



TO: Mayor and Councilmembers

SUBMITTED BY: Matthew R. Fore, General Services Director

PREPARED BY: Christi Velasquez, Senior Management Analyst
Winnie Cai, Assistant City Attorney

SUBJECT: Amendments to Title 3, Chapter 3.05 of the Goleta Municipal Code Relating to the Purchasing System

RECOMMENDATION:

Introduce and conduct the first reading (by title only and waive further reading) of City Council Ordinance No. 24-__ entitled “An Ordinance of the City Council of the City of Goleta, California, Amending Title 3 Chapter 3.05 of the Goleta Municipal Code Relating to the City of Goleta Purchasing System.”

BACKGROUND:

Chapter 3.05 of the Goleta Municipal Code establishes a municipal purchasing system, which prescribes the methods and procedures for the purchase of supplies, equipment, general and professional services, and contracting procedures for public works projects. Certain purchases occur within the purchasing authority of the department director or the City Manager. All other purchases must be approved by Council, including:

1. Supplies and equipment contracts over \$45,000
2. General services contracts over \$45,000
3. Public works contracts over \$60,000
4. Professional services contracts over \$45,000
5. Amendments to contracts over \$45,000 and contracts \$45,000 and under that were previously approved by Council.

Chapter 3.05 also provides for competitive bidding requirements that apply to the procurement of services for “public works contracts,” which are defined as “an agreement for the erection, construction, alteration, repair, or improvement of any public structure, building, road, or other public improvement of any kind.” (Public Contract Code, Section 1101.) The Purchasing System follows the Uniform Construction Cost Accounting Procedures as established by the Uniform Construction Cost Accounting Commission (“Commission”). (GMC Section 3.05.160.) In 2024, the Commission increased the specific

contract amounts subject to specific bidding procedures to keep pace with rising costs and increase flexibility for public agencies. The proposed ordinance amendment conforms the contract amounts in the GMC to the new amounts set by the Commission.

DISCUSSION:

Staff proposes certain amendments to the purchasing ordinance in Chapter 3.05 of the Goleta Municipal Code (Municipal Code) in order to clean up language and discrepancies for consistency and transparency, streamline the purchasing process, and modernize bid procedures, including:

1. Revise definitions for maintenance work and public project to conform with those set forth by the Commission.
2. Increase the City Manager's authority for public projects from \$60,000 to \$75,000 to conform with the limit as authorized by the Commission.
3. Update list of Purchasing Bid Exceptions to: 1) consolidate and detail purchases that are exempt from the bid process; 2) relocate this section to Article I under Methods of Purchasing; and, 3) rename section Methods of Purchasing and Exceptions.
4. Move the option for Local Preference from within the procedure to the top of the section for Supplies, General Services and Equipment.
5. Update language for Cooperative Purchasing to apply to any existing cooperative contract that was obtained through a competitive bidding process.
6. Conform the contract amounts of public projects with those established by the Commission.
7. Add a procedure for professional services in the case that no proposals are received when utilizing the Request for Proposals process; and
8. General cleanup of inconsistencies throughout the chapter, such as updating "less than/more than/up to" and "under/over" to ensure thresholds and guidelines are clear and consistent.

A redline of Chapter 3.05 is attached to this Council Agenda Report as Attachment 1 and the full proposed ordinance (clean version) is attached as Attachment 2.

The following details the cleanup changes to Chapter 3.05 listed above:

Article I Administration

Staff cleaned up language and standard definitions in Section 3.05.020, including definitions for "maintenance work" and "public project" to align with those definitions set forth by the Commission in the Uniform Construction Cost Accounting Procedures.

Under Section 3.05.160, the City Manager has the authority to award and execute any contract for a public project less than \$60,000. This authority has been added to Section

3.05.070 titled City Manager Authorization for consistency, and the amount updated to \$75,000 to conform with the new contract amounts per the Commission's latest recommendations.

The competitive bid process is not applicable to certain purchases. Staff recommends moving the list of Purchasing Bid Exceptions to Article I under Methods of Purchasing for greater transparency and uniformity of application. In addition, Staff recommends updating the list to consolidate items and add more details for certain purchases that are exempt from the bid process.

Article II Supplies, General Services and Equipment

Purchases of supplies, general services and equipment are awarded to the lowest responsive and responsible bidder. This section contains a Local Preference option that is available when the local bidder's bid falls within five percent of the lowest bid by a non-local bidder. Staff recommends eliminating the redundancy of this option throughout the different bidding procedures and relocating the Local Preference to the top of the section to increase transparency and to highlight the City's support of local vendors located within the City of Goleta.

Under Cooperative Purchasing with Other Agencies (GMC Section 3.05.100), Staff recommends revising language to allow the use of any current cooperative agreement that is in force. The current language restricts cooperative contracts only to those awarded within the past 12 months. Most national cooperative contracts extend at least five years with annual price escalation included. Using a competitively awarded cooperative contract provides the opportunity for greater efficiency and economies of scale in acquiring goods and services and reduces Staff time and resources.

Article III Public Work Projects Purchasing Procedure

The current Purchasing System provides:

- a. A public work project less than \$60,000 may be performed by City employees by force account, by negotiated contract, or by purchase order.
- b. A public work project of \$60,000 but less than \$200,000 may be let to contract by informal bid procedures.
- c. A public work project of \$200,000 and over shall be let to contract by formal bidding procedures. (GMC Section 3.05.170.)

On September 30, 2024, the Commission increased the bid limits to the following:

- a. A public project performed by City employees increased from \$60,000 to \$75,000.
- b. The informal bid procedure for a public project of \$200,000 or less increased to \$220,000.
- c. The formal bid procedure for a public project of more than \$200,000 increased to \$220,000.

Since the Municipal Code Section 3.05.160 provides that the City is subject to Uniform Construction Cost Accounting Procedures, the proposed ordinance applies the new

thresholds to Section 3.05.170 of the Municipal Code. This Section further provides that project cost limits are increased automatically as authorized by the Commission. In short, the proposed amendment is recommended simply to conform the Municipal Code with the Commission's thresholds.

Language throughout this section was updated to modernize the purchasing process. For example, notices inviting bids are no longer mailed; rather, notices and bid submittals are sent electronically. In addition, updated definitions for "maintenance work" and "public project" in conformance with the Commission were included under Article I.

Article IV Professional Services

Professional Services contracts are awarded to firms or persons who have demonstrated adequate competence, such as adequate level of experience, resources, staffing and other professional qualifications, and may not be solely based on the lowest cost.

An alternative process is needed for professional services up to \$10,000 when there are no qualified consultants/firms on file with the City for the services being sought. In this event, the requesting department should contact a minimum of three consultants/firms for proposals as a best practice. This language has been added to ensure due diligence and competition.

Currently the Professional Services procedure is missing a process if no proposals are received during a Request for Proposal/Qualification. Staff recommends following the convention set forth in Article II Supplies, General Services and Equipment whereby the department director can either abandon or rebid the solicitation, or request City Council authorization to directly negotiate a contract with the vendor.

The Urgencies provision is duplicative throughout this section. Since Citywide procurement procedures during emergencies are already enumerated in Chapter 2.10 (Emergency Organization), Staff recommends removing the Urgencies provision and language under Professional Services.

FISCAL IMPACTS:

There are no fiscal impacts associated with this agenda item.

ALTERNATIVES:

City Council could elect not to adopt the proposed ordinance amending the purchasing system. In that event, Staff would continue to operate under the current purchasing regulations as outlined in Title 3 Chapter 3.05 of the Municipal Code.

LEGAL REVIEW BY: Isaac Rosen, Acting City Attorney

APPROVED BY: Robert Nisbet, City Manager

ATTACHMENTS:

1. Proposed Text of Title 3 Chapter 3.05 of the Goleta Municipal Code (Redline Version)
2. Proposed Text of Title 3 Chapter 3.05 of the Goleta Municipal Code (Clean Version)
3. Ordinance No. 24-__ entitled “An Ordinance of the City Council of the City of Goleta, California, Amending Title 3 Chapter 3.05 of the Goleta Municipal Code Relating to the City of Goleta Purchasing System.”
4. PowerPoint Presentation

ATTACHMENT 1

Proposed Text of Title 3 Chapter 3.05 of the Goleta Municipal Code (Redline Version)

**CHAPTER 3.05
PURCHASING SYSTEM**

**Article I
Administration**

§ 3.05.010. Purpose.

The purpose of this chapter is to establish an efficient procedure for the purchase of supplies, services, and equipment, and to establish a procedure for performing or contracting for the construction of public works consistent with state law, which procedures shall not be overly time consuming and cumbersome, while allowing the City to obtain the best professional services, and acquire quality supplies, general services, equipment in an overall economic manner, and also to construct public works at the lowest reasonable cost.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.020. Definitions.

“Agreement” shall mean a contract.

“Bidder’s list” shall mean a list of responsible prospective vendors capable of providing the items being bid upon.

“Contract” shall mean an agreement between the City and another party for the acquisition of goods, supplies or services. Contract may include a purchase order, public works contract, professional services agreement or general services agreement.

“Equipment” shall mean goods, supplies, furnishings, machinery, vehicles, rolling stock, and other personal property used in the City’s business.

“General services” are services such as janitorial, uniform cleaning, maintenance and other services which do not require any unique skill, special background, training, and obtaining such services at the lowest cost is the single most important factor in selection, as opposed to personal performance.

“Maintenance work” shall mean:

1. Routine, recurring, and usual work for the ~~cleaning~~ preservation, or protection of any publicly owned or publicly operated facility for its intended purposes.
2. Minor repainting.
3. Resurfacing of streets and highways at less than one inch.
4. Landscape maintenance, including mowing, watering, trimming, pruning, planting, replacement of plants, and servicing of irrigation and sprinkler systems.
5. Work performed to keep, operate, and maintain publicly owned water, power, or waste disposal systems including, but not limited to, dams, reservoirs, power plants, and electrical transmission lines of 230,000 volts and higher.

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“Professional” or “special services” shall mean any work performed by an attorney, doctor, architect, engineer, land surveyor, construction manager, appraiser, expert, accounting firm, consultant or those services which require special performance criteria, specific experience, training, personal judgment, quality of work or factors other than simply obtaining the service at the lowest cost to the City. Professional and special services are not subject to the informal, formal or competitive bidding requirements of this chapter and may be procured through negotiated contract or requests for proposal process, except that all architectural, landscape architectural, environmental, engineering, land surveying, and construction project management services pursuant to a fair, competitive selection process which prohibits governmental agency employees from participating in the selection process when they have a financial or business relationship with any private entity seeking the contract, and the procedure shall require compliance with all laws regarding political contributions, conflicts of interest or unlawful activities.

“Public project” shall have the same meaning as defined in Section 22002 of the Public Contract Code, and may include:

1. Construction, reconstruction, erection, alteration, renovation, improvement, demolition and repair work involving any publicly owned, leased or operated facility.
2. Painting or repainting of any publicly owned, leased or operated facility.
3. In the case of a publicly owned utility system, “public project” shall include only the construction, erection, improvement, or repair of dams, reservoirs, powerplants and electrical transmission lines of 230,000 volts and higher.
4. A “public project” does not include maintenance work as defined in this chapter.

~~“Public work” shall mean a type of public construction project subject to the regulation of the State Public Contract Code, such as:~~

- ~~1. The erection, construction of, alteration, major painting, repair, or demolition of public buildings, streets, walkways, water and sewer facilities, drainage facilities, or other public facilities, whether owned, leased, or operated by the City.~~
- ~~2. Furnishing supplies or materials for any of the above works or projects.~~
- ~~3. A public work does not include maintenance work as defined in this chapter.~~

“Purchase” shall include the renting, leasing, purchasing, licensing, or a trade of equipment or supplies.

“Purchasing Officer,” for the purposes of this chapter, shall be the City Manager or his or her designated representative.

“Purchase order” shall mean a document issued by the City to a vendor, indicating types, quantities, and agreed prices for products or services the vendor will provide to the City.

“Open-Blanket purchase order”s shall mean a purchase orders that are is issued to one vendor for multiple purchases up to one a pre-established dollar limit within the same fiscal year.

“Special equipment/supplies” shall mean unique equipment, supplies, machinery, or computers; ~~or other equipment~~ which are not generally and regularly ordered in bulk by the City and which must perform complex tasks or integrate efficiently with existing equipment or supplies.

“Supplies” shall mean office supplies, janitorial supplies, materials, goods, tools, or other

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commodities used in the general conduct of the City’s business, excepting supplies or materials for a public work which is regulated under the California Public Contract Code Sections 20160, et seq.

“Uniform Construction Cost Accounting Procedures” shall mean those procedures and rules established by the State Uniform Construction Cost Accounting Commission pursuant to Section 22010, et seq., of the California Public Contract Code.

“Vendor” shall mean a party contracting with the City of Goleta.
(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.030. Purchasing Officer—Powers and Duties.

The duties of the Purchasing Officer may be combined with those duties of any other officer or position in the City. The Purchasing Officer shall be the City Manager, or such other City employee designated by the City Manager to be the Purchasing Officer. The Purchasing Officer shall have the authority to:

- A. Ensure that the purchasing or contracting for needed City supplies, general services, equipment, and special equipment/supplies, which are not included within a construction contract or proposed specifications for a construction contract of a public work, is conducted in conformance with the terms and procedures prescribed in this chapter;
- B. Keep informed of current developments concerning purchasing, prices, market conditions, and new products;
- C. Prescribe and maintain such forms as necessary for the proper operation of this purchasing system;
- D. Ensure the inspection of all supplies, general services, and equipment purchased under this chapter;
- E. Supervise the transfer of surplus and unused supplies and equipment or disposal of such;
- F. Ensure that purchasing specifications are open and nonrestrictive to encourage full competition; and
- G. Perform such other tasks as may be necessary for the proper conduct of purchasing of supplies, general services, and equipment.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.040. Methods of Purchasing and Exceptions.

The Purchasing Officer shall prescribe rules and procedures for the use of these purchasing methods. All purchases must be made in accordance with the provisions of this chapter. Subject to the provisions of this chapter, except for petty cash purchases of goods, equipment or general services for an amount less than \$150.00, purchases shall be made through one of the following methods: written contract, purchase order, or City credit card transaction. The Purchasing Officer shall prescribe rules and procedures for the use of these purchasing methods. ~~The Purchasing Officer shall prescribe rules and procedures for the use of these purchasing methods.~~

The competitive bid process is not applicable to certain purchases. The following exceptions are exempt from bid processes of this chapter:

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1. Department purchases, as defined in Section 3.05.080(A);
 2. Travel expenses/~~expense advances~~;
 3. Reimbursement of expenses and petty cash;
 4. Subscriptions and memberships;
 5. Software licenses and hardware and software technical support and maintenance;
 6. Trade circulars, ~~or~~ books, e-books, periodicals, films, and recordings;
 7. Insurance and medical premiums, payments, and claims;
 8. Newspaper advertisements and notices and advertisement services (print, television, radio, internet, etc.);
 9. Dues to approved organizations, conferences, trainings, seminars and meetings;
 10. General services or equipment/special equipment/supplies from and payments to other government agencies and utilities;
 11. Courier/delivery ~~messenger~~ services and postage;
 12. Land, buildings, real property/real estate purchases, and rental or leasing of facilities;
 13. Debt services including interest and principal payments;
 14. ~~Grants~~ Special conditions for a grant, donation, gift or other legal document that require the use of particular goods and/or general services;
 15. Claims settlement by City or insurer.
 - ~~16. Insurance claims;~~
 - ~~17. Reimbursement of expenses;~~
 - ~~18. Petty cash reimbursement;~~
 - ~~19. Medical payments;~~
 - ~~20. Utility payments;~~
 21. Buildings;
- (Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.050. Written Contracts.

All written contracts for purchases in excess of \$10,000.00 shall be on a form approved by the City Attorney.
(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.060. Encumbrance of Funds.

Except in cases of urgency as described in Section 3.05.120, neither the Purchasing Officer nor any employee shall issue any purchase order, authorize the execution of any contract, or enter any contract for purchasing ~~of~~ supplies, services, ~~or~~ equipment and special equipment/supplies, unless

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sufficient funds to pay for the purchase have been appropriated by the City Council and remain uncommitted for any other purchase.
(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.070. City Manager Authorization.

