitive bid process as required by this section for construction of any public work of improvement.

(d) To be valid hereunder, any contract with the city for property, goods, services, materials, supplies, equipment or work shall be in writing and approved as to form by the City Attorney.

(e) The city shall not be subject to the California Public Contract Code, in whole or in part, unless Council agrees by ordinance.

(Amendment ratified 1971 General Municipal Election; approved, Assembly Concurrent Resolution No. 130, filed with Secretary of State on June 18, 1971, Res. Ch. 77, Stat. 1971.)

(Amendment ratified 1979 General Municipal Election, March 6, 1979.)

(Amendment ratified 1988 General Election, November 8, 1988.)

(Amendment ratified 1992 General Election, November 3, 1992.)

(Amendment ratified 1996 Primary Election, March 26, 1996.)

(Amendment ratified 2002 Consolidated Direct Primary Election, March 5, 2002.)

Chapter 4
CITY PURCHASING, CONTRACTS AND SALES*

- Art. 1. Purchases of Personal Property and Contracts for Services and Work.
- Art. 2. Sale or Mortgage of Property.
- Art. 3. Lost or Unclaimed Property.
- Art. 4. Prevailing Wages for Public Works.
- Art. 5. Design-Build Contracts.
- Art. 6. Regulated Communications with Elected Officials in City Procurement Process.

ARTICLE 1
PURCHASES OF PERSONAL PROPERTY AND
CONTRACTS FOR SERVICES AND WORK

- Sec. 4-101. Duties of Purchasing Manager.
- Sec. 4-102. Contracts Requiring Competitive Bidding.
- Sec. 4-103. Public Policy and Use of Alternates and Alternative Bid Forms in Advertised Competitive Bidding
- Sec. 4-104. Debayment.
- Sec. 4-105. Requisitions.
- Sec. 4-106. Purchase Orders.
- Sec. 4-107. Contracts Not Requiring Competitive Bidding.
- Sec. 4-108. Local Preference in Contracts Requiring Competitive Bidding.
- Sec. 4-109. Local Preference in Contracts for Consultant Services and Other Contracts.
- Sec. 4-110. Processing of Invoices.
- Sec. 4-111. Prohibition of Project Labor Agreements.
- Sec. 4-112. Ineligibility to Compete.
- Sec. 4-113. Utilization of Apprentices.
- Sec. 4-114. Applicability of California Public Contract Code.
- Sec. 4-115. Public Work of Improvement: Definition.

SEC. 4-101. DUTIES OF PURCHASING MANAGER.

(a) The Purchasing Manager, under the supervision and direction of the City Manager shall be the officer in charge of the purchasing function and shall have general charge of purchases of materials, supplies, equipment, services, and/or public works construction for the use of all departments and branches of the city government, except where otherwise provided by state law or this Code.

(b) The Purchasing Manager shall be authorized to develop, customize, and utilize forms and procedures for competitive bidding, Requests for Proposals, and other procurement methods.

(c) Upon receipt of a requisition filed pursuant to Section 4-105 and provided competitive bidding is not required, and the officer filing such requisition is authorized to purchase such materials, supplies, equipment, services, and/or public works construction, and an appropriation has been made therefor which has not been exhausted, it shall be the duty of the Purchasing Manager to purchase the materials, supplies, equipment, services, and/or public works construction of the same or comparable kind and quality as described in such requisition.

(d) Except for professional consulting services as provided in Section 4-109, it shall be the duty of the Purchasing Manager, in purchasing for the use of the city, to use his or her best efforts to secure the lowest price for materials, supplies, equipment, services and/or public works construction, by calling for bids from providers, either verbally, by telephone or in writing, or may give notice to providers generally by one publication in a newspaper published in the city.

(Rep. and Added Ord. 5649, 1959; Am. Ord. 71-56, 1971; Am. Ord. 96-71, § 1, eff. 12-13-96; Am. Ord. 2002-25, § 1, eff. 6-16-02; Am. Ord. 2007-96, § 3, eff. 1-19-08).

SEC. 4-102. CONTRACTS REQUIRING COMPETITIVE BIDDING.

(a) Every contract involving an expenditure of City moneys of more than the amount set forth in Section 1208(a) of the Charter for materials, supplies, equipment or for any public work of improvement shall meet the competitive bidding requirements set forth in said Charter Section.

(b) The term "competitive bidding" as used in this Chapter is the term used in the title of Section 1208 of the Charter. Whenever the term "advertised bidding" is used in this Chapter it shall mean the same as competitive bidding.

(c) Every person to whom a contract is awarded involving an expenditure in an amount subject to competitive bidding for the improvement, erection, or construction of any building, road, bridge, or other structure, excavating, or any mechanical work for the city, shall, before entering upon the performance of the work, file with the City Clerk a good and sufficient corporate surety bond for labor and materials in accordance with the provisions of the general law set forth in Civil Code Sections 3247 to 3252, as amended. Every such person shall also file a good and sufficient corporate surety bond in a similar amount conditioned upon faithful performance of the contract, prior to entering upon performance of the work. Nothing herein contained shall be deemed to preclude the requiring of such bonds on any contract involving a lesser expenditure or other work.

(Am. Ord. 2007-96, § 3, eff. 1-19-08; Am. Ord. 2007-96, § 3, eff. 1-19-08).

SEC. 4-103. PUBLIC POLICY AND USE OF ALTERNATES AND ALTERNATIVE BID FORMS IN ADVERTISED COMPETITIVE BIDDING.

(a) Council Findings. The Council finds and declares that it is the intent of the Council in enacting this section to achieve the following objectives when awarding contracts for which competitive bidding is required by the Charter:

- (1) To guard against actual (rather than the appearance of) favoritism, improvidence, extravagance, fraud and corruption.
- (2) To prevent the waste of public funds.
- (3) To obtain the best economic result for the public, securing the best public work of improvement, equipment, materials and supplies at the lowest price practicable.
- (4) To stimulate advantageous market place competition.

(5) To administer competitive bidding so as to accomplish these objectives fairly and reasonably with sole reference to the public interest, because competitive bidding is for the benefit of property holders and taxpayers of the city, and not for the benefit or enrichment of the bidders.

(6) To administer competitive bidding so the process does not impede the usual and regular progress of the public business, or deprive the public, even temporarily, of those things necessary and indispensable to protect the public interest.

(b) Need for Budgetary Flexibility. The Council finds and declares that because the dollar amount of the lowest bid is not known until the bids are received and opened on the bid opening day, and because the amount of money available is limited, the city needs the budgetary flexibility afforded by:

(1) Allowing it to list items on which bidders must provide bid prices, but which may or may not be added to or deleted from the contract, depending upon the availability of funds; and

(2) Allowing it to utilize alternative bid forms in the same bid specifications on which bidders provide bid prices, but any such form may or may not be selected upon which to award the contract, depending upon the availability of funds.

(c) Alternates. The City Manager may include in the bid specifications a requirement that a bid for a city contract include prices for items that may be added to, or deducted from, the scope of work or description of the equipment, materials or supplies to be supplied in the contract for which the bid is being submitted. Whenever additive or deductive items are included in a bid, the respective bid specifications shall specify which one of the methods expressly set forth herein will be used to determine the lowest bid. In the absence of such a specification, only the method provided by Subdivision (1) will be used.

(1) Base Bid Method. The lowest bid shall be the lowest bid price on the base contract without consideration of the prices on the additive or deductive items.

(2) Specified Combination Method. The lowest bid shall be the lowest total of the bid price on the base contract and the price on any additive and deductive item that was specifically identified in the respective bid specifications as being used for the purpose of determining the lowest bid.

(3) Specified Priority Based on Available Funds Method. Any additive or deductive items shall be listed in the respective bid specifications in priority order. The lowest bid shall be the lowest total of the bid price on the base contract and the price on any additive and deductive item selected in the order of its specified priority as within the amount of available funds identified in the bid invitation.

(4) Council Findings Method. After consideration of the amount of the bids received and the combination of work to be performed, the lowest bid shall be the lowest total of any combination of bid price on the base contract and the price on any additive or deductive item identified in the respective bid specifications and

selected by the Council when the Council finds an award to the responsive and responsible bidder of the lowest bid either to be in the best interests of the city or obtains for the public the best economic result, and the purchase is authorized by resolution of the Council containing a declaration of the facts constituting the finding.

(d) **Alternative Bid Forms.** The City Manager may include in the bid specifications a requirement that a bid for a city contract include prices for items on one or more alternative bid forms. Whenever alternative bid forms are included in a bid, the respective bid specifications shall specify which one of the methods expressly set forth herein will be used to determine the lowest bid. In the absence of such a specification, only the method provided by Subdivision (1) will be used.

(1) **Lowest Bid on Alternative Bid Forms Method.** After applying to each alternative bid form the applicable method in subsection (c) for any additive or deductive items, the lowest bid shall be the lowest bid price of the alternative bid forms.

(2) **Specified Priority Based on Available Funds Method.** The alternative bid forms shall be listed in the respective bid specifications in priority order. After applying to each alternative bid form the applicable method in subsection (c) for any additive or deductive items, the lowest bid shall be the bid price of the alternative bid form selected in the order of its specified priority as within the amount of available funds identified in the bid invitation.

(3) **Council Findings Method.** After applying to each alternative bid form the applicable method in subsection (c) for any additive or deductive items, the lowest bid shall be the bid price of the alternative bid form selected by the Council after consideration of the amount of the bids received and the combination of work to be performed when the Council finds an award to the responsive and responsible bidder either to be in the best interests of the city or obtains for the public the best economic result, and the purchase is authorized by resolution of the Council containing a declaration of the facts constituting the finding.

(e) **Award of Contract.** Subject to the Council's right to reject any and all bids, a responsive and responsible bidder who submitted the lowest bid as determined by subsections (c) and (d) shall be awarded the contract. Except for a contract awarded pursuant to subdivision (c)(4), this section does not preclude the city from adding to, or deducting from, the contract any of the additive or deductive items after the lowest responsive and responsible bidder has been determined.

(Added Ord. 2003-11, § 6, eff. 4-4-03; Am. Ord. 2007-96, § 3, eff. 1-19-08).

