

1 RESOLUTION NO. 22576

2 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIVERSIDE,
3 CALIFORNIA RESTATING THE RULES AND REGULATIONS
4 GOVERNING PROCUREMENTS OF GOODS, SERVICES AND PUBLIC
5 WORKS CONSTRUCTION CONSOLIDATING VARIOUS PURCHASING
6 RULES AND REGULATIONS CURRENTLY CONTAINED IN OTHER
7 RESOLUTIONS AND CERTAIN ADMINISTRATIVE MANUAL POLICIES;
8 AND REPEALING RESOLUTION NOS. 20943, 21026, 21046 AND 21182.

9 WHEREAS, the City Manager is authorized and directed by Article VI, Section 601 (e)
10 of the Charter of the City of Riverside and Chapter 3.16 of the Riverside Municipal Code to
11 prepare and recommend adoption of rules and regulations governing the contracting for and the
12 procuring, purchasing, storing, distributing and disposing of all supplies, materials and
13 equipment required by any office, department or agency of the City government; and

14 WHEREAS, on May 17, 2005, the City Council adopted Resolution No. 20943 known as
15 the "Administrative Manual Resolution" to approve certain Administrative Manual policies and
16 procedures governing professional consultant services selection procedures and setting the
17 monetary limit of the City Manager's spending authority at \$50,000 and the monetary limit of
18 Department Heads' spending authority at \$10,000; and

19 WHEREAS, on September 6, 2005, the City Council adopted Resolution No. 21026 to
20 establish a threshold of \$50,000 under which the City Manager, Assistant City Managers, and/or
21 Development Director are authorized to negotiate and execute real property acquisition
22 transactions; and

23 WHEREAS, on September 27, 2005, the City Council adopted Resolution No. 21046 to
24 provide the City Manager with authority to execute contracts and purchase orders of \$50,000 or
25 less and to delegate his or her authority to his or her designees; and

26 WHEREAS, on June 20, 2006, the City Council adopted Resolution No. 21182 known as
27 the "Purchasing Resolution" to restate the rules and regulations governing procurements of
28 goods, services and public works construction; and

WHEREAS, the City Council now desires to consolidate the City's various rules and
regulations governing procurements into a single resolution to provide one source for

1 documenting these requirements and to increase the transparency and clarity of the City's
2 procurement policies and procedures.

3 NOW, THEREFORE, IT IS RESOLVED by the City Council of the City of Riverside
4 California, as follows:

5 Section 1: That the following rules and regulations are hereby adopted for the
6 administration of the City's centralized purchasing system:

7 TITLE: PURCHASING RESOLUTION RULES AND REGULATIONS

8 ARTICLE ONE: DEFINITION OF TERMS

9 SECTION 100. Definitions. The words set forth hereinafter in the Section shall have the
10 following meanings whenever they appear in these rules and regulations, unless the context in
11 which they are used clearly requires a different meaning:

12 (a) "Awarding Entity" means the City Council when referencing Procurement for the
13 City or for any Using Agency of the City except for the Riverside Board of Public Utilities or
14 Riverside Department of Public Utilities; and means the Riverside Board of Public Utilities when
15 referencing Procurement for the Riverside Department of Public Utilities in accordance with
16 Section 1202 of the City Charter.

17 (b) "Bid" means an offer or proposal submitted by a Bidder setting forth the price for the
18 Goods, Services, or Construction to be provided.

19 (c) "Bidder" means any individual, firm, partnership, corporation, or combination
20 thereof, submitting a Bid, acting directly or through a duly authorized representative.

21 (d) "Change Order" means a City-issued document used to modify a Purchase Order to
22 add, delete, or revise the quantity, price or scope of Goods, Services, Professional Services or
23 Construction being provided.

24 (e) "City" means the City of Riverside.

25 (f) "Competitive Procurement" means a process involving the solicitation under the
26 authority and supervision of the Manager of Formal Bids by Formal Procurement or Informal
27 Bids by Open Market Procurement (all as hereinafter defined) under procedures and
28

1 circumstances intended to foster effective, broad-based competition within the private sector to
2 provide Goods, Services or Construction to the City.

3 (g) "Construction" means the process of building, altering, repairing, improving or
4 demolishing any public structure or building, or other public improvements of any kind to any
5 public real property, and includes the projects described in Section 1109 of the City Charter; it
6 does not include routine operation, maintenance or repair of existing structures, buildings or real
7 property by the City's own forces. "Construction" shall also include "public project" as defined in
8 Section 20161 of the California Public Contract Code.

9 (h) "Contract" means any type of legally recognized agreement to provide Goods,
10 Services or Construction, no matter what it may be titled or how described, including executed
11 Purchase Orders, for the Procurement or disposition of Goods, Services or Construction, but does
12 not include any agreement for collective bargaining, Professional Services or utility extensions,
13 subdivision improvements or other similar agreements whereby an owner of real property or his
14 or her authorized representative agrees to construct improvements of a public nature on property
15 to be dedicated to the City.

16 (i) "Contractor" means any Person (as hereinafter defined) who enters into a Contract
17 with the City.

18 (j) "Cooperative Purchasing" means a purchasing method whereby the Procurement
19 requirements of two or more governmental entities are combined in order to obtain the benefit of
20 volume Procurement or reduction in administrative expenses.

