

RENTAL HOUSING COMMITTEE  
RESOLUTION NO. RHC-9  
SERIES 2018

A RESOLUTION OF THE RENTAL HOUSING COMMITTEE OF MOUNTAIN VIEW TO FOLLOW CITY POLICIES AND ADMINISTRATIVE INSTRUCTIONS IN CONNECTION WITH ADMINISTRATION OF THE COMMUNITY STABILIZATION AND FAIR RENT ACT/RENTAL HOUSING COMMITTEE BUDGET

WHEREAS, the Community Stabilization and Fair Rent Act (CSFRA) is effective and the Rental Housing Committee (RHC) has been appointed; and

WHEREAS, Section 1709(d) of the CSFRA authorizes the RHC to establish a budget and adopt rules and regulations for administration of the budget; and

WHEREAS, pursuant to Section 1709(k) of the CSFRA, the RHC is an integral part of the government of the City, but exercises its powers and duties independent from the City Council, and therefore is not automatically subject to City rules governing fiscal administration; and

WHEREAS, because the RHC is a newly created body charged with administering the CSFRA, a law codified in the City's Charter, the RHC desires to follow City policies and procedures to ensure efficient fiscal administration of the CSFRA budget;

NOW, THEREFORE, BE IT RESOLVED by the Rental Housing Committee that the RHC is hereby subject to the following statutes and policies, with amendments providing the RHC replaces the City Council where the policies require authorization by the City Council, and modified general contract authorization procedures with the RHC being the authorizing body instead of the City Council, as follows:

- City Charter and City Code provisions authorizing a centralized purchasing system and establishing guidelines for the purchase of goods and certain services (Charter Section 1112; Chapter 2, Articles VI and XIII).
- City Council Policy No. A-10 establishing a general policy for the authorization for certain employees to execute City contracts and agreements on behalf of the RHC.
- Administrative Instruction No. 1-5 establishing the procedure and guidelines for the preparation of agreements.
- Administrative Instruction No. 1-6 establishing procedures and guidelines for the employment of professional services.
- Administrative Instruction No. 2-1 establishing procedures and guidelines for travel and certain other expenses of employees in the course of their duties and employment with the City.
- Administrative Instruction No. 2-2 establishing procedures for compiling and maintaining an authorized signature list which delegates certain authority for certain employees to sign documents, such as purchase requisitions and documents relating to purchase orders and service requests (not including contracts).
- Administrative Instruction No. 2-10 establishing the procedures for the purchase of goods and certain services.

Specific requirements for expenditures, purchase orders, and professional and specialized services contracts are as follows:

Process for expenditures and purchase orders for goods and certain services:

- Program Manager is required to sign anything over \$10,000.
- Administrative Analyst is authorized to sign up to \$10,000.
- Office Assistant is authorized to sign up to \$1,000.

Process for professional and specialized services contracts:

- Program Manager is authorized to sign Contracts up to and including \$50,000.
- Contracts in excess of \$50,000 require RHC approval.

Attached hereto are Exhibits A, B, C, D, E, F, and G, respectively.

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The foregoing Resolution was regularly introduced and adopted at a Regular Meeting of the Rental Housing Committee of the City of Mountain View, duly held on the 22nd day of January 2018, by the following vote:

AYES: Committee Members Grunewald, Ramos, Means, and Chair Oldenkamp Honey

NOES: Committee Member Ortiz

ABSENT: None

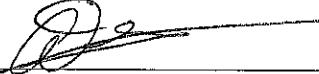
ATTEST:

APPROVED:

  
\_\_\_\_\_  
ANKY VAN DEURSEN  
ASSOCIATE PLANNER

  
\_\_\_\_\_  
VANESSA OLDENKAMP HONEY  
CHAIR

I do hereby certify that the foregoing Resolution was passed and adopted by the Rental Housing Committee of the City of Mountain View at a Regular Meeting held on the 22nd day of January 2018, by the foregoing vote.

  
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Associate Planner  
City of Mountain View

AK/3/CDD/RHC  
896-01-22-18rhcr-E-1

- Exhibits:
- A. City Charter and City Code Chapter 2, Articles VI and XIII
  - B. City Council Policy No. A-10
  - C. Administrative Instruction No. 1-5
  - D. Administrative Instruction No. 1-6
  - E. Administrative Instruction No. 2-1
  - F. Administrative Instruction No. 2-2
  - G. Administrative Instruction No. 2-10

## ARTICLE VI. - CENTRALIZED PURCHASING SYSTEM

## SEC. 2.73. - Establishment of a centralized purchasing system.

A centralized purchasing system is hereby established in order to promote efficient procedures governing the procurement of all supplies, materials, equipment and certain services required by any department, office or agency of the city government; and the disposal of all property, real or personal.

(Ord. No. 28.64, 3/30/64; Ord. No. 11.82, 6/22/82; Ord. No. 10.06, 11/28/06.)

## SEC. 2.74. - Terms defined.

The terms "purchases" or "purchasing," as hereinafter used, shall include the terms "contracts for" or "contracting for" or "procurement of" or "procure."

(Ord. No. 28.64, 3/30/64; Ord. No. 11.82, 6/22/82; Ord. No. 10.06, 11/28/06.)