SEC. 4-104. DEBARMENT.

(a) **Debarment Resolution.** Any bidder for a city contract who has been determined by the Council to be nonresponsible may be debarred in accordance with a resolution adopted by Council establishing procedures and requirements for debarment. Such procedures shall include a right to appeal from a determination for debarment pursuant to Chapter 1, Article 4 of this Code.

(b) Non-acceptance of Bids During Debarment Period of Another Agency. During the time period that the debarment of any person by the City or by a state or federal agency is in effect, the city and City of Fresno Redevelopment Agency shall not accept bids or proposals from, contract with, or allow performance of subcontracts or supply contracts by, such person, whether or not such person has been debarred by the city pursuant to subsection (a), for projects where the state or federal agency has provided funding.

(c) Doing Business with Debarred Person. In the performance of any city contract, no person shall knowingly utilize the services of any person who is debarred by the city pursuant to subsection (a). No person shall knowingly use or list, in any bid or proposal for a city or City of Fresno Redevelopment Agency contract, any subcontractor or supplier who is debarred pursuant to subsection (a). Violation of this subsection may result in rejection of the bid or proposal, nonpayment by the city for work performed by the debarred person, annulment of award or termination of contract, issuance of a stop work order, debarment, or any other remedy provided by law. If a person lists a debarred subcontractor or supplier without knowledge of the debarment, such person will be allowed to substitute the debarred subcontractor or supplier listed in accordance with provisions of the contract governing contract changes.

(Added Ord. 2003-11, § 7, eff. 4-4-03; Am. Ord. 2007-96, § 3, eff. 1-19-08).

SEC. 4-105. REQUISITIONS.

Whenever any officer requires any materials, supplies, equipment, services, and/or public works construction for his or her office or department, he or she shall file with the Purchasing Manager a requisition on forms provided by the Purchasing Manager. Such requisition shall bear the approving signature or electronic equivalent of the officer or deputy who has jurisdiction of the department in which it originated. Such requisition shall specifically describe the article or articles and the kind and quantity desired. It may also specify the brand or make desired.

(Rep. and Added Ord. 5649, 1959; Am. Ord. 96-71, § 1, eff. 12-13-96; Am. Ord. 2007-96, § 3, eff. 1-19-08).

SEC. 4-106. PURCHASE ORDERS.

(a) When the Purchasing Manager makes a purchase, he or she shall issue a purchase order. It shall be addressed to the seller, dated and numbered, and shall specify the articles or supplies to be purchased and the price, and shall state the place or to whom delivery of the article or articles so purchased shall be made.

(b) The original copy of the purchase order shall be delivered to the dealer or seller and the receiving copy or electronic equivalent thereof shall be delivered to the officer making the requisition. Upon receipt of the article or articles specified, the receiving copy shall be approved by a person designated by the City Manager or Department Director and returned promptly to the Finance Department.

(c) Any officer or employee who issues any requisition shall have personal knowledge of the receipt of such goods or the rendition of such services or work, shall have obtained such knowledge by individually checking such goods or observing the rendering of said services, and shall not accept goods, services or work which do not meet the specifications.

(Rep. and Added Ord. 5649, 1959; Am. Ord. 96-71, § 1, eff. 12-13-96; Am. Ord. 2007-96, § 3, eff. 1-19-08)

SEC. 4-107. CONTRACTS NOT REQUIRING COMPETITIVE BIDDING

(a) Except for contracts for which competitive bidding is required by the Charter and contracts for any public work of improvement obtained pursuant to Chapter 4, Article 5 of this Code, the Purchasing Manager is authorized to contract for all equipment, materials, supplies and any public work of improvement required by the city for which an appropriation has been made.

(b) Except for contracts for legal services, the City Manager is authorized to contract for all services required by the city for which an appropriation has been made; provided the contract involves an expenditure of city moneys of less than or equal to fifty thousand dollars (\$50,000). Council approval of any contract or any amendment to the contract for services under this subsection is required if the total proposed expenditure of city moneys under the contract and any amendments thereto exceeds the respective amount for which the City Manager is authorized to contract.

(c) The City Attorney is authorized to contract for all legal services required by the city for which an appropriation has been made.

(d) Council may authorize by resolution some other official or employee to contract for services, equipment, materials, supplies or public works construction for which competitive bidding is not required by the Charter.

(e) Splitting or separating into smaller work orders, projects, purchase orders or contracts for the purpose of evading the provisions of this section is prohibited. Splitting or separating shall mean and include reducing the amount of any service to be furnished to the city under circumstances where there is reasonable knowledge that the same service will be additionally required, there are funds available for that project or purchase and the sole purpose is to knowingly avoid the requirements herein. In instances where it is deemed to be to the benefit of the city to split or separate a transaction, the proposed splitting or separation shall be referred to the Council for its findings and determination in accordance with this subsection.

(f) Any contract to be valid hereunder shall be in writing and approved as to form by the City Attorney.

(g) Except for legal services, the City Manager shall establish an Administrative Order setting forth criteria and procedures for the selection of consultants to provide professional consulting services (including, but not limited to, auditors, certified public accountants, engineers, architects, landscape architects, management consultants, planners, surveyors, and construction project managers) to the city. Procedures shall include an objective process as a means of protecting the public from misuse of public

funds, to provide qualified proposers with a fair opportunity to enter the process, and to prevent favoritism, fraud and corruption in the awarding of public contracts. The City Manager may make non-material changes to the Administrative Order at any time, subject to approval as to form by the City Attorney. Material changes to the Administrative Order shall be submitted to the Council for review and approval.

(Am. Ord. 2007-96, § 3, eff. 1-19-08).

SEC. 4-108. LOCAL PREFERENCE IN CONTRACTS REQUIRING COMPETITIVE BIDDING.

Except for those contracts funded by the federal or state government when such funding would be jeopardized because of this preference, the Council authorizes the Purchasing Manager to extend a preference to a local business as expressly set forth herein. For purposes of this section, "local business" shall mean a business with a fixed primary or branch office within a twenty-five mile radius of Fresno City Hall, located at 2600 Fresno Street in the City of Fresno, and which fixed primary or branch office was established prior to the city inviting bids for the respective purchase.

(a) The Purchasing Manager, in the evaluation of any and all competitive bids for the purchase of materials, supplies, and/or equipment pursuant to Charter Section 1208, shall extend a five percent (5%) preference for a local business in award of the contracts whenever the bid amount of the lowest responsive and responsible bid is less than or equal to two hundred fifty thousand dollars (\$250,000).

(b) The Purchasing Manager, in the evaluation of any and all competitive bids for public works construction pursuant to Charter Section 1208, shall extend a one half of one percent (0.5%) preference for a local business in award of the contracts whenever the amount of the preference, as determined in subdivision (3)(i) below, is less than or equal to one thousand dollars (\$1,000).

(c) The preference in (a) and (b) above shall be extended consistent with each of the following:

(1) The amount of the preference shall be equal to the amount of the percentage applied to the lowest responsive and responsible bid.

(2) If the bidder submitting the lowest responsive and responsible bid is not a local business, and if a local business has also submitted a responsive and responsible bid, and, with the benefit of the preference, the local business's bid is equal to or less than the original lowest responsive and responsible bid, the city shall award the contract to the local business at its submitted bid price.

(3) The bidder shall certify, under penalty of perjury, that the bidder qualifies as a local business. The preference is waived if the certification does not appear on the bid.

(Am. Ord. 2007-96, § 3, eff. 1-19-08).

SEC. 4-109. LOCAL PREFERENCE IN CONTRACTS FOR CONSULTANT SERVICES AND OTHER CONTRACTS.

(a) Findings. The Council finds and declares all of the following:

- (1) The City is experiencing historical high rates of unemployment.
- (2) The severe negative impact is compounded in the city economy with the employment reduction in the local development and utility industries.
- (3) The United States Supreme Court has declared a job policy for residents to be a legitimate policy.
- (4) Funds spent locally, with local firms, recirculate through the local economy approximately four times, generating jobs, taxes and consumer spending.
- (5) The provisions that the Council seeks to enact in this section as the city's restrictions on the use of its own funds as a participant in the marketplace are simply a self-imposed limitation on the city's power to contract.
- (6) The provisions that the Council seeks to enact in this section have a rational relationship to the legitimate governmental purpose in that a local preference for services will stimulate the local economy and reduce unemployment.

(b) Contracts for Consulting Services. The following shall apply for services contracted for pursuant to Section 4-107 of this Code, except for those projects funded by the federal or state government when such funding would be jeopardized because of this preference:

- (1) For purposes of this section, "local firm" shall mean a firm with a fixed primary or branch offices within a twenty-five mile radius of Fresno City Hall, located at 2600 Fresno Street in the City of Fresno, and a majority of the work on the project will be performed by employees who are permanently assigned to such office prior to the city requesting proposals for the project and whose regular duties would include local work on other than city projects.
- (2) Subject to subdivision (3) below, the City shall contract for professional consulting services (including, but not limited to, engineers, architects, attorneys, landscape architects, planners, surveyors, and construction project managers) by giving a primary preference to local firms, when such firms have the necessary qualifications, experience and expertise to complete the project(s) being proposed for work, as determined by the city. A secondary preference shall be similarly given to non-local firms which form an association for pecuniary profit with local firms for the projects being proposed wherein the benefit to the local firm(s) is an amount greater than fifteen percent of the total contract price for the project(s).

(3) Notwithstanding subdivision (2) above, the preference given for local firms, or non-local firms which associate with local firms, shall not be applicable whenever, to the best knowledge of the city, the number of local firms providing the specific consulting service within the area of expertise for the subject matter of the work is less than three.

(4) The City shall, in contracting for professional services, other than consulting services, extend a five per cent preference for a local firm in evaluating proposals for award. The amount of the preference shall be equal to the amount of the percentage applied to the lowest proposal price from a firm other than a local firm, if the proposer submitting the lowest proposal price is not a local firm. The proposer shall certify, under penalty of perjury, that the proposer qualifies as a local firm. The preference is waived if the certification does not appear on the proposal.