21 (k) "Design-Build" means a process involving contracting with a single entity for both
22 the design and Construction of a public works project pursuant to a competitive negotiation
23 process established by City Council ordinance from time to time in accordance with Section
24 1114 of the City Charter.

25 (l) "Emergency Procurement" means the Procurement of Goods, Services or
26 Construction without utilizing Competitive Procurement in circumstances set forth in Article
27 Three hereof as constituting an "emergency".
28

1 (m) "Formal Bid" means a written Bid which shall be (1) submitted in a sealed envelope,
2 or electronically, in conformance with a City-prescribed format and procedure, (2) publicly
3 opened, read and-recorded at a City-specified date, time and place, and (3) accepted only by an
4 award made by the Awarding Entity.

5 (n) "Formal Procurement" means Procurement by written Notice Inviting Bids and
6 Formal Bid, and includes Procurement of Construction, Goods and Services subject to the
7 bidding requirements of Section 1109 of the City Charter.

8 (o) "Goods" means supplies, materials, equipment and other things included within the
9 definition of "Goods" in Section 2105 of the California Uniform Commercial Code.

10 (p) "Informal Bid" means an offer, which may be conveyed to the Manager by letter,
11 telegram, fax, telephone or other means, to provide for stated prices, Goods, Services or
12 Construction which are not required to be Procured by Formal Procurement; Informal Bids shall
13 be solicited only by City personnel who are authorized to do so, and for each instance of
14 Procurement by Informal Bid, the authorized personnel shall obtain Informal Bids from at least
15 three different Persons, if practicable.

16 (q) "Life Cycle Cost" means the estimated total cost of Goods, Services or Construction
17 Procured by the City over the useful life of the Goods, Services or Construction based upon their
18 initial Procurement price as adjusted by projected operating, maintenance and related ownership
19 expenses which the City will incur during their useful life.

20 (r) "Lowest Responsible Bidder" means the Responsible Bidder who submits the lowest
21 responsive Formal Bid or Informal Bid in response to the City's invitation or request therefore.

22 (s) "Manager" means the City's Purchasing and Risk Manager.

23 (t) "Open Market" means the private sector business marketplace in which private
24 persons, exercising prudent business practices and judgment, would Procure Goods, Services or
25 Construction utilizing an Informal Bid procedure instead of Formal Bid.

26 (u) "Open Market Procurement" means Procurement by Request For Quotation and/or
27 Request for Proposals issued by the Manager and Informal Bid submitted by Persons in the Open
28 Market.

1 (v) "Originating Department" means a department of the City distributing a Request for
2 Proposals for the purpose of professional consultant selection.

3 (w) "Person" means any individual, partnership, limited partnership, association,
4 corporation, labor union, committee, club, governmental entity or other entity recognized by
5 California law.

6 (x) "Procure" and "Procurement" mean buying, purchasing, renting, leasing or otherwise
7 acquiring or obtaining Goods, Services or Construction; this also includes all functions and
8 procedures pertaining thereto.

9 (y) "Professional Services" means advisory, consulting, architectural, information
10 technology, engineering, financial, legal (including claims adjustment), surveying, research or
11 developmental and any other services which involve the exercise of professional discretion and
12 independent judgment based on an advanced or specialized knowledge, expertise or training
13 gained by formal studies or experience.

14 (z) "Purchase Order" means a City-issued document which authorizes the delivery of
15 Goods, the rendering of Services or the performance of Construction at a stated price and
16 encumbers City funds for the payment therefore.

17 (aa) "Purchase Requisition" means a written request prepared on the requisite City form
18 prepared by the Manager, and submitted by a Using Agency to the Manager for Procurement of
19 specified Goods, Services or Construction.

20 (bb) "Request for Proposals" means a written solicitation issued by a Using Agency
21 which (1) generally describes the Goods or Services sought to be Procured by the City, (2) sets
22 forth minimum standards and criteria for evaluating proposals submitted in response to it, (3)
23 generally describes the format and content of proposals to be submitted, (4) provides for
24 negotiation of terms and conditions of the Procurement Contract and (5) may place emphasis on
25 described factors other than price to be used in evaluating proposals.

26 (cc) "Request for Quotations" means a written or verbal solicitation issued under the
27 authority and supervision of the Manager for Informal Bids for described Goods, Services or
28 Construction, which may be Procured by Open Market Procurement.

1 (dd) "Responsible Bidder" means a Bidder who is determined by the Manager or the
2 Awarding Entity to be responsible based on the following criteria:

3 (1) The Bidder's ability, capacity and skill to perform the Contract, and to provide
4 post-performance maintenance and repair;

5 (2) The Bidder's facilities and resources;

6 (3) The Bidder's character, integrity, reputation, judgment, experience and
7 efficiency;

8 (4) The Bidder's record of performance of prior Contracts with the City and
9 others; and

10 (5) The Bidder's compliance with laws, regulations, guidelines and orders
11 governing prior Contracts performed by the Bidder.

12 (ee) "Responsive Bid" means a Formal Bid or Informal Bid submitted in response to a
13 City-issued Notice Inviting Bids or Request For Quotations which meets and conforms to the
14 substantive requirements specified by the City without material qualification or exception, as
15 determined by the City.

