



FISCAL YEAR 2021-22 PURCHASE ORDERS

Riverside Public Utilities

Board of Public Utilities
June 28, 2021

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ANNUAL PURCHASE ORDER

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

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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
 - b. Formal – over \$50,000
2. Competitive bidding 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

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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

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EXAMPLES OF UTILITIES EXCEPTION

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

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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

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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

ANNUALLY RECURRING EXPENDITURES

1. Expenses that are \$50,000 or more per year
2. Membership dues paid to the same organizations each fiscal year
3. Purchases for goods or services that have a **cumulative multiyear** cost of \$50,000 or more

RECOMMENDATIONS

That the Board of Public Utilities:

1. Approve the expenditure for 15 FY 2021-22 Annual Purchase Orders for Electric and Water operations, with an estimated amount of \$2,841,105;
2. Approve the expenditure for 16 FY 2021-22 Annual Purchase Orders for Central Stores for orders benefiting Electric and Water operations, with an estimated amount of \$10,718,982;
3. Approve the expenditure for 30 FY 2021-22 Existing Contract Purchase Orders for Fiscal Year 2021-22 with an estimated total amount of \$8,736,237;



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RECOMMENDATIONS (CONT.)

4. Approve the expenditure for four Fiscal Year 2021-22 Annually Recurring Expenditures for expenses equal to or greater than \$50,000 per year with an estimated total amount of \$3,332,409; and
5. Approve the expenditure for 38 Fiscal Year 2021-22 Purchase Orders with cumulative multiple year costs equal to or greater than \$50,000 with an estimated total amount of \$990,000.



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