(c) Other Contracts. The Purchasing Agent, in his or her discretion, may extend a preference to a local business in the purchase of materials, supplies, equipment and/or public works construction for which competitive bidding is not required by Charter Section 1208(a) provided that such preference is applied in the same manner as described in Section 4-108 above.

(Added Ord. 94-39, § 1, eff. 6-24-94; Am. Ord. 96-71, § 1, eff. 12-13-96; Am. Ord. 2007-96, § 3, eff. 1-19-08).

SEC. 4-110. PROCESSING OF INVOICES.

The person furnishing materials, supplies, equipment, services, and/or public works construction to the city shall deliver all invoices therefor to the Controller who shall either approve or disapprove said invoices. All approved invoices shall be paid by the Controller.

(Rep. and Added Ord. 5649, 1959; Am. Ord. 96-71, § 1, eff. 12-13-96; Am. Ord. 2007-96, § 3, eff. 1-19-08).

SEC. 4-111. PROHIBITION OF PROJECT LABOR AGREEMENTS.

(a) The City shall not, in any contract for the construction, maintenance, repair, or improvement of public works, require that a contractor, subcontractor, or material supplier, or carrier engaged in the construction, maintenance, repair, or improvement of public works, execute or otherwise become party to any project labor agreement, collective bargaining agreement, prehire agreement, or other agreement with employees, their representatives, or any labor organization as a condition of bidding, negotiating, being awarded, or performing work on a public works contract.

(b) For purposes of this section, the term "public works" means:

(1) A building, road, street, sewer, storm drain, water system, irrigation system, reclamation project, redevelopment project, or other facility owned or to be owned or to be contracted for by the City of Fresno or the Redevelopment Agency of the City of Fresno, that is paid for in whole or in part with tax revenue paid by residents of the City of Fresno; or

(2) Any other construction service or nonconstruction service.

(Added Ord. 2000-18, § 1, 3-12-00; Am. Ord. 2007-96, § 3, eff. 1-19-08).

SEC. 4-112. INELIGIBILITY TO COMPETE.

Any architectural firm, engineering firm, specialty consultant or individual retained by the city to assist in the development of criteria or preparation of the preliminary design or respective request for proposals or bid invitation for a public work of improvement shall not be eligible to participate in the competition with any Design-Build Entity or other bidder or proposer for, or as a subcontractor, perform any work required of the Design-Build Entity or other contractor pursuant to, any Design-Build or other public work of improvement contract awarded, or to be awarded, by the city pursuant to this chapter.

(Added Ord. 2003-11, § 9, eff. 4-4-03; Am. Ord. 2007-96, § 3, eff. 1-19-08).

SEC. 4-113. UTILIZATION OF APPRENTICES.

(a) It is the express policy of the city to encourage and monitor the utilization of apprentices by contractors on city public work of improvement projects.

(b) Unless such a requirement would conflict with a state or federal law or regulation applicable to the particular contract for a public work of improvement, the city shall insert all of the following requirements in each of its contracts with the prime contractor for any public work of improvement with an estimated value of five hundred thousand dollars (\$500,000.00) or more:

(1) Contractor shall utilize apprentices for work under the contract in accordance with, and shall comply and be responsible for complying with, the requirements of California Labor Code Section 1777.5, as it may be amended from time to time, and Article 10, Subchapter 1, Chapter 2, Title 8 of the California Code of Regulations for all apprenticeable occupations applicable to the work as defined in such laws and regulations.

(2) Contractor shall provide under the contract documentation demonstrating compliance with the above requirement by providing copies of each of the following:

(i) All contract award information (e.g., completed form DAS 140) sent by contractor to the State Division of Apprenticeship Standards and each applicable apprenticeship program in accordance with California Labor Code Section 1777.5, as may be amended from time to time, including identification of addressee.

(ii) All requests by contractor for approval, and all responses and certificates from any applicable apprenticeship program disapproving or approving contractor, to train apprentices; if any.

(iii) All requests by contractor for dispatch of apprentices from any applicable apprenticeship program (e.g., completed form DAS 142); and all responses thereto, if any.

(iv) All certifications, if any, of contractor as an individual employer apprenticeship program by the State Division of Apprenticeship Standards or the California Apprenticeship Council.

(v) All apprenticeship agreements of apprentices employed by contractor and performing work under the contract.

(vi) A verified statement by the contractor, within sixty days after concluding the work, of the respective journey person and apprentice hours performed on the contract.

(vii) All certificates of any exemption by the State Division of Apprenticeship Standards, California Apprenticeship Council or any apprenticeship program of contractor from any requirements of California Labor Code Section 1777.5, as may be amended from time to time.

(viii) Other documentation as may be requested by city as a party to the contract.

(3) Contractor shall include in its subcontracts the obligation for subcontractors performing work under the contract to comply with this and the foregoing requirements under Subdivisions (1) and (2) above, and contractor shall be responsible for providing the required documentation from subcontractors to the city.

(Added Ord. 2005-4, § 1, eff. 2-22-05; Am. Ord. 2007-96, § 3, eff. 1-19-08).

SEC. 4-114. APPLICABILITY OF CALIFORNIA PUBLIC CONTRACT CODE.

The provisions of California Public Contract Code shall not be applicable to city, in whole or in part, except as expressly provided by ordinance or incorporated in city's bid specifications or contracts.

(Added Ord. 2001-87, § 1, eff. 1-8-02; Am. Ord. 2007-96, § 3, eff. 1-19-08).

SEC. 4-115. PUBLIC WORK OF IMPROVEMENT: DEFINITION.

Unless the particular provision or the context otherwise requires, the definitions and provisions contained in this section shall govern the construction, meaning, and application of words and phrases used in this chapter. The definition of each word and phrase shall constitute, to the extent applicable, the definition of each word which is derivative from it, or from which it is a derivative, as the case may be.

(a) "Facility" shall mean any plant, structure, ground facility, utility system, streets and highways, or other improvement of real property.

(b) "Lot or tract of land" shall mean a lot or tract of land that is or is to be owned by the city, or that may be owned by the city pursuant to the exercise of a purchase option.

(c) "Maintenance work" shall mean routine, recurring, and usual work for the preservation or protection of any facility for its intended purposes; minor repainting; resurfacing of streets and highways at less than one inch; and landscape maintenance, including mowing, watering, trimming, pruning, planting, replacement of plants, and servicing of irrigation and sprinkler systems.

(d) "Paid for in whole or in part with city funds or with financing to be retired with city funds" shall mean the payment of money or the equivalent of money by the city, including the transfer of an asset of value for less than fair market price; fees, costs, rents, loans, interest rates or other obligations that would normally be required in the execution of the contract, which are paid, reduced, charged at less than fair market value, waived or forgiven; money to be repaid on a contingent basis; or credits applied against repayment obligations. Notwithstanding the foregoing, "paid for in whole or in part with city funds or with financing to be retired with city funds" shall not mean or include financing resulting from the formation of a community facility district pursuant to the Mello-Roos Community Facilities Act of 1982 set forth in Sections 53311 of the Government Code.

(e) "Project" shall mean, when used in the generic sense, the acquisition and/or improvement undertaken in a single proceeding.

(f) "Public work of improvement" shall mean that portion of a work of improvement contracted for by the city, paid for in whole or in part with city funds or with financing to be retired with city funds, and that is or is to be owned by the city or that may be owned by the city subject to its exercise of a purchase option; provided that, for any capital lease or contract subject to a purchase option, if such lease or contract were fully performed by the city, and the option exercised in the case of the contract, the net present value of the respective lease or contract would total an amount greater than two million dollars (\$2,000,000). For purposes of this subsection, "fully performed" shall mean that the option is exercised at the end of the option period, but prior to its expiration. Notwithstanding the foregoing, "public work of improvement" shall not mean or include any of the following:

- (1) A work of improvement constructed by persons or entities other than the city as a condition of regulatory or permit approval of an otherwise private development project.
 - (2) Pursuant to a lease or license of property or facilities owned by the city, a work of improvement constructed thereon by a licensed contractor hired and paid for directly by the tenant or licensee, notwithstanding any provision for rent credits or waiver, in part or in whole, of any fees or costs; provided the work of improvement is required by the respective tenant or licensee for his/her use of the property or facilities.
 - (3) A work of improvement in a redevelopment project area constructed by persons or entities other than the city as a condition of entering into an agreement with the Redevelopment Agency of the City of Fresno for significant redevelopment, in addition to the work of improvement, in a redevelopment project area.
- (g) "Public works construction" shall mean public work of improvement.
- (h) "Work of improvement" shall mean the construction, reconstruction, erection, improvement, installation, alteration, renovation, addition to, restoration, repair, painting or repainting, laying of carpet, demolition or removal, in whole or in part, of any building, road, curb, gutter, sidewalk, fence, railroad, bridge, drain, ditch, canal, dam, tunnel, sanitary sewer, storm sewer, water system, well, traffic signs, traffic signals, street lighting system, parking lot, park, playground, and all other facilities. It also means the seeding, sodding, or planting of any lot or tract of land for landscaping purposes, and the excavation, filling, leveling, or grading of any lot or tract of land. Notwithstanding the foregoing, "work of improvement" shall not mean or include any of the following:
- (1) Maintenance work.
 - (2) Work performed during the design and preconstruction phases of construction including, but not limited to, inspection and land surveying work.

(Added Ord. 2003-11, § 10, eff 4-4-03; Am. Ord. 2006-160, § 1, eff. 12-31-06) Am. Ord. 2007-96, § 3, eff 1-19-08)

RESOLUTION NO. 2003-129

A RESOLUTION OF THE COUNCIL OF THE CITY OF
FRESNO, CALIFORNIA, ESTABLISHING PROCEDURES
FOR APPEALS IN THE COMPETITIVE BIDDING PROCESS
AND REPEALING RESOLUTION NO. 2001-52.