16 (ff) "Services" means all services which are described in City specifications or are in the
17 nature of advertising, cleaning, gardening, insurance, janitorial, leasing of Goods, membership,
18 postal, printing, security, subscriptions, travel, utilities (electric, gas, telegraph, telephone,
19 transportation and water), weeding and discing, and the repairing, maintaining or servicing of
20 Goods, but does not include Professional Services, real property transactions, Construction,
21 Design-Build, nor employment and collective bargaining Contracts.

22 (gg) "Specifications" means a City-issued or referenced definite, detailed written
23 description of the Goods to be furnished, the Services to be performed or the Construction work
24 to be done and materials to be used under a Contract with the City, which specifies the
25 composition, Construction, dimension, durability, efficiency, form, nature, performance
26 characteristics and standards, quality, shape, texture, type and utility of Goods, Services or
27 Construction sought by the City.
28

1 (hh) "Surplus Goods" means any Goods having a remaining useful life or salvage value
2 but which are no longer used, needed for use or retained for potential use by the Using Agency
3 which has care, custody or control of them.

4 (ii) "Using Agency" means all City departments, institutions, offices, boards,
5 commissions, divisions, agencies and authorities which derive their support totally or in part
6 from City funds and for which the Manager is directed to Procure Goods, Services, Professional
7 Services, Design-Build, or Construction.

8 ARTICLE TWO: COMPETITIVE PROCUREMENT

9 SECTION 200. Policy. It is hereby determined and declared to be the policy and
10 requirement of the City that Procurement of Goods, Services and Construction by the City shall,
11 whenever practicable and advantageous to the City, be based on Competitive Procurement,
12 whether by Formal Procurement if required, or Open Market Procurement if permitted, except as
13 otherwise provided in this Resolution or the City Charter. Failure to procure Goods, Services and
14 Construction in compliance with this Resolution is strictly prohibited.

15 SECTION 201. Exceptions. Competitive Procurement shall not be required in any of the
16 following circumstances:

17 (a) When an emergency arises and Emergency Procurement is undertaken pursuant to
18 Article Three hereof;

19 (b) When the Procurement involved is less than \$2,500.00;

20 (c) When the Procurement can only be obtained from a sole source or timely from a
21 single source and the Manager is satisfied that the best price, terms and conditions for the
22 Procurement thereof have been negotiated;

23 (d) When the Procurement consists of replacement parts for the City's vehicles, aviation
24 units, and other City equipment;

25 (e) When, in the opinion of the Manager, there is no price difference between recognized
26 manufacturers and suppliers of Goods;

27 (f) When Cooperative Purchasing is available and undertaken;
28

1 (g) When Goods or Services can be Procured from a Contractor who offers the same or
2 better price, terms and conditions as the Contractor previously offered as the Lowest Responsible
3 Bidder under Competitive Procurement or negotiations conducted by the City or another public
4 agency, provided that, in the opinion of the Manager, it is in the best interests of the City to do
5 so;

6 (h) When the Goods or Services can be obtained through Federal, State and/or other
7 public entity pricing contracts or price agreements;

8 (i) When the Awarding Entity waives bidding requirements under and according to the
9 circumstances set forth in Section 1109 of the City Charter, or when it is determined by the
10 Manager to be in the best interests of the City to do so;

11 (j) When, in the opinion of the Manager expressed in writing, the City requires Goods,
12 Services or Construction, not subject to the bidding requirements of Section 1109 of the City
13 Charter, which are of such a nature that suitable technical or performance specifications
14 describing them are not readily available and cannot be developed in a timely manner to meet the
15 needs of the City, in which case the Manager shall be authorized to negotiate with any Person or
16 Persons for the Procurement thereof upon the price, terms and conditions deemed by the
17 Manager to be in the best interests of the City, and in so doing may utilize the Open Market
18 Procurement process;

19 (k) When the Procurement is for books, journals, maps, publications and other supplies
20 peculiar to the needs of the library, which are subject to the provisions of Section 808(d) of the
21 City Charter;

22 (l) When the Procurement is for wholesale energy, energy ancillary services, energy
23 transmission, wholesale water commodity, and water transmission purchases by or on behalf of
24 the City's Public Utilities Department; or

25 (m) When the Procurement is for the Design-Build of public works projects pursuant to
26 Section 1114 of the City Charter.
27
28

1 ARTICLE THREE: EMERGENCY PROCUREMENT

2 SECTION 300. Policy. While the need for Emergency Procurement is recognized, the
3 practice shall be curtailed as much as possible by anticipating needs so that normal Competitive
4 Procurement may be used.

5 SECTION 301. Conditions. An "emergency" shall be deemed to exist under anyone or
6 more of the following circumstances:

7 (a) A great public calamity;

8 (b) An immediate need to prepare for national or local defense;

9 (c) A breakdown in machinery or essential service which requires the immediate
10 Procurement of Goods, Services or Construction to protect the public health, welfare, safety or
11 property;

12 (d) A Using Agency operation directly affecting the public health, welfare or safety or the
13 protection of public property, is so severely impacted by any cause that personal injury or
14 property destruction appears to be imminent and probable unless Goods, Services or
15 Construction designed or intended to mitigate the risks thereof are Procured immediately; or

16 (e) A Using Agency is involved in a City project which is of such a nature that the need
17 for particular Goods, Services or Construction can only be ascertained as the project progresses
18 and, when ascertained, must be satisfied immediately for the preservation of public health,
19 welfare, safety or property.

