City of Lancaster

Subject **Procurement Policies and Procedures Manual**			Effective Date November 1, 2013 **Rev. May, 2014** **Rev. February, 2015**
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1.0 Purpose

The purpose of this policy is to provide direction and guidance to City staff involved in the procurement process, to provide for the fair and equitable treatment of all persons involved in the procurement process, to obtain the highest possible value in exchange for public funds and to safeguard the quality and integrity of the purchasing system.

2.0 Organizations Affected

All City departments/division
Lancaster Housing Authority
Lancaster Power Authority

3.0 References

City of Lancaster Municipal Code
California Civil Code
California Labor Code
California Public Contract Code

4.0 Definition of Terms
- 4.1 Reference General Definitions, pages 6 - 8

5.0 Policy
- 5.1 Reference policies contained herein, various pages

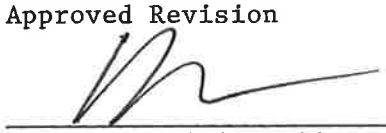
6.0 Procedure
- 6.1 Reference procedures contained herein, various pages

Approved

Mark V. Bozigian, City Manager

10-29-13
Date

Approved Revision



Mark V. Bozigian, City Manager

5-8-14
Date

Approved Revision

Mark V. Bozigian, City Manager

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CITY OF LANCASTER

PROCUREMENT POLICIES AND PROCEDURES MANUAL

REVISED
MAY 2014

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General
Purpose and Goals

The City of Lancaster has created this Procurement Policies and Procedures Manual to provide direction and guidance to City staff involved in the procurement process, to provide for the fair and equitable treatment of all persons involved in the procurement process, to obtain the highest possible value in exchange for public funds and to safeguard the quality and integrity of the purchasing system.

Section 3.32 of the Lancaster Municipal Code authorizes a Purchasing Division that is responsible to the City Manager. The City Manager has designated the Finance Director and the Finance Department to be responsible for the purchasing function.

The guiding principles of those involved in the purchasing function should be:

- To comply with State law, the City's Municipal Code, the City Charter, and the adopted budget on all purchases and contracts.
- To procure the supplies, services and equipment needed by the departments at the lowest possible cost, taking into consideration quality, service levels and time constraints.
- To assist in a professional and ethical manner.

General
Ethics

The City of Lancaster Purchasing Division subscribes to and accepts as its own the Standards of Purchasing Practice adopted by the California Association of Public Procurement Officials (CAPPO).

- To regard public service as a sacred trust, giving primary consideration to the interests of the public agency that employs us.
- To purchase without prejudice, seeking to obtain the maximum value for each dollar expended.
- To avoid unfair practices, giving all qualified vendors equal opportunity.
- To honor our obligations and require that obligations to our public agency be honored.
- To accord vendor representatives courteous treatment, remembering that these representatives are important sources of information and assistance in solving our purchasing needs.
- To refuse to accept any form of commercial bribery, and prevent any appearance of so doing.
- To be receptive to counsel from our colleagues, and to cooperate with them to promote a spirit of teamwork and unity.
- To conduct ourselves with fairness and dignity, and to demand honesty and truth in the purchasing process.
- To strive for greater knowledge of purchasing methods and of the materials we purchase.
- To cooperate with all organizations and individuals involved in activities designed to enhance the development of the purchasing profession, remembering that our actions reflect on the entire purchasing profession.

General
Definitions

Amendment – A modification of terms or pricing for goods, professional services or non-professional services contract, or task order.

Bid – A comparative price offer made by an intended seller in reply to an invitation for bid or request for quotation.

Bid Documents – The documents including the attachments and addenda, which set forth instruction to bidders or proposers and which are disseminated for the purpose of soliciting bids or proposals.

Business – Any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture or any other private legal entity.

CAL-Card – The City's procurement card issued under California Department of Goods and Services, utilized as a payment mechanism for small dollar purchases by authorized City staff.

City - The municipal corporation and charter city now existing and known as the City of Lancaster.

City Attorney – Means the City Attorney of the City of Lancaster, or his or her designee.

City Manager – Means the City Manager of the City of Lancaster, or his or her designee.

Cooperative Contracts – Contracts already solicited and/or awarded by other public agencies, often under the sponsorship of non-profit cooperative contract associations, allowing the City to purchase goods, services and equipment are competitively bid or assessed pricing, without the need for the City to undertake a separate solicitation request action.

Consultants – Those persons who have specialized education and considerable experience in the field. Examples of consultants include, but are not limited to, architects, auditors, certified public accountants, engineers, landscape architects, management consultants, planners, surveyors, and construction project managers.

Contract – Any agreement, purchase order, or written document which produces a contractual agreement between the City and another party for the procurement or disposition of materials, services, professional services or construction projects.

Contractor – Any manufacturer, supplier, vendor, builder, professional corporation or individual doing business by contract with the City.

Department Head – Means the director of a department of the City of Lancaster, or his or her designee.

Goods – Any and all supplies, materials, and/or equipment which are moveable at the time of sale, and can be furnished to or be used by the City. This also includes goods purchased separately for City projects and goods purchased with installation services where the major portion of the cost is for the goods.

Equipment – Those items used in performing a task which are basically non-consumable.

Force Account – Construction work performed by City labor.

Formal Bid – Sealed bid over a specified dollar amount.

Informal Bid – Sealed bid over a specified dollar amount, but under the amount for a formal bid.

May – Means that the procedure is optional.

Piggyback – Using a bid from another governmental agency without going through a City bidding process

Procurement – The buying, purchasing, renting, leasing or otherwise obtaining of any materials, equipment, supplies or services. Also included are all activities related to obtaining the above items.

Professional Services – The procurement of services that involves the exercise of professional discretion and independent judgment based on advance or specialized knowledge, expertise or training gained by formal study or experience. Such services include, but are not limited to, services provided by appraisers, architects, engineers, instructors, insurance advisors, physicians, and other specialized consultants.

Public Projects – Construction, reconstruction, erection, alteration, renovations, improvement, demolition and repair work involving any publicly owned, leased or operated facility, including painting or repainting of such facilities.

Public Works Contract – Any agreement for Public Projects, as defined above.

Purchase Order – A written legal document signed by the Purchasing Agent stating all terms and conditions of purchase transaction or referring to such terms and conditions as may exist in an accompanying contract.

Purchasing Agent – The individual authorized by the City Council to act as their agent for all procurement actions and bind the agency financially within authorized limits.

Purchasing System – The combination of hardware and software system by which departments electronically enter requisitions.

Request for Proposals (RFP) – The complete assembly of related documents (whether attached or by reference) furnished to a prospective contractor/supplier for the purpose of presenting a proposal for a City requirement.

Request for Qualifications – The complete assembly of related documents (whether attached or by reference) furnished to a prospective contractor/supplier for the purpose of obtaining a list of qualifications to determine the fitness of a prospective contractor/supplier for a particular project.

Request for Quotation – The complete assembly of related documents (whether attached or by reference) furnished to a prospective contractor/supplier for specific products or services for the purpose of presenting a quote for a City requirement.

Requisitioner – The specific individual in a City department who initiates a requisition. It may also refer to the department represented by the requisitioner.

Shall, Must and Will – Means that the procedure is mandatory.

Should – Means that the procedure is recommended.

Solicitation – An invitation or request by which the City invites a person to participate in a procurement, such as an Invitation for Bids, a Request for Proposals, a Request for Qualifications, or a Request for Quotations.

Surplus Property – Any item of value that is owned by the City of Lancaster, but is no longer needed, unserviceable, junk, scrap or otherwise suitable for its original purpose regardless of whether item was donated or purchased by the City.

Sole Source – Procurement which is only available from a single manufacturer or source.

Supplies – Those products, often of a minor value, which are used outright, and which are generally consumed through use.

Task Order – A directive to a consultant under a consultant or professional services contract, which details the work scope, payment, and schedule of a definitive task or tasks to be performed.

General
Council Approval and General Contract Requirements

Purpose

To establish a uniform policy for the approval of contracts.

Policy

It shall be the policy of the City of Lancaster that all contracts follow certain general procedural requirements.

Council Approval

Per the City of Lancaster Municipal Code 3.32.090, the City Council must approve all contracts in excess of $125,000, regardless of the method of procurement or the contractor selection process used.

The originating department is responsible for notifying the City Clerk's office when a bid/proposal will be presented to City Council. The originating department will prepare the Staff Report for the Council Agenda.

General Contract Procedural Requirements

All contracts shall conform to the procedural requirements below unless otherwise excluded in this manual:

1. All contracts must be in writing and be signed in the name of the City, or one of its related agencies or authorities.

2. All contracts must include appropriate insurance and indemnification provisions.

3. All contracts must be approved as to form by the City Attorney or other legal counsel representing the City.

4. City Council approval is required for all contracts that exceed $125,000.

5. City Council approval is required if any change order or amendment results in the amended contract total exceeding $ 125,000.

6. A signed original of each contract entered into must be filed with the City Clerk's office, except for a contract for the procurement of material or services on a purchase order, which must be filed in the Purchasing Division.

General
Violations

Purpose

To establish a policy for violations of the purchasing policies and procedures.

Policy

It is the policy of the City of Lancaster that all employees that are required to make procurements of goods and services do so in accordance with state law, the City of Lancaster Municipal Code Chapter 3.32, the City Charter, and this manual. Procurement of goods and services, including construction services, by any means other than approved procurement procedures are in violation of city policy and are unlawful.

Procedure

Should an employee violate the policies and/or procedures as outlined by the Procurement Policy and Procedures Manual, the Purchasing Agent will initiate the violation procedure as described below. The violation process may start at any step according to the severity of the violation and at the discretion of City Management.