WHEREAS, Section 1208 of the Charter of the City of Fresno requires that every contract subject to competitive bidding thereunder be let to the lowest responsive and responsible bidder, or the Council may reject any and all bids presented and may re-advertise in its discretion; and

WHEREAS, competitive bidding ensures economy and excludes favoritism and corruption in the furnishing of materials, supplies, equipment, or any public work of improvement to the City; and

WHEREAS, the competitive bidding process should not impede the usual and regular progress of the public business, or to deprive the public, even temporarily, of those things necessary and indispensable to protect the public interest; and

WHEREAS, Section 1208 of the Charter of the City of Fresno provides that the Council may by resolution establish procedures and requirements for hearing appeals by any bidder who has been determined by the City Manager to be nonresponsive or nonresponsible; and

WHEREAS, the City of Fresno desires to establish an appeal process to ensure the fairness of competitive bidding; and

WHEREAS, in those situations where competitive bidding is required in conjunction with the award of a City contract pursuant to Charter Section 1208, the contract must be awarded to the lowest responsive and responsible bidder unless the

Adopted _____
Approved _____
Effective _____

City:

- (1) Rejects any and all bids presented; or
- (2) Finds it to be best for the City under Section 3-107 of the Fresno Municipal Code, where bids are called for articles or supplies that are similar but of a different brand or make; or
- (3) Notifies the lowest bidder that she/he has been tentatively found not to be a responsive and/or responsible bidder, together with the reasons for such finding; affords the lowest bidder an opportunity to rebut such finding; permits the lowest bidder to present evidence that she/he is qualified to perform the contract; and makes a finding, supported by evidence, that the lowest bidder is nonresponsive and/or nonresponsible; and

WHEREAS, the City of Fresno desires to establish a procedure for (i) evaluating such bids; (ii) making a staff determination of award, including the rejection of the lowest bid(s) received based on a finding of nonresponsiveness and/or nonresponsibility and affording the respective bidder the opportunity to appeal such finding; and (iii) affording all bidders the opportunity to appeal staff determination of award.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Fresno as follows:

The following procedures shall apply in all instances involving a contract required to be competitively bid pursuant to Charter Section 1208 and where:

- (1) An evaluation by staff of the lowest bidder(s) shows that the lowest bidder(s) may be nonresponsive and/or nonresponsible. A nonresponsive bidder is one who submits a bid which does not meet the requirements of the bid

specifications. A nonresponsive bidder includes, but is not limited to, one who does not possess the skill, judgment, financial or functional ability, or integrity to perform satisfactorily the proposed contract; or

(2) A bidder(s) asserts that the bidder to whom staff recommends awarding a bid is nonresponsive and/or nonresponsible; or

(3) Staff determination of contract award is outside the procedural requirements for submission and opening of bids.

SECTION 1. Purchasing Manager's Initial Review.

The Purchasing Manager, after bid opening, shall forward to the department administering the contract all documents related to the bid, specifying the date a reply is required to meet the bid award deadline, and identifying any perceived errors, omissions, irregularities, and/or failure to submit appropriate documentation.

If the Purchasing Manager at any time becomes aware of information which is adverse to the ability of a bidder to perform the contract satisfactorily, the Purchasing Manager shall immediately advise the administering department.

SECTION 2. Departmental Recommendation.

The department shall review the bids submitted, consider any information provided by the Purchasing Manager, prepare a written recommendation, and submit it to the Purchasing Manager. If the recommendation is to award to other than the lowest bidder, written justification shall be submitted to the Purchasing Manager with the recommendation to declare the low bidder(s) nonresponsive and/or nonresponsible and award the bid to the next lowest bidder who is responsive and responsible.

If the department at any time becomes aware of information which is adverse to the ability of a bidder to perform the contract satisfactorily, the department shall immediately advise the Purchasing Manager.

SECTION 3. Purchasing Manager's Recommendation.

The Purchasing Manager shall determine, after consultation with the City Attorney, whether the justification submitted by the department demonstrates that the lowest bidder(s) may not be responsive and/or responsible.

If the Purchasing Manager, after considering the department's recommendation and conferring with the City Attorney, determines that the lowest bidder(s) may be nonresponsive and/or nonresponsible, the Purchasing Manager shall submit her/his recommendation to that effect, with justification, to the City Manager along with staff's proposed determination of bid award.

SECTION 4. Staff Determination.

The City Manager or her/his designee shall review the Purchasing Manager's recommendation to determine whether she/he concurs that there may be sufficient justification to find that the lowest bidder(s) may be nonresponsive and/or nonresponsible and of staff's proposed determination of bid award.

If the City Manager or her/his designee concurs, she/he shall direct the Purchasing Manager to notice the low bidder(s) of the intent to reject her/his(their) bid ("Notice of Intent to Reject"), and of the basis for the notice. The notice shall also notify the lowest bidder(s) that she/he(they) may request a hearing on the issue of nonresponsiveness and nonresponsibility.

In addition, the Purchasing Manager shall cause the posting of the staff's proposed determination of the lowest responsive and responsible bidder for award of the contract a minimum of five (5) working days prior to Council action. Any bidder having a specific interest in the award of a contract may file an appeal of the staff determination of contract award in accordance with the specifications and Section 5 of this resolution. If an appeal is not received within the time stated in the specifications, the City may proceed to award the contract to the lowest responsive and responsible bidder.

The Purchasing Division shall make available for inspection the bid proposals of bidders under the same bid file number immediately following posting of staff determination, except for those portions of a bidder's proposal marked confidential as proprietary or trade secrets and otherwise exempt from disclosure under the Public Records Act.

SECTION 5. Initiation of Hearing Process.

(a) Filing of an Appeal; Withdrawal thereof.

Unless a time period other than five (5) working days for filing an appeal is expressly provided in the bid specifications in accordance with this subsection, any and all appeals must be received in writing within five (5) working days from the issuance of the Notice of Intent to Reject or the date the staff determination is posted, whichever is applicable. The Purchasing Manager may increase the time period for filing an appeal by expressly stating such time period in the bid specifications. Whenever the Purchasing Manager, in accordance with this subsection, expressly states in the bid specifications a time period other than five (5) working days for filing an appeal, any and all appeals must be received in writing within such time period from the issuance of the Notice of Intent to

Reject or the date the staff determination is posted, whichever is applicable.

All appeals must be filed, in writing, with the Purchasing Manager. An appeal will only be considered and accepted by the City Manager or her/his designee if timely and sets forth in detail specific, verifiable facts and description of all evidence relied on, including copies of relevant documents, that:

- (1) Rebut the staff determination that the low bidder is nonresponsive and/or nonresponsible as contained in the Notice of Intent to Reject; or
- (2) Staff determination of contract award is to a bidder other than the lowest responsive and responsible bidder; or
- (3) Staff determination of contract award was made outside the procedural requirements for submitting and opening bids.

The appellant may withdraw her/his appeal to the Purchasing Manager. Appellants are encouraged to expedite such withdrawal upon making the determination to do so and to make any such determination in a timely manner.

(b) Hearing Authority Determination.

If an acceptable appeal is received within the specified time, the appeal shall be heard by a Hearing Authority. If the appeal involves a contract (other than for a public work of improvement) in an amount less than \$2,000,000 or a contract for a public work of improvement in an amount less than \$1,000,000, then the Hearing Authority will be an Executive Hearing Officer selected by the City Manager or her/his designee from the executive management level of the private sector of the community. However, if the appeal involves a contract for a public work of improvement in an amount equal to or greater than \$1,000,000 but less than \$5,000,000, then the Hearing Authority will be a

Review Panel selected by the City Manager or her/his designee and made up of a licensed general contractor, a labor representative and a representative of the general public.

Notwithstanding the above, the Hearing Authority may be a Hearing Officer (a person having a minimum of 5 years experience as a licensed attorney in the State of California) selected by the City Manager, if in her/his discretion she/he determines that the circumstance(s) warrants such a Hearing Authority. However, if the appeal involves a contract (other than for a public work of improvement) in the amount of \$2,000,000 or more, or a contract for a public work of improvement in the amount of \$5,000,000 or more; then the Hearing Authority shall be a Hearing Officer selected by the City Manager.

For purposes of this subsection, the contract amount will be determined by the amount of the lowest bid received.

In the case of multiple acceptable appeals from bidders, the City Manager or her/his designee may appoint one or more Hearing Authorities.

(c) Notice of Hearing.

(1) The hearing shall be scheduled as soon as practicable after the appeal is received, to take place not less than seven (7) calendar days, and not more than twenty (20) calendar days from the last appeal received, provided that such time shall be extended to accommodate the Hearing Authority's schedule if not available within twenty days, and such time may, in any event, be extended or shortened upon written agreement by all parties to the action. Notice of the date and time of the hearing shall be given to all bidders at least seven (7) calendar days prior to the hearing unless such time is shortened upon written agreement by

all parties (appellant and Purchasing Manager on behalf of the City), provided the agreement to shorten time does not negate the right of a bidder under Subsection 5(d) of this resolution.

(2) In the case of multiple acceptable appeals from bidders whom staff has determined may be nonresponsive and/or nonresponsible, the Hearing Authority appointed to hear multiple appeals shall hear the subsequent appeals in sequence beginning with the appeal filed by the lowest nonresponsive or nonresponsible bidder.

(d) Presentation of Testimony, Evidence, and Arguments by Non-Appellant Bidders.

Except in those instances when a non-appellant bidder is called by the City or an appellant as a witness to testify at the hearing, a bidder who is not an appellant shall have the opportunity to attend the hearing and present evidence only upon meeting the following conditions:

(1) In advance of the hearing, the bidder must provide to the Purchasing Manager, in writing, a statement of all the evidence and testimony to be presented, in sufficient detail to establish that the evidence is relevant, verifiable, and timely to the appeal hearing being conducted. General statements of support of, or opposition to, a particular bidder, product, or condition will not be considered or accepted in satisfying this condition. Such statement shall include all grounds on which the bidder believes a bidder to be nonresponsive or nonresponsible, whether or not included in a Notice of Intent to Reject.

(2) The written statement shall be actually submitted to the Purchasing Manager not less than three (3) working days prior to the hearing.

SECTION 6. Hearing Rules.

(a) Purpose.

The purpose of the hearing shall be to evaluate the bidder's responsiveness to the bid specifications and the bidder's responsibility (i.e., whether she/he is qualified to perform satisfactorily the proposed contract). Additionally, the hearing may be to evaluate whether the proposed award is outside the procedural requirements for submission and opening of bids.