## SEC. 2.75. - Establishment of purchasing division; purchasing agent to head responsibilities.

There is hereby created a purchasing section, the head of which shall be the purchasing agent, who shall be appointed by the city manager or his/her designee. The purchasing agent's responsibilities shall include, but not be limited to, the following:

1. To reduce to the maximum extent possible the number of purchase transactions by combining into bulk orders and contracts the requirements of agencies for common-use items or items repetitively purchased;
2. To develop and use contracts and purchase orders which will reduce to the minimum the accompanying paperwork and which in other respects will be most advantageous to the city.

(Ord. No. 28.64, 3/30/64; Ord. No. 10.79, 2/26/79; Ord. No. 11.82, 6/22/82; Ord. No. 10.06, 11/28/06.)

## SEC. 2.76. - Powers and duties of purchasing agent.

The purchasing agent shall have power and be required to:

- a. Procure all supplies, materials, equipment and certain services required by any department, office or agency of the city government; and dispose of all

property, real or personal, in accordance with rules and regulations as prescribed by this article and such purchasing procedures as the purchasing agent shall adopt for the internal management and operation of the purchasing section. "Certain services" shall include, but not be limited to, professional and specialized services provided with the acquisition of supplies, materials, and equipment in order to place them into service. Such purchasing procedures adopted by the purchasing agent shall not be effective until approved by the city manager;

- b. Within a specified delivery period, procure for the city supplies, materials, equipment and certain services at the least expense to the city for the quality needed, taking full advantage of trade and cash discounts and all tax exemptions to which the city may be entitled;
- c. Specify proper standard nomenclature for supplies, materials and equipment required by any department, office or agency of the city government;
- d. Prepare and maintain standard suggested specifications for materials, supplies and equipment whenever practicable;
- e. Maintain a record of all sources of supply of goods or services;
- f. Declare vendors who default on their quotations irresponsible bidders and disqualify them from receiving any business from the city for a stated period of time after notification to the city manager;
- g. Prescribe by regulation the procedure under which emergency purchases falling within this article may be made by department heads;
- h. Require when necessary sufficient tests of samples submitted with bids and samples of deliveries when necessary to determine their quality and conformance with the specifications;
- i. At the discretion of the purchasing agent, delegate authority to staff outside of purchasing for the procurement of goods or services up to five thousand dollars (\$5,000);
- j. Improve the efficiency and effectiveness of the procurement process whenever possible by all available means, including the use of available technology.

(Ord. No. 28.64, 3/30/64; Ord. No. 11.82, 6/22/82; Ord. No. 10.06, 11/28/06; Ord. No. 5.17, § 1, 10/24/17.)

SEC. 2.77. - Departments to file estimates of needed supplies, materials, etc.

All departments shall file detailed estimates of their requirements in supplies, materials, equipment and certain services in such manner, at such time and for such future periods as the purchasing agent shall prescribe.

(Ord. No. 28.64, 3/30/64; Ord. No. 10.79, 2/26/79; Ord. No. 11.82, 6/22/82; Ord. No. 10.06, 11/28/06.)

SEC. 2.78. - Encumbrance of funds.

Except in cases of emergency, when necessary for the protection of public peace, health, safety, welfare or property or interest of the city or general public, the purchasing agent shall not issue any purchase order for supplies, materials, equipment or certain services unless there exists an unencumbered appropriation in the account group against which such purchase is to be charged.

(Ord. No. 28.64, 3/30/64; Ord. No. 11.82, 6/22/82; Ord. No. 10.06, 11/28/06.)

SEC. 2.79. - Bidding—Formal process.

When the estimated cost of individual purchases of supplies, materials, equipment and certain services, and the estimated return from all individual sales of property, real or personal, exceed the contracts for public works bid limit (Charter Section 1107), the following formal bidding procedures shall be followed:

- a. **Notice inviting sealed bids.** Notices inviting sealed bids shall be prepared and shall include a general description ("specifications") of the supplies, materials, equipment or services to be purchased or sold, shall state where bid forms and specifications may be secured and the time and place for opening bids.
- b. **Publication of notice.** The notice inviting sealed bids shall be published at least seven (7) days before the date of opening of bids. Notice shall be published at least once in an official newspaper of general circulation in the city or, as an alternative method of publication, it shall be posted in at least three (3) public places in the city that have been designated by ordinances as the places for posting public notices. At the discretion of the purchasing agent, bid invitations may be transmitted electronically to appropriate vendors.
- c. **Bidders' list.** The purchasing agent shall solicit bids from all responsible

prospective suppliers who have requested their names to be added to a bidders' list, which the purchasing agent shall maintain, by sending them such notice as will acquaint them with the proposed purchase or sale. In any case, invitations sent to the vendors on the bidders' list shall be limited to commodities that are similar in character to the commodities ordinarily available from proposed vendor to which the invitations are sent.