1. On the first violation by an employee, the Purchasing Agent or designee will notify and caution the individual and obtain a commitment that corrective action will be taken to preclude future occurrences. The Purchasing Agent or designee may authorize the purchase or payment after considering the facts.

2. On the second violation by the same employee, the Purchasing Agent or designee will issue a written Notice of Violation to the employee. A copy of the Notice of Violation will be sent to the employee's supervisor and the Department Head with a memorandum inquiring as to the actions that are being taken or will be taken to preclude future occurrences by the employee. Upon receipt of the response, the Purchasing Agent or designee may, after considering the information received, authorize payment of the expenditure.

3. On the third violation by the same employee, the Purchasing Agent or designee will issue a written Notice of Violation as outlined in paragraph 2. A copy of the Notice of Violation will also be sent to the Finance Director. The Finance Director may suspend the employee's purchasing privileges and recommend disciplinary action. A request for reinstatement of purchasing privileges must be approved by the employee's supervisor, the Department Head, and the Finance Director.

4. On the fourth violation by the same employee, the Purchasing Agent will issue a written Notice of Violation as outlined in paragraph 2. A copy of the Notice of Violation will also be sent to the Finance Director, the Human Resources Director, and the City Manager. Additionally, the violator's purchasing privileges will be permanently revoked. The employee will be subject to disciplinary action up to and including termination and/or prosecution.

5. Violations of a serious or criminal nature, regardless of the method of purchase, will result in immediate disciplinary action, up to and including termination and/or prosecution. Employees will be required to reimburse the City for losses resulting from gross negligence or dishonest acts.

Exceptions

Exceptions to this procedure shall be authorized only by the Finance Director, City Manager, or designee.

General
Protest Procedures

Purpose

To establish a general policy and procedures for the submittal and evaluation of protests relating to any procurement actions.

Policy

It is the policy of the City of Lancaster to accept and evaluate protests for all procurements action subject to compliance with the policy. To be considered, a protest must be filed in a timely manner, as described herein, must satisfy all the applicable requirements described herein, and must be brought by an interested party, as defined herein.

Method of Protest

In order to be considered, a Protest shall be in writing, addressed to the Purchasing Agent, and include:

1. The name, address, and phone number of the Bidder or Proposer protesting, or the authorized representative of the Bidder or Proposer;

2. The Invitation to Bid or Public Works Construction Project ("ITB" or "PWCP") or Request for Proposals ("RFP") Number and Title under which the Protest is submitted;

3. A detailed description of the specific grounds for protest and any supporting documentation. It is the responsibility of the Protesting Bidder/Proposer to supplement its Protest with any subsequently discovered documents prior to the Purchasing Agent's decision;

4. The specific ruling or relief requested; and

5. Evidence that all persons with a financial interest in the procurement have been given notice of the Protest or if such persons are unknown, a statement to that effect.

Who May Protest

1. Protests based on specifications. Any prospective Bidder/Proposer.

2. Protests following Bid submittal. Any Bidder or Proposer submitting a response to an ITB or PWCP or RFP showing a substantial financial interest in the solicitation or award of any Contract.

Time to Protest

1. Protests based on specifications or other terms in the RFP, ITB, or PWCP documents which are apparent on the face of said documents must be received by the City no later than ten (10) calendar days prior to the date established for submittal of the Bids/Proposals.

2. Protests based on other circumstances must be received by the City within five (5) calendar days after the protesting Bidder/Proposer knows or should have known the facts and circumstances upon which the Protest is based.

3. In no event shall a Protest be considered if all bids are rejected or after award of the Contract.

Procedure

1. Upon receipt of a timely written Protest, the Purchasing Agent or designee shall investigate the Protest and shall prepare a response in writing to the Protester.

2. The response shall be reviewed by the City Attorney prior to being sent to the Protester.

3. The written response will be sent to the Protester prior to the award of the Contract.

4. Except as provided below, the decision of the Purchasing Agent shall be final.

Reconsideration of Purchasing Agent's Decision

A financially interested Bidder may request that the Purchasing Agent's adverse decision be reviewed by the Director of Finance on a reconsideration basis only. The only justification for reconsideration are (1) new data exists relevant to the underlying grounds for protest and said data was unavailable at the time of the Protest to the Purchasing Agent; or (2) the Purchasing Agent made an error of law or regulation. The following procedures shall be followed for a reconsideration of the Purchasing Agent's decision:

1. Method of Request for Reconsideration. In order to be considered, a Request for Reconsideration must be filed with the Director of Finance in writing, and include:

    a. The name, address, and telephone number of the person protesting or their authorized representative;

    b. A copy of the written decision of the Purchasing Agent; and

    c. A justification for reconsideration by the Director of Finance, including all pertinent facts and law on which the Bidder or Proposer is relying.

2. Time for filing Request for Reconsideration. The financially interested Bidder or Proposer must file the Request for Reconsideration no later than five (5) calendar days of receiving the Purchasing Agent's decision.

3. Review of the Purchasing Agent's Decision: Upon receipt of the Request for Reconsideration, the Director of Finance or designee will review (1) the information submitted to and reviewed by

the Purchasing Agent and (2) the decision of the Purchasing Agent and shall thereafter issue a final determination regarding the Request for Reconsideration. No other information will be reviewed unless the basis for the Request for Reconsideration is new data.

Failure to Comply

Failure to comply with the procedures set forth herein may render a Protest untimely or inadequate and may result in rejection by the City.

General
Environmentally Preferable Purchasing

Purpose

It is the goal of the City of Lancaster to use its purchasing power to extend the City's environmentally friendly practices and for the City to be a responsible environmental leader.

The City of Lancaster is a large consumer of goods and services, and the purchasing decisions of our employees and contractors can positively or negatively affect the environment. By including environmental considerations in our procurement decisions, along with our traditional concerns with price, performance, and availability, we will remain fiscally responsible while promoting practices that improve public health and safety, reduce pollution, and conserve natural resources. The purpose of this policy is to establish the framework for a sustainability-based purchasing program for the City. The areas of responsibility shall include the following practices and procedures, which are outlined as part of this policy to ensure compliance with best procurement practices that result in the purchasing of products and services targeted at minimizing impacts on human health and the environment.

Policy

All City departments shall take every reasonable effort to reduce the amount and toxicity of solid waste they generate, recycle materials recoverable from their operations, and maximize the procurement of recycled, energy efficient, and non-toxic products.

Procedures

A. "Green" Initiatives:

1. Institute practices that reduce waste through increased product efficiency and effectiveness.

2. Purchase of products that minimize environmental impacts, including but not limited to, toxic substances, pollution, and hazards to workers and to community safety to the greatest extent practicable.

3. Purchase products that include recycled contract, are durable and long lasting, conserve energy, water and natural resources, use agricultural products, fibers and residues, reduce greenhouse gas emissions and other pollutants, use unbleached or chlorine free manufacturing processes, and use wood from sustainable harvested forested or other environmentally friendly substitutes.

B. Sustainability Objectives:

1. Minimize environmental impacts such as pollution and use of water, energy and natural resources.

2. Eliminate or reduce toxic substances that create hazards to workers and our community.

3. Protect the City's soil, surface and subterranean waters by minimizing the use of chemicals or other substances known to contaminate soils and water resources through toxicity, bioaccumulation or persistence.

4. Encourage manufacturers and vendors to reduce or eliminate environmental impacts in their production and distribution systems to the extent possible.

5. Serve as a model for purchasing environmentally preferable products and encourage other purchasers in our community to adopt similar goals.

6. Assist in improving the air quality for City residents and visitors by making purchases that minimize emissions of pollutants and particulates.

7. Preserve resources locally and globally through purchasing practices that:

    a. Maximizes water, energy, and natural resources efficiently;
    b. Utilizes renewable energy sources;
    c. Maximizes post-consumer recycled content;
    d. Utilizes readily recyclable or compostable materials; and
    e. Facilitates long-life commodity use through product durability, repair ability, and reuse.

C. Definitions and Standards:

1. All products, for which the United States Environmental Protection Agency (EPA) has established minimum recycled content standard guidelines, including but not limited to printing paper, office paper, janitorial supplies, construction, landscaping, and miscellaneous and non-paper office products shall contain the highest post-consumer content practicable, but not less than the minimum recycled content standards established by the U.S. EPA Guidelines.

2. In general, environmentally preferable products and services are those that would have a reduced effect on human health and the environment when compared with competing products and services. More specifically, this comparison should include considerations of all phases of the product's life cycle, including raw materials acquisition, production, manufacturing, packaging, distribution, operation, maintenance and disposal, including potential for reuse or ability to be recycled.

3. In practice, the objective is to purchase products that have reduced environmental impact because of the way they are manufactured, used, transported, stored, packaged and disposed of. It means procuring products that do not harm human health, are less polluting while minimizing waste and maximizing use of bio-based or recycled materials, that conserve energy, water and natural resources, and reduce the consumption and/or disposal of hazardous materials. When determining whether a product is environmentally preferable, the following standards, at a minimum, should be considered:

    a. Bio-based
    b. Bio Degradable
    c. Carcinogen-free
    d. Bio-accumulative toxic (PBT) free
    e. Chlorofluorocarbon (CFC) free
    f. Heavy metal free (i.e. no lead, mercury, cadmium)
    g. Low volatile organic compound (VOC) free

h. Made from renewable materials
i. Compostable
j. Low toxicity
k. Recycled content or is reusable
l. Reduced packaging, refurbished
m. Greenhouse gas emission
n. Energy, resource and water efficient

D. Responsibilities

The Purchasing Division shall:

1. Work with other governmental purchasing groups and agencies such as, but not limited to, U.S. Communities, National Institute of Governmental Purchasing (NIGP), California Association of Public Procurement Officers (CAPPO), and the Environmentally Preferable Purchasing (EPP) Department of the EPA to determinate appropriate standards for green purchasing.