In addition to the contracts authorized in Goleta Municipal Code Chapter 2.10, the ~~The~~ City Manager, and his or her designee, is authorized to enter into the following types of contracts:

- A. Contracts involving the allocation of County, State or Federal funds pursuant to a program previously approved by the City Council where the form of contract is standard and used in substantially the same form by all applicants and has been approved by the City Attorney.
- B. Contracts that involve the receipt of grant funds from another government entity and ~~does~~do not require the expenditure of City funds.
- C. Contracts for services, supplies, ~~and equipment,~~ and special equipment/supplies other than a Public Project for a sum ~~not to exceed~~an amount up to \$45,000.00 for which the procurement processes outlined in this chapter ~~has~~have been followed unless otherwise specified, funds have been budgeted in the current year budget and where the form of the contract has been approved by the City Attorney.
- D. Contracts for a Public Project for an amount up to \$75,000.00 for which the procurement processes outlined in this chapter have been followed unless otherwise specified, funds have been budgeted in the current year budget and where the form of the contract has been approved by the City Attorney.
- E. Contracts or amendments to contracts which the City Council has expressly authorized the City Manager to execute; and
- F. Amendments to contracts previously approved by the City Council that ~~does~~do not involve the expenditure of City funds s or modify the amount of the contract in strict compliance with a specific line item in the approved City budget. This may include, but is not limited to, term extensions, change in subcontractors/consultants, and change in scope of services.
- G. Contracts required of a project application as a condition of approval of a permit, license, or other grant of approval not involving expenditure of City funds and for which the project applicant has deposited cash with the City in the maximum value of the contract. Examples of such contracts may be for:
 - 1. The preparation of California Environmental Quality Act (CEQA) studies or reports; or
 - 2. Economic analysis of a project; or
 - 3. Peer review of a project economic analysis (pro forma); or
 - 4. Peer review of an environmental study or report; or
 - 5. Monitoring of compliance with environmental impact mitigation measures; or
 - 6. Monitoring of compliance with conditions of approval.

(Ord. 20-06 § 1)

Article II
Supplies, General Services and Equipment

§ 3.05.080. Purchasing Procedure for Supplies, General Services, Equipment and Special Equipment/Supplies.

Quality and service being equal, a local preference of up to five percent may be given to local vendors located within the City of Goleta at the discretion of the Purchasing Officer.

Except as authorized in Section 3.05.150, or in the case of urgencies as described in Section 3.05.120, the purchase of supplies, general services, equipment and special equipment/supplies, not included in the construction contract or bid specification for a ~~public work~~ **Public Project**, shall be made as follows:

- A. Departmental Purchases. A department may purchase supplies, equipment, special equipment/supplies and general services independently of the Purchasing Officer of a value ~~less than~~ **up to** \$10,000.00, provided such department keeps a record of such purchases and exercises reasonable prudence in seeking price quotes and purchasing such items.
 - 1. For purchases up to ~~\$2,499.99~~ **\$2,500.00**, the approval of the Department Director or designee is required. No bids are required.
 - 2. All purchases over \$2,500.00 require a purchase order or written contract. Purchases ~~between~~ **over** \$2,500.00 and **up to** \$10,000.00 require approval by the Department Director and the Purchasing Officer or their designee. Three informal quotes are required for all purchases over \$2,500.00 ~~but less than~~ **and up to** \$10,000.00.
- B. City Manager Purchases. Purchases for supplies, equipment or general services for an amount over \$10,000.00 ~~but less than~~ **and up to** \$45,000.00, must be approved by the City Manager. Three informal written bids must be obtained based on written specifications.

~~Quality and service being equal, a local preference of up to five percent may be given to local vendors located within the City of Goleta at the discretion of the Purchasing Officer. After placing the order, a written record of the contract, bids, quotes or advertisements used or received shall be open public records and maintained by the Purchasing Officer or the Department for a period of two years.~~

The Purchasing Officer, or designee, shall award the purchase contract to the lowest responsive and responsible bidder, vendor or offerer whose quote, bid, or proposal fulfills the purpose intended, or reject such bids or proposals, or negotiate further for more acceptable terms to the City.

- C. Informal Bid Procedures. Purchases for supplies, general services or equipment with an estimated value ~~of~~ **over** \$45,000.00, but less than \$125,000.00, shall be made on an informal written bidding procedure as follows:
 - 1. Ten-Day Notice. Notices inviting informal bids shall be posted at least 10 calendar days before the due date of submission of bids to all firms or suppliers on the bidder's list for the category of equipment, supplies, or general services being bid, and to such other vendors as the Purchasing Officer deems appropriate. Such notice shall be posted on a public bulletin board at City Hall and on the City of Goleta website.
 - 2. Notice Contents. Except as authorized by Section 3.05.200, the notice shall at least

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- describe the supply, general service, or equipment needed in general and generic terms, any required bidder's security or performance bonds, how special bid specifications can be obtained, required ~~written~~-sealed bids, state the closing date, place, and time for submission of informal bids.
3. Bid and Performance Bonds. The City may require bidder's security equal to 10% of the bid amount and/or a performance bond in such amount as it shall find reasonably necessary to protect the public interest. If the City requires either or both of such security and bond, the form and amount of the security and bond shall be described in the notice inviting bid.
 4. Bidder's Security/Failure to Sign Contract. If the City requires a bidder's bond or other form of security, the bidder's security shall be prescribed in the notice inviting bids in an amount equal to 10% of the amount bid. Bidder's security shall be either a cash deposit with the City, a cashier's or certified check, payable to the City, or a bidder's bond. Unsuccessful bidders shall be entitled to the return of bid security within 60 days of the date of the award. However, the lowest responsive and responsible bidder shall forfeit all or part of his or her bid security, as may be determined by the City Council, upon the bidder's failure or refusal to comply with the purchase order, or to execute a written contract within 10 days after the date of the award of the contract. On the refusal or failure of the lowest responsive and responsible bidder to execute the contract, the Council may award the contract to the next lowest responsible bidder.
 5. Bid Opening Procedure. Sealed bids shall be submitted ~~to the City Clerk and shall be identified as to bidder, project, and "Bid" on the envelope~~ as described in the notice inviting bids. Bids shall be opened ~~by the City Clerk or his or her designee~~, at the time and place stated in the notice inviting bids. A ~~written~~ record and tabulation shall be made at that time of all bids received and then opened.
 6. Bid Evaluation Procedure. All bids shall be analyzed by the Department for compliance with bid specifications, and the Department shall prepare an analysis of the bid process for submittal to the City Council. ~~Quality and service being equal, a local preference of up to five percent may be given to local vendors located within the City of Goleta at the discretion of the Purchasing Officer or designee.~~ The Department shall then prepare a recommendation to Council for award or rejection of bid.
 7. No Bids Received. In the event no bids are received, the Department Director requesting the purchase shall have the option of any of the following:
 - a. Abandoning the purchase;
 - b. Rebidding the purchase on an informal basis; or
 - c. The Department Director may request the City Council to allow the obtaining of the item, supply, service or equipment on a direct negotiated contract basis.
 8. Rebidding. If the Purchasing Officer determines bids are unacceptably high, or specifications were misleading, the Purchasing Officer may reject any bids presented and the item may be rebid.

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9. Award. The City Council shall reject all bids or award the purchase contract to the lowest responsive and responsible bidder whose bid or proposal fulfills the purpose intended according to criteria designated in the solicitation and the contract award amount is within the unencumbered appropriation for that item. The Council may waive any minor bid irregularities. If all bids received are \$125,000.00 or over, the City Council may, by a four-fifths vote, award the bid to the lowest responsible bidder whose bid is no greater than \$137,500.00 if it determines the cost estimate of the public agency was reasonable. If bids are rejected, Council may seek a new bid or instruct that the purchase be made on a direct negotiated contract basis.
- D. Formal Bid Procedures. For supplies, general services, or equipment with an estimated value ~~in excess of~~ \$125,000.00 and over, purchases shall be made in accordance with the following formal written bid procedures:
1. Published Notices. A notice inviting bids shall be published at least 14 calendar days before the date of the opening of bids. The notice shall be published at least once in a newspaper of general circulation printed and published in the City, and also in appropriate trade publications, if any, circulated within the general area. Such other notice as the Purchasing Officer deems appropriate may be made, such as posting on a public bulletin board at City Hall and on the City of Goleta website.
 - a. Notices Inviting Bids. Notices inviting bids shall include a general description of the goods, articles, services or equipment to be purchased, state where bid blanks and specifications may be secured and the time and place for the opening of bids;
 - b. Bidder's List. The departments shall maintain lists of responsible bidders for various categories of supplies or equipment. A solicitation for a bid shall be sent to all responsible prospective contractors or suppliers whose names are on the bidder's list for the category of equipment, supplies or general services subject to the bid request; ~~and~~
 2. Bidder's Security/Failure to Sign Contract. If the City requires a bidder's bond or other form of security, the bidder's security shall be prescribed in the notice inviting bids in an amount equal to 10% of the amount bid. Bidder's security shall be either a cash deposit with the City, a cashier's or certified check, payable to the City, or a bidder's bond. Unsuccessful bidders shall be entitled to the return of bid security within 60 days of the date of the award. However, the lowest responsive and responsible bidder shall forfeit all or part of his or her bid security, as may be determined by the City Council, upon the bidder's refusal or failure to execute the contract within 10 days after the date of the award of the contract. On the refusal or failure of the lowest responsive and responsible bidder to execute the contract, the Council may award the contract to the next lowest responsible bidder.
 3. Bid Opening Procedure. Sealed bids shall be submitted ~~to the City Clerk and shall be identified as to bidder, project, and "Bid" on the envelope~~ **as described in the notice inviting bids**. Bids shall be opened by City staff ~~in public~~ at the time and place stated in the notice inviting bids. A ~~written~~ record and tabulation shall be made at the time of all bids received and shall be open for public inspection during regular business hours for a period of two years after the bid opening.

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4. Bid Evaluation Procedures. Quality and service being equal, a local preference of up to five percent may be given to local vendors located within the City of Goleta at the discretion of the Purchasing Officer or designee. All bids shall be analyzed by the Department for compliance with bid specifications. The Department shall prepare a recommendation for award or rejection to the City Council.
5. Rejection of Bids. If the City Council determines that bids are excessively high or that specifications were unclear, or if no bids are received, the Council may reject all bids presented and use whatever method it deems appropriate, such as rebid, abandon acquisition, or negotiate a contract.
6. Award of Contracts. Contracts shall be awarded by the Council to the lowest responsive and responsible bidder whose bid fulfills the purpose intended according to criteria designated in the solicitation, and, provided the award amount is within the unencumbered appropriation for that item. The Council may waive any minor bid irregularities.
7. Tie Bids. If two or more bids received are for the same total amount or unit price, quality and service being equal, and if the public interest will not permit the delay of re-advertising for bids, the Council may accept either bid or accept the lowest bid made by negotiation with the tied bidders.
8. Performance Bonds. The City may require a performance bond in such amount as it shall find reasonably necessary to protect the public interest. If the City requires a performance bond, the form and amount of the bond shall be described in the notice inviting bids.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.090. Purchasing Procedure for Special Equipment/Supplies—Use of Brand Names or Requests for Proposals—Sole Source Purchases—Bid Exceptions.

- A. Special Equipment/Supplies. In purchasing any special equipment or supplies needed to be compatible with existing equipment, or to perform complex or unique functions, the Purchasing Officer or Department Head may:
 1. Limit bidding to a specific product type, or a brand name product; or
 2. Utilize a request for proposal approach where warranties, servicing obligations, and product performance will be evaluated in addition to the price of the product, and the award of the contract is made by the Council to the proposer it deems is in the best public interest.
- B. Sole Source Purchases. Commodities or services that can be obtained from only one vendor or one distributor authorized to sell in the Santa Barbara County area, are exempt from the competitive bidding requirements in Section 3.05.080 and are deemed sole source purchases. Sole source purchases may include proprietary items sold direct from the manufacturer.

All sole source purchases shall be supported by written documentation indicating the facts and nature supporting the determination of a sole source, signed by the appropriate Department Head and forwarded to the Purchasing Officer. The Purchasing Officer shall

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make the final determination to award sole source purchases based on the documentation submitted.

~~C. Bid Exceptions. The competitive bid process is not applicable to certain purchases. The following are exempt from bid processes of this chapter:~~

- ~~1. Department purchases, as defined in Section 3.05.080(A);~~
- ~~2. Travel/expense advances;~~
- ~~3. Subscriptions;~~
- ~~4. Trade circulars or books;~~
- ~~5. Insurance premium;~~
- ~~6. Insurance claims;~~
- ~~7. Reimbursement of expenses;~~
- ~~8. Petty cash reimbursement;~~
- ~~9. Medical payments;~~
- ~~10. Newspaper advertisements and notices;~~
- ~~11. Dues to approved organizations;~~
- ~~12. General services or equipment/special equipment/supplies from other government agencies;~~
- ~~13. Utility payments;~~
- ~~14. Courier/delivery messenger services;~~
- ~~15. Land;~~
- ~~16. Buildings;~~
- ~~17. Debt services;~~
- ~~18. Grants;~~
- ~~19. Claims settlement.~~

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.100. Cooperative Purchasing with Other Agencies.

A. The bidding requirements of Section 3.05.080 shall not apply to the purchasing of any ~~equipment or supplies~~ **supplies, general services, or equipment and special equipment/supplies** which the Purchasing Officer decides to obtain through a cooperative competitive bidding procedure, being prepared by and processed through another local, State, or Federal governmental agency. If the Purchasing Officer determines it to be in the best interest of the City, the Purchasing Officer is authorized to “piggy-back” onto or join into an existing written purchase contract, which contract was obtained ~~within the last 12 months~~ through a competitive bidding process prepared by and awarded by another local, State or Federal government agency. Approval of a “piggy-back” or cooperative purchase shall be obtained

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from City Council for an award of a purchase of ~~over~~ over \$45,000.00 ~~or over~~.

- B. Multiple Awarded Bids. Multiple awarded bids are generally conducted by larger government agencies. A competitive bidding process is conducted for a specified product. Several vendors whose product meets the specification are awarded the contract. Maximum item price and contract terms are established. If the Purchasing Officer determines it to be in the City's best interest, the Purchasing Officer is authorized to use Federal, State or other government agency multiple awarded contracts. Staff must obtain quotes from at least three vendors on the list and award the bid to the lowest responsive and responsible bidder. Approval shall be obtained from City Council of purchases of over \$45,000.00 ~~and over~~.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.110. Recycled, Energy Efficient or Environmentally Friendly Supply Products Specification.

If in procuring supplies a recycled, energy efficient or environmentally friendly product can achieve the necessary City performance standard, and if such recycled product is readily available, specifications should, if economically feasible, require products made with recycled, energy efficient or environmentally friendly materials be bid. If the Department Director determines that: (1) a recycled, energy efficient or environmentally friendly product lacks performance capabilities or needed quality levels; or (2) a sufficient amount of said product is not currently available in the market, then a reduced percentage can be required, or the supply specification can be limited to non-recycled, non-energy efficient or non-environmentally friendly materials.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.120. Urgencies.

The bidding procedures of Section 3.05.080 may be dispensed with in the case of urgency. Urgency shall exist when the service, repair, or replacements are immediately necessary to permit the continued performance of the operations or services of the City, or to avoid the immediate danger to life, health, or property. The City Council delegates the City Manager to ~~declare~~ determine when a public urgency exists and any purchases in excess of \$45,000 are subject to confirmation by the City Council at its next meeting ~~for any purchase in excess of \$45,000.00~~.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.130. Inspection and Tests.

The Purchasing Officer or department requesting the item shall inspect all deliveries of supplies and equipment to assure conformance with the contract or order specifications. The Purchasing Officer, at his or her discretion, may require such chemical and physical tests of samples of supplies and equipment as he or she deems necessary to determine the quality in conformance with those specifications.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.140. Staging of Purchases Prohibited.

~~Purchases and public works contracts~~ shall not be knowingly staged or separated into smaller units or segments for the purpose of evading the competitive formal or informal bidding requirements of this chapter.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.150. Alternative Purchasing Procedure for General Services.

- A. General services shall be procured either through the bid process outlined in Section 3.05.080 with the emphasis on awarding to the “lowest responsible responsive bidder” or through the Request for Proposal process outlined in Section 3.05.260 with emphasis on factors other than price.
- B. Factors to Consider. If it is determined that all vendors providing a service classification can equally provide the service satisfactorily, then a bid process would be appropriate. However, if other factors other than price need to be considered in awarding the contract, the request for proposal process would be appropriate. Examples of areas other than price that may be important in awarding the contract include: experience level, competence, resources/equipment, staffing levels, and services available/time factors. Other qualifications and procedures for selecting such services may be determined by each City department responsible for recommending the service contract.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

Article III
Public Work Projects ~~Purchasing Procedure~~

§ 3.05.160. Uniform Construction Cost Accounting Procedures.