- d. **Bidder's security.** When it is deemed necessary by the purchasing agent, bidder's security may be prescribed in the public notices inviting bids. When required, security shall be in the following form: either a certified or cashier's check or a bidder's bond executed by a corporate surety authorized to engage in such business in the state, made payable to the city. Such security shall be in an amount not less than that specified in the notice inviting bids or in the specifications referred to therein or, if no amount is specified by the notice inviting bids, then in an amount not less than ten (10) percent of the aggregate amount of the bid. Bidders shall be entitled to return of their bid security. A successful bidder shall forfeit any surety required by the purchasing agent upon failure on his part to enter into a contract within fifteen (15) days after the award of the contract has been mailed.
- e. **Bid opening procedure.** Sealed bids shall be submitted to the purchasing agent and shall be identified in accordance with instructions to bidders. Bids shall be opened in public at the time and place stated in the public notices. When no member of the public is in attendance at bid opening, at least one (1) city employee, in addition to the city employee opening the bids, will be present. A tabulation of all bids received shall be open for public inspection.
- f. **Rejection of bids.** At his/her discretion, the city manager or his/her designee may reject any and all bids presented and readvertise for bids; or he/she may waive any informalities or minor irregularities in a bid.
- g. **Award of contract.** Contracts shall be awarded by the city manager or his/her designee to the lowest responsive and responsible bidder on purchases and the highest responsible bidder on sales, except as otherwise provided herein. Should the successful bidder refuse or fail to enter into an agreement with the city, the city manager or his/her designee may execute the contract with the next lowest responsive and responsible bidder.
- h. **Tie bids.**
  1. If two (2) or more bids are received for the same total amount, unit

price, quality and service being equal, the contract shall be awarded to the lowest local bidder in the case of purchases and highest local bidder in the case of sales;

2. Where no local bidder is involved, the purchasing agent shall award the contract to one (1) of the bidders by drawing lots in public.
  - i. **Performance bonds.** The purchasing agent shall have the authority to require a performance bond before entering a contract in such amount as he/she shall find reasonably necessary to protect the best interests of the city. Such surety may be in the form of a certified or cashier's check, corporate surety bond or savings and loan certificate.

(Ord. No. 28.64, 3/30/64; Ord. No. 24.71, 7/26/71; Ord. No. 11.82, 6/22/82; Ord. No. 13.95, 5/30/95; Ord. No. 10.06, 11/28/06.)

**SEC. 2.80. - Bidding—Informal process.**

When the estimated cost of all individual purchases of supplies, materials, equipment and certain services and the estimated return from all individual sales of property, real or personal, shall be less than the contracts for public works bid limit (Charter Section 1107) but more than five thousand (\$5,000) dollars, such purchase or sale may be made in the open market, without public notification and without observing the procedure prescribed by Sec. 2.79 except that the following shall apply:

- a. Notice inviting bids. The purchasing agent shall solicit, whenever practicable, at least three (3) competitive bids by written requests to prospective bidders or by telephone or by public notice posted on a public bulletin board in the city hall or published electronically as appropriate.
- b. Bid record. All bids shall be submitted to the purchasing agent, who shall maintain records of all bids received for purchase orders issued.
- c. Award. All open market purchases shall be awarded to the lowest responsive and responsible bidder, and all open market sales shall be made to the highest responsive and responsible bidder. However, price, quality and time of delivery being equal, preference will be given to the lowest responsive and responsible local bidder.

(Ord. No. 28.64, 3/30/64; Ord. No. 11.82, 6/22/82; Ord. No. 13.95, 5/30/95; Ord. No. 10.06, 11/28/06.)

**SEC. 2.81. - Transfer or sale of surplus, obsolete, etc., stock.**

All departments shall submit to the purchasing agent, inventories of supplies, equipment or other property designating those items which are worn out, surplus or obsolete.

- a. **Transfer.** The purchasing agent, with the approval of the city manager, shall have the authority to transfer surplus items to other departments.
- b. **Sale.** The purchasing agent, with the approval of the city manager, shall have the authority to sell all worn-out, surplus or obsolete supplies, equipment or other property or to exchange the same for or trade in the same on new supplies, equipment or other property. Sales under this section shall be made in conformance with Sec. 2.79 or 2.80, whichever is applicable.

(Ord. No. 28.64, 3/30/64; Ord. No. 11.82, 6/22/82.)

**SEC. 2.82. - Cooperative purchasing.**

The purchasing agent shall have the authority to join with other units of government in cooperative purchasing plans when the best interest of the city would be served thereby.

(Ord. No. 28.64, 3/30/64; Ord. No. 11.82, 6/22/82.)

**SEC. 2.83. - Nonapplicability.**

The provision of this article shall not be applicable to contracts for public works as outlined in City Charter Section 1107, nor shall they apply to the following:

- a. Contracts involving the obtaining of professional or specialized services, including but not limited to services rendered by attorneys, architects, engineers, accountants, and specialized consultants, except contracts for "certain services" as defined in Section 2.76;
- b. Where calling for bids on a competitive basis is, in the opinion of the purchasing agent, undesirable, impossible, unavailing or incongruous;
- c. Where the purchasing agent determines that the requirements can be met solely by a single patented article or process;
- d. Emergency situations;
- e. Where, in the sale or exchange of real property by the city, a public purpose is accomplished or the public interest is served by such sale or exchange, and



the city council so finds.

(Ord. No. 28.64, 3/30/64; Ord. No. 11.82, 6/22/82; Ord. No. 5.17, § 1, 10/24/17.)