2. Work with requesting departments to specify environmentally friendly products manufactured from recycled materials or energy efficient products whenever possible.

3. Utilize, when applicable, cooperative green purchasing agreements from other public agencies and from purchasing consortiums, including but not limited to, U.S. Communities, the National Intergovernmental Purchasing Alliance (NIPA), the National Joint Powers Alliance (NJPA), the Western States Contracting Alliance (WSCA), National Purchasing Powers (NPP), and California Multiple Award Schedule (CMAS), to reduce the cost of impact of purchasing environmentally friendly products.

4. Establish Price Agreements for green products and inform City departments of their availability.

5. Evaluate green product alternatives where appropriate. The evaluation should include the consideration of total life cycle costs anticipated for the entire time period that a product is owned, including but not limited to, acquisition, extended warranties, operations, supplies, maintenance, energy costs, disposal costs and the expected lifetime of a product, as compared to other alternatives. Green considerations for evaluation include:

    a. The durability of the products, if it is long lasting, reusable or refillable.

    b. If there is a "take back" or "trade in" program for electronic equipment, computers, monitors, printers, or copiers for reuse or environmentally safe recycling at the end of the product life cycle.

    c. If product packaging is environmentally friendly and can be reused or recycled.

City Departments shall:

Be responsible for ensuring that their respective employees, contractors, and vendors are fully aware and supportive of the City's initiative to purchase environmentally preferable goods and services. To this end, departments shall be responsible to exercise due diligence in their procurement decisions as well as procurements made by their contractors and consultants, promoting the purchase and use of environmentally preferable products whenever cost effective, and to the extent practicable for all work completed on behalf of the City of Lancaster.

E. Preferred Products:

1. **Recycled Materials**. A maximum effort shall be made, whenever possible, to purchase products manufactured from recycled materials.

2. **Remanufactured Products.** The City shall purchase remanufactured products, such as furniture and equipment, whenever practicable, without reducing safety, quality, or effectiveness.

3. **Non-Toxic Chemicals and Sprays.** A maximum effort will be made to reduce or eliminate the use of toxic sprays or chemicals at all City facilities whenever possible.

4. **Energy and Water Conserving Equipment.** When applicable, energy-efficient equipment shall be purchased that is equipped with the most up-to-date energy efficiency functions available at the time of procurement. This shall include, but is not limited to, high efficiency space heating systems, high efficiency space cooling systems, and appliances.

5. **Energy Star Designation.** Energy Star is a labeling program derived from a partnership between the EPA and the U.S. Department of Energy (DOE). All products displaying the Energy Star label meet Federal Energy Management Program (FEMP) standards. Typically, this means that labeled products are in the top twenty-five percent of all similar products when ranked by energy efficiency, and utilize twenty-five to fifty percent less energy than traditional counterparts.

F. Contracted Landscaping Services:

1. Contractors providing landscaping services to the City shall be encouraged to employ sustainable landscape management practices whenever possible, including but not limited to, integrated and environmentally friendly pest management, recycling grass clippings, drip irrigation, composting, and procurement of mulch and compost that give preference to those produced from locally (regionally) generated plant debris or food waste programs.

2. Plants should be selected to minimize waste and water consumption by choosing species that are appropriate to the climate they are to be placed in, can grow to their natural size in the space allotted them, and use perennials rather than annuals for color. Native and drought-tolerant plants that require no or minimal watering, once established, shall be preferred.

3. Hard-scapes and landscape structures constructed of either recycled or biodegradable materials are encouraged.

G. Elimination or Reduction of Toxic Substances and Pollutants:

1. To the extent practicable, no cleaning or disinfecting products (i.e. for janitorial, maintenance, or cleaning use) shall contain ingredients that are carcinogens, mutagens, or teratogens. These include chemicals listed by the EPA or the National Institute for Occupational Safety and Health on the Toxics Release Inventory and those listed under Proposition 65 by California Office of Environmental Health Hazard Assessment.

2. When maintaining buildings, the City shall use the lowest amount of VOCs, highest recycled content, and low or no formaldehyde when purchasing materials such as paint, carpeting, adhesives, furniture, and casework.

3. The City shall reduce or eliminate its use of products that contribute to the formation of dioxins and furans, including but not limited to products that use polyvinyl chloride (PVC), such as office binders, furniture, and flooring whenever practicable.

H. Conservation and Source Reduction:

Certain practices and procurement strategies can help prevent waste before it is created. Such practices are suggested whenever practicable and cost-effective, but are not meant to reduce workplace safety or compromise product performance.

Examples include:

a. Electronic communication instead of printed;
b. Double-sided photocopying and printing;
c. Washable and reusable dishes and utensils;
d. Rechargeable batteries;
e. Streamlining and computerizing forms;
f. "On-demand" printing of documents and reports as they are needed;
g. Leasing long-life products when service agreements support maintenance and repair rather than new purchases;
h. Sharing equipment and occasional use items;
i. Choosing durable products rather than disposable;
j. Reducing product weight or thickness when effectiveness is not jeopardized in products such as paper and plastic liner bags;
k. Buying in bulk, when storage and operations exist to support it;
l. Reusing products, such as file folders, storage boxes, office supplies, and furnishings, when practicable

General
Federal Grant Procurements

Purpose

The purpose of this policy is to set forth general procurement guidelines that will govern the procurement activities when awarding federally-funded contracts.

Policy

Purchasing with federal grant funds is heavily regulated by specific policies and operational procedures. It is the policy of the City of Lancaster that all procurements are consistent with any applicable policies and procedures required because of federal grant funding.

Procedures

City projects which are funded in whole or in part by federal funding sources are subject to specific policies and procedures beyond those which are covered in this manual. For these projects, the specific requirements shall be detailed in the projects bid specifications.

City agencies and departments are responsible for identifying the funding source of any procurements and when specific policies and procedures are applicable.

The Purchasing Agent may assist in reviewing the grant documentation to determine which specific requirements are necessary. If necessary, the Purchasing Agent will assist the department in modifying the solicitation documents to correctly incorporate those requirements into the language of the solicitation.

Any changes to bid language must be approved by the Purchasing Agent or the City Attorney.

General
Federal Debarment

Purpose

The purpose of this policy and procedure is to comply with the federal grants and sub-grants under the Code of Federal Regulations ("CFR") and Executive Order 12549. The City of Lancaster, under the CFR and Executive Order 12549, is prohibited from contracting with or making sub-grant/subcontract awards at any contract tier to any parties that are debarred or otherwise excluded from or ineligible for participation in federal assistance programs. Compliance with the CFR regarding debarment is required on procurement contracts for goods and services that are expected to exceed $25,000. The City of Lancaster agencies and departments purchase a substantial amount of goods and services to support programs that may be direct or indirect recipients of federal grants, loans, contracts or cooperative agreements and therefore, the City of Lancaster requires a Federal Debarment Policy.

Definition of Terms

A "contractor" is defined broadly to include any individual or other legal entity that conducts any business, or is expected to conduct any business, with the City as an agent or representative of another contractor.

"Debarment" means action taken by a federal debarment official to exclude a contractor from government contracting and government-approved subcontracting for a reasonable, specified period; a contractor that is excluded is "debarred".

"Excluded Parties List System" ("EPLS") is an electronic web based system that identifies parties suspended, debarred, proposed for debarment or otherwise excluded from receiving federal contracts, certain subcontracts, and certain types of federal financial and non-financial assistance and benefits.

Policy

For all contracts which the City enters into, funded in whole or in part by federal funds and that are expected to exceed $25,000, the City will ensure that the contractor is not on the federal debarment list. It is the responsibility of the initiating department to make this determination. No contract with such contractor will be entered into by the City.

Procedure

City agencies and departments are responsible for screening contractors as part of the procurement process for goods and services prior to the award or extension of a contract or submittal of a Purchase Requisition to determine whether or not any contractors are among the excluded parties listed on the System Award Management (SAM) site at https://www.sam.gov/portal/public/SAM/ for any purchase that exceeds $25,000.

Documentation should be made that the website was used, the date and by whom. This documentation should be kept with the grant file paperwork.

Methods of Purchasing
Purchase Order Exceptions

Purpose

To establish a uniform policy for the exception to the use of purchase orders.

Policy

Purchases under $2,000 do not require a purchase order. Additionally, certain purchases are not readily adaptable to the competitive procurement process. In these instances, a purchase order would not be required. The following is a list of allowable exceptions to the purchase order requirement:

A. Advertisements and Notices
B. Attorney Services
C. Bond Issuance Related Services
D. Fuel
E. Instructional Service Agreements
F. Insurance Claims and Premiums
G. Medical Payments
H. Membership Dues
I. Organization Meetings
J. Postage
K. Publications
L. Subscriptions
M. Trade Circulars
N. Travel Expenses
O. Utilities

Methods of Purchasing
Small Purchases (Less than $2,000)

Purpose

To establish a uniform policy for purchases less than $2,000.

Policy

It shall be the policy of the City of Lancaster to use an informal procurement process whenever possible when procuring goods and services under $2,000. These purchases may be completed at the division/department level and do not need to be approved by the Purchasing Division prior to the procurement process.

Procedures

Small dollar purchasing procedures may be used to procure catalogue items or off-the-shelf goods and services. The requestor may handle these purchases through any of the following methods, in order of preference:

1. Procurement Card. CAL-Card cardholders who have received CAL-Card training may make purchases of goods and services using a City of Lancaster Procurement Card. All purchases of goods or services shall be made within the limits of and in accordance with the City Lancaster Procurement Card Program Manual.

2. Direct Invoice Processing. The requestor may have the Vendor submit an invoice directly to the City for payment.

3. Petty Cash. Petty cash is used for small, incidental expenditures that would be impractical to process through the Purchasing System. Petty cash may also be used when the item is needed immediately and costs less than $50.