20 SECTION 302. Authorization. Emergency Procurement may be initiated by the head of a
21 Using Agency or his or her duly authorized representative (the "individual") only as follows:

22 (a) During normal City business hours, the individual shall contact the Manager and
23 explain to the Manager's satisfaction the reasons and justification for Emergency Procurement. If
24 the nature of the emergency is such that Goods, Services or Construction must be Procured
25 immediately and the Manager is satisfied with the explanation of reasons and justifications given
26 therefor, the Manager shall authorize the Procurement and cause an emergency Purchase Order
27 to be issued as soon as possible and in no event later than the following business day. A Purchase
28

1 Requisition confirming the Procurement must be prepared by the individual and submitted to the
2 Manager no later than the following business day.

3 (b) After normal City business hours, the individual shall exercise his or her best
4 judgment in ascertaining whether the actual circumstances necessitate Emergency Procurement,
5 and if deemed necessary shall order it. As soon as possible and in no event later than the
6 following business day, the individual shall prepare a Purchase Requisition confirming the
7 Emergency Procurement and deliver it to the Manager, who shall then cause an emergency
8 Purchase Order therefor to be prepared. The word "confirmation" shall be clearly imprinted on
9 all Purchase Requisitions and Purchase Orders issued in confirmation of Emergency
10 Procurement.

11 ARTICLE FOUR: PURCHASE REQUISITION PROCEDURES

12 SECTION 400. Purpose. The purpose of the Purchase Requisition is to inform the
13 Manager, in clear and explicit terms, of the needs of the Using Agencies, thus enabling the
14 Manager to Procure all Goods, Services and Construction required by the City. Except as
15 otherwise provided in this Resolution, each Using Agency shall prepare a Purchase Requisition
16 and submit it to the Manager before attempting to obtain any Goods, Services or Construction.
17 No Purchase Requisition shall be broken into smaller units to evade any requirement of this
18 Resolution, except that unrelated items requisitioned by Using Agencies may be separated to
19 provide different lists to vendors dealing in different types of Goods.

20 SECTION 401. Who May Requisition. All Purchase Requisitions shall be completed
21 and shall be approved by the head or duly authorized representative of the Using Agency making
22 the requisition. At such times and in such manner as shall be prescribed by the Manager, the
23 head of each Using Agency shall file with the City Finance Director a written designation of
24 each person who is authorized to approve Purchase Requisitions on behalf of the Using Agency
25 or any division or section thereof. A Purchase Requisition shall be fully approved prior to the
26 formal advertisement of a project by the Manager.

27 SECTION 402. When to Requisition. Purchase Requisitions shall be prepared and
28 submitted far enough in advance of the date that the Goods, Services or Construction will be

1 needed to enable the Manager to implement the necessary Competitive Procurement therefor.
2 The Manager shall attempt to secure the best price and earliest delivery practicable, consistent
3 with the requirements of the Purchase Requisitions.

4 SECTION 403. Specifications. Specifications shall be required in every instance of
5 Formal Procurement and in those instances of Open Market Procurement where practicable and
6 deemed by the Manager, in the exercise of prudent procurement judgment, to be in the City's
7 best interests. The Manager shall be responsible for the review of all Specifications, which shall
8 be prepared and submitted by the requisitioning Using Agency.

9 SECTION 404. Purchase Order and Encumbrance of Funds. Procurement of Goods,
10 Services and Construction shall be made only by Purchase Order, except that alternate forms and
11 procedures may be specified by the Manager for the Procurement of Services or Construction,
12 and no Purchase Orders shall be required for petty cash purchases less than an amount
13 recommended from time to time by the Finance Director and approved by the City Manager.
14 Except in cases of Emergency Procurement, no Purchase Order shall be issued unless there exists
15 an unencumbered appropriation in the fund account against which the Procurement is to be
16 charged. Except for Emergency Procurement, no Goods or Services shall be ordered, obtained or
17 received without authorization by the Manager, which authorization shall be in the form of an
18 executed or confirming Purchase Order. The Manager, or his designees, shall be authorized to
19 issue and execute Purchase Orders in accordance with policies and procedures established by the
20 City Manager from time to time, that are consistent with this Resolution. Further, the Manager is
21 authorized to issue a purchase order without further approval where the procurement is made
22 pursuant to Section 201(g) or (h) herein and a supplemental appropriation is not otherwise
23 required.
24

25 SECTION 405. Change Orders. Modifications to a Purchase Order shall be made only
26 by Change Order. Change Orders may be utilized for purposes of (1) adding and/or deleting
27 quantity of items being procured, (2) modifying unit prices, (3) modifying scope of work/
28 services being provided, (4) changing funding source(s), (5) modifying contract completion time,
or (6) any other change approved by the Manager. Unless otherwise specifically authorized by

1 the Awarding Entity, Change Orders which cumulatively exceed the following will require
2 Awarding Entity approval:

- 3 a) \$10,000 for Contracts and/or Purchase Orders greater than \$50,000 and up to
4 \$100,000;
- 5 b) 10% of the original contract price for Contracts and/or Purchase Orders exceeding
6 \$100,000 and up to \$1 Million;
- 7 c) 100,000 plus one percent of the original Contract or Purchase Order amount for
8 Contracts and/or Purchase Orders in excess of \$1 Million;
- 9 d) \$150,000; and
- 10 e) any Change Order which causes the contract price to exceed \$50,000, if the Contract
11 and/or Purchase Order was not previously approved by the Awarding Entity.