## ARTICLE XIII. - CENTRALIZED PURCHASING SYSTEM

## SEC. 2.200. - Public works projects—Alternate bidding procedures.

When the estimated construction cost of a public works project has a construction value of less than one hundred thousand dollars (\$100,000), indexed to 2011 dollars, but not in excess of the limit set forth in California Public Contract Code at Section 22034, the project may be bid and awarded through the following alternate bidding procedures as authorized by City Charter Section 1107.

- a. **Prospective bidders' list.** The city shall maintain a list of qualified contractors, identified according to categories of work. Minimum criteria for development and maintenance of the contractors list shall be determined by the public works director or his/her designee.
- b. **Notice inviting informal bids.** A notice inviting informal bids shall describe the project in general terms and how to obtain more detailed information about the project, and shall be mailed to all contractors on the list of qualified contractors for the category of the work to be competitively bid. Although not required, a notice inviting bids may be posted in trade journals, on-line construction exchange services, on the city website, and advertised. All notices inviting bids shall be mailed not less than ten (10) calendar days before bids are due. The notice shall include when the bids are due and the time and place for submission of the bids.
- c. **Bid openings.** All bids shall be opened in the presence of the city clerk.
- d. **Award of contract.** The public works director or his/her designee may award the contract to the lowest responsible bidder. The public works director or his/her designee may reject any and all bids presented and may readvertise the project. Upon acceptance of the job, the awarded bidder must provide and maintain an insurance certificate, bonds, an active contractor's license and obtain a city business license to the satisfaction of the public works director or his/her designee. In the event the awarded bidder fails to provide the required documentation in a timely manner and to the satisfaction of the public works director or his/her designee, the next lowest responsible bidder may be awarded the contract.

(Ord. No. 7.16, § 1, 5/24/16.)

**SEC. 2.201. - Establishment of a centralized purchasing system.**

A centralized purchasing system is hereby established in order to promote efficient procedures governing the procurement of all supplies, materials, equipment and certain services required by any department, office or agency of the city government; and the disposal of all property, real or personal.

(Ord. No. 7.16, § 1, 5/24/16.)

**SEC. 2.202. - Terms defined.**

The terms "purchases" or "purchasing," as hereinafter used, shall include the terms "contracts for" or "contracting for" or "procurement of" or "procure."

(Ord. No. 7.16, § 1, 5/24/16.)

**SEC. 2.203. - Establishment of purchasing division; purchasing agent to head responsibilities.**

There is hereby created a purchasing section, the head of which shall be the purchasing agent, who shall be appointed by the city manager or his/her designee. The purchasing agent's responsibilities shall include, but not be limited to, the following:

1. To reduce to the maximum extent possible the number of purchase transactions by combining into bulk orders and contracts the requirements of agencies for common-use items or items repetitively purchased;
2. To develop and use contracts and purchase orders which will reduce to the minimum the accompanying paperwork and which in other respects will be most advantageous to the city.

(Ord. No. 7.16, § 1, 5/24/16.)

**SEC. 2.204. - Powers and duties of purchasing agent.**

The purchasing agent shall have power and be required to:

- a. Procure all supplies, materials, equipment and certain services required by any department, office or agency of the city government; and dispose of all property, real or personal, in accordance with rules and regulations as prescribed by this article and such purchasing procedures as the purchasing agent shall adopt for the internal management and operation of the

- purchasing section. "Certain services" shall include, but not be limited to, professional and specialized services provided with the acquisition of supplies, materials, and equipment in order to place them into service. Such purchasing procedures adopted by the purchasing agent shall not be effective until approved by the city manager;
- b. Within a specified delivery period, procure for the city supplies, materials, equipment and certain services at the least expense to the city for the quality needed, taking full advantage of trade and cash discounts and all tax exemptions to which the city may be entitled;
  - c. Specify proper standard nomenclature for supplies, materials and equipment required by any department, office or agency of the city government;
  - d. Prepare and maintain standard suggested specifications for materials, supplies and equipment whenever practicable;
  - e. Maintain a record of all sources of supply of goods or services;
  - f. Declare vendors who default on their quotations irresponsible bidders and disqualify them from receiving any business from the city for a stated period of time after notification to the city manager;
  - g. Prescribe by regulation the procedure under which emergency purchases falling within this article may be made by department heads;
  - h. Require when necessary sufficient tests of samples submitted with bids and samples of deliveries when necessary to determine their quality and conformance with the specifications;
  - i. At the discretion of the purchasing agent, delegate authority to staff outside of purchasing for the procurement of goods or services up to ten thousand dollars (\$10,000);
  - j. Improve the efficiency and effectiveness of the procurement process whenever possible by all available means, including the use of available technology.

(Ord. No. 7.16, § 1, 5/24/16; Ord. No. 5.17, § 2, 10/24/17.)

SEC. 2.205. - Departments to file estimates of needed supplies, materials, etc.

All departments shall file detailed estimates of their requirements in supplies, materials, equipment and certain services in such manner, at such time and for such future periods as the purchasing agent shall prescribe.

(Ord. No. 7.16, § 1, 5/24/16.)

SEC. 2.206. - Encumbrance of funds.