(b) Procedure.

The bidder(s) who have filed an acceptable appeal shall be notified that she/he(they) may be present at the hearing, may but need not be represented by counsel, and may present any relevant evidence. If the City Manager determines that the appeal should be heard by an Executive Hearing Officer or Review Panel, then the procedures outlined in Subsection 6(d) of this resolution will be followed. If the appeal is heard by a Hearing Officer, then the procedures outlined in Subsection 6(e) of this resolution will be followed.

(c) Administration of Hearing.

All hearings will be administered by the General Services Department, and conducted by the Hearing Authority. Hearings by a Hearing Officer shall be recorded by a recording device or court stenographer. Any interested party may arrange with the stenographer to have a transcript prepared at the party's cost.

The Purchasing Manager shall provide to the Hearing Authority, in advance of the hearing, a copy of the appeal and evidence received from appellant pursuant to Subsection 5(a) and any statement of evidence received from non-appellant bidders pursuant to Subsection 5(d). The Purchasing Manager shall provide to appellant(s), in

advance of the hearing, a copy of the appeal and evidence received from other appellants who are parties to the same hearing, a copy of any statement of evidence received from non-appellant bidders who are participating in the same hearing, and a copy of evidentiary documents generated by City in response to the appeal filed, provided such evidentiary documents were provided to the Hearing Authority in advance of the hearing. Otherwise, if prior to the date of the hearing, appellants or non-appellant bidders desire to inspect or obtain copies of any public records maintained by City under same bid file number that are not exempt from disclosure under the Public Records Act, the respective appellant or bidder shall be responsible for making the request to the Purchasing Division and paying the costs for any copies requested.

(d) Rules of Evidence (Executive Hearing Officer or Review Panel).

(1) All relevant oral and written evidence is admissible.

(2) Each party may produce witnesses and introduce exhibits on any matter relevant to the issues.

(3) Cross-examination, other than as permitted by the respective Executive Hearing Officer or Review Panel, shall not be permitted.

(4) The hearing need not be conducted according to the technical rules of law relating to evidence and witnesses. Any relevant evidence shall be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rule which might make improper the admission of such evidence over objection in civil actions. Hearsay evidence may be used for the purpose of supplementing or explaining any direct evidence, but shall not be sufficient in and of itself to support a finding unless it would be admissible over

objection in civil actions in California.

(5) Copies of the reports and records of any governmental agency, division or bureau will be accepted as evidence in lieu of the original thereof.

(e) Rules of Evidence (Hearing Officer).

(1) Oral evidence shall be taken only on oath or affirmation which shall be administered by the Hearing Officer and all relevant written evidence is admissible.

(2) Each party may call and examine witnesses, introduce exhibits, and cross-examine and impeach any witness on any matter relevant to the issues. If a party does not testify in her/his own behalf, she/he may be called and examined as if under cross-examination.

(3) Refusal by any witness or party to submit to examination or to answer relevant questions shall be grounds for fair comment by the party propounding said questions.

(4) The hearing need not be conducted according to the technical rules of law relating to evidence and witnesses. Any relevant evidence shall be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rule which might make improper the admission of such evidence over objection in civil actions. Hearsay evidence may be used for the purpose of supplementing or explaining any direct evidence, but shall not be sufficient in itself to support a finding unless it would be admissible over objection in civil actions.

(1) Copies of the reports and records of any governmental agency, division or bureau will be accepted as evidence in lieu of the original thereof.

(f) Order of Presentation and Close of Hearing.

The order of presentation shall be as follows:

- (1) The bidder(s) shall present testimony and evidence.
- (2) The City shall present testimony and evidence.
- (3) Rebuttal evidence may be presented.
- (4) Argument may be permitted.

Upon the conclusion of all testimony, evidence and argument, the hearing shall be closed and the matter submitted for decision.

(g) Decision by Hearing Authority.

The decision of the Hearing Authority shall be in writing, and shall contain findings of fact determining whether the bidder is responsive and responsible, is nonresponsive or nonresponsible due to an irregularity in the bid proposal and whether such irregularity is minor and should be waived, or whether the City should reject any and all bids presented.

Because all bidders have the opportunity to appeal and/or present evidence regarding the staff determination of lowest responsive and responsible bidder or finding of nonresponsiveness and/or nonresponsibility, there shall be no appeal allowed of the findings of the Hearing Authority.

Copies of the decision of an Executive Hearing Officer or Review Panel shall be served on the parties within five (5) calendar days of the hearing. Copies of the decision of the Hearing Officer shall be served on the parties within twelve (12) working days of the hearing. The City Manager will have the discretion of determining the period

of time the Hearing Officer will be allowed to render her/his decision including, without limitation, whether the Hearing Officer is to render a bench decision; provided such period of time is within ten (10) working days of the hearing.

(h) Authority for Subsequent Hearing.

If a new staff determination of award results from the hearing process and the City Manager, in her/his discretion, directs the Purchasing Manager to post such determination in accordance with Section 4, subsequent hearings may be held regarding the same bid file number if bidder(s), upon such posting or written notice, submits a timely, acceptable appeal hereunder which sets forth facts not previously considered by the Hearing Authority.

SECTION 7. Effect of Decision by Executive Hearing Officer or Review Panel.

The decision of the Executive Hearing Officer or Review Panel shall constitute a recommendation to the City Manager. The City Manager shall present to the Council her/his recommendations for its consideration. Following consideration thereof and in the event there is to be an award of the contract, the Council shall make a finding of responsiveness and responsibility, or nonresponsiveness and/or nonresponsibility. Dependant upon the findings made for award, the Council may award the contract to the appellant bidder, may waive any minor irregularities, may award to other than the appellant bidder, or may reject all bids.

SECTION 8. Effect of Decision by Hearing Officer.

The decision of the Hearing Officer shall constitute a recommendation to the Council for its consideration. The City Manager shall present to the Council the Hearing Officer's recommendations. Following consideration thereof and in the event there is to be an award of the contract, the Council shall make a finding of

responsiveness and responsibility, or nonresponsiveness and/or nonresponsibility. Dependant upon the findings made for award, the Council may award the contract to the appellant bidder, may waive any minor irregularities, may award to other than the appellant bidder, or may reject all bids.

SECTION 9. Working Day.

"Working day" means a City of Fresno regular business day.

SECTION 10. City Manager Authority.

The City Manager shall have the authority to adopt procedures that are consistent with this resolution.

SECTION 11. Council Authority.

A failure to comply precisely with the technical requirements set forth in this resolution shall not negate the Council's authority to make a determination of nonresponsiveness and/or nonresponsibility or any other determination within its authority. The Council's decision shall be final.

SECTION 12. Pre-requisite to Judicial Review.

The exercise by the bidder of its right to appeal under this resolution shall be a pre-requisite to such bidder seeking judicial review of the Council's decision.

SECTION 13. Validity.

If any section, subsection, sentence, clause or phrase of this resolution is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this resolution. The Council hereby declares that it would have adopted this resolution, and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases had been declared invalid or unconstitutional.

SECTION 14. Resolution No. 2001-52 is hereby repealed.

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STATE OF CALIFORNIA)
COUNTY OF FRESNO) ss.
CITY OF FRESNO)

I, REBECCA E. KLISCH, City Clerk of the City of Fresno, certify that the foregoing resolution was adopted by the Council of the City of Fresno, at a regular meeting held on the 29th day of April, 2003.

AYES : Calhoun, Castillo, Dages, Duncan, Perea, Boyajian
NOES : Sterling
ABSENT : None
ABSTAIN : None

Mayor Approval: N/A , 2003

Mayor Approval/No Return: N/A , 2003

Mayor Veto: N/A , 2003

Council Override Vote: N/A , 2003

REBECCA E. KLISCH
City Clerk

BY: *Rebecca Klisch*
Deputy

APPROVED AS TO FORM:

HILDA CANTÚ MONTÓY,
City Attorney

BY: *Hilda Cantú Montóy*
Deputy

NAA:jl/eb[22171]l[Resov2]12/04/02

RESOLUTION NO. 2003-130

A RESOLUTION OF THE COUNCIL OF THE CITY OF
FRESNO, CALIFORNIA, ESTABLISHING DEBARMENT
PROCEDURES AND REQUIREMENTS.

WHEREAS, Section 1208 of the Charter of the City of Fresno provides that the Council may by resolution establish procedures and requirements for the debarment of any bidder who has been determined by the Council to be nonresponsible; and

WHEREAS, Section 3-105.2 of the Fresno Municipal Code requires that such procedures shall include a right to appeal from a determination for debarment pursuant to Chapter 1, Article 5 of this Code; and

WHEREAS, the City of Fresno desires to establish such procedures and requirements to protect the City by ensuring full and open competition by granting awards to, or entering into contracts with, only responsible persons in the City's procurement of materials, supplies, equipment, services and public work of improvements.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Fresno as follows:

SECTION 1. Statement of Purpose. Debarment is a sanction to be imposed only in the public interest for the City's protection and not for purpose of punishment. For purposes of this resolution, "person" shall mean an individual, corporation, limited liability company, joint venture, partnership or other legal entity.

SECTION 2. Effect of Debarment. Notwithstanding any other provision of this resolution:

- (a) City Manager Authority. The City Manager, or Administrative

Adopted _____
Approved _____
Effective _____

Hearing Officer on appeal, may debar any person determined by Council to be a nonresponsible bidder (based upon any similar grounds for debarment herein contained) from bidding or proposing upon or being awarded any contract with the City or City of Fresno Redevelopment Agency, or from being a subcontractor or supplier at any tier upon such contract, in accordance with the procedures established by this resolution.

(b) Non-acceptance of Bids During Debarment Period. During the time period that the debarment pursuant to this resolution of any person is in effect, the City and City of Fresno Redevelopment Agency shall not accept bids or proposals from, enter into contracts with, or allow performance of subcontracts or supply contracts by, such person, in accordance with the procedures established by this resolution.

(c) Debarment List and Establishment of Policies Regarding Its Use. Debarred persons shall be placed on a list compiled and maintained by the City Manager or his/her designee who shall establish policies and procedures to provide for the effective use of the debarment list, to ensure that the City does not solicit offers from, award to or enter into any contract with, anyone on the list.