Methods of Purchasing
Purchase Orders

Purpose

To establish a uniform policy for purchases of $2,000 and above and to establish procedures for all phases of the Purchase Order process.

Policy

Procurements of $2,000 or more must use a formalized purchase process. Requirements for the procurements of materials, supplies, equipment, professional services and construction shall be submitted to the Purchasing Division on a properly completed and approved requisition through the Purchasing System before the procurement process may begin. All procurement actions that will result in binding the City financially, whether competitive, non-competitive, or a modification to an existing contract or Purchase Order require a Requisitions to initiate the procurement process. The Requisition provides a record for auditing purposes that the requirement was budgeted and properly approved before the procurement process began.

Procedures

Electronic Submittal of a Requisition

1. Goods and services should be included in the approved fiscal year budget for the requesting division/department.

2. When ready to initiate a procurement requirement, the requestor must complete and have approved a requisition through the Purchasing System.

3. The approved requisition, with the appropriate backup documentation, shall be forwarded, with the appropriate approvals for dollar expenditure, and if required, commodity. Requisitions must include the appropriate account codes and funding information. Proposals, quotations, scopes of work, executed agreements, or non-competitive justification documentation, as appropriate, must be provided before Purchasing Division staff will initiate the procurement process.

4. If the requisition specifies a sole source procurement, a justification in accordance with this manual must be submitted to the Purchasing Agent prior to the procurement process.

5. If the requisitioner recommends a specific vendor for the procurement, documentation shall be supplied with the requisition that shows the required competitive process for the type and amount of procurement have been satisfied in accordance with this manual.

Processing a Requisition to a Purchase Order

Once the Requisition has been electronically delivered to the Purchasing Division, purchasing staff will process into a Purchase Order.

Payments of Purchase Orders

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

1. One-Time Payment. Where all goods or services have been rendered, or the public works project has been completed in less than thirty (30) calendar days, the invoice should be dated, signed by authorized personnel and forwarded at once to the Finance Department, Accounts Payable Division, for payment.

2. Progress Payments – Ongoing Purchase Order. Normally, partial payments are only authorized for Open Purchase Orders, purchase orders for recurring monthly services, or for Public Works Projects with time of completion over thirty (30) calendar days, or for an order where special justification can be made for partial payment. The invoice must be signed by the authorized personnel of the division/department receiving the goods or services. The invoice should be forwarded to the Finance Department, Accounts Payable Division, for payment.

Where goods or the price differ from the order or the price, a purchase order adjustment should be completed and forwarded to the Purchasing Division for processing

Modification of a Purchase Order

1. When the dollar amount of a purchase order needs to be increased or decreased, or changes have been made to the contract, the purchase order must be modified to reflect these changes. Modification of a purchase order must be coordinated through Purchasing staff.

2. A Purchase Order adjustment is made to the purchase order to reflect the modification. The Requestor must submit the request via Requisition Form relating the following information:

    a. The specific line item to adjust or modify.

    b. The distribution code of the modification being requested.

    c. The starting balance of the purchase order, the dollar amount of the adjustment or modification, and the ending balance of the purchase order with the adjustment.

    d. Signature of authorized personnel from the requesting division/department.

3. Purchasing staff will review the modification request and update the Purchase Order electronically, retaining the information as backup to the Purchase Order.

Cancellation of a Purchase Order

Cancellation of a Purchase Order must be coordinated through the Purchasing Division. The requesting division/department must submit a request for cancellation using a copy of the Purchase Order or a Requisition Form, relating the following information:

a. Purchase Order number.

b. Date.

c. Reason for cancellation

d. Signature of authorized personnel from requesting division/department.

Return or Exchange of Goods

Actual returns or exchange of goods will be coordinated by the requesting division/department with the vendor.

1. Returns. A Purchase Order adjustment shall be submitted by the requesting division/department to the Purchasing Division for any goods returned. The invoice, with the appropriate documentation indicating the return, shall be forwarded to the Finance Department, Accounts Payable.

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

Procurement of Goods and Services
Procurement under the Formal Bid Limit - General

Purpose

To establish policies and procedures for purchases of materials, supplies, equipment and services for amounts under the formal bid limit. The formal bid limit for this type of procurement is $125,000.

Procedure

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

For all purchases of products and services (excluding professional services and public projects), under the formal bid limit, departments shall solicit pricing as outlined below.

Purchases under $2,000

One-time purchases under $2,000 are decentralized and may be made directly by the department using CAL-Card, petty cash, direct invoicing, or by obtaining a purchasing order number from Purchasing. Purchases under this limit for software, hardware, or furniture should be approved prior to the procurement. This limit is not intended for repetitive purchases, which shall be acquired through an "open" purchase order.

The Purchasing Division is responsible for issuance of the CAL-Card, the City's official procurement card for the purchase of parts, supplies and other goods, and off-site services. Each CAL-Card transaction is limited to $2,000 (or less depending on individual authorized limits). Procedures and policies for use of the CAL-Card are outlined in the Procurement Card Program Manual.

Purchases under $30,000

Any purchase of $2,000 or greater requires a purchase order. For purchases of goods and services that equal or exceed $2,000, but are less than $30,000, an informal request for quotation may be used to solicit comparative pricing.

Purchases under $125,000

Any purchase of $2,000 or greater requires a purchase order. For purchases of goods and services that equal or exceed $30,000, but are less than $125,000, a formal Request for Quotation shall be solicited in the open market. Open market solicitations shall, whenever possible, be based on at least three quotations.

a. Minimum Number of Quotations. Open market solicitations shall, whenever possible, be based on at least three quotations.

b. Inviting Quotations. The requisitioner shall solicit by written request, including facsimile and electronic mail, or telephone to prospective vendors.

c. Quotations. Quotations shall be submitted to the Purchasing Division with the resultant requisition. A record of all open market orders and quotes shall be kept on record for a period of one year after the order is placed. These records shall be made available for public inspection for up to one year following the award of the purchase order.

d. No Responsive Quotation. If no quotation, or no responsive quotation, is received after inviting quotations, the requisitioner may proceed with the procurement in the open market. A memo shall be attached to the requisition summarizing the solicitation process. The Purchasing Division may solicit additional quotations from vendors, or may procure the goods or services based on the recommendation from the requisitioner.

Procurement of Goods and Services
Procurement over the Formal Bid Limit - General

Purpose

To establish a uniform procedure regarding formal bids for materials, supplies, equipment and general services when required by the City of Lancaster Municipal Code Chapter 3.32.210. The formal bid limit is $125,000.

Procedures

Development of Bid Specifications

The requesting division/department shall develop the technical specifications and the remainder of the bid packet in accordance with the standardized bidding documents made available by the Purchasing Division.

Technical specification shall be as concise and exact as possible without being ambiguous or proprietary. The specification shall be written to solicit as many bids as possible from vendors who can deliver a product meeting the spirit and intent of the specification. City employees developing technical specifications may contact potential vendor to obtain technical data or industry standards, but are cautioned against accepting technical data that would result in a proprietary specification. It shall be City policy that vendors cannot bid on supplies or equipment if they prepared a substantial part of the specification.

Routing of Bid Packets

A working copy of the completed bid packet shall be forwarded electronically by the division/department to Purchasing for approval.

Approval of Bid Specifications

After approval by the Purchasing Agent, the Purchasing Agent shall forward to the City Attorney's office for approval as to form and legality. Upon legal approval, the Purchasing Agent shall review any prebid conference dates and bid opening dates to ensure they are still reasonable.

"Or Equal" Requirements

Per Government Code section 4333, no bid shall require any article of a specific brand when such requirement would prevent proper competition on the part of vendors in other articles of equal value, utility, or merit.

Notice Inviting Bids

Notice Inviting Bids may be in a newspaper of general circulation, posted on the City's website, and/or distributed through the electronic bid notification system used by the City. The Purchasing Agent will determine which notification method best suits the solicitation based on the goods or services to be procured.

Distribution of Bid Packets

Bid packets shall be distributed through the City's electronic bid system, Public Purchase, or other approved bid distribution system. Purchasing keeps an updated list of vendors who have received/requested bid packets. If known vendors are not registered with Public Purchase, a bid packet may be distributed directly, however the name and contact information of the vendor shall be forwarded to Purchasing to insure inclusion of the vendor on the list of vendors who have received bid packets.

Contacts with City Staff during Bid Process

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

Addenda

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

Receipt of Bids

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

Bid Openings

The City Clerk or the Purchasing Agent or his/her designee will conduct the bid opening at the time, date, and location designated on the Notice Inviting Bids. The person conducting the bid opening will orally announce the bid prices of each bidder after ascertaining that the bid security deposit, if one is required, is with the bid proposal. Prices of bid proposals that do not have bid security deposits, if one is required, will not be announced. Purchasing Division personnel will then proceed to check all figures and extensions. Each bid will be checked by Purchasing staff for responsiveness.

Bid Evaluations

The Purchasing Agent will forward to the appropriate division/department all documents related to the specific bid with an evaluation summary listing all bids and identifying any errors, irregularities, or apparent areas of non- responsiveness or non-responsibility. Copies of the three lowest bids shall be sent to the division/department.

The division/department will review the bids for adherence to the technical specifications. Bids will also be evaluated on price; life-cycle cost when included in the specifications; trade-in allowances, if included; and trade discounts. The reviewing division/department will prepare its recommendation for award. If the recommendation for award is other than the lowest bidder, or if rejection of all bids is recommended, a written justification must accompany the recommendation.

Recommendation for Award

The Purchasing Agent shall review all staff report recommendations of award prior to presentation to City Council.