12 The Manager, or his designees, shall be authorized to issue and execute Change Orders in
13 accordance with policies and procedures established by the City Manager from time to time, that
14 are consistent with this Resolution. For purposes of this Section the term Contract also includes
15 Professional Services.

16 SECTION 406. Bidders' Lists. The Manager shall maintain public lists of prospective
17 bidders for each class of Goods, Services or Construction for which Competitive Procurement is
18 required. These lists shall set forth the names and addresses of prospective sources of Goods or
19 Services and shall include the manufacturer of the Goods or the provider of the Services in all
20 instances in which the manufacturer or provider follows the practice of direct bidding in addition
21 to or in lieu of bidding through a local wholesaler, distributor or representative. The Manager
22 shall keep the bidders' lists current by periodically striking there from the names of prospective
23 Bidders who have failed to respond to recent bid requests.

24 ARTICLE FIVE: PREFERENCES

25 SECTION 500. Policy. In the Manager's administration of Competitive Procurement
26 pursuant to this Resolution, the Manager shall be authorized to give such preferences for Goods,
27 Services or Construction as chartered cities are required to give by applicable state or federal
28

1 law, or such preferences as are permitted by such law and specifically provided for from time to
2 time by City Council resolution or ordinance.

3 SECTION 501. Local Preference. In the Procurement of Goods for the City's
4 requirements, preference shall be given to those vendors who have a local presence in the City of
5 Riverside, provided that price, quality, terms, delivery and service reputation are determined to
6 be equal by the Manager under the criteria set forth in Section 706 hereof. To qualify as a local
7 vendor, the Bidder must certify to the following at the time of Bid submission:

8 (a) it has fixed facilities with employees located within the City limits;

9 (b) it has a business street address within the City limits (Post Office box or residential
10 address shall not suffice to establish a local presence);

11 (c) all sales tax returns for the Goods purchased must be reported to the State through a
12 business within the geographic boundaries of the City and the City will receive one
13 percent (1 %) or such percentage of sales tax of Goods purchased as is allocable to the
14 City from time to time under then existing state law; and

15 (d) it has a City business license.

16 False certifications shall be immediate grounds for rejection of any Bid or if the Bid is
17 awarded, grounds for voiding the Bid, terminating any Contract, and seeking damages thereto.

18 SECTION 502. Recycled Goods. In the Procurement of Goods for the City's
19 requirements, preference shall be given, as the City Council from time to time hereafter directs
20 by resolution or ordinance, to recycled Goods as defined and provided for in such state
21 legislation as the State Assistance for Recycling (STAR) Markets Act of 1989 (commencing at
22 Section 12150 of the California Public Contract Code) and the California Integrated Waste
23 Management Act of 1989 (commencing at Section 40000 of the California Public Resources
24 Code).

25 ARTICLE SIX: OPEN MARKET PROCUREMENT

26 SECTION 600. Policy. Although less formal, procedurally, than Formal Procurement,
27 Open Market Procurement shall nonetheless be conducted by the Manager and the Manager's
28

1 duly authorized representatives in a manner and under circumstances intended to elicit
2 competitive Informal Bids in response thereto.

3 SECTION 601. General Limitations On Open Market Procurement. Open Market
4 Procurement may be conducted under the supervision of the Manager if the Procurement
5 expenditure is estimated to be Fifty Thousand Dollars (\$50,000.00) or less and does not involve
6 the Procurement of Construction or Goods of the type required by Section 1109 of the City
7 Charter to be acquired by Formal Procurement. The Manager shall maintain and keep records of
8 all Open Market Procurements, including Informal Bids received, in accordance with the
9 applicable City's Record Retention Schedule adopted by the City Council from time to time, and
10 those records shall be open to public inspection upon request during normal City business hours.

11 SECTION 602. Utilities Exception. The following supplies, equipment, and materials
12 are determined to be peculiar to the needs of the City's Public Utilities and Public Works
13 Departments and may, if it appears to the Manager to be in the best interest of overall economy
14 and efficiency of the City to do so and is within existing budget authorization, be acquired by
15 Open Market Procurement, or negotiations regardless of their estimated Procurement
16 expenditure amounts, provided that the City's Board of Public Utilities or City Council shall have
17 approved the proposed acquisition if required under the provisions of the City Charter:

18 Automatic Reclosers with associated controllers and communications equipment
19 Batteries and Chargers
20 Blower Equipment, Parts and Repair
21 Bus and Bus Support
22 Capacitors
23 Chemicals
24 Circuit Breakers
25 Conduit and Duct
26 Connectors
27 Dewatering Equipment, Parts and Repairs
28 Electric Motor Controls
Electrical Line Devices
Electrical Motors, Panels, Panel Equipment, Materials and Repairs
Fiber Optics Equipment and Materials
Fire Hydrants
Fittings, Electrical, Water, and Sewer
Insulators
Luminaries
Meter and Metering Devices

- 1 Pipe and Pipe Fittings
- 2 Pole Line Hardware
- 3 Poles, Utility
- 4 Power Generation Materials, Equipment, Parts and Repair
- 5 Prefabricated Electrical Enclosures
- 6 Pumps and Repairs
- 7 Regulators
- 8 Relaying and Protective Devices
- 9 Road and Backfill Materials
- 10 SCADA Equipment
- 11 Substation and Distribution Automation Equipment
- 12 Substation Supervisory Equipment
- 13 Surge Arrestors
- 14 Switches and Switchgear
- 15 Transformers
- 16 Treatment Equipment
- 17 Tubing, Copper and Plastic
- 18 Valves and Operators
- 19 Vaults and Accessories
- 20 Wire and Cable
- 21 Uninterruptable Power Supplies
- 22 Well Equipment (including incidental labor to install, which labor shall not exceed the
- 23 amount set by state law for which bids are required for public works projects of a general
- 24 law city)
- 25 Such other supplies and materials peculiar to the needs of the Public Utilities Department,
- 26 which are carried as inventory items in Central Stores stock.