SECTION 3. Scope of Debarment.

(a) A debarment of a group, association, firm, corporation, partnership, company, or other entity under this resolution constitutes debarment of all of such entity's divisions and other organizational elements from all City and City of Fresno Redevelopment Agency contracts, unless the debarment decision is limited by its terms to one or more specifically identified individuals, divisions or

other organizational elements.

(b) The debarment of a person may include any existing affiliate of the person where the affiliate is specifically named and given notice of the proposed debarment and an opportunity to respond. The debarment shall automatically include any successor-in-interest or any affiliate of the debarred person formed after such debarment.

(c) Debarment of any person includes debarment of any business entity for which the debarred person acts as a principal during the debarment period, whether or not such business entity was in existence at the time of such debarment.

SECTION 4. Requirement to Submit Information. The City Manager or his/her designee may require any person bidding or submitting a proposal on a City contract to certify under penalty of perjury, as a part of any bid or proposal submitted, whether such person, including any principal, affiliate or predecessor-in-interest of such person:

(a) Is currently under debarment, or has been under debarment at any time during the preceding three years, by any federal, state or local agency; and

(b) Has, at any time during the preceding three years, been convicted, been subject to a civil judgment, or been subject to a penalty or sanction by any federal, state or local agency, for any act or omission described in Section 6.

SECTION 5. Period of Debarment.

(a) Initial Period. Debarment shall be for a period commensurate with the seriousness of the grounds, as determined by the City Manager, or Administrative Hearing Officer on appeal. An initial period of debarment shall not

be less than one year or more than three years.

(b) Extension Period. Prior to expiration of the time period of any debarment imposed under this resolution, the City Manager may review the record of the evidence presented during the debarment proceedings, as well as any additional facts or information relevant to a review of the debarment. The City Manager may extend the existing debarment, for successive additional periods of up to two years each, if the City Manager determines that such extension is necessary to protect the public interest. If the City Manager determines that debarment for an additional period is necessary, the City Manager shall follow the procedures established by Section 8 before imposing such extension.

(c) Automatic Termination of Debarment Period. Unless the City Manager has extended the debarment pursuant to subsection (b), the debarment shall automatically terminate upon expiration of the debarment period.

SECTION 6. Grounds for Debarment. Provided a person has been determined by Council to be a nonresponsible bidder; in accordance with the procedures established by this resolution, the City Manager, or Administrative Hearing Officer on appeal, may debar such person on any of the following grounds:

- (a) Commission by such person of any act of:
 - (1) Fraud, bribery, collusion, or conspiracy;
 - (2) Bid rigging, price fixing or any other act in violation of any federal, state or local law in connection with the bidding upon, award or performance of any public contract; or
 - (3) Embezzlement, theft, forgery, falsification or fabrication of

records, or perjury.

(b) Submission by such person of a bid, proposal or other document pertaining to or required by a City contract, or pertaining to or required by any provision of this resolution or the Fresno Municipal Code, which is known by such person to be false or contain false information.

(c) Such person knowingly doing business with a debarred third person in performance of any City contract awarded or entered into after debarment of said third person.

(d) More than one occurrence of substandard performance by such person on any City contract, including, but not limited to, (1) a material breach of the contract or agreement; (2) a failure to complete work required under the contract on time and/or within budget when such failure is attributable to such person's negligent or wrongful actions or inactions; (3) substandard quality of work; or (4) any negligent or wrongful failure to cooperate with the City such that timely, satisfactory completion of the work was jeopardized. The occurrences of substandard performance described herein may occur on the same contract or on different contracts.

(e) One or more violations by such person, during the performance of any City contract, of any labor or safety statutes, regulations or standards including, but not limited to, applicable local, state or federal statutes, regulations or standards governing prevailing wage, occupational safety and health, and nondiscrimination requirements.

(f) One or more violations by such person of any law or regulation governing the handling, transfer, storage or disposal of hazardous materials or hazardous waste.

(g) One or more violations by such person of any law or regulation governing the handling, transfer, storage or disposal of solid waste generated in connection with construction or demolition.

(h) A violation by such person of any law or regulation governing conflict of interest.

(i) Two or more occasions within a two year period of failure by such person to submit bond or insurance documents acceptable to the City in the time periods required.

SECTION 7. Existence of Grounds.

(a) Within Three Years Prior. Existence of grounds for debarment of a person as described in Section 6 may be determined to exist by the City Manager, or Administrative Hearing Officer on appeal, if, not more than three years prior to the date that a written notice of proposed debarment is provided to such person pursuant to Section 8:

(1) Such person has been convicted of a criminal charge for any act or omission described in Section 6, whether entered upon a verdict or a plea, including a plea of no contest;

(2) A final civil judgment arising out of any act or omission described in Section 6 has been entered against such person;

(3) A penalty or sanction, including but not limited to monetary.

penalties and other sanctions, such as debarment, has been imposed on such person by a federal, state or local agency for any act or omission described in Section 6; or

(4) The City Manager, or Administrative Hearing Officer on appeal, determines that sufficient facts exist to show such person has committed one or more acts or omissions described in Section 6.

(b) Conduct Imputed. Conduct may be imputed to a person for whom debarment is being considered as follows:

(1) An act or omission, as described in Section 6, of any principal, may be imputed to the person when the conduct occurred in connection with such principal's performance of duties for or on behalf of the person, or with the person's knowledge, approval or acquiescence.

(2) An act or omission, as described in Section 6, of a person may be imputed to any principal who participated in, knew of, or had reason to know of the person's conduct.

(3) An act or omission, as described in Section 6, of one person in a joint venture or similar arrangement may be imputed to other participants if the conduct occurred for or on behalf of the joint venture or similar arrangement or with the knowledge, approval or acquiescence of such participants. Acceptance of the benefits derived from the conduct shall be evidence of such knowledge, approval or acquiescence.

(c) Relevant Factors. In determining whether to debar a person, and the duration of any debarment, the City Manager, or Administrative Hearing

Officer on appeal, may consider, in addition to any other relevant factors, the following:

(1) The degree to which such person cooperated fully with local, state or federal authorities during any investigation and/or any administrative or judicial proceeding which forms the grounds for debarment.

(2) The degree to which such person has paid or has agreed to pay all criminal, civil, and administrative liability resulting from any of the acts or omissions set forth under Section 6, including any investigative or administrative costs incurred by any government agency, and has made or has agreed to make full restitution for any damages incurred as a result of any such acts or omissions.

(3) Whether such person had effective standards of conduct and internal control systems in place at the time of any of the acts or omissions set forth under Section 6 or had adopted such procedures prior to any investigation of such acts or omissions.

(4) Whether such person brought any of the acts or omissions set forth under Section 6 to the attention of the appropriate government agency or agencies in a timely manner.

(5) Whether such person has fully investigated the circumstances surrounding any of the acts or omissions set forth under Section 6 and, if so, has made the result of the investigation available to the City.

(6) Whether such person has taken appropriate disciplinary

action against the individuals responsible for any of the acts or omissions set forth under Section 6.

(7) Whether such person has implemented or agreed to implement remedial measures to prevent a recurrence of any of the acts or omissions set forth under Section 6, including but not limited to new or revised review and control procedures and ethics training programs, as well as any other measures identified by any government agency.

(8) Whether such person has had adequate time to eliminate the circumstances within their organization that led to any of the acts or omissions set forth under Section 6.

SECTION 8. Debarment Procedures.

(a) Notice of Proposed Debarment. Prior to debarring any person under this resolution, the City Manager or his/her designee shall mail by certified or registered mail, return receipt requested, or deliver by personal service a written notice of the proposed debarment to the person proposed to be debarred, hereinafter referred to as "respondent." Such notice shall contain the following:

- (1) Notice that a debarment is being considered;
- (2) The grounds for the proposed debarment, in terms sufficient to put the respondent on notice of the conduct or transactions upon which it is based;
- (3) The potential period of the debarment;
- (4) The City's procedures governing debarment; and
- (5) The address to which a request for a hearing and/or

information and argument in opposition to the proposed debarment should be delivered or mailed.

(b) Request for Hearing or Information. Within ten days after personal service or mailing of the notice of proposed debarment, the respondent or the respondent's representative may submit in writing a request for a hearing and/or information and argument in opposition to the proposed debarment. Such written request and/or information and argument shall also specify the address to which subsequent notices and other communications to the respondent should be mailed, if different from the address where notice was sent.

(c) Notice of Hearing. If the respondent requests a hearing in accordance with subsection (b), the City Manager shall, within thirty days after receipt of such request, schedule an informal hearing at which the respondent or the respondent's representative shall have a reasonable opportunity to provide information and argument, including the presentation and questioning of witnesses, to the City Manager. The City Manager shall mail the respondent, by certified or registered mail, return receipt requested, written notice of the time, date, and location of such hearing, which shall be held no sooner than ten days from the date of such notice of hearing.

(d) City Manager Decision. The City Manager's debarment decision shall be made within thirty days after expiration of the thirty day period specified in subsection (b), or within thirty days after a hearing is held, whichever is later. If the City Manager decides it is in the best interest of the City to debar the respondent, such decision shall be in writing, shall contain findings of fact and

shall specify the grounds for debarment based on the record of facts and information presented to the City Manager.

(e) Notice of Decision. A copy of the decision by the City Manager shall be mailed to the respondent by certified or registered mail, return receipt requested, no later than five days after the decision is made. If the City Manager decides to debar the respondent, the decision shall specify the period of debarment. Except in cases where the City Manager's debarment decision is appealed in accordance with Section 9, the period of debarment shall begin on the date the decision is mailed to the respondent. In cases where the City Manager's debarment decision is appealed in accordance with Section 9, the period of debarment shall begin on the date that the Administrative Hearing Officer makes a decision to uphold or modify the City Manager's debarment decision, in accordance with Section 9.

(f) Decision of City Manager Final. If the respondent fails to submit either a written request for a hearing or written information and argument in opposition to a proposed debarment within the thirty day period specified in subsection (b), or if respondent fails to appear at the hearing, the decision of the City Manager shall be final, and shall not be subject to appeal pursuant to Section 9.