Except in cases of emergency, when necessary for the protection of public peace, health, safety, welfare or property or interest of the city or general public, the purchasing agent shall not issue any purchase order for supplies, materials, equipment or certain services unless there exists an unencumbered appropriation in the account group against which such purchase is to be charged.

(Ord. No. 7.16, § 1, 5/24/16.)

SEC. 2.207. - Bidding—Formal process.

When the estimated cost of individual purchases of supplies, materials, equipment and certain services, and the estimated return from all individual sales of property, real or personal, exceed the contracts for public works bid limit (Charter Section 1107), the following formal bidding procedures shall be followed:

- a. **Notice inviting sealed bids.** Notices inviting sealed bids shall be prepared and shall include a general description ("specifications") of the supplies, materials, equipment or services to be purchased or sold, shall state where bid forms and specifications may be secured and the time and place for opening bids.
- b. **Publication of notice.** The notice inviting sealed bids shall be published at least seven (7) days before the date of opening of bids. Notice shall be published at least once in an official newspaper of general circulation in the city or, as an alternative method of publication, it shall be posted in at least three (3) public places in the city that have been designated by ordinances as the places for posting public notices. At the discretion of the purchasing agent, bid invitations may be transmitted electronically to appropriate vendors.
- c. **Bidders' list.** The purchasing agent shall solicit bids from all responsible prospective suppliers who have requested their names to be added to a bidders' list, which the purchasing agent shall maintain, by sending them such notice as will acquaint them with the proposed purchase or sale. In any case, invitations sent to the vendors on the bidders' list shall be limited to commodities that are similar in character to the commodities ordinarily available from proposed vendor to which the invitations are sent.

d.

**Bidder's security.** When it is deemed necessary by the purchasing agent, bidder's security may be prescribed in the public notices inviting bids. When required, security shall be in the following form: either a certified or cashier's check or a bidder's bond executed by a corporate surety authorized to engage in such business in the state, made payable to the city. Such security shall be in an amount not less than that specified in the notice inviting bids or in the specifications referred to therein or, if no amount is specified by the notice inviting bids, then in an amount not less than ten (10) percent of the aggregate amount of the bid. Bidders shall be entitled to return of their bid security. A successful bidder shall forfeit any surety required by the purchasing agent upon failure on his/her part to enter into a contract within fifteen (15) days after the award of the contract has been mailed.

- e. **Bid opening procedure.** Sealed bids shall be submitted to the purchasing agent and shall be identified in accordance with instructions to bidders. Bids shall be opened in public at the time and place stated in the public notices. When no member of the public is in attendance at bid opening, at least one (1) city employee, in addition to the city employee opening the bids, will be present. A tabulation of all bids received shall be open for public inspection.
- f. **Rejection of bids.** At his/her discretion, the city manager or his/her designee may reject any and all bids presented and readvertise for bids; or he/she may waive any informality or minor irregularities in a bid.
- g. **Award of contract.** Contracts shall be awarded by the city manager or his/her designee to the lowest responsive and responsible bidder on purchases and the highest responsible bidder on sales, except as otherwise provided herein. Should the successful bidder refuse or fail to enter into an agreement with the city, the city manager or his/her designee may execute the contract with the next lowest responsive and responsible bidder.
- h. **Tie bids.**
1. If two (2) or more bids are received for the same total amount, unit price, quality and service being equal, the contract shall be awarded to the lowest local bidder in the case of purchases and highest local bidder in the case of sales;
  2. Where no local bidder is involved, the purchasing agent shall award the contract to one (1) of the bidders by drawing lots in public.
    - i. **Performance bonds.** The purchasing agent shall have the authority to require a performance bond before entering into a contract in such amount as he/she shall find reasonably necessary to protect

the best interests of the city. Such surety may be in the form of a certified or cashier's check, corporate surety bond or savings and loan certificate.

(Ord. No. 7.16, § 1, 5/24/16.)

SEC. 2.208. - Bidding—Informal process.

When the estimated cost of all individual purchases of supplies, materials, equipment and certain services and the estimated return from all individual sales of property, real or personal, shall be less than the contracts for public works bid limit (Charter Section 1107) but more than ten thousand (\$10,000) dollars, such purchase or sale may be made in the open market, without public notification and without observing the procedure prescribed by Section 2.207 except that the following shall apply:

- a. **Notice inviting bids.** The purchasing agent shall solicit, whenever practicable, at least three (3) competitive bids by written requests to prospective bidders or by telephone or by public notice posted on a public bulletin board in city hall or published electronically as appropriate.
- b. **Bid record.** All bids shall be submitted to the purchasing agent, who shall maintain records of all bids received for purchase orders issued.
- c. **Award.** All open market purchases shall be awarded to the lowest responsive and responsible bidder, and all open market sales shall be made to the highest responsive and responsible bidder. However, price, quality and time of delivery being equal, preference will be given to the lowest responsive and responsible local bidder.

(Ord. No. 7.16, § 1, 5/24/16.)

SEC. 2.209. - Transfer or sale of surplus, obsolete, etc., stock.

All departments shall submit to the purchasing agent, inventories of supplies, equipment or other property designating those items which are worn out, surplus or obsolete.