Council Award

The division/department shall prepare and route a Staff Report for Council Award within the timeframes established by the City. Typically, awards of contracts will be placed on the Council agenda as Consent Calendar items.

Contract Documents

After Council Award, Purchasing will notify all bidders of the award of bid, or rejection of all bids, and will send contract documents to the successful proposer for signature. Upon return of the signed contract and any other documents required by the bid documents, the division/department will route the contract per the contract routing procedures.

Contract Administration

Contract administration will be the responsibility of the division/department, except for citywide contracts, which are the responsibility of Purchasing.

Procurement of Goods and Services
Open Purchase Orders

Purpose

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

Policy

It shall be the policy of the City of Lancaster to use Open Purchase Orders for low cost items that are difficult to bid and are repetitive purchases.

Procedure

1. The requesting division/department shall submit an electronic request to the Purchasing Division so that Purchasing can issue a purchase order.

2. Divisions/departments will solicit pricing generally in accordance with the provisions described under Procurement of Materials, Supplies, Equipment and General Services – Procurement under the Formal Bid Limit. Open Purchase Orders will not be issued for an amount that exceeds the formal bid limit.

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

Procurement of Goods and Services
Cooperative Purchasing and "Piggybacks"

Purpose

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

Policy

It shall be the policy of the City of Lancaster that the Purchasing Agent may purchase equipment and products by participating in a cooperative purchase of several agencies (joint bid) or through contracts entered into by other governmental agencies ("piggyback"). All such purchases must be from contracts which were competitively bid. The Purchasing Agent is also authorized to purchase goods and services under the California Multiple Award Schedule (CMAS) of the State of California or Federal GSA (for IT only per GSA Schedule 70) contracts.

Procedure

1. Cooperative Purchases. The Purchasing Agent is authorized to participate in cooperative purchases of several municipal entities and/or other public agencies as a lead agency or as a participating agency under another agency's leadership.

2. Piggybacks. The Purchasing Agent is authorized to "piggyback" contracts for products and equipment, entered into by other governmental agencies (municipalities, county or State) through a competitive bid. The Purchasing Division will obtain documentation to verify the contract and bid process. All products or equipment purchased under this provision must substantially meet the technical specifications of the bid. Major deviations from the product specification will not be allowed; however minor modifications that do not materially alter the price of the originally bid equipment or products are authorized.

3. California Multiple Award Schedule (CMAS). The Purchasing Agent is also authorized to purchase technical products or services under CMAS of the State of California or federal GSA contracts.

Procurement of Goods and Services
Sole Source Purchases

Purpose

To establish procedures for the procurement of sole source products.

Procedure

When a division/department wishes to purchase a product from a "sole source" without competitive procedures when competitive procedures are normally required, a sole source justification must be prepared and submitted to the Purchasing Agent for approval. The following statements and findings must be made and set forth in the justification:

1. A statement describing every unique or specialized feature of the product in question.

2. A statement of why the department requires that the product in question has such unique or specialized features (i.e., a statement of why a product without such features would not meet the department's needs).

3. A description of the department's efforts to locate all possible suppliers of such product.

4. A statement that, in spite of its efforts, the department has been able to locate only one supplier of the product in question.

A copy of the justification memo shall be submitted to the Purchasing Agent for review and processing prior to proceeding with the Requisition.

Procurement of Goods and Services
Standardization

Purpose

To establish a uniform policy and procedure regarding purchases of certain standardized goods and equipment irrespective of the formal bid limit set by the City Municipal Code.

Policy

It shall be the policy of the City of Lancaster that the Purchasing Agent, with the approval of the City Attorney, or designees, may determine that it is the best interests of the City to waive the competitive procurement process in order to standardize with existing equipment or goods, when doing so would save time, resources, or provide a significant cost savings. Factors that may be considered in determining standardization include, but are not limited to, the following:

- Repair and maintenance costs would be reduced;
- User personnel training would be minimized;
- The amount of supplies or spare parts required would be reduced;
- Modifications to existing equipment would not be necessary, or would be minimized;
- Training or repair and maintenance personnel would be minimized;
- Matching existing supplies, materials, or equipment required for proper operation of a function or program.

Procedure

1. When a division/department wishes to purchase equipment or goods without competitive procedures when competitive procedures are normally required, a standardization justification must be prepared and submitted to the Purchasing Agent for approval. The following statements and findings must be made and set forth in the justification.

    a. A statement describing the goods or equipment to be purchased.

    b. A statement describing the benefit of standardization to the City.

    c. If the required goods or equipment are supplied by a single vendor, or if goods may be competitively solicited through distribution for a single brand or trade name.

2. The Purchasing Agent will review the standardization justification, and if the Purchasing Agent concurs, will forward a request for approval to waive the competitive procurement process to the City Attorney, or designee, for approval. If granted, written approval will be issued by the Purchasing Agent to the division/department, which shall become backup documentation when the Purchase Requisition is processed. If the request is not granted, the division/department shall be required to follow the normal competitive procurement process.

Procurement of Goods and Services
Local Preference

Purpose

To establish a policy for the preference of local businesses.

Policy

This policy will encourage and support the procurement of goods and services from local businesses by establishing a procedure by which local businesses are given a preference in the procurement process by allowing for a local vendor to submit a new quotation if they are within 5% of the lowest offer. This policy does not apply to formal bids, only to quotations and proposals below the bidding threshold and only for goods and services, excluding construction services.

Definition of Terms

Local vendor is a vendor that meets the following criteria:

a. Has a place of business with a physical address located within the jurisdictional limits of the City of Lancaster; and

b. Holds a City of Lancaster required business license(s).

Procedure

1. Where the lowest responsible bidder is not a local business, the Purchasing Agent shall provide the lowest responsible local business bidder, should one exist and its bid is within five percent (5%) of the lowest responsible bidder, with notice and opportunity to reduce its bid to match that of the lowest responsible bidder. Notice shall be by telephone, facsimile or electronic mail. The local business shall have five (5) business days after the date of such notice to match the lowest bid. The offer shall be in writing. Should the local business match the lowest bid, it shall be deemed the lowest responsible bidder and receive the award.

2. Should the lowest responsible local business bidder decline to match as set forth above, the Purchasing Agent shall provide the next lowest responsible local business bidder, should one exist and its bid is within five percent (5%) of the lowest responsible bidder, with the same notice and opportunity to match the bid of the lowest responsible bidder as above. This process shall continue as necessary until an award is made either to a responsible local business bidder within five percent (5%) of the lowest responsible bidder, or the lowest responsible bidder itself.

3. In instances where a local business and a non-local business submit equivalent, lowest responsible bids, the Purchasing Agent shall give preference to the local business.

4. This policy shall not apply to contracts required by state or federal statutes or regulations to be awarded to the "lowest responsible bidder" or otherwise exempted from local preference.

Exceptions

Exceptions to this procedure shall be authorized only by the City Manager.

Procurement of Goods and Services
Emergency Purchases

Purpose

To establish a policy to provide guidance to address emergency purchases.

Policy

It is the policy of the City of Lancaster to permit the procurement of goods and services in the event of a declared emergency without a competitive process when time is of the essence.

Definition of Terms

An emergency for the purposes of this manual may be declared for one of the following reasons:

a. To preserve or protect life, health, or property;

b. Upon natural disaster; or

c. To forestall a shutdown of essential public services.

Procedure

1. The City Manager may authorize the purchase of goods or services without competitive processes when he/she deems an emergency exists.

2. In the event of an emergency as defined above, and as authorized by the City Manager, staff shall take those steps necessary to procure goods and services necessary to implement immediate remedial measures to avert or alleviate damage to life, health, or property, or to repair, replace or restore property or to maintain or restore essential public services.

3. As soon as practicable after the emergency event, a Requisition shall be submitted in accordance with this manual.

4. All emergency purchases that would otherwise require City Council approval must be submitted to the City Council for ratification at the next regular City Council meeting after the purchase is authorized.

5. The Purchasing Division will, as soon as practicable, take all necessary steps to ensure contractual documents are issued to ensure payment to all suppliers assisting in the response to an emergency.

Procurement of Professional Services
Professional Services

Purpose

To establish a uniform procedure for selecting consultants providing professional services.

Policy

It shall be the policy of the City of Lancaster to use a competitive procurement process when soliciting for a professional services contract that equals or exceeds $125,000.

Procedures

Format of Solicitations

The format may be either a Request for Qualifications (RFQ) or a Request for Proposals (RFP), or a combination thereof. The suggested format includes: scope of services, qualifications and information required from consultants for selection, reference to the City's professional service contract, local preference, and for certain federal projects, statement of the Disadvantaged Business Enterprise (DBE) goal.

Distribution Lists

Departments are authorized to maintain files of names and information of the various consultants who have expressed a general interest in doing business with the City of Lancaster, and to use such files for the purpose of making inquiries to various consultants as to their interest in the specific work of studies that the City may undertake from time to time. A list of consultants may also be maintained in the Purchasing Division. All consulting services of $125,000 and above shall be distributed through the City's electronic system, Public Purchase.

Selection Criteria

Professional consultant services must be individually selected for a specific project based upon experience of the consultant, special knowledge of the subject matter, ability to perform the services in the time allowed, record of success on similar work, ability to operate well in the necessary discussions, presentations, coordination and cooperation related to the project. These criteria as well as costs will be evaluated.

The following factors may be considered and evaluated in selecting a professional consultant for particular study or project:

1. Educational background of the consultant.

2. Relevant experience of the consultant.

3. Demonstrated record of success by the consultant on work previously performed by the City or similar work performed for others.

4. Individuals within the consultant's organization who will have direct charge of work.

5. Whether consultant has adequate staff to perform the work within the time allowance.

6. The ability of the consultant to make effective public presentations of the report and/or design as may be required.

7. The ability of the consultant to work effectively with City staff, other public agencies, and related parties as may be required during the course of the design, study or other technical services.