16 SECTION 603. Request for Quotations. The Manager shall solicit Informal Bids by
 17 means of a written or verbal Request For Quotations, accompanied by City specifications if
 18 deemed necessary by the Manager.

19 SECTION 604. Rejections and Awards. The Manager may reject any and all Informal
 20 Bids submitted in response to a Request for Quotations and otherwise shall award all Open
 21 Market Procurement, insofar as practicable, to the Lowest Responsible Bidder. The Manager
 22 shall be authorized to administer Contracts for Goods and Services awarded by Open Market
 23 Procurement.

24 SECTION 605. Contract Bonds. The provisions of Section 708 shall also apply to all
 25 Contracts for Goods, Services or Construction awarded under Open Market Procurement.

26
 27
 28

1 ARTICLE SEVEN: FORMAL PROCUREMENT

2 SECTION 700. When Required. Except in those Procurement situations described in
3 Sections 201 and 602 hereof, Formal Procurement shall be required for all estimated
4 Procurement expenditures of more than Fifty Thousand Dollars (\$50,000.00).

5 SECTION 701. Soliciting Formal Bids. A Notice Inviting Bids shall be published at
6 least once in a newspaper of general circulation in the City, the first publication of which shall be
7 at least ten days before the time and date set by the Manager for opening the Formal Bids
8 received. The notice shall include a general description of the Goods, Services or Construction
9 sought to be Procured by the City, shall state where Specifications therefor may be obtained and
10 shall set forth the time and place for a public opening of Formal Bids received timely. The
11 Manager shall, in addition and as practicable, solicit Formal Bids from a sufficient number of
12 responsible prospective bidders whose names appear on the bidders' lists maintained pursuant to
13 Section 406 hereof by causing to be sent to them notification that will acquaint them with the
14 Procurement items sought by the City. The words "Bid" and "Bids" as hereinafter set forth
15 within this Article shall mean Formal Bid and Formal Bids, respectively.

16 SECTION 702. Submittal of Bids and Bid Securities. Bids and bid securities, which
17 security shall guarantee the Bid and be forfeited to the City if the Bidder is awarded the Contract
18 but fails or refuses to honor the Bid and execute the Contract documents timely, shall be
19 submitted to the City in the following manner:

20 (a) For Formal Procurement subject to Section 1109 of the City Charter, the Bids shall be
21 (i) submitted electronically in the manner required by the City, (ii) accompanied by the type and
22 amount of Bid security prescribed by Section 1109, (iii) sealed as prescribed in the notice
23 inviting Bids or the specifications referenced in the notice, and (iv) submitted to the City's
24 Purchasing Division within the time and in the manner specified by the notice or Specifications.

25 (b) For Formal Procurement not subject to Section 1109 of the City Charter, the Bid shall
26 be submitted in the form required by the City, accompanied by the type and amount of Bid
27 security specified, sealed, and submitted to the Purchasing Division within the time and manner
28 specified in the notice inviting Bids or the Specifications referenced in the notice.

1 SECTION 703. Opening of Bids. The Bids shall be opened and referenced as to Bidder
2 identity and amounts Bid in public at the time and place specified in the published notice, and no
3 Bid shall be received or recognized by the Purchasing Division, which has not been received
4 prior to the time so specified. If, upon the opening of Bids to provide Goods or Services not
5 subject to the provisions of Section 1109 of the City Charter, the Manager determines that the
6 actual expenditure therefor would appear to be Fifty Thousand Dollars (\$50,000.00) or less, the
7 Manager may convert the Formal Procurement to Open Market Procurement procedures for
8 award of a Contract.

9 SECTION 704. Tabulation and Inspection of Bids. After the Bids have been opened and
10 referenced, the Manager shall cause them to be tabulated. Upon completion and verification of
11 the tabulation of the Bids, they shall be subject to inspection as public records.

12 SECTION 705. Rejection of Bids. The Awarding Entity may in its discretion reject any
13 and all Bids, or any segregable portions thereof, for any one or more types of Goods, Services or
14 Construction included in the Specifications when the public interest is served thereby. The
15 Awarding Entity may also take any other action permitted by Section 1109 of the City Charter.

16 SECTION 706. Awards. Formal Procurement Contracts shall be awarded by the
17 Awarding Entity to the Lowest Responsible Bidder, except that:

18 (a) Formal Procurement Contracts may be awarded by the Manager where the
19 procurement is made pursuant to Section 201(g) and 201(h) herein and a supplemental
20 appropriation is not otherwise required.

