



ANNUAL PURCHASE ORDERS, EXISTING CONTRACT PURCHASE ORDERS, AND ANNUALLY RECURRING EXPENDITURES FOR FISCAL YEAR 2019-20 TOTALING \$19,793,022

Riverside Public Utilities

Board of Public Utilities
June 10, 2019

RiversidePublicUtilities.com



1

WHAT ARE ANNUAL PURCHASE ORDERS?

1. Provide for timely procurement of goods and services that are routinely used in daily operations
2. Issued in July to cover one fiscal year
3. Streamline purchasing process
 - a. Reduce repetitive requisitions
 - b. Reduce procurement lead time due to Board approval process

RiversidePublicUtilities.com



2

PURCHASING PROCESS

1. Vendors are selected via competitive bid
 - a. Informal – \$50,000 or less and items falling under Utilities Exception, which have no monetary cap
 - a. Minimum of three price quotes from vendors outside formal procurement
 - b. May negotiate term, conditions and pricing with vendors
 - b. Formal – over \$50,000

PURCHASING PROCESS

2. Competitive bid may be waived as set forth in the City's purchasing rules
 - a. Sole source
 - b. "Following on" another governmental contract
 - c. In the best interest of the City to do so

UTILITIES EXCEPTION PURCHASING RESOLUTION SECTION 404

1. For supplies, equipment and materials that are peculiar to the needs of RPU
2. Waived formal bidding requirements regardless of expenditure amounts
 - a. Approved by Board through Annual Purchase Order process or Work Orders over \$50,000
 - b. Within existing budget authorization
 - c. Informal bids obtained from the vendor community to ensure competitive pricing
3. Includes Purchase Orders for Electric, Water and Central Stores

RiversidePublicUtilities.com



5

EXAMPLES OF UTILITIES EXCEPTION

1. Capacitors
2. Chemicals
3. Conduit and duct
4. Meter and metering devices
5. Utility poles
6. Pumps and repairs
7. Road and backfill materials
8. Switches and switchgear
9. Transformers

RiversidePublicUtilities.com



6

PURCHASES REQUIRING INDIVIDUAL BOARD APPROVAL THROUGHOUT FISCAL YEAR

1. When formal bidding is required
2. Goods and materials are not exempt under Purchasing Resolution Section 404 for Utilities Exception

RiversidePublicUtilities.com



7

PURCHASES WITH EXISTING CONTRACTS

1. Contracts approved in previous years that have multi-year terms or the option for extensions
2. Budget was only available for one year
3. Approval is needed for subsequent year of contract

RiversidePublicUtilities.com



8

ANNUALLY RECURRING EXPENDITURES

1. Expense occurring and approved by the Board each fiscal year
2. Membership dues paid to the same organizations each fiscal year

RECOMMENDATIONS

That the Board of Public Utilities:

1. Approve sixteen (16) annual Electric and Water purchase orders for Fiscal Year 2019-20 for an estimated total amount of \$4,624,543, and authorize the City Manager, or his designee, to award the purchase orders for such procurements for the items designated;
2. Approve thirteen (13) annual Central Stores purchase orders for Fiscal Year 2019-20 for an estimated total of \$4,826,061, and authorize the City Manager, or his designee, to award the purchase orders for such procurements for the items designated;

RECOMMENDATIONS

3. Approve twenty-three (23) purchase orders for existing contracts for Fiscal Year 2019-20 for an estimated total amount of \$7,094,418; and
4. Approve three (3) annually recurring expenditures for Fiscal Year 2019-20 for an estimated total amount of \$3,248,000.