8. Where appropriate, whether the consultant has adequate knowledge of local conditions.

9. Whether consultant has available experienced, capable and acceptable resource and design professional personnel as may be pertinent to the particular project.

10. Demonstrated continuing interest by the consultant in the success, efficiency and workability after it has been placed in operation.

11. The record of the consultant in keeping costs within project budgets and estimates.

12. Ability of the consultant to furnish adequate and effective supervision services, where such services are an inherent part of a "package" of services for which the consultant is employed.

13. Ability to obtain applicable insurance or bonding for the project.

14. Overall costs for services, including hourly rates, level of professionals assigned, and hours to complete task.

Contact with City Staff during RFP Process

From the time the proposal packets are released until an award or rejection of all proposals is made, no direct contact shall be made with potential proposers by City staff or Council except Purchasing staff. All inquiries shall be referred to the Purchasing Agent, who will be responsible for transmittal of information.

Evaluation Committee

It is recommended that the members of an Evaluation Committee be selected prior to the publication of the RFP and have an opportunity to review the RFP before it is distributed. The Purchasing Agent may chair the Evaluation Committee and facilitate the Evaluation Process.

Selection Process

To the extent possible and feasible, a Request for Proposal/Qualifications (RFP/Q) process will be used for selection. Consultants interested in a specific project may be screened if a greater number express interest than can be or should be interviewed for the work involved.

Interviews and selection shall be conducted by representatives of the using department and any other department representatives that may be involved in the project.

Reports from Consultants for Public Access

If the consulting service is for the purpose of producing a report or study, consultants shall make available to the City an electronic copy (PDF format) of the final product, which may be posted to the City's website or other public website for public access.

Exceptions

To the extent possible and feasible, this process will be used for selection of consultants providing professional services. RFP/RFQ process is not possible or feasible whenever a determination by the Purchasing Agent is made that the provision of services is time sensitive, an emergency exists, or services must be rendered before an RFP/RFQ process can be completed.

Such determinations will be the exception, not the rule. Each determination must be memorialized in writing and signed by the Department Head and maintained in the file for the subject contract.

Public Projects
Formal Bidding

Construction Projects

The provisions of this section shall apply to construction on Public Projects of amounts and restrictions based on changes approved by the State of California through the California Uniform Construction Cost Accounting Commission ("Commission") and implemented by the Purchasing Officer through City of Lancaster Purchasing Ordinance. Public Projects in an amount of less than the State approved lower informal bid limit may be performed by City employees by force account, by negotiated contract, or by purchase order. Public Projects in an amount less than the upper informal bid limit may be let to contract by informal bidding procedures. Contracts for construction shall also be governed by the current edition of the Standard Specifications for Public Works Construction and its latest supplement, collectively known as "the Green Book."

Definitions (PCC 22002)

1. **"Public agency"** for purposes of this chapter, means a city, county, city and county, including chartered cities and chartered counties, any special district, and any other agency of the state for the local performance of governmental or proprietary functions within limited boundaries. "Public agency" also includes a nonprofit transit corporation wholly owned by a public agency and formed to carry out the purposes of the public agency.

2. **"Representatives of the construction industry"** for purposes of this chapter, means a general contractor, subcontractor or labor representative with experience in the field of public works construction.

3. **"Public project"** means any of the following:

    1. Construction, reconstruction, erection, alteration, renovation, improvement, demotion, 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, power plants, and electrical transmission lines of 230,000 volts and higher.

4. **"Public project"** does not mean maintenance work. For purposes of this section, **"maintenance work"** includes all of the following:

    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, maintain publicly owned water, power, or water disposal systems, including, but not limited to dams, reservoirs, power plants, and electrical transmission lines of 230,000 volts and higher.

5. For the purposes of this chapter, **"facility"** means any plant, building, structure, ground facility, utility system, real property, streets and highways, or other public work improvement.

Notice Inviting Formal Bids

Per Public Contract Code Section 22037, Notice Inviting Formal Bids shall state the time and place for the receiving and opening of sealed bids and distinctly describe the project. The Notice shall be published at least fourteen (14) calendar days before the date of opening the bids in a newspaper of general circulation, printed and published in the jurisdiction of the agency. The Notice Inviting Bids shall also be mailed to all construction trade journals as identified in the section for Informal Bidding. The Notice shall be mailed at least fifteen (15) calendar days before the date of opening the bids. In addition to notice required by this section, the City may give such other notice as it deems proper.

Notice of Mandatory Pre-Bid Conference

Public Contract Code Section 6610 requires that all Notice Inviting Bids for Public Projects include a requirement for any type of mandatory pre-bid conference, site visit or meeting and must include the time, date and location of the mandatory pre-bid conference, site visit or meeting, and where and when project document will be available. Any mandatory pre-bid conference, site visit or meeting cannot occur within five (5) calendar days from the publication of the initial Notice Inviting Bids.

Licensing of Contractors

Public Contract Code Section 3300 requires that the public agency specify the classification of the contractor's license which a contractor shall possess at the time the contract is awarded. The specification shall be included in any plans prepared for a Public Project and in any Notice Inviting Bids required pursuant to this code.

The City may not lawfully award contracts to unlicensed contractors. Business and Professions Code Section 7028.15 makes it a misdemeanor for any person to submit a bid to a public agency in order to engage in the business or act in the capacity of a contractor without having the appropriate license. Business and Professions Code Section 7028.15 requires public agencies, before awarding a contract or issuing a purchase order, to verify the contractor was properly licensed when the contractor submitted the bid. A bid submitted by a contractor who is not properly licensed must be considered nonresponsive and rejected by the City. Any contract awarded to a contractor who is not properly licensed is void.

Noncollusion Declaration

Public Contract Code Section 7106 requires any public works contract of a public entity shall include a declaration of noncollusion executed by the bidder and submitted with the bid. The contents and form of

the declaration are found in the section of code. A bid submitted by a contractor that does not contain a noncollusion declaration with the required content must be considered nonresponsive and reject by the City.

Designation of Subcontractors

The Subletting and Subcontracting Fair Practices Act sets forth the law to prevent bid shopping and bid peddling in connection with construction. Such practices often result in poor quality of material and workmanship to the detriment of the public, and deprive the public of the full benefits of fair competition among prime contractors and subcontractors. Public Contract Code Section 4104 requires prime contractors to submit with their bid a list of all subcontractors to whom it intends to subcontract work, including all fabrication and installation work for more than one half of one percent of the total bid or ten thousand dollars ($10,000), whichever is greater. The prime contractor must give the name and location of the place of business of each subcontractor. Any additional information required from the price contractor may be submitted up to twenty four (24) hours after bid deadline. Only one subcontractor may be listed for each portion of the work as defined by the prime contractor in its bid. Therefore, if the prime contractor intends to use a subcontractor for any portion of the work in an amount in excess of one half of one percent of the total bid (or $10,000, whichever is greater), then the prime contractor is required to list the subcontractor.

If the prime contractor fails to list the subcontractor or lists more than one subcontractor for the same portion of work, the prime contractor agrees that the prime contract is fully qualified to perform that portion of the work itself and that it will perform that portion. The subcontractor may not subcontract any portion of the work in excess of one half of one percent of the initial bid (or $10,000, whichever is greater) if its original bid did not designate a subcontractor for that portion of the work except where a change order causes changes or deviates from the original contract.

Payment Bonds and Faithful Performance Bonds

Per Civil Code Sections 9550 and 9554, the contractor must provide a payment bond for all public works projects which exceed $25,000 before beginning performance of the work. Architects, engineers, and land surveyors providing professional services for public works are not required to file a payment bond.

The purpose of a payment bond is to ensure that laborers' and materialmen's claims against the contractor and subcontractor for work done or materials furnished in connection with the public works project will be paid. The payment bond must provide that the surety shall pay all amounts if the original contractor or subcontractor fails to pay any person furnishing labor or materials or fails to pay amounts under the Unemployment Insurance Code with respect to labor or work performed under the contract and fails to pay any amounts required to be deducted, withheld and paid over to the Employment Development Department from the wages of employees of the contractor or subcontractor. A general contractor who fails to file a payment bond with the City cannot be paid even when the job is completed satisfactorily and all claims for labor and materials have been satisfied. The failure to file a bond is a breach of a broad public policy.

The payment bond must be one hundred (100) percent of the contract price. The general contractor may require subcontractors to provide a payment bond to indemnify the general contractor for any loss sustained by the original contractor because of any default by the subcontractor.

Faithful Performance Bonds (100%) are not required by law but are strongly recommended in projects over $25,000. A Faithful Performance Bond requires a surety to complete a project in the event the contractor defaults.

Sureties

Based upon Walt Rankin & Associates v. City of Murrieta, public agencies now have a mandatory duty to investigate the sufficiency of a surety prior to approving a faithful performance bond or a payment bond. Only California admitted surety insurers will be acceptable for the issuance of bonds. "Admitted" means that a surety insurer is permitted by the State Department of Insurance (DOI) to issue surety bonds in California. To be an "admitted surety" in California, the surety must submit periodic financial audits and be subject to specific reserve requirements that meet all DOI standards.

The Purchasing Agent or designee acting on behalf of the City must verify the status of the surety by going to the website of the California Department of Insurance confirming the surety is an admitted surety insurer and attaching a copy to the bond.

Separation of Projects

Public Contract Code Section 22033 states that it shall be unlawful to split or separate into smaller work orders or projects any projects for the purpose of evading the provisions of this article requiring work to be done by contract after competitive bidding.