(g) Reconsideration. The City Manager may reverse a decision to debar a person, or may reduce the scope or time period of debarment for any reason which obviates the need for the debarment or which indicates a shorter debarment period will adequately protect the public interest. Such reasons include, but are

not limited to, the following:

- (1) Newly discovered material evidence;
- (2) Reversal of the conviction, civil judgment or administrative penalty or sanction upon which the debarment was based;
- (3) Bona fide change in ownership or management; or
- (4) Elimination of other grounds for which the debarment was imposed.

(h) Initiation of Reconsideration. Such reversal or reduction in scope or time period of the debarment under subsection (g) may be initiated by the City Manager or by the debarred person upon a request submitted to the City Manager. Such debarred person's request shall be in writing and supported by documentation. The debarred person shall provide any additional documentation requested by the City Manager in order to review such request. The City Manager shall notify the debarred person of the decision made upon any such request submitted by a debarred person within thirty days after receipt of the request and/or any supporting documentation. A debarred person may not submit such a request until a minimum of twelve months have elapsed after the period of debarment begins, and no more than one such request may be submitted during each successive twelve month period thereafter.

SECTION 9. Appeal of a Debarment Decision. Any appeal of a decision of the City Manager regarding a debarment or the period or scope of debarment imposed shall be heard by the Administrative Hearing Officer in accordance with Chapter 1, Article 5 of the Fresno Municipal Code.

SECTION 10. If any section, subsection, subdivision, paragraph, sentence or phrase of this resolution is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this resolution. The Council hereby declares that it would have adopted this resolution, and each section, subsection, subdivision, paragraph, sentence and phrase thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences or phrases had been declared invalid or unconstitutional.

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STATE OF CALIFORNIA)
COUNTY OF FRESNO) ss.
CITY OF FRESNO)

I, REBECCA E. KLISCH, City Clerk of the City of Fresno, certify that the foregoing resolution was adopted by the Council of the City of Fresno, at a regular meeting held on the 29th day of April, 2003.

AYES : Calhoun, Castillo, Dages, Duncan, Perea, Boyajian
NOES : Sterling
ABSENT : None
ABSTAIN : None

111

Mayor Approval: N/A, 2003

Mayor Approval/No Return: N/A, 2003

Mayor Veto: N/A, 2003

Council Override Vote: N/A, 2003

REBECCA E. KLISCH
City Clerk

BY: Rebecca Klisch
Deputy

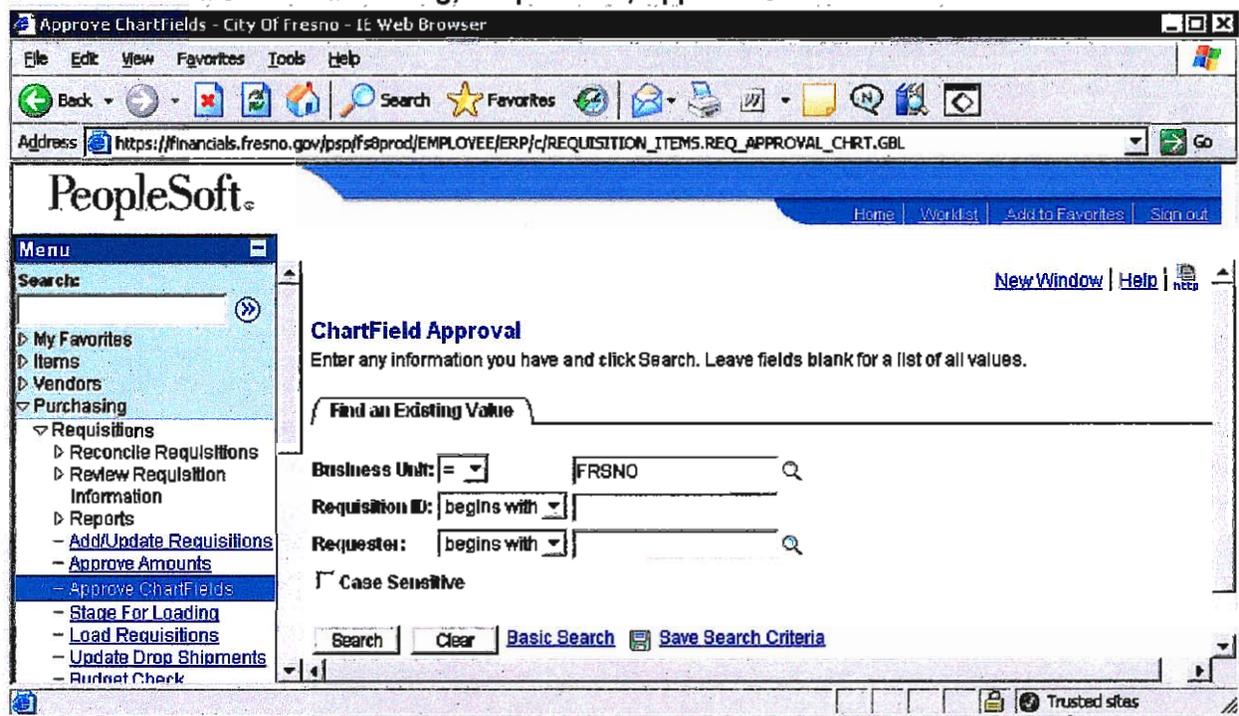
APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE

BY: [Signature]
Deputy

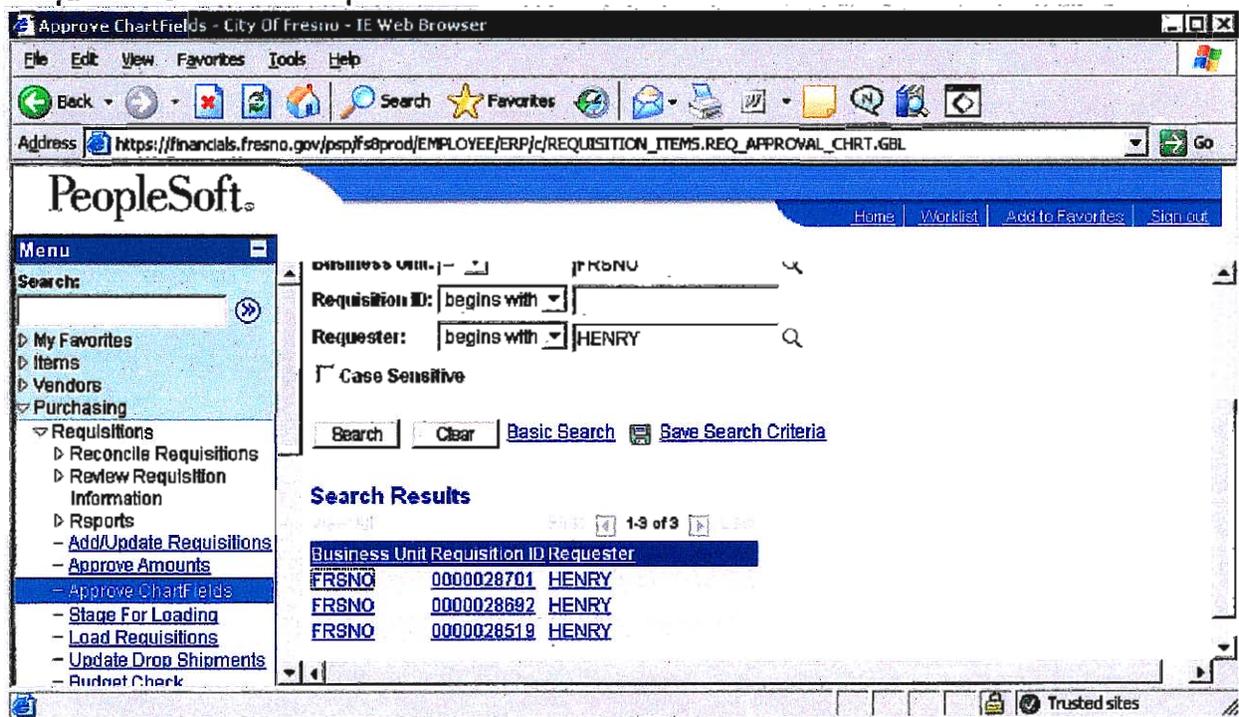
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APPROVING REQUISITIONS

Under the Menu select Purchasing, Requisitions, Approve Chartfields.



Either enter a Requisition number or select the Requester Name for a list of all Requisitions for that Requester.



To approve the Requisition press Save. Approval Status will change from initial to Complete.

Approve ChartFields - City Of Fresno - IE Web Browser

Address: https://financials.fresno.gov/psp/ps8prod/EMPLOYEE/ERP/c/REQUISITION_ITEMS.REQ_APPROVAL_CHRT.GBL

PeopleSoft® [Home](#) [Worklist](#) [Add to Favorites](#) [Sign out](#)

Appr Act: **Approve** Approval Status: **Initial** [View Printable Req](#)

Comment

Distributions/ChartFields

Line	Sched	Distrib	Status	GL Unit	Account	Fund	Dept	Program	Project	Product	Operating Unit	Fund Affil
1	1	1	Open	FRNO	58116	40101	411501		WC00018			

Line Details [Customize](#) [Find](#) [First](#) [Left](#) [Last](#)