21 (b) A Contract for Goods may be awarded to a local Responsible Bidder who is not the
22 Lowest Responsible Bidder but who has certified that it is a local vendor pursuant to Section 501
23 hereof and who is subject to taxation under the City's "Uniform Local Sales and Use Tax
24 Ordinance" (Chapter 3.08 of the City Municipal Code) if the Bid difference amount between the
25 local Responsible Bidder and the Lowest Responsible Bidder does not exceed five percent (5%)
26 of the lowest responsible Bid;

27 (c) A Contract for Goods or Services which will require quantifiable commitments of
28 City personnel and other resources for the satisfactory completion thereof may be awarded to the

1 Responsible Bidder whose Responsive Bid becomes the lowest evaluated when the City's costs
2 of commitment are calculated in connection with each of the Bids submitted and added thereto;
3 and

4 (d) A Contract for Goods, Services or Construction may be awarded to a Responsible
5 Bidder whose Responsive Bid is adjudged to be lowest Responsive Bid under Life Cycle Cost
6 analysis. The Awarding Entity may waive irregularities or informalities in any Bid if the public
7 interest is served thereby. In the event a tie occurs among Responsible Bidders submitting the
8 lowest Responsive Bid, the Awarding Entity may award the Contract to any one of the tie
9 Bidders either based upon proximity to the City, reputation or any other factor or upon a drawing
10 by lot at the time and place determined by the Manager.

11 SECTION 707. Approval of Contracts. All Formal Procurement Contracts shall be
12 approved as to form by the City Attorney.

13 SECTION 708. Contract Bonds. Contract bonds executed by good and sufficient
14 sureties authorized to conduct surety business in the State of California and in such amounts as
15 are required by law or deemed adequate to insure the faithful performance of a Contract in the
16 time and manner prescribed therein shall be required of the successful Bidder in all instances
17 where they are required by law and in other instances as determined by the Manager. Contract
18 bonds requirements shall be set out in the notice inviting bids or the specifications. "Contract
19 bonds" means performance bonds (or functional equivalent such as supply bonds) to guarantee
20 the Contractor's faithful performance of the awarded Contract in the time, manner and
21 workmanship specified and payment bonds to guarantee the Contractor's payment of claims as
22 prescribed in Section 3247 et seq. of the California Civil Code.

23 SECTION 709. Assignment of Contract. Formal Procurement contracts shall not be
24 assigned by the Contractor without the written consent of the City Manager. In no event shall a
25 Contract or any part thereof be assigned to a Bidder who was declared not to be a Responsible
26 Bidder during consideration of the Bids submitted in response to advertisement for that particular
27 Procurement.
28

1 ARTICLE EIGHT: DISPOSITION OF SURPLUS GOODS

2 SECTION 800. Reporting. Each Using Agency shall submit to the Manager, at such
3 times and in such form as the Manager prescribes, reports describing all Goods held by the Using
4 Agency, which the Using Agency has determined to be Surplus Goods. At such time that a
5 periodic physical inventory of the Goods held by any Using Agency is required by the Manager,
6 the Using Agency shall segregate all of its surplus Goods and a report thereof shall be furnished
7 to the Manager by the Using Agency for the transfer or disposition of such Goods.

8 SECTION 801. Custody of Surplus Goods. Each Using Agency shall retain custody of
9 its surplus Goods in such manner and at such place as the Manager shall direct, until their
10 transfer or final disposition has been made. No Using Agency shall in any event permit any
11 surplus Goods held by it to be loaned or donated without City Council approval, or destroyed or
12 otherwise removed from the City's custody without the prior written approval of the Manager.

13 SECTION 802. Transfer. Before disposing of surplus Goods, including unclaimed
14 property delivered to the Manager by the Police Department, the Manager shall first canvass all
15 other Using Agencies to assure that the surplus Goods cannot be used by another Using Agency.
16 If another Using Agency expresses a desire to use the Goods or hold them for potential future
17 use, the Manager shall assist in transferring the Goods to that Using Agency.

18 SECTION 803. Disposition. The Manager is hereby authorized to dispose of City
19 surplus Goods and Police Unclaimed Property which are not used or needed by any Using
20 Agency or which have become unsuitable for City use. The Manager may dispose of such
21 Goods and Property by any of the following procedures:

- 22 (a) They may be exchanged or traded in on new Goods;
- 23 (b) They may be sold utilizing competitive procedures similar to those prescribed herein
24 for Formal Procurement or Open Market Procurement;
- 25 (c) They may be sold at public auction conducted by the Manager or a professional
26 auctioneer which the Manager is hereby authorized to retain on the basis of a negotiated flat fee,
27 hourly fee or percentage of the amount of the sale, whichever is determined by the Manager to be
28 in the best interests of the City;

1 (d) They may be sold utilizing a negotiation process when the Manager deems in writing
2 that such process is in the best interests of the City;

3 (e) They may be disposed of as scrap or destroyed if they have no resale value; or

4 (f) In accordance with State law, City's Municipal Code, and City's Administrative
5 Manual policies and procedures.

6 SECTION 804. Library Books. Notwithstanding anything to the contrary in this
7 Resolution, books and other items which are subject to Section 808(d) of the City Charter and
8 which the Library Department has determined to discard may be disposed of in accordance with
9 policies as are adopted from time to time by the Board of Library Trustees and approved by the
10 City Council.

11 SECTION 805. Contributions to Other Agencies. Nothing contained in this Resolution
12 shall affect the power and authority of the City Council to make contributions of funds, Goods,
13 Services or Construction to other agencies.