The City Council has elected to become subject to the Uniform Construction Cost Accounting Procedures as established by the California Uniform Construction Cost Accounting Commission. (Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.170. Bidding Procedures for Various Project Amounts.

- A. A ~~public work project~~ **Public Project** of ~~less than \$60,000.00~~ with an estimated value of \$75,000.00 or less may be performed by City employees by force account, by negotiated contract, or by purchase order.
- B. A ~~public work project of~~ **Public Project with** an estimated value of ~~\$60,000.00 but less than \$200,000.00~~ \$220,000.00 or less may be let to contract by informal bid procedures as set forth in this chapter.
- C. A ~~public work project~~ **Public Project** of more than \$220,000.00 ~~\$200,000.00 and over~~ shall, except as otherwise provided in this chapter, be let to contract by formal bidding procedure as set forth in this chapter.

The described project costs limits of subsections A through C in this section shall be increased automatically without City Council action to amend this section ~~as authorized~~ pursuant to the adjustments made by the California Uniform Construction Cost Accounting Commission under Section 22020 of the Public Contract Code.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.180. Adoption of Plans.

At the earliest point practicable but prior to award ~~in every instance~~ of projects pursuant to § 3.05.170 (B) and § 3.05.170 (C), the City Council shall approve and adopt the plans, specifications and working details.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.190. Negotiated Contract or Purchase Order Procedures.

- A. For those projects qualifying under subsection A of Section 3.05.170, the Project Manager shall obtain a cost estimate from the Project Engineer or Architect prior to issuing a purchase order or negotiating a contract with a responsible contractor. For any City force account work, the Project Manager shall first comply with the guidelines established by the California Uniform Construction Cost Accounting Commission in determining the cost of the public work.
- B. The City Manager shall have the authority to award and to execute any contract for the public work qualifying under subsection A of Section 3.05.170.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.200. Informal Bidding Procedures.

For those projects which qualify under subsection B of Section 3.05.170 for informal bidding, the following procedures shall be used:

- A. Bidder List. The City shall maintain a list of qualified contractors, identified according to categories of work. Minimum criteria for development and maintenance of the contractors list shall be consistent with the State Uniform Construction Cost Accounting rules.
- B. Notice. Unless the product or service is proprietary, all contractors on the City's list for the category of work being bid shall be ~~mailed~~ sent a notice inviting informal bids, or ~~an announcement/advertisement shall be placed in~~ a notice inviting informal bids shall be sent to all construction trade journals specified in this section, or both such ~~mailing and advertising notices~~. The trade journals shall be those identified by the California Uniform Construction Cost Accounting Commission as appropriate for this area.
- C. Bidder's Security/Failure to Sign Contract. Bidder's security shall be prescribed in the notice inviting bids in an amount equal to 10% of the amount bid. Bidder's security shall be either a cash deposit with the City, a cashier's or certified check, payable to the City, or a bidder's bond. Unsuccessful bidders shall be entitled to the return of bid security within 60 days of the date of the award. However, the lowest responsive and responsible bidder shall forfeit all or part of his or her bid security, as may be determined by the City Council, upon the bidder's refusal or failure to execute the contract within 10 days after the date of the award of the contract. On the refusal or failure of the lowest responsive and responsible bidder to execute the contract, the Council may award the contract to the next lowest responsible bidder.
- D. Minimum Time Period. All ~~mailing of~~ notices to contractors and ~~announcement/advertisements published in~~ the construction trade journals pursuant to subsection B of this section shall be completed not less than 10 calendar days before bids are due.
- E. Notice Contents. The notice inviting informal bids shall describe the project in general terms, how to obtain more detailed information about the project, and state the time and place for the submission of bids.
- F. Performance/Labor/Materials Bonds. A labor and materials bond, plus a performance bond shall be required, from a surety company acceptable to City, in amounts equivalent to the total contract amount.
- G. Bid Opening Procedure. Sealed bids shall be submitted ~~to the City Clerk and shall be identified as to bidder, project, and "Bid" on the envelope~~ as described in the notice inviting bids. Bids shall be opened ~~by the City Clerk, or his or her designee in public~~ at the time and place stated in the notice inviting bids. A ~~written~~ record and tabulation shall be made at that time of all bids received and shall be open for public inspection during regular business hours for a period of one year after the bid opening. The Project Manager shall make an analysis of the bids for compliance with bid specifications and, thereafter, make a recommendation for award or rejection. Such recommendation shall be made available for all bidders.
- H. Public Access. The submitted bid packages shall be considered public records available for inspection at the time a recommendation for award or rejection is made. Disclosure of the information prior to a recommendation for award or rejection may prejudice the public interest if it is necessary to rebid the project.
- I. Protest. Any party may lodge a protest to the award of a contract. Such a party shall have the

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opportunity to present information in support of their position to the awarding authority prior to the award of the contract. If any party fails to appear and present information prior to the award of the contract, they shall be deemed to have waived their right to protest the award of the contract.

J. Award. The City Council shall award the contract or reject the bids, or it may delegate this authority to the City Manager or other appropriate person. The Council may waive minor bid irregularities.

K. Bids in Excess of Statutory Amount. If all bids received are ~~\$200,000.00 or over~~ over \$220,000.00, the City Council may by passage of a resolution by a four-fifths vote, award the contract up to ~~\$\$220,000.00~~ \$233,750.00 to the lowest responsible bidder if it determines the cost estimate of the City was reasonable.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.210. Formal Bidding Procedures.

For those projects requiring formal bidding under Section 3.05.170(C), the following procedures shall be used:

A. Authorization. The City Council shall authorize all requests for formal bids prior to publication of a notice inviting bids.

B. Publication. A notice shall be published at least once 14 calendar days before the date of opening the bids in a newspaper of general circulation, printed and published in the jurisdiction of the City. The notice inviting formal bids shall also be ~~mailed~~ sent electronically to all construction trade journals specified by the California Uniform Construction Cost Accounting Commission as appropriate for the area. The notice shall be ~~mailed~~ sent at least ~~30~~ 15 calendar days before the date of opening the bids. The notice inviting formal bids shall state the time and place for the receiving and opening of sealed bids and distinctly describe the project. In addition to notice required by this section, the City may give such other notice as it deems proper.

C. Bidder's Security. Bidder's security/failure to sign contract. Bidder's security shall be prescribed in the notice inviting bids in an amount equal to 10% of the amount bid. Bidder's security shall be either a cash deposit with the City, a cashier's or certified check, payable to the City, or a bidder's bond. Unsuccessful bidders shall be entitled to the return of bid security within 60 days of the date of the award. However, the lowest responsive and responsible bidder shall forfeit all or part of his or her bid security, as may be determined by the City Council, upon the bidder's refusal or failure to execute the contract within 10 days after the date of the award of the contract. On the refusal or failure of the lowest responsive and responsible bidder to execute the contract, the Council may award the contract to the next lowest responsible bidder.

D. Bid Opening Procedure. Sealed bids shall be submitted ~~to the City Clerk and shall be identified as to bidder, project, and "Bid" on the envelope~~ as described in the notice inviting bids. Bids shall be opened ~~by the City Clerk, or his or her designee, in public~~ at the time and place stated in the notice inviting bids. A ~~written~~ record and tabulation shall be made at that time of all bids received and shall be open for public inspection during regular business hours for a period of one year after the bid opening. The Project Manager shall make an analysis of the bids for compliance with bid

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specifications and, thereafter, make a recommendation for award or rejection. Such recommendation shall be made available for all bidders.

- E. Public Access. The submitted bid packages shall be considered public records available for inspection at the time a recommendation for award or rejection is made. Disclosure of the information prior to a recommendation for award or rejection may prejudice the public interest if it is necessary to rebid the project.
- F. Protest. Any party may lodge a protest to the award of a contract. Such a party shall have the opportunity to present information in support of their position to the awarding authority prior to the award of the contract. If any party fails to appear and present information prior to the award of the contract, they shall be deemed to have waived their right to protest the award of the contract.
- G. Award of Contracts/Minor Irregularities. Contracts shall be awarded by the Council to the lowest responsive and responsible bidder whose bid fulfills the purpose intended, according to criteria designated in the solicitation and, provided, the award amount is within the unencumbered appropriation for that item. The Council may waive minor bid irregularities.
- H. Tie Bids. If two or more bids received are for the same total amount or unit price, quality and service being equal, and if the public interest will not permit the delay or re-advertising for bids, the Council may accept either bid.
- I. Performance/Labor/Materials Bonds. A labor and materials bond, plus a performance bond shall be required, from an acceptable surety, in such amounts and in such a form as the City finds reasonably necessary to protect the public interest or as required by law.
- J. No Bids. If no bids are received, the project may be performed by City employees by force account, or by informal bidding procedures without further complying with this chapter.
(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.220. Rejection of Bids.

In its discretion, the City Council may reject all bids presented. If after the first invitation for bids, all bids are rejected, the City shall state the reasons for the rejection. The City shall have the option of either of the following:

- A. Abandoning the project or re-advertising for bids in the manner described by this chapter.
- B. By passage of a resolution by a four-fifths vote of the City Council declaring that the project can be performed more economically by City employees, may have the project done by force account without further complying with this chapter.
(Ord. 09-12 § 3; Ord. 20-06 § 1)

~~§ 3.05.230. Emergencies—Procedure.~~

~~In cases of emergency, as determined by the City Council, including, but not limited to, states of emergency defined in Section 8558 of the Government Code, when repair or replacements are necessary to permit the continued conduct of the operation of services of the City, or to avoid danger to life or property, the Council, by majority vote, may proceed at once to replace or repair~~

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~~any public facility without adopting plans, specifications, strain sheets, or working details, or give notice for bids to let contracts. The work may be done by day labor under the direction of the Council, by contract, or by a combination of the two. The Council delegates to the City Manager, the power to declare a public emergency subject to confirmation by the Council by a four-fifths vote, at its next meeting.~~

~~(Ord. 09-12 § 3; Ord. 20-06 § 1)~~

§ 3.05.240. Staging of Public Works.

Public work contracts shall not be knowingly staged or separated into smaller units or segments for the purpose of evading the competitive bidding requirements of this chapter.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.250. Bid Protest Procedure Applicable to Public Works Construction Projects.

A. Filing a Bid Protest. A bidder on a City public works project or any other interested person may object, by following the procedure provided in this section, to the award of the contract for the project to the person or entity that submitted the low bid based on grounds that the bid is not responsive or that the low bidder is not responsible ~~or that the bid is not responsive.~~

1. The apparent low bidder on a City public works project may object, by following the procedure provided in this section, to the City staff's determination that its bid is not responsive or that it is not a responsible bidder.
2. A bid protest ~~as described in both paragraphs (1) and (2) above~~ shall be filed in writing with the City Clerk and shall set forth the reasons for the objection. Any documents which support the objection must be filed together with the protest.
3. A bid protest ~~as described in paragraph (1) above~~ shall be filed with the City Clerk no later than 72 hours after the opening of the bids.
4. A bid protest ~~as described in paragraph (2) above~~ shall be filed with the City Clerk no later than 72 hours after city staff informs the apparent low bidder by email ~~or facsimile~~ that it intends to recommend that its bid be rejected and the contract awarded to another bidder.

B. Notice of Hearing of Protest.

1. Upon receipt of a protest challenging a low bidder pursuant to subsection (A)(1) of this section, the City Clerk shall mail ~~and fax~~ or email a copy of the protest to the low bidder, together with any supporting documents filed with the protest, along with a statement advising the low bidder of the date, time, and place when and where the City Council will meet to consider the bids received in connection with the project. The notice shall advise the low bidder that it may appear at the City Council meeting and that it will be given an opportunity at that meeting to rebut the charges made in the protest. The City Clerk shall also ~~send a letter to~~ notify the person who protested the award of the contract, advising of the date, time, and place ~~when and where~~ the City Council will meet to consider the bids and the protest. Multiple protests will be consolidated and considered concurrently.
2. Upon receipt of a protest by an apparent low bidder challenging the staff's determination that its bid is not responsive or that it is not responsible ~~or that its bid is not responsive~~

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pursuant to subsection (A)(2) of this section, the City Clerk shall mail ~~and fax~~ or email a letter advising the apparent low bidder of the date, time, and place ~~when and where~~ the City Council will meet to consider the bids received in connection with the project and advising the apparent low bidder that it may appear at the City Council meeting and that it will be given an opportunity at that meeting to rebut the staff's determination that its bid is not responsive or that it is not a responsible bidder ~~or that its bid is not responsive.~~

C. Hearing the Bid Protest. At the hearing, the City Council shall follow the following procedure:

1. At the time set for consideration of the bids received in connection with the project, the City Council shall first hear a staff report.
2. Following the staff presentation, in the case where another bidder or interested person is protesting the low bid, the City Council will allow the protester to make its presentation, and then the Council will allow the low bidder to rebut the arguments and evidence produced by the protester.
3. In the case where staff is recommending rejection of an apparent low bid, the apparent low bidder will be allowed to present evidence rebutting the staff's recommendation.
4. The City Council may, in its discretion, permit rebuttals and surrebuttals by the parties. The City Council is not required to abide by formal rules of evidence.
5. At the conclusion of the hearing, the City Council will decide which bidder is the lowest responsive and responsible bidder based on the evidence produced at the hearing and award the contract to that bidder or, alternatively, exercise its right to reject all bids.
6. In deciding whether a bid is responsive, the City Council must determine that the bid is complete, responsive to the bid instructions and does not contain any nonwaivable defects. In deciding whether a bidder is "responsible," the City Council must consider the bidder's trustworthiness, and the quality, fitness and capacity of the bidder to satisfactorily perform the work required to be performed for the project. Evidence of pervasive and significant violations of the prevailing wage laws of the State of California by the bidder on a City project or on public works projects involving other public agencies must warrant a finding by the City Council that the bidder is not responsible. ~~In deciding whether a bid is responsive, the City Council must determine that the bid is complete, responsive to the bid instructions and does not contain any nonwaivable defects.~~

(Ord. 20-06 § 1)

Article IV
Professional Services

§ 3.05.260. Award of Professional Service Contracts Based upon Competence.

- A. Factors to Consider. In contracting for those professional services, such contracts should only be awarded to firms or persons who have demonstrated “adequate competence” meaning: an adequate level of experience, competence, resources/equipment, staffing and other professional qualifications necessary for more than a satisfactory performance of the services required in the time period needed. Once the department requesting the service has determined a firm has an adequate level of competence, the cost of the service may be considered, however, the lowest cost may not be the sole factor in deciding which firm or who shall be awarded the contract. It may be in the City’s best interest to award the contract to a higher priced contractor based on the scope of services available, unique skills, staffing levels, timing, prior experience, past working relationship, and other factors required by the department or proposed by that contractor. The information needed for determining that level of competence, other qualifications and the procedure for selecting such services shall be determined by each City department responsible for recommending the professional service contract.
- B. Request for Proposal/Qualifications. The acquiring of professional services shall be procured through negotiated contract and may include requests for proposals/qualifications. Contracting for professional services is decentralized and shall be the responsibility of the Department Head requesting the service. The Purchasing Officer may be contacted to assist in the formal request for proposal/qualification (RFP/Q) process.
- C. ~~Services Under~~ Up To \$2,500.00. A Department Director may award professional service or consulting services/contracts up to \$2,500.00 with qualified consultants/firms on file with the City. If no qualified consultants/firms are on file with the City, the requesting department should contact a minimum of three consultants/firms. ~~Award may be given by contract or verbal authorization.~~
- D. Contracts ~~Between~~ Over \$2,500.00 and Up To \$10,000.00. A Department Director and the Purchasing Officer may award professional service or consulting contracts ~~between~~ over \$2,500.00 and up to \$10,000 with qualified consultants/firms on file with the City. If no qualified consultants/firms are on file with the City, the requesting department should contact a minimum of three consultants/firms.
- E. Contracts ~~Over~~ \$10,000.00 ~~but Less Than~~ and Up To \$45,000.00. ~~In a non urgent situation, the~~ The requesting department should contact a minimum of three consultants/firms. Unless the City Council authorized the entering into or the award of a specific service contract, the City Manager shall have the authority to award and execute the contract.
- F. Contracts Over \$45,000.00 ~~and Over~~. ~~In a non urgent situation, d~~ Departments shall utilize a sealed request for proposal process essentially meeting the following requirements:
1. RFP/Q Solicitation Process. A formal Sealed Request for Proposal Qualification (herein “RFP/Q”) document should be developed for solicitation of professional services contracts ~~for~~ over \$45,000.00 ~~and over~~.
 2. Advertisement. The department should advertise in appropriate publications and/or use the professional services listings, as available, during the solicitation process.