- a. **Transfer.** The purchasing agent, with the approval of the city manager, shall have the authority to transfer surplus items to other departments.
- b. **Sale.** The purchasing agent, with the approval of the city manager, shall have the authority to sell all worn-out, surplus or obsolete supplies, equipment or

other property or to exchange the same for or trade in the same on new supplies, equipment or other property. Sales under this section shall be made in conformance with Section 2.207 or 2.208, whichever is applicable.

(Ord. No. 7.16, § 1, 5/24/16.)

SEC. 2.210. - Cooperative purchasing.

The purchasing agent shall have the authority to join with other units of government in cooperative purchasing plans when the best interest of the city would be served thereby.

(Ord. No. 7.16, § 1, 5/24/16.)

SEC. 2.211. - Nonapplicability.

The provisions of this article shall not be applicable to contracts for public works as outlined in City Charter Section 1107, nor shall they apply to the following:

- a. Contracts involving the obtaining of professional or specialized services, including, but not limited to, services rendered by attorneys, architects, engineers, accountants and specialized consultants, except contracts for "certain services" as defined in Section 2.204;
- b. Where calling for bids on a competitive basis is, in the opinion of the purchasing agent, undesirable, impossible, unavailing or incongruous;
- c. Where the purchasing agent determines that the requirements can be met solely by a single patented article or process;
- d. Emergency situations;
- e. Where, in the sale or exchange of real property by the city, a public purpose is accomplished or the public interest is served by such sale or exchange, and the city council so finds.

(Ord. No. 7.16, § 1, 5/24/16; Ord. No. 5.17, § 2, 10/24/17.)

SEC. 2.212. - Procurement during a proclaimed emergency or disaster.

This section establishes the city's procurement practices to be followed in the event of an emergency or disaster, such that the city is able to effectively obtain the goods or services required in such circumstances.



(Ord. No. 7.16, § 1, 5/24/16.)

SEC. 2.213. - Definitions.

For purposes of Sections 2.212 through 2.215, the following definitions apply:

- a. "Proclaimed emergency or disaster" means the president or governor has declared or proclaimed a state of emergency for an area that includes the geographic territory of the city or a local emergency has been proclaimed and is currently in effect, as provided in the Mountain View City Code.
- b. "Public exigency or emergency" means a situation, related to a proclaimed emergency or disaster, which demands immediate aid or action and/or presents an immediate threat to public health, life, safety or improved property, as further defined in administrative regulations or policies.
- c. "Purchase(s)" means the purchase(s), rental(s) or lease(s) of goods or services related to a proclaimed emergency or disaster.
- d. "Simplified acquisition threshold" means the dollar amount below which a nonfederal entity may purchase property or services using small purchase methods, as set forth in Title 2 of the Code of Federal Regulations, Part 200, as it may be amended from time to time.

(Ord. No. 7.16, § 1, 5/24/16.)

SEC. 2.214. - Procurement procedures during a proclaimed emergency or disaster.

- a. The regulations in Title 2 of the Code of Federal Regulations, Part 200, as it may be amended from time to time, are incorporated herein by reference.
- b. **Procedures for competitive procurements.**
  1. Competitive procurements for purchases below the simplified acquisition threshold shall not be required to be formally bid.
  2. Competitive procurements for purchases equal to or exceeding the simplified acquisition threshold shall be conducted in accordance with the following alternate purchasing procedures:
    - (a) **Public announcement.** For public posting of requests for proposals or solicitation of bids, the purchasing agent may use alternate posting requirements in lieu of normal requirements. Alternate locations may include the emergency operations center, city hall, the public library or

other locations as specified by the purchasing agent. The purchasing agent may shorten the normal period for the public announcement period to expedite award, but such period shall be no less than twenty-four (24) hours.

- (b) **Adequate sources.** The purchasing agent shall obtain competitive sealed bids or proposals from potential suppliers. The purchasing agent may use methods, including, but not limited to, print, telephonic, e-mail, or online/internet outreach in order to obtain these responses. The purchasing agent may shorten the typical period for responses to be submitted to expedite award, but such period shall be not less than twenty-four (24) hours. A minimum of three (3) responses from qualified sources shall be obtained. All bids or proposals received, including those deemed nonresponsive by the purchasing agent, shall be counted toward meeting the minimum requirement.

c. **Procedures for noncompetitive procurements.**

1. Noncompetitive procurements may be used when one (1) or more of the following circumstances exist:
  - (a) Public exigency or emergency will not permit a delay resulting from competitive procurement;
  - (b) The item is available only from a single source;
  - (c) After solicitation of a number of sources, competition is determined inadequate; or
  - (d) The federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the nonfederal entity.
2. The authorized purchaser shall document the justification for noncompetitive procurement in accordance with established procedures.
3. When a noncompetitive procurement is used due to public exigency or emergency, the procurement shall be limited to that portion of the work that must be performed immediately. Procurement for any additional work shall be conducted through competitive procurement procedures.

(Ord. No. 7.16, § 1, 5/24/16.)

SEC. 2.215. - Postaward.

- a. **Bid protests.** The purchasing agent may alter and/or shorten the normal bid protest

process if emergency circumstances will not permit a delay resulting from the normal bid protest process, but such period shall be no less than twenty-four (24) hours.