14 ARTICLE NINE: REAL PROPERTY ACQUISITIONS

15 SECTION 900. Acquisitions of \$50,000 or less. When the cost of acquisition of real
16 property by the City is Fifty Thousand Dollars (\$50,000) or less, the City Manager, any of the
17 Assistant City Managers, or the Community Development Director are hereby authorized to
18 negotiate and execute any and all documents necessary to complete the transaction, including,
19 but not limited to, Purchase and Sale Agreements and Escrow Instructions.

20 SECTION 901. Acquisitions over \$50,000. When the cost of acquisition of real property
21 by the City is over Fifty Thousand Dollars (\$50,000), and when said acquisition has been
22 previously approved by the City Council, the City Manager, the Assistant City Managers, or the
23 Community Development Director is hereby authorized to execute any and all documents
24 necessary to complete the transaction, including, but not limited to, Purchase and Sale
25 Agreements and Escrow Instructions.

26 SECTION 902. Notification to Manager. Within 90 days following the acquisition of
27 real property, the acquiring City Department will notify the Manager of the acquisition so that
28 the property may be added to the City's schedule of insured property.

1 ARTICLE TEN: DELEGATED CONTRACT EXECUTION AUTHORITY

2 SECTION 1000. Authorization. The City Manager is authorized to approve, execute,
3 and bind the City to (a) contracts and purchase orders for goods, non-professional services,
4 construction professional services and negotiated contracts and purchase orders of \$50,000 or
5 less, entered into in accordance with the policies and procedures outlined in this Resolution, and
6 (b) such other contracts as are expressly approved by the City Council.

7 SECTION 1001. Delegation by City Manager. The City Manager is authorized to
8 delegate such authority to his or her designees, including among others Department Heads, when
9 the City Manager deems it is in the best interests of the City to do so.

10 ARTICLE ELEVEN: PROFESSIONAL CONSULTANT SELECTION PROCEDURES

11 SECTION 1100. Requests for Proposals. When an Originating Department is obtaining
12 proposals from consultants in response to a Request for Proposals process, a minimum of three
13 (3) qualified consultants must be contacted in writing and invited to submit a proposal. The City
14 Manager may authorize the Originating Department to contact less than three qualified
15 consultant under the following circumstances:

- 16 (a) In cases of emergency or immediate need for services;
17 (b) The services required are so special and unique as to be provided by only one
18 qualified consultant as documented by a single source memorandum; or
19 (c) If it determined to be in the best interest of the City.
20

21 If the Originating Department is requesting authorization to contact only one consultant, a
22 written recommendation shall be prepared by the Department Head or his/her designee and
23 forwarded to the City Manager for approval, justifying why only one consultant will be
24 contacted. If the consultant contact requires City Council or Board of Public Utilities approval,
25 the agenda report must include a statement addressing the waiver and the justification therefore.

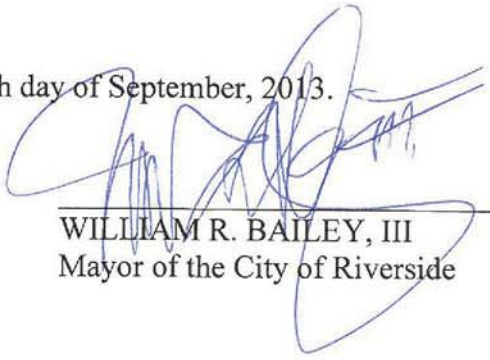
26 SECTION 1101. Consultant Selection. Qualified consultants shall be selected based on
27 availability, demonstrated competence and qualifications for the types of services to be
28 performed at fair and reasonable prices, record of timely completion of other projects, and
previous service to the City. If, after reasonable effort, a contract cannot be negotiated with

1 suitable terms, the negotiations with the initially selected consultant shall be terminated in
2 writing and negotiations shall be started with the consultant rated second. In no case shall
3 negotiations be entered into with the initially selected consultant after negotiations have started
4 with the consultant rated second.

5 Section 2: That the City Manager or his/her designee is authorized to execute all
6 Contracts awarded in accordance with this Resolution.


7 Section 3. That the City Council Resolution Nos. 20943, 21026, 21046 and 21182 are
8 hereby repealed.

9 ADOPTED by the City Council this 10th day of September, 2013.



WILLIAM R. BAILEY, III
Mayor of the City of Riverside

13 Attest:

14 
15 COLLEEN J. NICOL
16 City Clerk of the City of Riverside

17
18
19
20
21
22
23
24
25
26
27
28

1 I, Colleen J. Nicol, City Clerk of the City of Riverside, California, hereby certify that the
2 foregoing resolution was duly and regularly introduced and adopted at a meeting of the City
3 Council of said City at its meeting held on the 10th day of September, 2013, by the following
4 vote, to wit:

5 Ayes: Councilmembers Gardner, Melendrez, Gutierrez, Davis, Mac Arthur,
6 Perry, and Adams

7 Noes: None

8 Absent: None

9 Disqualified: None

10 IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of
11 the City of Riverside, California, this 12th day of September, 2013.



12
13 COLLEEN J. NICOL
14 City Clerk of the City of Riverside
15
16
17
18
19
20
21
22
23
24
25
26

27 O:\Cycom\WPDocs\D026\P017\00170919.doc
28 12-1861