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3. Fourteen-Day Notice. Notice inviting RFP/Qs should be posted at the City Hall and on the City’s website at least 14 calendar days before the due date of submission of the RFP/Q.
4. Notice Contents. The notice shall at least describe the general type of service needed, how the RFP/Q minimum scope of work can be obtained, the requirement of a written sealed proposal, state the closing date, place, and time for submission of the RFP/Q.
5. Solicitation Procedure. Sealed request for proposals/qualifications should be submitted to the department. RFP/Qs need not be opened publicly. All proposals shall be analyzed by the department for compliance with RFP/Q requirements, value of the total scope of services and a recommendation made to City Council for selection, or for follow up interviews of those submitting a proposal,
6. Award. Professional service contracts over \$45,000.00 ~~and over~~ may only be awarded by the City Council.
7. No Proposals Received. In the event no proposals are received, the Department Director requesting the professional service shall have the option of any of the following:
 - a. Abandoning the solicitation;
 - b. Rebidding the solicitation; or
 - c. The Department Director may request the City Council to allow the obtaining of the professional service on a direct negotiated contract basis.

~~G. Urgencies. The sealed request for proposals/qualifications procedures may be dispensed with in the case of urgency as determined by City Council. The City Council delegates the City Manager to declare urgency subject to confirmation by the City Council at its next meeting for any purchase of \$45,000.00 and over.~~

(Ord. 09-12 § 3; Ord. 11-07 § 2; Ord. 12-14 § 2; Ord. 20-06 § 1)

§ 3.05.270. Cooperative Purchasing with Other Agencies.

- A. The purchasing requirements of Section 3.05.250 shall not apply to the purchasing of any professional service which the Purchasing Officer decides to obtain with another government entity. If the Purchasing Officer determines it to be in the best interest of the City, the Purchasing Officer is authorized to “piggy-back” onto or join another government entity’s written purchase contract, which contract was obtained through a procurement process required by that government agency. The City Council shall approve any professional services contract with an amount that is over \$45,000.00 ~~and over~~.
- B. The purchasing requirements of Section 3.05.250 shall not apply to the purchasing of any professional service which the Purchasing Officer decides to obtain directly from another public agency. The City Council shall approve any professional services contract with an amount that is over \$45,000.00 ~~and over~~.

~~C. Urgencies. If a local emergency has been declared, the City Manager may make purchases \$45,000.00 and over under this section subject to confirmation by the City Council at its next meeting.~~

(Ord. 09-12 § 3; Ord. 20-06 § 1)

ATTACHMENT 2

Proposed Text of Title 3 Chapter 3.05 of the Goleta Municipal Code (Clean Version)

CHAPTER 3.05
PURCHASING SYSTEM

Article I
Administration

§ 3.05.010. Purpose.

The purpose of this chapter is to establish an efficient procedure for the purchase of supplies, services, and equipment, and to establish a procedure for performing or contracting for the construction of public works consistent with state law, which procedures shall not be overly time consuming and cumbersome, while allowing the City to obtain the best professional services, and acquire quality supplies, general services, equipment in an overall economic manner, and also to construct public works at the lowest reasonable cost.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.020. Definitions.

“Agreement” shall mean a contract.

“Bidder’s list” shall mean a list of responsible prospective vendors capable of providing the items being bid upon.

“Contract” shall mean an agreement between the City and another party for the acquisition of goods, supplies or services. Contract may include a purchase order, public works contract, professional services agreement or general services agreement.

“Equipment” shall mean goods, supplies, furnishings, machinery, vehicles, rolling stock, and other personal property used in the City’s business.

“General services” are services such as janitorial, uniform cleaning, maintenance and other services which do not require any unique skill, special background, training, and obtaining such services at the lowest cost is the single most important factor in selection, as opposed to personal performance.

“Maintenance work” shall mean:

1. Routine, recurring, and usual work for the preservation or protection of any publicly owned or publicly operated facility for its intended purposes.
2. Minor repainting.
3. Resurfacing of streets and highways at less than one inch.
4. Landscape maintenance, including mowing, watering, trimming, pruning, planting, replacement of plants, and servicing of irrigation and sprinkler systems.
5. Work performed to keep, operate, and maintain publicly owned water, power, or waste disposal systems including, but not limited to, dams, reservoirs, power plants, and electrical transmission lines of 230,000 volts and higher.

“Professional” or “special services” shall mean any work performed by an attorney, doctor, architect, engineer, land surveyor, construction manager, appraiser, expert, accounting firm,

consultant or those services which require special performance criteria, specific experience, training, personal judgment, quality of work or factors other than simply obtaining the service at the lowest cost to the City. Professional and special services are not subject to the informal, formal or competitive bidding requirements of this chapter and may be procured through negotiated contract or requests for proposal process, except that all architectural, landscape architectural, environmental, engineering, land surveying, and construction project management services pursuant to a fair, competitive selection process which prohibits governmental agency employees from participating in the selection process when they have a financial or business relationship with any private entity seeking the contract, and the procedure shall require compliance with all laws regarding political contributions, conflicts of interest or unlawful activities.

“Public project” shall have the same meaning as defined in Section 22002 of the Public Contract Code, and may include:

1. Construction, reconstruction, erection, alteration, renovation, improvement, demolition and repair work involving any publicly owned, leased or operated facility.
2. Painting or repainting of any publicly owned, leased or operated facility.
3. In the case of a publicly owned utility system, “public project” shall include only the construction, erection, improvement, or repair of dams, reservoirs, powerplants and electrical transmission lines of 230,000 volts and higher.
4. A “public project” does not include maintenance work as defined in this chapter.

“Purchase” shall include the renting, leasing, purchasing, licensing, or a trade of equipment or supplies.

“Purchasing Officer,” for the purposes of this chapter, shall be the City Manager or his or her designated representative.

“Purchase order” shall mean a document issued by the City to a vendor, indicating types, quantities, and agreed prices for products or services the vendor will provide to the City.

“Blanket purchase order” shall mean a purchase order that is issued to one vendor for multiple purchases up to a pre-established dollar limit within the same fiscal year.

“Special equipment/supplies” shall mean unique equipment, supplies, machinery, or computers which are not generally and regularly ordered in bulk by the City and which must perform complex tasks or integrate efficiently with existing equipment or supplies.

“Supplies” shall mean office supplies, janitorial supplies, materials, goods, tools, or other commodities used in the general conduct of the City’s business, excepting supplies or materials for a public work which is regulated under the California Public Contract Code Sections 20160, et seq.

“Uniform Construction Cost Accounting Procedures” shall mean those procedures and rules established by the State Uniform Construction Cost Accounting Commission pursuant to Section 22010, et seq., of the California Public Contract Code.

“Vendor” shall mean a party contracting with the City of Goleta.
(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.030. Purchasing Officer—Powers and Duties.

The duties of the Purchasing Officer may be combined with those duties of any other officer

or position in the City. The Purchasing Officer shall be the City Manager, or such other City employee designated by the City Manager to be the Purchasing Officer. The Purchasing Officer shall have the authority to:

- A. Ensure that the purchasing or contracting for needed City supplies, general services, equipment, and special equipment/supplies, which are not included within a construction contract or proposed specifications for a construction contract of a public work, is conducted in conformance with the terms and procedures prescribed in this chapter;
- B. Keep informed of current developments concerning purchasing, prices, market conditions, and new products;
- C. Prescribe and maintain such forms as necessary for the proper operation of this purchasing system;
- D. Ensure the inspection of all supplies, general services, and equipment purchased under this chapter;
- E. Supervise the transfer of surplus and unused supplies and equipment or disposal of such;
- F. Ensure that purchasing specifications are open and nonrestrictive to encourage full competition; and
- G. Perform such other tasks as may be necessary for the proper conduct of purchasing of supplies, general services, and equipment.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.040. Methods of Purchasing and Exceptions.

The Purchasing Officer shall prescribe rules and procedures for the use of these purchasing methods. All purchases must be made in accordance with the provisions of this chapter. Subject to the provisions of this chapter, except for petty cash purchases of goods, equipment or general services for an amount less than \$150.00, purchases shall be made through one of the following methods: written contract, purchase order, or City credit card transaction.

The competitive bid process is not applicable to certain purchases. The following exceptions are exempt from bid processes of this chapter:

- 1. Department purchases, as defined in Section 3.05.080(A);
- 2. Travel expenses;
- 3. Reimbursement of expenses and petty cash;
- 4. Subscriptions and memberships;
- 5. Software licenses and hardware and software technical support and maintenance;
- 6. Trade circulars, books, e-books, periodicals, films, and recordings;
- 7. Insurance and medical premiums, payments, and claims;
- 8. Newspaper notices and advertisement services (print, television, radio, internet, etc.);
- 9. Dues to approved organizations, conferences, trainings, seminars and meetings;

10. General services or equipment/special equipment/supplies from and payments to other government agencies and utilities;
 11. Courier/delivery services and postage;
 12. Land, buildings, real property/real estate purchases, and rental or leasing of facilities;
 13. Debt services including interest and principal payments;
 14. Special conditions for a grant, donation, gift or other legal document that require the use of particular goods and/or general services;
 15. Claims settlement by City or insurer.
- (Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.050. Written Contracts.

All written contracts for purchases in excess of \$10,000.00 shall be on a form approved by the City Attorney.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.060. Encumbrance of Funds.

Except in cases of urgency as described in Section 3.05.120, neither the Purchasing Officer nor any employee shall issue any purchase order, authorize the execution of any contract, or enter any contract for purchasing supplies, services, equipment and special equipment/supplies, unless sufficient funds to pay for the purchase have been appropriated by the City Council and remain uncommitted for any other purchase.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.070. City Manager Authorization.

In addition to the contracts authorized in Goleta Municipal Code Chapter 2.10, the City Manager, and his or her designee, is authorized to enter into the following types of contracts:

- A. Contracts involving the allocation of County, State or Federal funds pursuant to a program previously approved by the City Council where the form of contract is standard and used in substantially the same form by all applicants and has been approved by the City Attorney.
- B. Contracts that involve the receipt of grant funds from another government entity and do not require the expenditure of City funds.
- C. Contracts for services, supplies, equipment, and special equipment/supplies other than a Public Project for an amount up to \$45,000.00 for which the procurement processes outlined in this chapter have been followed unless otherwise specified, funds have been budgeted in the current year budget and where the form of the contract has been approved by the City Attorney.
- D. Contracts for a Public Project for an amount up to \$75,000.00 for which the procurement processes outlined in this chapter have been followed unless otherwise specified, funds have been budgeted in the current year budget and where the form of the contract has been approved by the City Attorney.

- E. Contracts or amendments to contracts which the City Council has expressly authorized the City Manager to execute; and
- F. Amendments to contracts previously approved by the City Council that do not involve the expenditure of City funds or modify the amount of the contract in strict compliance with a specific line item in the approved City budget. This may include, but is not limited to, term extensions, change in subcontractors/consultants, and change in scope of services.
- G. Contracts required of a project application as a condition of approval of a permit, license, or other grant of approval not involving expenditure of City funds and for which the project applicant has deposited cash with the City in the maximum value of the contract. Examples of such contracts may be for:
 - 1. The preparation of California Environmental Quality Act (CEQA) studies or reports; or
 - 2. Economic analysis of a project; or
 - 3. Peer review of a project economic analysis (pro forma); or
 - 4. Peer review of an environmental study or report; or
 - 5. Monitoring of compliance with environmental impact mitigation measures; or
 - 6. Monitoring of compliance with conditions of approval.

(Ord. 20-06 § 1)

Article II
Supplies, General Services and Equipment

§ 3.05.080. Purchasing Supplies, General Services, Equipment and Special Equipment/Supplies.

Quality and service being equal, a local preference of up to five percent may be given to local vendors located within the City of Goleta at the discretion of the Purchasing Officer.

Except as authorized in Section 3.05.150, or in the case of urgencies as described in Section 3.05.120, the purchase of supplies, general services, equipment and special equipment/supplies, not included in the construction contract or bid specification for a Public Project, shall be made as follows:

- A. Departmental Purchases. A department may purchase supplies, equipment, special equipment/supplies and general services independently of the Purchasing Officer of a value up to \$10,000.00, provided such department keeps a record of such purchases and exercises reasonable prudence in seeking price quotes and purchasing such items.
 - 1. For purchases up to \$2,500.00, the approval of the Department Director or designee is required. No bids are required.
 - 2. All purchases over \$2,500.00 require a purchase order or written contract. Purchases over \$2,500.00 and up to \$10,000.00 require approval by the Department Director and the Purchasing Officer or their designee. Three informal quotes are required for all purchases over \$2,500.00 and up to \$10,000.00.
- B. City Manager Purchases. Purchases for supplies, equipment or general services for an amount over \$10,000.00 and up to \$45,000.00, must be approved by the City Manager. Three informal written bids must be obtained based on written specifications.

The Purchasing Officer, or designee, shall award the purchase contract to the lowest responsive and responsible bidder, vendor or offerer whose quote, bid, or proposal fulfills the purpose intended, or reject such bids or proposals, or negotiate further for more acceptable terms to the City.

- C. Informal Bid Procedures. Purchases for supplies, general services or equipment with an estimated value over \$45,000.00, but less than \$125,000.00, shall be made on an informal written bidding procedure as follows:
 - 1. Ten-Day Notice. Notices inviting informal bids shall be posted at least 10 calendar days before the due date of submission of bids to all firms or suppliers on the bidder's list for the category of equipment, supplies, or general services being bid, and to such other vendors as the Purchasing Officer deems appropriate. Such notice shall be posted on a public bulletin board at City Hall and on the City of Goleta website.
 - 2. Notice Contents. Except as authorized by Section 3.05.200, the notice shall at least

describe the supply, general service, or equipment needed in general and generic terms, any required bidder's security or performance bonds, how special bid specifications can be obtained, required sealed bids, state the closing date, place, and time for submission of informal bids.

3. Bid and Performance Bonds. The City may require bidder's security equal to 10% of the bid amount and/or a performance bond in such amount as it shall find reasonably necessary to protect the public interest. If the City requires either or both of such security and bond, the form and amount of the security and bond shall be described in the notice inviting bid.
4. Bidder's Security/Failure to Sign Contract. If the City requires a bidder's bond or other form of security, the bidder's security shall be prescribed in the notice inviting bids in an amount equal to 10% of the amount bid. Bidder's security shall be either a cash deposit with the City, a cashier's or certified check payable to the City, or a bidder's bond. Unsuccessful bidders shall be entitled to the return of bid security within 60 days of the date of the award. However, the lowest responsive and responsible bidder shall forfeit all or part of his or her bid security, as may be determined by the City Council, upon the bidder's failure or refusal to comply with the purchase order, or to execute a written contract within 10 days after the date of the award of the contract. On the refusal or failure of the lowest responsive and responsible bidder to execute the contract, the Council may award the contract to the next lowest responsible bidder.
5. Bid Opening Procedure. Sealed bids shall be submitted as described in the notice inviting bids. Bids shall be opened at the time and place stated in the notice inviting bids. A record and tabulation shall be made at that time of all bids received and then opened.
6. Bid Evaluation Procedure. All bids shall be analyzed by the Department for compliance with bid specifications, and the Department shall prepare an analysis of the bid process for submittal to the City Council. The Department shall then prepare a recommendation to Council for award or rejection of bid.
7. No Bids Received. In the event no bids are received, the Department Director requesting the purchase shall have the option of any of the following:
 - a. Abandoning the purchase;
 - b. Rebidding the purchase on an informal basis; or
 - c. The Department Director may request the City Council to allow the obtaining of the item, supply, service or equipment on a direct negotiated contract basis.
8. Rebidding. If the Purchasing Officer determines bids are unacceptably high, or specifications were misleading, the Purchasing Officer may reject any bids presented and the item may be rebid.