- b. **Authority to cancel procurements.** The city manager or his or her designee has the authority to rescind a purchase contract for nonperformance within twenty-four (24) hours when a contractor or vendor, once awarded a contract, is unable to immediately perform under the terms of the contract.

(Ord. No. 7.16, § 1, 5/24/16.)

## CITY COUNCIL POLICY

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SUBJECT: AUTHORIZATION TO EXECUTE CITY CONTRACTS AND NO.: A-10  
AGREEMENTS AND INCREASE CERTAIN LIMITED  
APPROPRIATIONS

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PURPOSE:

To establish a general policy for the authorization to execute City contracts and agreements and increase certain limited appropriations related to grants, donations, and reimbursed expenditures.

POLICY:

The schedule of authorization to execute City contracts and agreements, and to increase appropriations related to grants, donations, and reimbursed expenditures is as set forth in Exhibit A attached.

The attached schedule indicates 15 categories of contracts and agreements commonly executed by the City, one category related to reimbursed services, and one category related to grants and donations. The letters CC, CM, DH, or PA after each category indicate the specific City official authorized to execute that category of contracts, agreements, or financial transactions. The letters "CC" indicate specific approval by the City Council. Approval of the City Council constitutes automatic authorization to the City Manager or his/her designee to sign the approved agreement on behalf of the City. The letters "CM" indicate City Manager or his/her representative designated in writing. The letters "DH" indicate a City department head or his/her representative designated in writing. The letters "PA" indicate the Purchasing Agent.

Any contract or agreement or grants, donations, and reimbursed expenditures not falling within any of the 15 categories is to be presented to the City Council for approval. Where a proposed contract, agreement, or financial transaction will require the expenditure of funds not yet budgeted by the City Council, a request for a Council appropriation of the necessary funds is to be made prior to the execution of the contract, agreement, or financial transaction.

The delegated authority for increasing appropriations for grants and donations not previously budgeted is limited to the Finance and Administrative Services Director and the City Manager at the levels indicated in Exhibit A, and includes the authority to credit such moneys to the appropriate fund which received the grant or donation and to increase appropriations in the department and fund that was the recipient of the grant

## CITY COUNCIL POLICY

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SUBJECT: AUTHORIZATION TO EXECUTE CITY CONTRACTS AND NO.: A-10  
AGREEMENTS AND INCREASE CERTAIN LIMITED  
APPROPRIATIONS

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or donation. Additionally, all grant and donation moneys received would be continuously appropriated until expended.

The delegated authority for increasing appropriations for reimbursed services not previously budgeted is limited to the Finance and Administrative Services Director and the City Manager at the levels indicated in Exhibit A, and includes the authority to accept reimbursement moneys for unbudgeted expenditures incurred by the City and credit such reimbursement moneys to the appropriate fund which incurred the cost.

Supersedes Resolution No. 15941 adopted April 9, 1996, and Resolution No. 15443 adopted July 29, 1992.

Revised: March 4, 2014, Resolution No. 17840

Revised: June 26, 2012, Resolution No. 17698

Revised: December 7, 2010, Resolution No. 17571

Revised: November 23, 2004, Resolution No. 16945

Effective Date: April 26, 1976, Resolution No. 10910

CNL POL  
A10-CP

## EXHIBIT A

### SCHEDULE OF AUTHORIZATIONS TO SIGN CITY CONTRACTS AND AGREEMENTS AND INCREASE APPROPRIATIONS FOR GRANTS, DONATIONS AND REIMBURSED EXPENDITURES

<u>Type of Contract or Agreement</u>	<u>Up to \$20,000*</u>	<u>Over \$20,000 to \$100,000*</u>	<u>Over \$100,000*</u>	<u>No Funds</u>
1. Construction or Improvement of Public Buildings, Works, etc. (Charter Sec. 1107)	DH	CM Informal Bid	CC Formal Bid	DH
2. Other Construction or Improvement of City Facilities	PA Informal Bid	PA Informal Bid	CM Formal Bid	PA
3. Lease of Equipment or Purchase of Supplies, Equipment or Certain Services (cumulative value of lease term, not annual value)	PA Informal Bid	PA Informal Bid	CM Formal Bid	PA
4. Leases of City Real Property to and from Others (cumulative value of lease term, not annual value)	CM	CM	CC	CM
5. Transfer of Real Property, Including Deeds, Easements, Escrow Instructions, etc.	CM Informal Bid	CM Informal Bid	CC Formal Bid	CM
6. Acceptance of Deeds, Easements, Dedications or Other Conveyances to City	CM	CM	CC	CM
7. Professional or Specialized Services	DH	CM	CC	DH
8. Recreation Program Contracts	DH	CM	CM	DH
9. Contracts Required as a Condition of a City Approval	DH	CM	CM	DH
10. Intergovernmental Agencies				
Procurement of Goods and Services	PA	PA	CM	PA
Contract for Professional or Specialized Services	DH	CM	CC	DH
11. Joint Powers Agreements	CC	CC	CC	CC