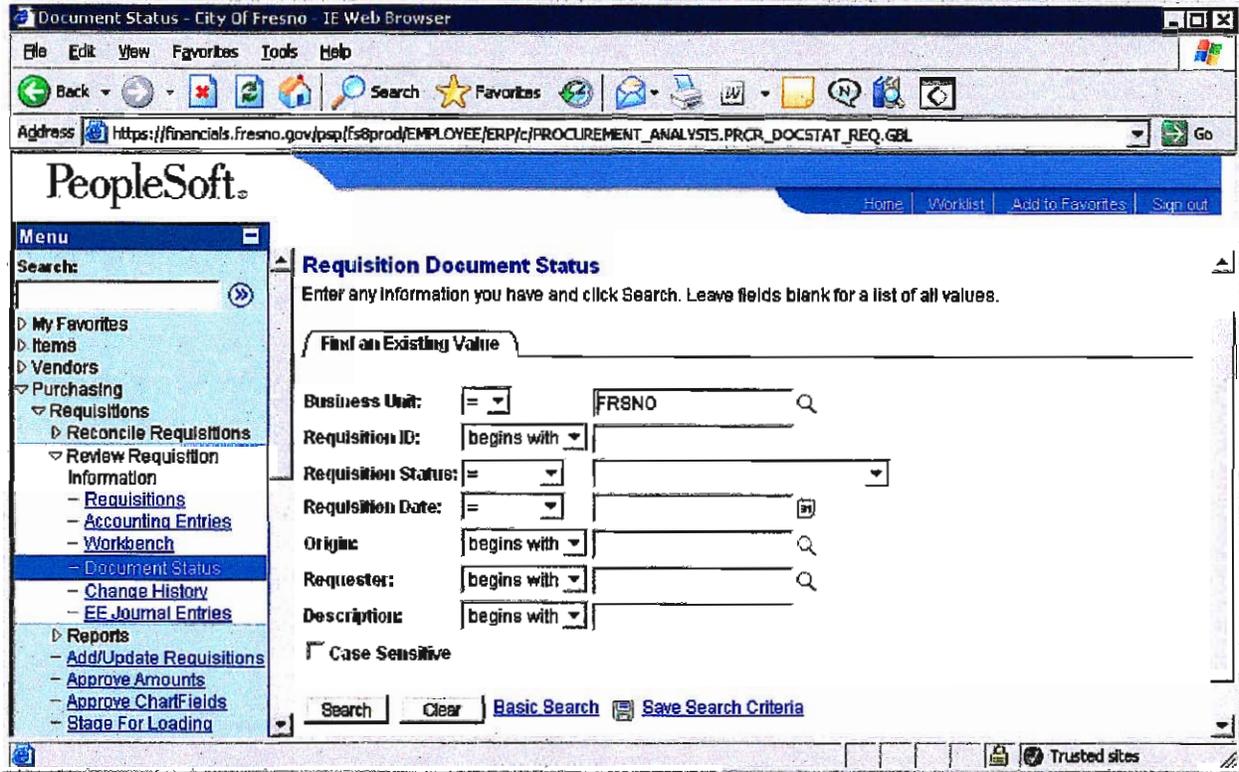
Line	Sched	Amount	Currency	Base Amt	Base Currency	Req Qty	UOM	Revision
1	1	17,000.00	USD	17000.00	USD	17,000.0000	EA	

[Save](#) [Return to Search](#) [Next in List](#) [Notify](#)

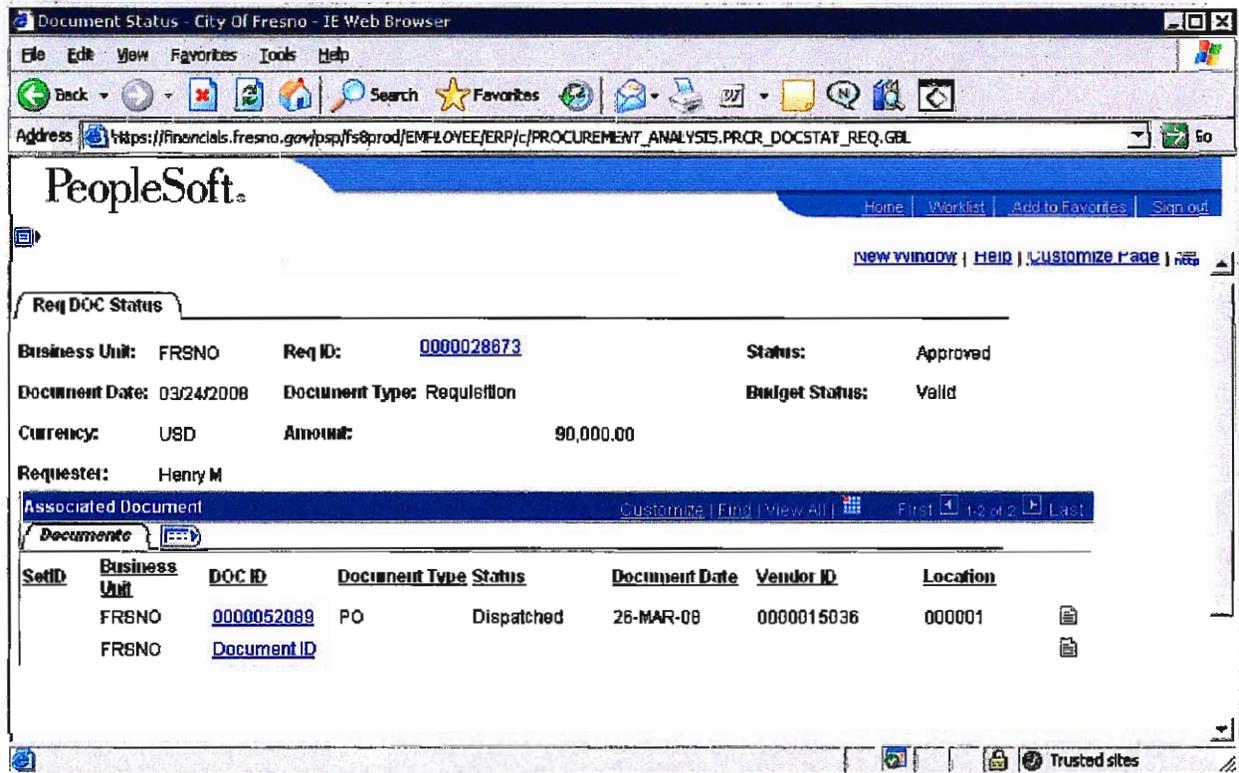
Trusted sites

REQUISITION TO PO STATUS

Under the Menu select Purchasing, Requisitions, Review Requisition Information, Document Status.



Enter Requisition ID or other information and select search. It will show all associated documents.



BASIC QUERIES

Under the Menu select Reporting Tools, Query, Query Tools.

PeopleSoft

Home | Worklist | Add to Favorites | Sign out

Menu

- Search:
- My Favorites
- Items
- Vendors
- Purchasing
- Accounts Payable
- Commitment Control
- General Ledger
- Set Up Financials/Supply Chain
- Enterprise Components
- Background Processes
- Worklist
- Reporting Tools
 - Query
 - Query Manager**
 - Query Viewer**
 - Report Manager
- PeopleTools
- COF Financials Reports

Query Viewer

Enter any information you have and click Search. Leave fields blank for a list of all values.

*Search By: begins with

[Advanced Search](#)

Search Results

Folder View:

Query Name	Description	Owner	Folder
COF_REQ_BCM_STATUS	COF Req BCM Status	Public	
COF_REQ_PENDING	Req Pending - Incl proj info	Public	
COF_REQ_TO_PO_BY_REQUESTER	COF Req to PO by Requester	Public	
COF_REQ_TO_PO_DAY_COUNT	Count of Reqs to PO	Public	

Enter COF_REQ, select search. Across from COF_REQ_BCM_STATUS select Run to HTML. Enter Requester Name and select View Results (This shows all requisitions).

https://financials.fresno.gov/psc/ps8prod_2/EMPLOYEE/ERP/q/?ICQryName=COF_REQ_BCM_STATUS - City Of Fresno - IE Web Browser

Address: https://financials.fresno.gov/psc/ps8prod_2/EMPLOYEE/ERP/q/?ICQryName=COF_REQ_BCM_STATUS

COF_REQ_BCM_STATUS - COF Req BCM Status

Requester Name:

Download results in: [Excel Spreadsheet](#) [CSV Text File \(2166 kb\)](#)

[View All](#) 1-100 of 6052

Req ID	Budget Status	Line	Sched Num	Distribution LI	Account	Fund	Dept	Budg Dt	Project	PC Bus Unit	Activity	Entered	Approved	Last Act
1	Valid Budget Check	1	1	1	57507	60521	411001	07/07/1999				07/07/1999	09/01/1999	06/28/20
2	Valid Budget Check	1	1	1	57507	40101	411501	07/07/1999	WC00003	DPU	CCONTRCT	07/07/1999	07/12/1999	08/18/20
3	Valid Budget	1	1	1	56114	40101	411001	07/07/1999	WM00002	DPU	DBCPREMD	07/07/1999	07/12/1999	08/10/20

Another useful Query is COF_REQ_TO_PO_BY_REQUESTER, select Run to HTML. Enter Requester Name and select View Results (This shows all requisitions).

The screenshot shows a web browser window with the address bar containing the URL: https://financials.fresno.gov/psc/fs8prod_3/EMPLOYEE/ERP/q?ICQryName=COF_REQ_TO_PO_BY_REQUESTER. The page title is "COF_REQ_TO_PO_BY_REQUESTER - COF Req to PO by Requester".

Below the title, there is a search field for "Requester Name:" with the value "HENRY" entered. A "View Results" button is located below the search field.

Underneath, there are download options: "Download results in: [Excel Spreadsheet](#) [CSV Text File](#) (85 kb)".

A "View All" link is present on the left, and a pagination control shows "1-100 of 317" with a "Last" button on the right.

	Req ID	Req Line	Req Sched	Req Distr	PO No.	Line	Sched Num	Distribution Li	Amount	Name	PO Date
1	0000021603	1	1	1	0000038880	1	1	1	18900.000	ZIM INDUSTRIES INC	09/27/2005
2	0000021621	1	1	1	0000039264	1	1	1	30000.000	NATIONAL WATERWORKS INC	10/28/2005
3	0000021674	1	1	1	0000040740	1	1	1	3175.000	HUGHES SUPPLY INC	02/21/2006
4	0000021674	2	1	1	0000040740	2	1	1	3175.000	HUGHES SUPPLY INC	02/21/2006
5	0000021676	1	1	1	0000039261	1	1	1	4500.000	ABM JANITORIAL SERVICES INC	10/26/2005
6	0000021865	1	1	1	0000039586	1	1	1	622.600	FERGUSON ENTERPRISES INC	11/17/2005

The browser status bar at the bottom shows "Done" and "Trusted sites".