9. Award. The City Council shall reject all bids or award the purchase contract to the lowest responsive and responsible bidder whose bid or proposal fulfills the purpose intended according to criteria designated in the solicitation and the contract award amount is within the unencumbered appropriation for that item. The Council may waive any minor bid irregularities. If all bids received are \$125,000.00 or over, the City Council may, by a four-fifths vote, award the bid to the lowest responsible bidder whose bid is no greater than \$137,500.00 if it determines the cost estimate of the public agency was reasonable. If bids are rejected, Council may seek a new bid or instruct that the purchase be made on a direct negotiated contract basis.
- D. Formal Bid Procedures. For supplies, general services, or equipment with an estimated value of \$125,000.00 and over, purchases shall be made in accordance with the following formal written bid procedures:
1. Published Notices. A notice inviting bids shall be published at least 14 calendar days before the date of the opening of bids. The notice shall be published at least once in a newspaper of general circulation printed and published in the City, and also in appropriate trade publications, if any, circulated within the general area. Such other notice as the Purchasing Officer deems appropriate may be made, such as posting on a public bulletin board at City Hall and on the City of Goleta website.
 - a. Notices Inviting Bids. Notices inviting bids shall include a general description of the goods, articles, services or equipment to be purchased, state where bid blanks and specifications may be secured and the time and place for the opening of bids;
 - b. Bidder's List. The departments shall maintain lists of responsible bidders for various categories of supplies or equipment. A solicitation for a bid shall be sent to all responsible prospective contractors or suppliers whose names are on the bidder's list for the category of equipment, supplies or general services subject to the bid request.
 2. Bidder's Security/Failure to Sign Contract. If the City requires a bidder's bond or other form of security, the bidder's security shall be prescribed in the notice inviting bids in an amount equal to 10% of the amount bid. Bidder's security shall be either a cash deposit with the City, a cashier's or certified check payable to the City, or a bidder's bond. Unsuccessful bidders shall be entitled to the return of bid security within 60 days of the date of the award. However, the lowest responsive and responsible bidder shall forfeit all or part of his or her bid security, as may be determined by the City Council, upon the bidder's refusal or failure to execute the contract within 10 days after the date of the award of the contract. On the refusal or failure of the lowest responsive and responsible bidder to execute the contract, the Council may award the contract to the next lowest responsible bidder.
 3. Bid Opening Procedure. Sealed bids shall be submitted as described in the notice inviting bids. Bids shall be opened by City staff at the time and place stated in the notice inviting bids. A record and tabulation shall be made at the time of all bids received and shall be open for public inspection during regular business hours for a period of two years after the bid opening.

4. Bid Evaluation Procedures. Quality and service being equal, a local preference of up to five percent may be given to local vendors located within the City of Goleta at the discretion of the Purchasing Officer or designee. All bids shall be analyzed by the Department for compliance with bid specifications. The Department shall prepare a recommendation for award or rejection to the City Council.
5. Rejection of Bids. If the City Council determines that bids are excessively high or that specifications were unclear, or if no bids are received, the Council may reject all bids presented and use whatever method it deems appropriate, such as rebid, abandon acquisition, or negotiate a contract.
6. Award of Contracts. Contracts shall be awarded by the Council to the lowest responsive and responsible bidder whose bid fulfills the purpose intended according to criteria designated in the solicitation, and, provided the award amount is within the unencumbered appropriation for that item. The Council may waive any minor bid irregularities.
7. Tie Bids. If two or more bids received are for the same total amount or unit price, quality and service being equal, and if the public interest will not permit the delay of re-advertising for bids, the Council may accept either bid or accept the lowest bid made by negotiation with the tied bidders.
8. Performance Bonds. The City may require a performance bond in such amount as it shall find reasonably necessary to protect the public interest. If the City requires a performance bond, the form and amount of the bond shall be described in the notice inviting bids.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.090. Purchasing Bid Exceptions.

- A. Special Equipment/Supplies. In purchasing any special equipment or supplies needed to be compatible with existing equipment, or to perform complex or unique functions, the Purchasing Officer or Department Head may:
 1. Limit bidding to a specific product type, or a brand name product; or
 2. Utilize a request for proposal approach where warranties, servicing obligations, and product performance will be evaluated in addition to the price of the product, and the award of the contract is made by the Council to the proposer it deems is in the best public interest.
- B. Sole Source Purchases. Commodities or services that can be obtained from only one vendor or one distributor authorized to sell in the Santa Barbara County area, are exempt from the competitive bidding requirements in Section 3.05.080 and are deemed sole source purchases. Sole source purchases may include proprietary items sold direct from the manufacturer.

All sole source purchases shall be supported by written documentation indicating the facts and nature supporting the determination of a sole source, signed by the appropriate Department Head and forwarded to the Purchasing Officer. The Purchasing Officer shall

make the final determination to award sole source purchases based on the documentation submitted.

§ 3.05.100. Cooperative Purchasing with Other Agencies.

- A. The bidding requirements of Section 3.05.080 shall not apply to the purchasing of any supplies, general services, or equipment and special equipment/supplies which the Purchasing Officer decides to obtain through a cooperative competitive bidding procedure, being prepared by and processed through another local, State, or Federal governmental agency. If the Purchasing Officer determines it to be in the best interest of the City, the Purchasing Officer is authorized to “piggy-back” onto or join into an existing written purchase contract, which contract was obtained through a competitive bidding process prepared by and awarded by another local, State or Federal government agency. Approval of a “piggy-back” or cooperative purchase shall be obtained from City Council for an award of a purchase over \$45,000.00.
- B. Multiple Awarded Bids. Multiple awarded bids are generally conducted by larger government agencies. A competitive bidding process is conducted for a specified product. Several vendors whose product meets the specification are awarded the contract. Maximum item price and contract terms are established. If the Purchasing Officer determines it to be in the City’s best interest, the Purchasing Officer is authorized to use Federal, State or other government agency multiple awarded contracts. Staff must obtain quotes from at least three vendors on the list and award the bid to the lowest responsive and responsible bidder. Approval shall be obtained from City Council of purchases over \$45,000.00.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.110. Recycled, Energy Efficient or Environmentally Friendly Supply Products Specification.

If in procuring supplies a recycled, energy efficient or environmentally friendly product can achieve the necessary City performance standard, and if such recycled product is readily available, specifications should, if economically feasible, require products made with recycled, energy efficient or environmentally friendly materials be bid. If the Department Director determines that: (1) a recycled, energy efficient or environmentally friendly product lacks performance capabilities or needed quality levels; or (2) a sufficient amount of said product is not currently available in the market, then a reduced percentage can be required, or the supply specification can be limited to non-recycled, non-energy efficient or non-environmentally friendly materials.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.120. Urgencies.

The bidding procedures of Section 3.05.080 may be dispensed with in the case of urgency. Urgency shall exist when the service, repair, or replacements are immediately necessary to permit the continued performance of the operations or services of the City, or to avoid the immediate danger to life, health, or property. The City Council delegates the City Manager to determine when a public urgency exists and any purchases in excess of \$45,000 are subject to confirmation by the City Council at its next meeting.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.130. Inspection and Tests.

The Purchasing Officer or department requesting the item shall inspect all deliveries of supplies and equipment to assure conformance with the contract or order specifications. The Purchasing Officer, at his or her discretion, may require such chemical and physical tests of samples of supplies and equipment as he or she deems necessary to determine the quality in conformance with those specifications.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.140. Staging of Purchases Prohibited.

Purchases shall not be knowingly staged or separated into smaller units or segments for the purpose of evading the competitive formal or informal bidding requirements of this chapter.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.150. Alternative Purchasing Procedure for General Services.

- A. General services shall be procured either through the bid process outlined in Section 3.05.080 with the emphasis on awarding to the “lowest responsible responsive bidder” or through the Request for Proposal process outlined in Section 3.05.260 with emphasis on factors other than price.
- B. Factors to Consider. If it is determined that all vendors providing a service classification can equally provide the service satisfactorily, then a bid process would be appropriate. However, if other factors other than price need to be considered in awarding the contract, the request for proposal process would be appropriate. Examples of areas other than price that may be important in awarding the contract include experience level, competence, resources/equipment, staffing levels, and services available/time factors. Other qualifications and procedures for selecting such services may be determined by each City department responsible for recommending the service contract.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

Article III
Public Work Projects

§ 3.05.160. Uniform Construction Cost Accounting Procedures.

The City Council has elected to become subject to the Uniform Construction Cost Accounting Procedures as established by the California Uniform Construction Cost Accounting Commission. (Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.170. Bidding Procedures for Various Project Amounts.

- A. A Public Project with an estimated value of \$75,000.00 or less may be performed by City employees by force account, by negotiated contract, or by purchase order.
- B. A Public Project with an estimated value of \$220,000.00 or less may be let to contract by informal bid procedures as set forth in this chapter.
- C. A Public Project of more than \$220,000.00 shall, except as otherwise provided in this chapter, be let to contract by formal bidding procedure as set forth in this chapter.

The described project costs limits of subsections A through C in this section shall be increased automatically without City Council action to amend this section pursuant to the adjustments made by the California Uniform Construction Cost Accounting Commission under Section 22020 of the Public Contract Code.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.180. Adoption of Plans.

At the earliest point practicable but prior to award of projects pursuant to § 3.05.170 (B) and § 3.05.170 (C), the City Council shall approve and adopt the plans, specifications and working details.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.190. Negotiated Contract or Purchase Order Procedures.

- A. For those projects qualifying under subsection A of Section 3.05.170, the Project Manager shall obtain a cost estimate from the Project Engineer or Architect prior to issuing a purchase order or negotiating a contract with a responsible contractor. For any City force account work, the Project Manager shall first comply with the guidelines established by the California Uniform Construction Cost Accounting Commission in determining the cost of the public work.
- B. The City Manager shall have the authority to award and to execute any contract for the public work qualifying under subsection A of Section 3.05.170.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.200. Informal Bidding Procedures.

For those projects which qualify under subsection B of Section 3.05.170 for informal bidding, the following procedures shall be used:

- A. Bidder List. The City shall maintain a list of qualified contractors, identified according to categories of work. Minimum criteria for development and maintenance of the contractors list shall be consistent with the State Uniform Construction Cost Accounting rules.
- B. Notice. Unless the product or service is proprietary, all contractors on the City's list for the category of work being bid shall be sent a notice inviting informal bids, or a notice inviting informal bids shall be sent to all construction trade journals specified in this section, or both such notices. The trade journals shall be those identified by the California Uniform Construction Cost Accounting Commission as appropriate for this area.
- C. Bidder's Security/Failure to Sign Contract. Bidder's security shall be prescribed in the notice inviting bids in an amount equal to 10% of the amount bid. Bidder's security shall be either a cash deposit with the City, a cashier's or certified check, payable to the City, or a bidder's bond. Unsuccessful bidders shall be entitled to the return of bid security within 60 days of the date of the award. However, the lowest responsive and responsible bidder shall forfeit all or part of his or her bid security, as may be determined by the City Council, upon the bidder's refusal or failure to execute the contract within 10 days after the date of the award of the contract. On the refusal or failure of the lowest responsive and responsible bidder to execute the contract, the Council may award the contract to the next lowest responsible bidder.
- D. Minimum Time Period. All notices to contractors and the construction trade journals pursuant to subsection B of this section shall be completed not less than 10 calendar days before bids are due.
- E. Notice Contents. The notice inviting informal bids shall describe the project in general terms, how to obtain more detailed information about the project, and state the time and place for the submission of bids.
- F. Performance/Labor/Materials Bonds. A labor and materials bond, plus a performance bond shall be required, from a surety company acceptable to City, in amounts equivalent to the total contract amount.
- G. Bid Opening Procedure. Sealed bids shall be submitted as described in the notice inviting bids. Bids shall be opened at the time and place stated in the notice inviting bids. A record and tabulation shall be made at that time of all bids received and shall be open for public inspection during regular business hours for a period of one year after the bid opening. The Project Manager shall make an analysis of the bids for compliance with bid specifications and, thereafter, make a recommendation for award or rejection. Such recommendation shall be made available for all bidders.
- H. Public Access. The submitted bid packages shall be considered public records available for inspection at the time a recommendation for award or rejection is made. Disclosure of the information prior to a recommendation for award or rejection may prejudice the public interest if it is necessary to rebid the project.
- I. Protest. Any party may lodge a protest to the award of a contract. Such a party shall have the opportunity to present information in support of their position to the awarding authority prior

to the award of the contract. If any party fails to appear and present information prior to the award of the contract, they shall be deemed to have waived their right to protest the award of the contract.

- J. Award. The City Council shall award the contract or reject the bids, or it may delegate this authority to the City Manager or other appropriate person. The Council may waive minor bid irregularities.
- K. Bids in Excess of Statutory Amount. If all bids received are over \$220,000.00, the City Council may by passage of a resolution by a four-fifths vote, award the contract up to \$233,750.00 to the lowest responsible bidder if it determines the cost estimate of the City was reasonable.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.210. Formal Bidding Procedures.

For those projects requiring formal bidding under Section 3.05.170(C), the following procedures shall be used:

- A. Authorization. The City Council shall authorize all requests for formal bids prior to publication of a notice inviting bids.
- B. Publication. A notice shall be published at least once 14 calendar days before the date of opening the bids in a newspaper of general circulation, printed and published in the jurisdiction of the City. The notice inviting formal bids shall also be sent electronically to all construction trade journals specified by the California Uniform Construction Cost Accounting Commission as appropriate for the area. The notice shall be sent at least 15 calendar days before the date of opening the bids. The notice inviting formal bids shall state the time and place for the receiving and opening of sealed bids and distinctly describe the project. In addition to notice required by this section, the City may give such other notice as it deems proper.
- C. Bidder's Security. Bidder's security/failure to sign contract. Bidder's security shall be prescribed in the notice inviting bids in an amount equal to 10% of the amount bid. Bidder's security shall be either a cash deposit with the City, a cashier's or certified check, payable to the City, or a bidder's bond. Unsuccessful bidders shall be entitled to the return of bid security within 60 days of the date of the award. However, the lowest responsive and responsible bidder shall forfeit all or part of his or her bid security, as may be determined by the City Council, upon the bidder's refusal or failure to execute the contract within 10 days after the date of the award of the contract. On the refusal or failure of the lowest responsive and responsible bidder to execute the contract, the Council may award the contract to the next lowest responsible bidder.
- D. Bid Opening Procedure. Sealed bids shall be submitted as described in the notice inviting bids. Bids shall be opened at the time and place stated in the notice inviting bids. A record and tabulation shall be made at that time of all bids received and shall be open for public inspection during regular business hours for a period of one year after the bid opening. The Project Manager shall make an analysis of the bids for compliance with bid

specifications and, thereafter, make a recommendation for award or rejection. Such recommendation shall be made available for all bidders.

- E. Public Access. The submitted bid packages shall be considered public records available for inspection at the time a recommendation for award or rejection is made. Disclosure of the information prior to a recommendation for award or rejection may prejudice the public interest if it is necessary to rebid the project.
- F. Protest. Any party may lodge a protest to the award of a contract. Such a party shall have the opportunity to present information in support of their position to the awarding authority prior to the award of the contract. If any party fails to appear and present information prior to the award of the contract, they shall be deemed to have waived their right to protest the award of the contract.
- G. Award of Contracts/Minor Irregularities. Contracts shall be awarded by the Council to the lowest responsive and responsible bidder whose bid fulfills the purpose intended, according to criteria designated in the solicitation and, provided, the award amount is within the unencumbered appropriation for that item. The Council may waive minor bid irregularities.
- H. Tie Bids. If two or more bids received are for the same total amount or unit price, quality and service being equal, and if the public interest will not permit the delay or re-advertising for bids, the Council may accept either bid.
- I. Performance/Labor/Materials Bonds. A labor and materials bond, plus a performance bond shall be required, from an acceptable surety, in such amounts and in such a form as the City finds reasonably necessary to protect the public interest or as required by law.
- J. No Bids. If no bids are received, the project may be performed by City employees by force account, or by informal bidding procedures without further complying with this chapter.
(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.220. Rejection of Bids.

In its discretion, the City Council may reject all bids presented. If after the first invitation for bids, all bids are rejected, the City shall state the reasons for the rejection. The City shall have the option of either of the following:

- A. Abandoning the project or re-advertising for bids in the manner described by this chapter.
- B. By passage of a resolution by a four-fifths vote of the City Council declaring that the project can be performed more economically by City employees, may have the project done by force account without further complying with this chapter.
(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.240. Staging of Public Works.