Prevailing Wage

Cities must pay the prevailing wage rates established by the Director of the Department of Industrial Relations on public works projects if the project exceeds the amount specified by statue. Labor Code Section 1771 states:

> "Except for public works projects of one thousand dollars ($1,000) or less, not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the public work is performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work fixed as provided in this chapter, shall be paid to all workers employed on public works.
>
> "This section is applicable only to work performed under contract, and is not applicable to work carried out by a public agency with its own forces. This section is applicable to contracts let for maintenance work."

Alternates

Effective January 1, 2001, Assembly Bill No. 2182 adds provisions to the Public Contract Code which specifies the procedure for alternative bids. The legislation added Public Contract Code Section 20103.8, which authorizes a local agency to let a bid for public works to include prices for items that may be added to, or deducted from the scope of work in the contract for which the bid is being submitted. It requires that whenever additive or deductive items are included in a bid, the bid solicitation must specify which of

the following methods will be used to determine the lowest bid. In the absence of such a specification, only the method provided in No. 1 may be used:

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

2. The lowest bid shall be the lowest total of the bid prices on the base contract and those additive or deductive items that were specifically identified in the bid solicitation as being used for the purpose of determining the lowest bid price.

3. The lowest bid shall be the lowest total of the bid prices on the base contract and those additive or deductive items that when taken in order from a specifically identified list of those items in the solicitation, and added to, or subtracted from, the base contract are less than, or equal to, a funding amount publicly disclosed by the local agency before the first bid is opened.

4. The lowest bid shall be determined in a manner that prevents any information that would identify any of the bidders or proposed subcontractors or suppliers from being revealed by the public entity before the ranking of all bidders from lowest to highest has been determined.

   A responsible bidder who submitted the lowest bid as determined by this section shall be awarded the contract, if it is awarded. This section does not preclude the local agency from adding to or deducting from the contract any of the additive or deductive items after the lowest responsible bidder has been determined.

Addenda (Extension of Time for Bids)

The bid invitation and public notice shall specify the place, date and time that bids are to be received. Per Public Contract Code Section 4104.5, the date and time shall be extended by no less than seventy-two (72) hours if the agency issues any material changes, addition, or deletions to the invitation later than seventy-two (72) hours prior to the bid opening. "Material change" means any change with a substantial cost impact on the total bid as determined by the awarding agency. "Bid invitation" shall include any documents issued to prime contractors that contain descriptions of the work to be bid or the content, form, or manner of submission of bids by bidders.

Bid Security

Per Public Contract Code Section 20170, "All bids shall be presented under sealed cover and accompanied by one of the following forms of bidder's security:"

1. Cash.

2. Cashier's check made payable to the City.

3. A certified check made payable to the City.

4. A bidder's bond executed by an admitted surety, made payable to the City.

Per Public Contract Code Section 20171, the security shall be in an amount equal to at least ten (10) percent of the amount bid. A bid shall not be considered unless one of the forms of bidder's security is enclosed with it.

Failure to Execute Contract by Successful Bidder

If the successful bidder fails to execute the contract, the entire amount of the bidder's security shall be forfeited to the City unless the City awards to the second lowest bidder. If the City elects to award to the second lowest responsible bidder, the amount of the lowest bidder's security shall be applied by the City to the difference between the low bid and the second lowest bid, and the surplus, if any, shall be returned to the lowest bidder if cash or check is used, or to the surety on the bidder's bond if a bond is used. (Public Contract Code Sections 20172 & 20174)

"Or Equal" Requirement

The City shall not draft specification for public works construction bids in a manner that limits the bidding, directly or indirectly, by calling out a designated material, product, thing, or service by a specific brand or trade name unless the specification is followed by the words "or equal" so that bidders may furnish any equal material, product, thing or service. In applying this doctrine, the City shall, if aware of an equal product, name that product in the specification. Specifications shall provide a period of time prior to or after the award of the contract for submission of data substantiating a request for a substitution of an "or equal" item. If no time period is specified, data may be submitted any time within thirty-five (35) days after the award of the contract. (Public Contract Code Section 3400)

Late Bids

Any local agency which seeks to enter a contract that requires the letting of bids shall specify in the public notice the place such bids are to be received and the time by which they shall be received. Any bids received by such local agency after the time specified in the notice shall be returned unopened. (Government Code Section 53068 / Public Contract Code Section 4104.5)

Rejection of Bids; Failure to Receive Bids; Options

Per Public Contract Code Section 22038, the public agency, at its discretion, may reject any bids presented, if the agency, prior to rejecting all bids and declaring that the project can be more economically performed by employees of the agency, furnishes a written notice to an apparent low bidder. The notice shall inform the bidder of the agency's intention to reject the bid and shall be mailed at least two business days prior to the hearing at which the agency intends to reject the bid. If after the first Invitation for Bids all bids are rejected, after reevaluating its cost estimate of the project, the public agency shall have the option of either of the following:

1. Abandoning the project or readvertising for bids in the manner described in this section.

2. By passage of a resolution by four-fifths vote of its governing body declaring that the project can be performed more economically by the employees of the public agency, may have the project done by force account without further complying with this section.

If a contract is awarded, it shall be awarded to the lowest responsible bidder. If two or more bids are the same and the lowest, the public agency may accept the one it chooses.

If no bids are received through the formal or informal procedure, the project may be performed by the employees of the public agency by force account, or negotiated contract without further complying with this section.

Responsible Bidder

Public works bids must be awarded to the lowest responsible bidder. "Responsible bidder" means a bidder who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity, and experience to satisfactorily perform the public works contract. (Public Contract Code Section 1103)

Issues of responsibility usually involve outside investigation or information. Determining that a bidder is non-responsible is an action not to be taken lightly. Not awarding a contract due to bidder responsibility triggers certain due process rights. The bidder must be given an opportunity to present evidence showing that he is qualified to perform the contract in an official judicial-type proceeding, such as a hearing.

Responsive Bid

A public works bid must be "responsive" to be awarded. If the bid complies with all the requirements of each section of the solicitation, including all information and documents, then it may be found to be responsive. To be "responsive" a bid must substantially conform to the requirements of the solicitation and does not contain any material discrepancies. A bid is responsive if it promises to do what the bidding instruction requires. There is no outside investigation or information required to determine responsiveness; it is determined by looking at the bid on its face.

Waiving Minor Irregularities

The public agency can exercise its judgment in determining whether a discrepancy may be waived or accepted within some constraints. However, the judgments may not be capricious or arbitrary, or inconsistent. A material discrepancy cannot be waived and makes the bid nonresponsive. Statutory material discrepancies may never be waived. If the bid is late, missing the bid bond, contractor license or subcontractor information, it is non-responsive. In other than statutory requirements, an irregularity or variance is considered material if the deviations from the bid specifications gave the low bidder an unfair competitive advantage by allowing to make a lower bid than it would have been able to make without the deviations. Department staff shall work with the Purchasing Agent to determine if any variations or irregularities are statutory, material, or minor; and that the determination of minor waivable irregularities remains consistent citywide for the protection of the City.

Relief of Bidders

A contractor, at any time prior to the scheduled closing for receipt of bids, may withdraw his or her bid. After the scheduled closing time for bids, the contractor must seek relief from his or her bid by following the specific procedures of the Public Contract Code. A city may consent to relieve a bidder of a bid due to mistake following the preparation of a report in writing documenting the facts establishing grounds for

relief. The report shall be available for inspection as a public record. The failure of a contract to adhere strictly to the statutory procedures for bid withdrawal can result in a waiver of the right to relief.

The grounds for relief authorizing the withdrawal of the bid, per Public Contract Code Section 5103, are as follows:

1. A mistake was made.

2. The bidder gave the agency written notice within five (5) days after the opening of the bids of the mistake specifying in the notice in detail the mistake occurred.

3. The mistake made the bid materially different than he or she intended it to be.

4. The mistake was made in filling out the bid, not due to error in judgment or to carelessness in inspecting the site of the work or in reading the plans or specifications.

Per Public Contract Code Section 5105, a contractor who claims a mistake or who forfeits his or her bid security is prohibited from participating in further bidding on the project on which the mistake was claimed or security forfeited.

Correspondence with Bidders

Any formal correspondence with Bidders regarding the rejection of bids, bidder non-responsibility, non-responsiveness, or relief of bidders shall come from the Purchasing Agent.

Public Projects
Informal Bidding

The provisions of the section above "Formal Construction Contracts" also apply to informal bidding, unless an exception to those provisions are noted in this section.

California Uniform Public Construction Cost Accounting Act

The City of Lancaster has elected by resolution to become subject to the uniform construction cost accounting procedures set forth in Article 2 of the Public Contract Code. This allows the City to increase its public works construction bidding thresholds provided it complies with alternate procedures, which are described below. The procedures below are found in Public Contract Code Sections 22000 – 22050, and the Cost Accounting Policies and Procedures Manual issued by the California State Controller's Office, January 2012 edition.

Informal Bidding

Construction projects less than the amount specified in Section 22032(b) of the California Public Contract Code shall be let to Contract by Informal Bidding Procedure.

As of January 1, 2012, this amount is $175,000. If all bids received are in excess of $175,000, the City Council may, by adoption of a resolution by four-fifths vote, award the contract, at $187,500 or less, to the lowest responsible bidder, if it determines the cost estimate by the City was reasonable.

Contractors List

The public agency will maintain a list of qualified contractors identified according to categories of work. Such list shall comply with the minimum criteria for development and maintenance of such list, as determined from time to time by the California Uniform Public Cost Accounting Commission.

a. During November of each year, the City shall mail a written notice to all construction trade journals designated per Public Contract Code Section 22036, inviting all licensed contractors to submit the name of their firm to the City for inclusion on the City's list of qualified bidders for the following calendar year.

i. The City shall notify both trade journals listed below:

1. Construction Bidboard (eBidboard)
4420 Hotel Circle Court, Suite 215
San Diego, CA 92108
Phone: 800-479-5314
Fax: 619-688-0585
Email: planroom@ebidboard.com

2. McGraw-Hill Construction Dodge
   1333 S. Mayflower Avenue, Suite 300
   Monrovia, CA 91016-4066
   Phone: 626-932-6181
   Fax: 626-932-6153

ii. The City shall notify two of the three trade journals listed below:

1. BidAmerica
   41085 Elm Street
   Murrieta, CA 92562
   Phone: 909-677-4819
   Fax: 909-600-0615

2. Southern California Builders Association
   7740 Painter Avenue, #100
   Whittier, CA 90602
   Phone: 562-320-3600
   Fax: 562-320-3603
   Email: scba@socalbuilders.org

3. Builders Notebook
   133 E De La Guerra St 62
   Santa Barbara, CA 93140
   Phone: 877-776-5436
   Fax: 805-262-6338
   Email: planroom@buildersnotebook.com
   Website: www.buildersnotebook.com

b. The notice shall require that the contractor provide the name and address to which a Notice Inviting Informal Bids should be mailed, a phone number at which the contractor may be reached, the type of work in which the contractor is interested in and currently licensed to do together with the class of contractor's license(s) held and contractor's license number(s).

c. The City may create a new contractor's list starting January 1st of each year. The City may include any contractors' names they so desire on the list, but the list must include at a minimum all contractors who have properly provided the City with the information required in b. above, either during the calendar year in which the list is valid or during November and December of the previous year. It is recommend that the City automatically include the names of all contractors who submitted one or more valid bids to the City during the preceding calendar year.

d. A contractor may have his firm added to the City's contractors list at any time by providing the required information.

Mailed Notice of Bids

All mailing of notices to contractors and construction trade journals per the paragraph above shall be completed not less than ten (10) calendar days before bids are due.

Contents of Notice

The Notice Inviting Informal Bids shall describe the project in general terms, state how to obtain more detailed information about the project, and state the time and place for the submission of bids.

Delegation of Authority to Award Informal Contracts

The City Council has delegated the authority to award informal contracts to the appropriate Department Head.

Public Projects
Local Hiring Preference

Purpose

In accordance with Ordinance No. 977, the City has adopted a local hiring preference in public works contracts. The purpose of this section is to increase the local workforce base by decreasing unemployment and increasing local spending power.

Definitions of terms

The following words and terms as used in this policy shall have the following meanings:

Construction work hours means the total hours worked on a public works contract by qualified individuals, whether those individuals are employed by a contractor or subcontractor.

Local resident means an individual who is legally domiciled in the Antelope Valley immediately preceding the date of the Notice of Solicitation or bid advertisement by the City. (See Ordinance No. 977 for a listing of qualified zip codes.)

Qualified individuals means any and all skilled and unskilled workers, including but not limited to work site foremen, journeymen, technical engineers, apprentices, construction trainees, and construction helpers. Qualified individuals also include any and all other workers appropriate for construction activities regardless of level of skill.

Requirements for contractors

1. Every contractor submitting a bid to the City for a public works contract shall agree to make a good faith effort to hire qualified individuals who are local residents in sufficient numbers so that (with respect to such public works contract) no less than fifty percent (50%) of the total construction workforce, including any subcontractor workforce, measured in construction hours, is comprised of local residents.

2. A "good faith effort" means a contractor will take the following or similar actions to recruit and maintain local residents as part of the construction workforce:

    a. Contact local recruitment sources to identify qualified individuals who are local residents;

    b. Advertise for qualified individuals who are local residents in trade papers and newspapers of general circulation within the city and the County of Los Angeles, unless time limits imposed under the applicable public works contract relative to the commencement and/or completion of work do not permit such advertising;

    c. With respect to any portion of a public works contract to be performed by a subcontractor, identify subcontractors whose workforce includes qualified individuals who are local residents; and

    d. Develop a written plan to recruit local residents as part of the construction workforce.

3. Every contractor shall complete and sign under penalty of perjury a Certification of Good Faith Effort to Hire Local Residents, on the form provided in the City's bid package, and shall submit the same with its sealed bid no later than the date and time of the bid opening.

4. A contractor shall include in each and every subcontract relating to a public works contract, a provision whereby the subcontractor agrees to make a good faith effort to hire qualified individuals who are local residents. A contractor shall be responsible for a subcontractor's compliance with provisions of this section.

Requirements for subcontractors

Each subcontract for work, laborers, or materialmen relating to a public works project subject to this policy shall, in its contract with the prime contractor, promise to make a good faith effort to hire qualified individuals who are local residents and to maintain documentary evidence of such actions.

Hiring discretion

This policy does not limit the contractor's or subcontractor's ability to assess the qualifications of prospective workers, and to make final hiring and retention decisions. No provision of this policy shall be interpreted so as to require a contractor or subcontractor to employ a worker not qualified for the position in question, or to employ any particular worker.

Nonresponsive bids

The City may declare a bid to be nonresponsive under the provisions of this policy for good cause including, but not limited to, the following circumstances:

a. If a contractor fails to complete and sign under penalty of perjury the Certificate of Good Faith Effort to Hire Local Residents and/or it fails to submit the same with its sealed bid no later than the date and time of the bid opening; or

b. If a contractor, or a subcontractor listed by a contractor, fails to comply with the good faith effort requirements.

Required documentation

During its performance of a public works contract, a contractor shall keep an accurate record on a standardized form showing the name, place of residence, trade classification, hours employed, proof of qualified individual status, per diem wages and benefits of each person employed by the contractor on the specific public works project, including full-time, part-time, permanent and temporary employees. A contractor shall require each subcontractor to maintain records of the same information for the subcontractor's workforce and shall require each subcontractor to provide a copy of such records to the contractor upon the contractor's request. A contractor shall make the records and documents available to the City upon request, within five (5) business days.

Forms submitted under penalty of perjury

All forms required under this policy shall be attested as to true as to the information set forth therein and shall be submitted under penalty of perjury.

Monitoring

From time to time, and at its sole discretion, the City may monitor and investigate compliance of any contractor or subcontractor with respect to the requirements of this policy. The City shall have the right to engage in random inspections of job sites, subject construction schedule and safety concerns. Each contractor and subcontractor shall allow representatives of the City, in the performance of their duties, to engage in random inspections of job sites and have access to the employees of the contractor and subcontractor and the records required to document compliance with this policy.

Exclusion and exceptions

The provisions of this policy shall not apply under any of the following circumstances:

a. When state or federal law or regulation applicable to a particular public works contract prohibits a local hiring requirement;

b. When the City determines, in accordance with the requirements of local code or applicable state law, that a contract is necessary to respond to an emergency which endangers the public health, safety or welfare; and/or

c. When the City determines that a suitable pool of qualified individuals who are not local residents does not exist for a specific public works contract.

Surplus Property
Surplus Property Disposal Policy

Purpose

To establish a policy for the disposal of Surplus Property.

Policy

The Purchasing Agent may declare any property as surplus, after consultation with the appropriate Department Head. The Purchasing Agent will then notify the other departments. If any other department has use for the property, he/she may so request from the Purchasing Agent who shall have the authority to assign the property to any department best able to make use of the property. If, however, no department makes a request for the use of such property, then the property shall be deemed surplus and disposed of in the proper manner as described in the procedure below.

Procedures

Sale or Donation of Surplus Property

The sale or donation of Surplus Property shall occur by one of the methods shown below.

Sealed bid or public auction

If a sealed bid or public auction process is used, the method will be determined by the Purchasing Agent providing however, that the following are included in such procedures:

1. At least one notice, three days before the sale, shall be posted in three (3) public places in the City, containing a general description of the type of property to be sold and the time and place of such bid opening;

2. The terms of all sales shall be cash or other approved method of payment;

3. The sale by sealed bid or auction shall be to the highest responsible bidder; and

4. A receipt shall be given to the purchaser.

In conducting an auction, the Purchasing Agent may contract for professional auction services. The minimum bid price shall be set to recover as much of the City's administrative costs as possible regarding the bid process and sale.

Sale in the open market

For sale of Surplus Property in the open market, the Purchasing Agent shall make an investigation of the market conditions of property of the type declared surplus and determine the fair market value for all Surplus Property, plus the City's administrative costs. The Purchasing Agent may then sell the Surplus

Property by advertising in the most appropriate means, which, in her/his opinion will bring the greatest number of potential purchasers.

A notice of sale shall be posted in three (3) places, at least three (3) days before the sale, which notice shall set forth the day and time it shall begin; the number of days it is to be continued if it is to last more than one (1) days; the place where the articles may be examined; the place where the purchase price is to be paid and the property delivered; and a general description of the type of property being sold. The terms of sale shall be cash or other approved method of payment in the amount of the full purchase price.

Internet auction sale

The Purchasing Agent may determine the fair market value of Surplus Property and utilize an internet auction service, such as Public Surplus, to sell such property. Notice of sale/auction shall be posted on the City's website. In all cases, the minimum price shall be based on the fair market value of the items to be sold and shall be set to recover as much as possible of the City's administrative costs regarding the internet auction and sale of Surplus Property.

Trade-in Surplus Property

Notwithstanding any provisions of this policy for the sale of Surplus Property in the open market for any auction, the Purchasing Agent may trade-in Surplus Property with an amount he/she determines to be reasonable, to be allowed toward the purchase of a similar type of property. Typical situations where this might apply may be in the disposal of used motor vehicles and other machinery and equipment.

Goodwill Offering

At the discretion of the Purchasing Agent, it may be decided that a goodwill offering will be made to another governmental agency or nonprofit organization as a donation. Notice of the availability will be made to these organizations by letter, e-mail or fax. Awards will be made on a first interested, first claim basis.

First preference will be given to other governmental agencies or nonprofit organizations in our geographic region.