Public work contracts shall not be knowingly staged or separated into smaller units or segments for the purpose of evading the competitive bidding requirements of this chapter.
(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.250. Bid Protest Procedure Applicable to Public Works Construction Projects.

The procedures set forth herein shall apply in the absence of contrary procedures established in the specifications for a Project:

- A. Filing a Bid Protest. A bidder on a City public works project or any other interested person may object, by following the procedure provided in this section, to the award of the contract for the project to the person or entity that submitted the low bid based on grounds that the bid is not responsive or that the low bidder is not responsible.
 - 1. The apparent low bidder on a City public works project may object, by following the procedure provided in this section, to the City staff's determination that its bid is not responsive or that it is not a responsible bidder.
 - 2. A bid protest shall be filed in writing with the City Clerk and shall set forth the reasons for the objection. Any documents which support the objection must be filed together with the protest.
 - 3. A bid protest shall be filed with the City Clerk no later than 72 hours after the opening of the bids.
 - 4. A bid protest shall be filed with the City Clerk no later than 72 hours after city staff informs the apparent low bidder by email that it intends to recommend that its bid be rejected and the contract awarded to another bidder.

- B. Notice of Hearing of Protest.
 - 1. Upon receipt of a protest challenging a low bidder pursuant to subsection (A)(1) of this section, the City Clerk shall mail or email a copy of the protest to the low bidder, together with any supporting documents filed with the protest, along with a statement advising the low bidder of the date, time, and place when and where the City Council will meet to consider the bids received in connection with the project. The notice shall advise the low bidder that it may appear at the City Council meeting and that it will be given an opportunity at that meeting to rebut the charges made in the protest. The City Clerk shall also notify the person who protested the award of the contract, advising of the date, time, and place the City Council will meet to consider the bids and the protest. Multiple protests will be consolidated and considered concurrently.
 - 2. Upon receipt of a protest by an apparent low bidder challenging the staff's determination that its bid is not responsive or that it is not responsible pursuant to subsection (A)(2) of this section, the City Clerk shall mail or email a letter advising the apparent low bidder of the date, time, and place the City Council will meet to consider the bids received in connection with the project and advising the apparent low bidder that it may appear at the City Council meeting and that it will be given an opportunity at that meeting to rebut the staff's determination that its bid is not responsive or that it is not a responsible bidder.

- C. Hearing the Bid Protest. At the hearing, the City Council shall follow the following procedure:
 - 1. At the time set for consideration of the bids received in connection with the project, the City Council shall first hear a staff report.
 - 2. Following the staff presentation, in the case where another bidder or interested person is

protesting the low bid, the City Council will allow the protester to make its presentation, and then the Council will allow the low bidder to rebut the arguments and evidence produced by the protester.

3. In the case where staff is recommending rejection of an apparent low bid, the apparent low bidder will be allowed to present evidence rebutting the staff's recommendation.
4. The City Council may, in its discretion, permit rebuttals and surrebuttals by the parties. The City Council is not required to abide by formal rules of evidence.
5. At the conclusion of the hearing, the City Council will decide which bidder is the lowest responsive and responsible bidder based on the evidence produced at the hearing and award the contract to that bidder or, alternatively, exercise its right to reject all bids.
6. In deciding whether a bid is responsive, the City Council must determine that the bid is complete, responsive to the bid instructions and does not contain any nonwaivable defects. In deciding whether a bidder is "responsible," the City Council must consider the bidder's trustworthiness, and the quality, fitness and capacity of the bidder to satisfactorily perform the work required to be performed for the project. Evidence of pervasive and significant violations of the prevailing wage laws of the State of California by the bidder on a City project or on public works projects involving other public agencies must warrant a finding by the City Council that the bidder is not responsible.

(Ord. 20-06 § 1)

Article IV
Professional Services

§ 3.05.260. Award of Professional Service Contracts Based upon Competence.

- A. Factors to Consider. In contracting for those professional services, such contracts should only be awarded to firms or persons who have demonstrated “adequate competence” meaning: an adequate level of experience, competence, resources/equipment, staffing and other professional qualifications necessary for more than a satisfactory performance of the services required in the time period needed. Once the department requesting the service has determined a firm has an adequate level of competence, the cost of the service may be considered, however, the lowest cost may not be the sole factor in deciding which firm or who shall be awarded the contract. It may be in the City’s best interest to award the contract to a higher priced contractor based on the scope of services available, unique skills, staffing levels, timing, prior experience, past working relationship, and other factors required by the department or proposed by that contractor. The information needed for determining that level of competence, other qualifications and the procedure for selecting such services shall be determined by each City department responsible for recommending the professional service contract.
- B. Request for Proposal/Qualifications. The acquiring of professional services shall be procured through negotiated contract and may include requests for proposals/qualifications. Contracting for professional services is decentralized and shall be the responsibility of the Department Head requesting the service. The Purchasing Officer may be contacted to assist in the formal request for proposal/qualification (RFP/Q) process.
- C. Services Up To \$2,500.00. A Department Director may award professional service or consulting services/contracts up to \$2,500.00 with qualified consultants/firms on file with the City. If no qualified consultants/firms are on file with the City, the requesting department should contact a minimum of three consultants/firms.
- D. Contracts Over \$2,500.00 and Up To \$10,000.00. A Department Director and the Purchasing Officer may award professional service or consulting contracts over \$2,500.00 and up to \$10,000 with qualified consultants/firms on file with the City. If no qualified consultants/firms are on file with the City, the requesting department should contact a minimum of three consultants/firms.
- E. Contracts Over \$10,000.00 and Up To \$45,000.00. The requesting department should contact a minimum of three consultants/firms. Unless the City Council authorized the entering into or the award of a specific service contract, the City Manager shall have the authority to award and execute the contract.
- F. Contracts Over \$45,000.00. Departments shall utilize a sealed request for proposal process essentially meeting the following requirements:
 - 1. RFP/Q Solicitation Process. A formal Sealed Request for Proposal Qualification (herein “RFP/Q”) document should be developed for solicitation of professional services contracts over \$45,000.00.
 - 2. Advertisement. The department should advertise in appropriate publications and/or use the professional services listings, as available, during the solicitation process.

3. Fourteen-Day Notice. Notice inviting RFP/Qs should be posted at the City Hall and on the City's website at least 14 calendar days before the due date of submission of the RFP/Q.
4. Notice Contents. The notice shall at least describe the general type of service needed, how the RFP/Q minimum scope of work can be obtained, the requirement of a written sealed proposal, state the closing date, place, and time for submission of the RFP/Q.
5. Solicitation Procedure. Sealed request for proposals/qualifications should be submitted to the department. RFP/Qs need not be opened publicly. All proposals shall be analyzed by the department for compliance with RFP/Q requirements, value of the total scope of services and a recommendation made to City Council for selection, or for follow up interviews of those submitting a proposal,
6. Award. Professional service contracts over \$45,000.00 may only be awarded by the City Council.
7. No Proposals Received. In the event no proposals are received, the Department Director requesting the professional service shall have the option of any of the following:
 - a. Abandoning the solicitation;
 - b. Rebidding the solicitation; or
 - c. The Department Director may request the City Council to allow the obtaining of the professional service on a direct negotiated contract basis.

(Ord. 09-12 § 3; Ord. 11-07 § 2; Ord. 12-14 § 2; Ord. 20-06 § 1)

§ 3.05.270. Cooperative Purchasing with Other Agencies.

- A. The purchasing requirements of Section 3.05.250 shall not apply to the purchasing of any professional service which the Purchasing Officer decides to obtain with another government entity. If the Purchasing Officer determines it to be in the best interest of the City, the Purchasing Officer is authorized to "piggy-back" onto or join another government entity's written purchase contract, which contract was obtained through a procurement process required by that government agency. The City Council shall approve any professional services contract with an amount that is over \$45,000.00.
- B. The purchasing requirements of Section 3.05.250 shall not apply to the purchasing of any professional service which the Purchasing Officer decides to obtain directly from another public agency. The City Council shall approve any professional services contract with an amount that is over \$45,000.00.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

ATTACHMENT 3

Ordinance No. 24-__ entitled “An Ordinance of the City Council of the City of Goleta Amending Title 3 Chapter 3.05 of the Goleta Municipal Code Relating to the City of Goleta Purchasing System.”

ORDINANCE NO. 24-__

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
GOLETA, CALIFORNIA, AMENDING TITLE 3 CHAPTER 3.05
OF THE GOLETA MUNICIPAL CODE RELATING TO THE
CITY OF GOLETA PURCHASING SYSTEM**

**THE CITY COUNCIL OF THE CITY OF GOLETA DOES HEREBY ORDAIN AS
FOLLOWS:**

SECTION 1 : Code Amendment.

Chapter 3.05 (Purchasing System) of Title 3 (Revenue and Finance) is hereby amended to read as follows:

**CHAPTER 3.05
PURCHASING SYSTEM**

**Article I
Administration**

§ 3.05.010. Purpose.

The purpose of this chapter is to establish an efficient procedure for the purchase of supplies, services, and equipment, and to establish a procedure for performing or contracting for the construction of public works consistent with state law, which procedures shall not be overly time consuming and cumbersome, while allowing the City to obtain the best professional services, and acquire quality supplies, general services, equipment in an overall economic manner, and also to construct public works at the lowest reasonable cost.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.020. Definitions.

“Agreement” shall mean a contract.

“Bidder’s list” shall mean a list of responsible prospective vendors capable of providing the items being bid upon.

“Contract” shall mean an agreement between the City and another party for the acquisition of goods, supplies or services. Contract may include a purchase order, public works contract, professional services agreement or general services agreement.

“Equipment” shall mean goods, supplies, furnishings, machinery, vehicles, rolling stock, and other personal property used in the City’s business.

“General services” are services such as janitorial, uniform cleaning, maintenance and other services which do not require any unique skill, special background, training, and obtaining such services at the lowest cost is the single most important factor in selection, as opposed to personal performance.

“Maintenance work” shall mean:

1. Routine, recurring, and usual work for the preservation or protection of any publicly owned or publicly operated facility for its intended purposes.
2. Minor repainting.
3. Resurfacing of streets and highways at less than one inch.
4. Landscape maintenance, including mowing, watering, trimming, pruning, planting, replacement of plants, and servicing of irrigation and sprinkler systems.
5. Work performed to keep, operate, and maintain publicly owned water, power, or waste disposal systems including, but not limited to, dams, reservoirs, power plants, and electrical transmission lines of 230,000 volts and higher.

“Professional” or “special services” shall mean any work performed by an attorney, doctor, architect, engineer, land surveyor, construction manager, appraiser, expert, accounting firm, consultant or those services which require special performance criteria, specific experience, training, personal judgment, quality of work or factors other than simply obtaining the service at the lowest cost to the City. Professional and special services are not subject to the informal, formal or competitive bidding requirements of this chapter and may be procured through negotiated contract or requests for proposal process, except that all architectural, landscape architectural, environmental, engineering, land surveying, and construction project management services pursuant to a fair, competitive selection process which prohibits governmental agency employees from participating in the selection process when they have a financial or business relationship with any private entity seeking the contract, and the procedure shall require compliance with all laws regarding political contributions, conflicts of interest or unlawful activities.

“Public project” shall have the same meaning as defined in Section 22002 of the Public Contract Code, and may include:

1. Construction, reconstruction, erection, alteration, renovation, improvement, demolition and repair work involving any publicly owned, leased or operated facility.
2. Painting or repainting of any publicly owned, leased or operated facility.
3. In the case of a publicly owned utility system, “public project” shall include only the construction, erection, improvement, or repair of dams, reservoirs, powerplants and electrical transmission lines of 230,000 volts and higher.
4. A “public project” does not include maintenance work as defined in this chapter.

“Purchase” shall include the renting, leasing, purchasing, licensing, or a trade of equipment or supplies.

“Purchasing Officer,” for the purposes of this chapter, shall be the City Manager or his or her designated representative.

“Purchase order” shall mean a document issued by the City to a vendor, indicating types, quantities, and agreed prices for products or services the vendor will provide to the City.

“Blanket purchase order” shall mean a purchase order that is issued to one vendor for

Ordinance No.24-___ Amending Title 3 Chapter 3.05 of The Goleta Municipal Code Relating to The City of Goleta Purchasing System

multiple purchases up to a pre-established dollar limit within the same fiscal year.

“Special equipment/supplies” shall mean unique equipment, supplies, machinery, or computers which are not generally and regularly ordered in bulk by the City and which must perform complex tasks or integrate efficiently with existing equipment or supplies.

“Supplies” shall mean office supplies, janitorial supplies, materials, goods, tools, or other commodities used in the general conduct of the City’s business, excepting supplies or materials for a public work which is regulated under the California Public Contract Code Sections 20160, et seq.

“Uniform Construction Cost Accounting Procedures” shall mean those procedures and rules established by the State Uniform Construction Cost Accounting Commission pursuant to Section 22010, et seq., of the California Public Contract Code.

“Vendor” shall mean a party contracting with the City of Goleta. (Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.030. Purchasing Officer—Powers and Duties.

The duties of the Purchasing Officer may be combined with those duties of any other officer or position in the City. The Purchasing Officer shall be the City Manager, or such other City employee designated by the City Manager to be the Purchasing Officer. The Purchasing Officer shall have the authority to:

- A. Ensure that the purchasing or contracting for needed City supplies, general services, equipment, and special equipment/supplies, which are not included within a construction contract or proposed specifications for a construction contract of a public work, is conducted in conformance with the terms and procedures prescribed in this chapter;
- B. Keep informed of current developments concerning purchasing, prices, market conditions, and new products;
- C. Prescribe and maintain such forms as necessary for the proper operation of this purchasing system;
- D. Ensure the inspection of all supplies, general services, and equipment purchased under this chapter;
- E. Supervise the transfer of surplus and unused supplies and equipment or disposal of such;
- F. Ensure that purchasing specifications are open and nonrestrictive to encourage full competition; and
- G. Perform such other tasks as may be necessary for the proper conduct of purchasing of supplies, general services, and equipment.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.040. Methods of Purchasing and Exceptions.

The Purchasing Officer shall prescribe rules and procedures for the use of these purchasing methods. All purchases must be made in accordance with the provisions of

this chapter. Subject to the provisions of this chapter, except for petty cash purchases of goods, equipment or general services for an amount less than \$150.00, purchases shall be made through one of the following methods: written contract, purchase order, or City credit card transaction.

The competitive bid process is not applicable to certain purchases. The following exceptions are exempt from bid processes of this chapter:

1. Department purchases, as defined in Section 3.05.080(A);
2. Travel expenses;
3. Reimbursement of expenses and petty cash;
4. Subscriptions and memberships;
5. Software licenses and hardware and software technical support and maintenance;
6. Trade circulars, books, e-books, periodicals, films, and recordings;
7. Insurance and medical premiums, payments, and claims;
8. Newspaper notices and advertisement services (print, television, radio, internet, etc.);
9. Dues to approved organizations, conferences, trainings, seminars and meetings;
10. General services or equipment/special equipment/supplies from a n d payments to other government agencies and utilities;
11. Courier/delivery services and postage;
12. Land, buildings, real property/real estate purchases, and rental or leasing of facilities;
13. Debt services including interest and principal payments;
14. Special conditions for a grant, donation, gift or other legal document that require the use of particular goods and/or general services;
15. Claims settlement by City or insurer.
(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.050. Written Contracts.

All written contracts for purchases in excess of \$10,000.00 shall be on a form approved by the City Attorney.
(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.060. Encumbrance of Funds.

Except in cases of urgency as described in Section 3.05.120, neither the Purchasing Officer nor any employee shall issue any purchase order, authorize the execution of any Ordinance No.24-___ Amending Title 3 Chapter 3.05 of The Goleta Municipal Code Relating to The City of Goleta Purchasing System

contract, or enter any contract for purchasing supplies, services, equipment and special equipment/supplies, unless sufficient funds to pay for the purchase have been appropriated by the City Council and remain uncommitted for any other purchase. (Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.070. City Manager Authorization.

In addition to the contracts authorized in Goleta Municipal Code Chapter 2.10, the City Manager, and his or her designee, is authorized to enter into the following types of contracts:

- A. Contracts involving the allocation of County, State or Federal funds pursuant to a program previously approved by the City Council where the form of contract is standard and used in substantially the same form by all applicants and has been approved by the City Attorney.
- B. Contracts that involve the receipt of grant funds from another government entity and do not require the expenditure of City funds.
- C. Contracts for services, supplies, equipment, and special equipment/supplies other than a Public Project for an amount up to \$45,000.00 for which the procurement processes outlined in this chapter have been followed unless otherwise specified, funds have been budgeted in the current year budget and where the form of the contract has been approved by the City Attorney.
- D. Contracts for a Public Project for an amount up to \$75,000.00 for which the procurement processes outlined in this chapter have been followed unless otherwise specified, funds have been budgeted in the current year budget and where the form of the contract has been approved by the City Attorney.
- E. Contracts or amendments to contracts which the City Council has expressly authorized the City Manager to execute; and
- F. Amendments to contracts previously approved by the City Council that do not involve the expenditure of City funds or modify the amount of the contract in strict compliance with a specific line item in the approved City budget. This may include, but is not limited to, term extensions, change in subcontractors/consultants, and change in scope of services.
- G. Contracts required of a project application as a condition of approval of a permit, license, or other grant of approval not involving expenditure of City funds and for which the project applicant has deposited cash with the City in the maximum value of the contract. Examples of such contracts may be for:
 - 1. The preparation of California Environmental Quality Act (CEQA) studies or reports; or
 - 2. Economic analysis of a project; or
 - 3. Peer review of a project economic analysis (pro forma); or
 - 4. Peer review of an environmental study or report; or

5. Monitoring of compliance with environmental impact mitigation measures; or
6. Monitoring of compliance with conditions of approval.

(Ord. 20-06 § 1)

Article II
Supplies, General Services and Equipment

§ 3.05.080. Purchasing Supplies, General Services, Equipment and Special Equipment/Supplies.

Quality and service being equal, a local preference of up to five percent may be given to local vendors located within the City of Goleta at the discretion of the Purchasing Officer.

Except as authorized in Section 3.05.150, or in the case of urgencies as described in Section 3.05.120, the purchase of supplies, general services, equipment and special equipment/supplies, not included in the construction contract or bid specification for a Public Project, shall be made as follows:

- A. Departmental Purchases. A department may purchase supplies, equipment, special equipment/supplies and general services independently of the Purchasing Officer of a value up to \$10,000.00, provided such department keeps a record of such purchases and exercises reasonable prudence in seeking price quotes and purchasing such items.
 - 1. For purchases up to \$2,500.00, the approval of the Department Director or designee is required. No bids are required.
 - 2. All purchases over \$2,500.00 require a purchase order or written contract. Purchases over \$2,500.00 and up to \$10,000.00 require approval by the Department Director and the Purchasing Officer or their designee. Three informal quotes are required for all purchases over \$2,500.00 and up to \$10,000.00.
- B. City Manager Purchases. Purchases for supplies, equipment or general services for an amount over \$10,000.00 and up to \$45,000.00, must be approved by the City Manager. Three informal written bids must be obtained based on written specifications.

The Purchasing Officer, or designee, shall award the purchase contract to the lowest responsive and responsible bidder, vendor or offerer whose quote, bid, or proposal fulfills the purpose intended, or reject such bids or proposals, or negotiate further for more acceptable terms to the City.

- C. Informal Bid Procedures. Purchases for supplies, general services or equipment with an estimated value over \$45,000.00, but less than \$125,000.00, shall be made on an informal written bidding procedure as follows:
 - 1. Ten-Day Notice. Notices inviting informal bids shall be posted at least 10 calendar days before the due date of submission of bids to all firms or suppliers on the bidder's list for the category of equipment, supplies, or general services being bid, and to such other vendors as the Purchasing Officer deems appropriate. Such notice shall be posted on a public bulletin board at City Hall and on the City of Goleta website.
 - 2. Notice Contents. Except as authorized by Section 3.05.200, the notice shall at

least describe the supply, general service, or equipment needed in general and generic terms, any required bidder's security or performance bonds, how special bid specifications can be obtained, required sealed bids, state the closing date, place, and time for submission of informal bids.

3. Bid and Performance Bonds. The City may require bidder's security equal to 10% of the bid amount and/or a performance bond in such amount as it shall find reasonably necessary to protect the public interest. If the City requires either or both of such security and bond, the form and amount of the security and bond shall be described in the notice inviting bid.
4. Bidder's Security/Failure to Sign Contract. If the City requires a bidder's bond or other form of security, the bidder's security shall be prescribed in the notice inviting bids in an amount equal to 10% of the amount bid. Bidder's security shall be either a cash deposit with the City, a cashier's or certified check payable to the City, or a bidder's bond. Unsuccessful bidders shall be entitled to the return of bid security within 60 days of the date of the award. However, the lowest responsive and responsible bidder shall forfeit all or part of his or her bid security, as may be determined by the City Council, upon the bidder's failure or refusal to comply with the purchase order, or to execute a written contract within 10 days after the date of the award of the contract. On the refusal or failure of the lowest responsive and responsible bidder to execute the contract, the Council may award the contract to the next lowest responsible bidder.
5. Bid Opening Procedure. Sealed bids shall be submitted as described in the notice inviting bids. Bids shall be opened at the time and place stated in the notice inviting bids. A record and tabulation shall be made at that time of all bids received and then opened.
6. Bid Evaluation Procedure. All bids shall be analyzed by the Department for compliance with bid specifications, and the Department shall prepare an analysis of the bid process for submittal to the City Council. The Department shall then prepare a recommendation to Council for award or rejection of bid.
7. No Bids Received. In the event no bids are received, the Department Director requesting the purchase shall have the option of any of the following:
 - a. Abandoning the purchase;
 - b. Rebidding the purchase on an informal basis; or
 - c. The Department Director may request the City Council to allow the obtaining of the item, supply, service or equipment on a direct negotiated contract basis.
8. Rebidding. If the Purchasing Officer determines bids are unacceptably high, or specifications were misleading, the Purchasing Officer may reject any bids presented and the item may be rebid.

9. Award. The City Council shall reject all bids or award the purchase contract to the lowest responsive and responsible bidder whose bid or proposal fulfills the purpose intended according to criteria designated in the solicitation and the contract award amount is within the unencumbered appropriation for that item. The Council may waive any minor bid irregularities. If all bids received are \$125,000.00 or over, the City Council may, by a four-fifths vote, award the bid to the lowest responsible bidder whose bid is no greater than \$137,500.00 if it determines the cost estimate of the public agency was reasonable. If bids are rejected, Council may seek a new bid or instruct that the purchase be made on a direct negotiated contract basis.
- D. Formal Bid Procedures. For supplies, general services, or equipment with an estimated value of \$125,000.00 and over, purchases shall be made in accordance with the following formal written bid procedures:
1. Published Notices. A notice inviting bids shall be published at least 14 calendar days before the date of the opening of bids. The notice shall be published at least once in a newspaper of general circulation printed and published in the City, and also in appropriate trade publications, if any, circulated within the general area. Such other notice as the Purchasing Officer deems appropriate may be made, such as posting on a public bulletin board at City Hall and on the City of Goleta website.
 - a. Notices Inviting Bids. Notices inviting bids shall include a general description of the goods, articles, services or equipment to be purchased, state where bid blanks and specifications may be secured and the time and place for the opening of bids;
 - b. Bidder's List. The departments shall maintain lists of responsible bidders for various categories of supplies or equipment. A solicitation for a bid shall be sent to all responsible prospective contractors or suppliers whose names are on the bidder's list for the category of equipment, supplies or general services subject to the bid request.
 2. Bidder's Security/Failure to Sign Contract. If the City requires a bidder's bond or other form of security, the bidder's security shall be prescribed in the notice inviting bids in an amount equal to 10% of the amount bid. Bidder's security shall be either a cash deposit with the City, a cashier's or certified check payable to the City, or a bidder's bond. Unsuccessful bidders shall be entitled to the return of bid security within 60 days of the date of the award. However, the lowest responsive and responsible bidder shall forfeit all or part of his or her bid security, as may be determined by the City Council, upon the bidder's refusal or failure to execute the contract within 10 days after the date of the award of the contract. On the refusal or failure of the lowest responsive and responsible bidder to execute the contract, the Council may award the contract to the next lowest responsible bidder.
 3. Bid Opening Procedure. Sealed bids shall be submitted as described in the notice inviting bids. Bids shall be opened by City staff at the time and place stated in the notice inviting bids. A record and tabulation shall be made at the time of all

bids received and shall be open for public inspection during regular business hours for a period of two years after the bid opening.

4. Bid Evaluation Procedures. Quality and service being equal, a local preference of up to five percent may be given to local vendors located within the City of Goleta at the discretion of the Purchasing Officer or designee. All bids shall be analyzed by the Department for compliance with bid specifications. The Department shall prepare a recommendation for award or rejection to the City Council.
5. Rejection of Bids. If the City Council determines that bids are excessively high or that specifications were unclear, or if no bids are received, the Council may reject all bids presented and use whatever method it deems appropriate, such as rebid, abandon acquisition, or negotiate a contract.
6. Award of Contracts. Contracts shall be awarded by the Council to the lowest responsive and responsible bidder whose bid fulfills the purpose intended according to criteria designated in the solicitation, and, provided the award amount is within the unencumbered appropriation for that item. The Council may waive any minor bid irregularities.
7. Tie Bids. If two or more bids received are for the same total amount or unit price, quality and service being equal, and if the public interest will not permit the delay of re- advertising for bids, the Council may accept either bid or accept the lowest bid made by negotiation with the tied bidders.
8. Performance Bonds. The City may require a performance bond in such amount as it shall find reasonably necessary to protect the public interest. If the City requires a performance bond, the form and amount of the bond shall be described in the notice inviting bids.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.090. Purchasing Bid Exceptions.

- A. Special Equipment/Supplies. In purchasing any special equipment or supplies needed to be compatible with existing equipment, or to perform complex or unique functions, the Purchasing Officer or Department Head may:
 1. Limit bidding to a specific product type, or a brand name product; or
 2. Utilize a request for proposal approach where warranties, servicing obligations, and product performance will be evaluated in addition to the price of the product, and the award of the contract is made by the Council to the proposer it deems is in the best public interest.
- B. Sole Source Purchases. Commodities or services that can be obtained from only one vendor or one distributor authorized to sell in the Santa Barbara County area, are exempt from the competitive bidding requirements in Section 3.05.080 and are deemed sole source purchases. Sole source purchases may include proprietary items sold direct from the manufacturer.

All sole source purchases shall be supported by written documentation indicating the

facts and nature supporting the determination of a sole source, signed by the appropriate Department Head and forwarded to the Purchasing Officer. The Purchasing Officer shall make the final determination to award sole source purchases based on the documentation submitted.

§ 3.05.100. Cooperative Purchasing with Other Agencies.

- A. The bidding requirements of Section 3.05.080 shall not apply to the purchasing of any supplies, general services, or equipment and special equipment/supplies which the Purchasing Officer decides to obtain through a cooperative competitive bidding procedure, being prepared by and processed through another local, State, or Federal governmental agency. If the Purchasing Officer determines it to be in the best interest of the City, the Purchasing Officer is authorized to “piggy-back” onto or join into an existing written purchase contract, which contract was obtained through a competitive bidding process prepared by and awarded by another local, State or Federal government agency. Approval of a “piggy-back” or cooperative purchase shall be obtained from City Council for an award of a purchase over \$45,000.00.
- B. Multiple Awarded Bids. Multiple awarded bids are generally conducted by larger government agencies. A competitive bidding process is conducted for a specified product. Several vendors whose product meets the specification are awarded the contract. Maximum item price and contract terms are established. If the Purchasing Officer determines it to be in the City’s best interest, the Purchasing Officer is authorized to use Federal, State or other government agency multiple awarded contracts. Staff must obtain quotes from at least three vendors on the list and award the bid to the lowest responsive and responsible bidder. Approval shall be obtained from City Council of purchases over \$45,000.00.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.110. Recycled, Energy Efficient or Environmentally Friendly Supply Products Specification.

If in procuring supplies a recycled, energy efficient or environmentally friendly product can achieve the necessary City performance standard, and if such recycled product is readily available, specifications should, if economically feasible, require products made with recycled, energy efficient or environmentally friendly materials be bid. If the Department Director determines that: (1) a recycled, energy efficient or environmentally friendly product lacks performance capabilities or needed quality levels; or (2) a sufficient amount of said product is not currently available in the market, then a reduced percentage can be required, or the supply specification can be limited to non-recycled, non-energy efficient or non-environmentally friendly materials.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.120. Urgencies.

The bidding procedures of Section 3.05.080 may be dispensed with in the case of urgency. Urgency shall exist when the service, repair, or replacements are immediately necessary to permit the continued performance of the operations or services of the City, or to avoid the immediate danger to life, health, or property. The City Council delegates the City Manager to determine when a public urgency exists and any purchases in excess

of \$45,000 are subject to confirmation by the City Council at its next meeting.
(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.130. Inspection and Tests.

The Purchasing Officer or department requesting the item shall inspect all deliveries of supplies and equipment to assure conformance with the contract or order specifications. The Purchasing Officer, at his or her discretion, may require such chemical and physical tests of samples of supplies and equipment as he or she deems necessary to determine the quality in conformance with those specifications.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.140. Staging of Purchases Prohibited.

Purchases shall not be knowingly staged or separated into smaller units or segments for the purpose of evading the competitive formal or informal bidding requirements of this chapter.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.150. Alternative Purchasing Procedure for General Services.

- A. General services shall be procured either through the bid process outlined in Section 3.05.080 with the emphasis on awarding to the “lowest responsible responsive bidder” or through the Request for Proposal process outlined in Section 3.05.260 with emphasis on factors other than price.
- B. Factors to Consider. If it is determined that all vendors providing a service classification can equally provide the service satisfactorily, then a bid process would be appropriate. However, if other factors other than price need to be considered in awarding the contract, the request for proposal process would be appropriate. Examples of areas other than price that may be important in awarding the contract include experience level, competence, resources/ equipment, staffing levels, and services available/time factors. Other qualifications and procedures for selecting such services may be determined by each City department responsible for recommending the service contract.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

Article III
Public Work Projects

§ 3.05.160. Uniform Construction Cost Accounting Procedures.

The City Council has elected to become subject to the Uniform Construction Cost Accounting Procedures as established by the California Uniform Construction Cost Accounting Commission. (Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.170. Bidding Procedures for Various Project Amounts.

- A. A Public Project with an estimated value of \$75,000.00 or less may be performed by City employees by force account, by negotiated contract, or by purchase order.
- B. A Public Project with an estimated value of \$220,000.00 or less may be let to contract by informal bid procedures as set forth in this chapter.
- C. A Public Project of more than \$220,000.00 shall, except as otherwise provided in this chapter, be let to contract by formal bidding procedure as set forth in this chapter.

The described project costs limits of subsections A through C in this section shall be increased automatically without City Council action to amend this section pursuant to the adjustments made by the California Uniform Construction Cost Accounting Commission under Section 22020 of the Public Contract Code.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.180. Adoption of Plans.

At the earliest point practicable but prior to award of projects pursuant to § 3.05.170 (B) and § 3.05.170 (C), the City Council shall approve and adopt the plans, specifications and working details.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.190. Negotiated Contract or Purchase Order Procedures.

- A. For those projects qualifying under subsection A of Section 3.05.170, the Project Manager shall obtain a cost estimate from the Project Engineer or Architect prior to issuing a purchase order or negotiating a contract with a responsible contractor. For any City force account work, the Project Manager shall first comply with the guidelines established by the California Uniform Construction Cost Accounting Commission in determining the cost of the public work.
- B. The City Manager shall have the authority to award and to execute any contract for the public work qualifying under subsection A of Section 3.05.170.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.200. Informal Bidding Procedures.

For those projects which qualify under subsection B of Section 3.05.170 for informal bidding, the following procedures shall be used:

- A. Bidder List. The City shall maintain a list of qualified contractors, identified according to categories of work. Minimum criteria for development and maintenance of the contractors list shall be consistent with the State Uniform Construction Cost Accounting rules.
- B. Notice. Unless the product or service is proprietary, all contractors on the City's list for the category of work being bid shall be sent a notice inviting informal bids, or a notice inviting informal bids shall be sent to all construction trade journals specified in this section, or both such notices. The trade journals shall be those identified by the California Uniform Construction Cost Accounting Commission as appropriate for this area.
- C. Bidder's Security/Failure to Sign Contract. Bidder's security shall be prescribed in the notice inviting bids in an amount equal to 10% of the amount bid. Bidder's security shall be either a cash deposit with the City, a cashier's or certified check, payable to the City, or a bidder's bond. Unsuccessful bidders shall be entitled to the return of bid security within 60 days of the date of the award. However, the lowest responsive and responsible bidder shall forfeit all or part of his or her bid security, as may be determined by the City Council, upon the bidder's refusal or failure to execute the contract within 10 days after the date of the award of the contract. On the refusal or failure of the lowest responsive and responsible bidder to execute the contract, the Council may award the contract to the next lowest responsible bidder.
- D. Minimum Time Period. All notices to contractors and the construction trade journals pursuant to subsection B of this section shall be completed not less than 10 calendar days before bids are due.
- E. Notice Contents. The notice inviting informal bids shall describe the project in general terms, how to obtain more detailed information about the project, and state the time and place for the submission of bids.
- F. Performance/Labor/Materials Bonds. A labor and materials bond, plus a performance bond shall be required, from a surety company acceptable to City, in amounts equivalent to the total contract amount.
- G. Bid Opening Procedure. Sealed bids shall be submitted as described in the notice inviting bids. Bids shall be opened at the time and place stated in the notice inviting bids. A record and tabulation shall be made at that time of all bids received and shall be open for public inspection during regular business hours for a period of one year after the bid opening. The Project Manager shall make an analysis of the bids for compliance with bid specifications and, thereafter, make a recommendation for award or rejection. Such recommendation shall be made available for all bidders.
- H. Public Access. The submitted bid packages shall be considered public records available for inspection at the time a recommendation for award or rejection is made. Disclosure of the information prior to a recommendation for award or rejection may prejudice the public interest if it is necessary to rebid the project.
- I. Protest. Any party may lodge a protest to the award of a contract. Such a party shall have the opportunity to present information in support of their position to the awarding authority prior to the award of the contract. If any party fails to appear and present

information prior to the award of the contract, they shall be deemed to have waived their right to protest the award of the contract.

- J. Award. The City Council shall award the contract or reject the bids, or it may delegate this authority to the City Manager or other appropriate person. The Council may waive minor bid irregularities.
- K. Bids in Excess of Statutory Amount. If all bids received are over \$220,000.00, the City Council may by passage of a resolution by a four-fifths vote, award the contract up to \$233,750.00 to the lowest responsible bidder if it determines the cost estimate of the City was reasonable.
(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.210. Formal Bidding Procedures.

For those projects requiring formal bidding under Section 3.05.170(C), the following procedures shall be used:

- A. Authorization. The City Council shall authorize all requests for formal bids prior to publication of a notice inviting bids.
- B. Publication. A notice shall be published at least once 14 calendar days before the date of opening the bids in a newspaper of general circulation, printed and published in the jurisdiction of the City. The notice inviting formal bids shall also be sent electronically to all construction trade journals specified by the California Uniform Construction Cost Accounting Commission as appropriate for the area. The notice shall be sent at least 15 calendar days before the date of opening the bids. The notice inviting formal bids shall state the time and place for the receiving and opening of sealed bids and distinctly describe the project. In addition to notice required by this section, the City may give such other notice as it deems proper.
- C. Bidder's Security. Bidder's security/failure to sign contract. Bidder's security shall be prescribed in the notice inviting bids in an amount equal to 10% of the amount bid. Bidder's security shall be either a cash deposit with the City, a cashier's or certified check, payable to the City, or a bidder's bond. Unsuccessful bidders shall be entitled to the return of bid security within 60 days of the date of the award. However, the lowest responsive and responsible bidder shall forfeit all or part of his or her bid security, as may be determined by the City Council, upon the bidder's refusal or failure to execute the contract within 10 days after the date of the award of the contract. On the refusal or failure of the lowest responsive and responsible bidder to execute the contract, the Council may award the contract to the next lowest responsible bidder.
- D. Bid Opening Procedure. Sealed bids shall be submitted as described in the notice inviting bids. Bids shall be opened at the time and place stated in the notice inviting bids. A record and tabulation shall be made at that time of all bids received and shall be open for public inspection during regular business hours for a period of one year after the bid opening. The Project Manager shall make an analysis of the bids for compliance with bid specifications and, thereafter, make a recommendation for award or rejection. Such recommendation shall be made available for all bidders.

- E. Public Access. The submitted bid packages shall be considered public records available for inspection at the time a recommendation for award or rejection is made. Disclosure of the information prior to a recommendation for award or rejection may prejudice the public interest if it is necessary to rebid the project.
- F. Protest. Any party may lodge a protest to the award of a contract. Such a party shall have the opportunity to present information in support of their position to the awarding authority prior to the award of the contract. If any party fails to appear and present information prior to the award of the contract, they shall be deemed to have waived their right to protest the award of the contract.
- G. Award of Contracts/Minor Irregularities. Contracts shall be awarded by the Council to the lowest responsive and responsible bidder whose bid fulfills the purpose intended, according to criteria designated in the solicitation and, provided, the award amount is within the unencumbered appropriation for that item. The Council may waive minor bid irregularities.
- H. Tie Bids. If two or more bids received are for the same total amount or unit price, quality and service being equal, and if the public interest will not permit the delay or re-advertising for bids, the Council may accept either bid.
- I. Performance/Labor/Materials Bonds. A labor and materials bond, plus a performance bond shall be required, from an acceptable surety, in such amounts and in such a form as the City finds reasonably necessary to protect the public interest or as required by law.
- J. No Bids. If no bids are received, the project may be performed by City employees by force account, or by informal bidding procedures without further complying with this chapter.
(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.220. Rejection of Bids.

In its discretion, the City Council may reject all bids presented. If after the first invitation for bids, all bids are rejected, the City shall state the reasons for the rejection. The City shall have the option of either of the following:

- A. Abandoning the project or re-advertising for bids in the manner described by this chapter.
- B. By passage of a resolution by a four-fifths vote of the City Council declaring that the project can be performed more economically by City employees, may have the project done by force account without further complying with this chapter.
(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.240. Staging of Public Works.

Public work contracts shall not be knowingly staged or separated into smaller units or segments for the purpose of evading the competitive bidding requirements of this chapter.
(Ord. 09-12 § 3; Ord. 20-06 § 1)

§ 3.05.250. Bid Protest Procedure Applicable to Public Works Construction Projects.

The procedures set forth herein shall apply in the absence of contrary procedures established in the specifications for a Project:

- A. Filing a Bid Protest. A bidder on a City public works project or any other interested person may object, by following the procedure provided in this section, to the award of the contract for the project to the person or entity that submitted the low bid based on grounds that the bid is not responsive or that the low bidder is not responsible.
 - 1. The apparent low bidder on a City public works project may object, by following the procedure provided in this section, to the City staff's determination that its bid is not responsive or that it is not a responsible bidder.
 - 2. A bid protest shall be filed in writing with the City Clerk and shall set forth the reasons for the objection. Any documents which support the objection must be filed together with the protest.
 - 3. A bid protest shall be filed with the City Clerk no later than 72 hours after the opening of the bids.
 - 4. A bid protest shall be filed with the City Clerk no later than 72 hours after city staff informs the apparent low bidder by email that it intends to recommend that its bid be rejected and the contract awarded to another bidder.
- B. Notice of Hearing of Protest.
 - 1. Upon receipt of a protest challenging a low bidder pursuant to subsection (A)(1) of this section, the City Clerk shall mail or email a copy of the protest to the low bidder, together with any supporting documents filed with the protest, along with a statement advising the low bidder of the date, time, and place when and where the City Council will meet to consider the bids received in connection with the project. The notice shall advise the low bidder that it may appear at the City Council meeting and that it will be given an opportunity at that meeting to rebut the charges made in the protest. The City Clerk shall also notify the person who protested the award of the contract, advising of the date, time, and place the City Council will meet to consider the bids and the protest. Multiple protests will be consolidated and considered concurrently.
 - 2. Upon receipt of a protest by an apparent low bidder challenging the staff's determination that its bid is not responsive or that it is not responsible pursuant to subsection (A)(2) of this section, the City Clerk shall mail or email a letter advising the apparent low bidder of the date, time, and place the City Council will meet to consider the bids received in connection with the project and advising the apparent low bidder that it may appear at the City Council meeting and that it will be given an opportunity at that meeting to rebut the staff's determination that its bid is not responsive or that it is not a responsible bidder.
- C. Hearing the Bid Protest. At the hearing, the City Council shall follow the following procedure:

1. At the time set for consideration of the bids received in connection with the project, the City Council shall first hear a staff report.
2. Following the staff presentation, in the case where another bidder or interested person is protesting the low bid, the City Council will allow the protester to make its presentation, and then the Council will allow the low bidder to rebut the arguments and evidence produced by the protester.
3. In the case where staff is recommending rejection of an apparent low bid, the apparent low bidder will be allowed to present evidence rebutting the staff's recommendation.
4. The City Council may, in its discretion, permit rebuttals and surrebuttals by the parties. The City Council is not required to abide by formal rules of evidence.
5. At the conclusion of the hearing, the City Council will decide which bidder is the lowest responsive and responsible bidder based on the evidence produced at the hearing and award the contract to that bidder or, alternatively, exercise its right to reject all bids.
6. In deciding whether a bid is responsive, the City Council must determine that the bid is complete, responsive to the bid instructions and does not contain any nonwaivable defects. In deciding whether a bidder is "responsible," the City Council must consider the bidder's trustworthiness, and the quality, fitness and capacity of the bidder to satisfactorily perform the work required to be performed for the project. Evidence of pervasive and significant violations of the prevailing wage laws of the State of California by the bidder on a City project or on public works projects involving other public agencies must warrant a finding by the City Council that the bidder is not responsible.

(Ord. 20-06 § 1)

Article IV
Professional Services

§ 3.05.260. Award of Professional Service Contracts Based upon Competence.

- A. **Factors to Consider.** In contracting for those professional services, such contracts should only be awarded to firms or persons who have demonstrated “adequate competence” meaning: an adequate level of experience, competence, resources/equipment, staffing and other professional qualifications necessary for more than a satisfactory performance of the services required in the time period needed. Once the department requesting the service has determined a firm has an adequate level of competence, the cost of the service may be considered, however, the lowest cost may not be the sole factor in deciding which firm or who shall be awarded the contract. It may be in the City’s best interest to award the contract to a higher priced contractor based on the scope of services available, unique skills, staffing levels, timing, prior experience, past working relationship, and other factors required by the department or proposed by that contractor. The information needed for determining that level of competence, other qualifications and the procedure for selecting such services shall be determined by each City department responsible for recommending the professional service contract.
- B. **Request for Proposal/Qualifications.** The acquiring of professional services shall be procured through negotiated contract and may include requests for proposals/qualifications. Contracting for professional services is decentralized and shall be the responsibility of the Department Head requesting the service. The Purchasing Officer may be contacted to assist in the formal request for proposal/qualification (RFP/Q) process.
- C. **Services Up To \$2,500.00.** A Department Director may award professional service or consulting services/contracts up to \$2,500.00 with qualified consultants/firms on file with the City. If no qualified consultants/firms are on file with the City, the requesting department should contact a minimum of three consultants/firms.
- D. **Contracts Over \$2,500.00 and Up To \$10,000.00.** A Department Director and the Purchasing Officer may award professional service or consulting contracts over \$2,500.00 and up to \$10,000 with qualified consultants/firms on file with the City. If no qualified consultants/firms are on file with the City, the requesting department should contact a minimum of three consultants/firms.
- E. **Contracts Over \$10,000.00 and Up To \$45,000.00.** The requesting department should contact a minimum of three consultants/firms.

Unless the City Council authorized the entering into or the award of a specific service contract, the City Manager shall have the authority to award and execute the contract.

F. Contracts Over \$45,000.00. Departments shall utilize a sealed request for proposal process essentially meeting the following requirements:

1. RFP/Q Solicitation Process. A formal Sealed Request for Proposal Qualification (herein "RFP/Q") document should be developed for solicitation of professional services contracts over \$45,000.00.
2. Advertisement. The department should advertise in appropriate publications and/or use the professional services listings, as available, during the solicitation process.
3. Fourteen-Day Notice. Notice inviting RFP/Qs should be posted at the City Hall and on the City's website at least 14 calendar days before the due date of submission of the RFP/Q.
4. Notice Contents. The notice shall at least describe the general type of service needed, how the RFP/Q minimum scope of work can be obtained, the requirement of a written sealed proposal, state the closing date, place, and time for submission of the RFP/Q.
5. Solicitation Procedure. Sealed request for proposals/qualifications should be submitted to the department. RFP/Qs need not be opened publicly. All proposals shall be analyzed by the department for compliance with RFP/Q requirements, value of the total scope of services and a recommendation made to City Council for selection, or for follow up interviews of those submitting a proposal,
6. Award. Professional service contracts over \$45,000.00 may only be awarded by the City Council.
7. No Proposals Received. In the event no proposals are received, the Department Director requesting the professional service shall have the option of any of the following:
 - a. Abandoning the solicitation;
 - b. Rebidding the solicitation; or
 - c. The Department Director may request the City Council to allow the obtaining of the professional service on a direct negotiated contract basis.

(Ord. 09-12 § 3; Ord. 11-07 § 2; Ord. 12-14 § 2; Ord. 20-06 § 1)

§ 3.05.270. Cooperative Purchasing with Other Agencies.

- A. The purchasing requirements of Section 3.05.250 shall not apply to the purchasing of any professional service which the Purchasing Officer decides to obtain with another government entity. If the Purchasing Officer determines it to be in the best interest of the City, the Purchasing Officer is authorized to “piggy-back” onto or join another government entity’s written purchase contract, which contract was obtained through a procurement process required by that government agency. The City Council shall approve any professional services contract with an amount that is over \$45,000.00.
- B. The purchasing requirements of Section 3.05.250 shall not apply to the purchasing of any professional service which the Purchasing Officer decides to obtain directly from another public agency. The City Council shall approve any professional services contract with an amount that is over \$45,000.00.

(Ord. 09-12 § 3; Ord. 20-06 § 1)

SECTION 2. Certification of City Clerk.

The City Clerk shall certify to the adoption of this ordinance and, within 15 days after its adoption, shall cause it to be published in accord with California Law.

SECTION 3. Effective Date.

This ordinance shall take effect on the 31st day following adoption by the City Council.

INTRODUCED ON the ____ day of _____ 2024.

PASSED, APPROVED, AND ADOPTED this ____ day of _____ 2024.

PAULA PEROTTE
MAYOR

ATTEST:

APPROVED AS TO FORM:

DEBORAH S. LOPEZ
CITY CLERK

ISAAC ROSEN
ACTING CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF SANTA BARBARA) ss.
CITY OF GOLETA)

I, DEBORAH S. LOPEZ, City Clerk of the City of Goleta, California, do hereby certify that the foregoing Ordinance No. 24-__ was introduced on _____, and adopted at a regular meeting of the City Council of the City of Goleta, California, held on the _____, by the following roll-call vote, to wit:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

(SEAL)

DEBORAH S. LOPEZ
CITY CLERK

ATTACHMENT 4

PowerPoint Presentation

Amendments to Title 3, Chapter 3.05 of the Goleta Municipal Code Relating to the Purchasing System

City Council
December 3, 2024

Christi Velasquez, Senior Management Analyst
Winnie Cai, Assistant City Attorney



Today's Objectives

- Introduce proposed amendments for the general cleanup of the Purchasing System (GMC 3.05)
- Incorporate updates per the California Uniform Construction Cost Accounting Commission (“Commission”)
- Implement a best practice to make annual incremental changes to GMC 3.05 to stay current

Purchasing System Overview

- Administration
- Supplies, General Services and Equipment
- Public Work Projects
- Professional Services

General Cleanup for Consistency

- Update definitions and language to reflect current process and terminology (Administration)
- Update language for Cooperative Purchasing from contracts awarded in the last 12 months to any existing cooperative contract that was obtained through a competitive bidding process (General Services)
- Add procedure for professional services if no proposals are received when utilizing the Request for Proposals process (Professional Services)

Updates related to Public Work Projects

- Clean up definitions for “maintenance work” and “public project” to align with those set forth by the Commission
- Conform the contract amounts of public projects with the Commission’s recommendations
- Modernize bid procedures

Questions

Recommendation

Introduce and conduct the first reading (by title only and waive further reading) of City Council Ordinance No. 24-__ entitled "An Ordinance of the City Council of the City of Goleta, California, Amending Title 3 Chapter 3.05 of the Goleta Municipal Code Relating to the City of Goleta the Purchasing System."