<u>Type of Contract or Agreement</u>	<u>Up to \$20,000*</u>	<u>Over \$20,000 to \$100,000*</u>	<u>Over \$100,000*</u>	<u>No Funds</u>
12. Other Intergovernmental Agreements Not Included in No. 10 or 11 Above	CM	CM	CC	CM
13. Sponsorship Agreements	DH	CM	CC	-
14. Increase to Appropriations for Grants and Donations not Previously Budgeted	DH**	CM	CC	-
15. Increase to Appropriations for Reimbursed Expenditures not Previously Budgeted	DH**	CM	CC	-

KEY: CC = CITY COUNCIL (Council approval constitutes authorization for the City Manager to sign on behalf of the City.)  
CM = CITY MANAGER or his representative designated in writing.  
DH = DEPARTMENT HEAD or his representative designated in writing.  
PA = PURCHASING AGENT

NOTE: Contracts and agreements or grants, donations or reimbursed expenditures not covered by the schedule are to be presented to the City Council for approval.

Amounts pertain to annual operating budgets with the exception of capital improvement projects which are on a project life basis.

\*Indexed to 2011 dollars.

\*\*Authority limited to Finance and Administrative Services Director

## DEFINITIONS

- Category 1: Construction of Improvements of Public Buildings, Works, etc. This category includes all Public Works construction listed in Section 1107 of the City Charter. The formal bid provisions of Section 1107 must be followed for such work.
- Category 2: Other Construction or Improvement of City Facilities. This category includes all construction or improvement of City facilities not covered by Section 1107 of the City Charter. The necessity for bidding for such construction or improvement is covered by Sections 2.79 and 2.80 of the City Code.
- Category 3: Lease of Equipment or Purchase of Supplies, Equipment or Certain Services. This category includes all acquisition of supplies or equipment and certain services not following Categories 7 and 10, whether by purchase or lease.
- Category 4: Leases of City Real Property to and from Others. This category includes all written leases in which the City is the lessor, landlord, lessee or tenant.
- Category 5: Transfers of Real Property. This includes deeds, easements and other conveyances, and escrow instructions and other documents relating to the transfers of real property. It does not include leases.
- Category 6: Acceptance of Deeds, Easements, Dedications and Other Conveyances to the City. This category is to satisfy the legal requirements that the City certify the acceptance of any deeds, easements, dedications or other grants or conveyances to the City prior to their recording.
- Category 7: Professional or Specialized Services. This category involves obtaining professional or specialized services, including, but not limited to, services of engineers, architects and specialized consultants.
- Category 8: Recreation Program Contracts. This category includes the routine contracts for the recreation program, including contracts to teach City recreation classes, referee athletic events, etc.
- Category 9: Contracts Required as a Condition of City Approval. This category includes all contracts and agreements required in order to satisfy a condition of a City approval. Examples would be agreements required in order to satisfy conditions imposed as part of subdivision approvals, SPAR approvals, PC permits, Conditional Use Permits, building permits and encroachment permits.
- Category 10: Other Intergovernmental Agencies. This category includes all agreements for the procurement of goods and services; and contracts for professional or specialized services with another governmental agency.
- Category 11: Joint Powers Agreements. This category includes all joint powers agreements.
- Category 12: Other Intergovernmental Agreements Not Included in No. 10 or 11 Above. This category includes other agreements not included in No. 10 or 11 above. Examples may be maintenance agreements or intergovernmental joint projects whereby agencies are jointly contracting with an outside party for services.



- Category 13: Sponsorship Agreements. This category includes all sponsorship agreements.
- Category 14: Grants and Donations. This category includes all grants and donations received by the City.
- Category 15: Reimbursed Expenditures. This category includes all moneys received by an outside entity for the purpose of reimbursing the City for goods or services not budgeted.

SUBJECT: PREPARATION OF AGREEMENTS

NO.: 1-5

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PURPOSE:

Agreements are required for the use of any and all contractual or professional services, as well as for construction contracts. When any agreement is prepared, it is essential that not only is the agreement legally valid, but that it accomplishes what the department intends. To ensure that the two prerequisites—legality and purpose—are met, the following procedure shall be followed in the preparation and maintenance of any agreement. All agreements shall be fully executed prior to the engagement of any services provided.

PROCEDURE:

<u>Responsibility</u>	<u>Action</u>
Originating Department	<p>1. Uses a standard form contract whose provisions have been previously approved by the City Attorney and Finance and Administrative Services Department. Language that deviates from the standard form contract should be reviewed with and approved by the City Attorney and/or Finance and Administrative Services as applicable, prior to circulating the contract for signatures.</p> <p>The following information should be included in all contracts:</p> <ul style="list-style-type: none"> <li>a. The exact legal name or names of all parties to the agreement.</li> <li>b. The subject of the agreement. If, for example, the agreement deals with the real property, a legal description is helpful.</li> <li>c. Term—When will the agreement start and when will it end? Specify any rights to extend the term and any rights to terminate it early (termination article.)</li> </ul>

- d. In detail, exactly what is the City agreeing to pay for and the goods, services or other deliverables which will be received by the City according to the agreement?
  
- e. Typically, standard agreements also include:
  - 1) Payment terms and compensation, not to exceed and appropriate rates.
  - 2) Independent contractor provision for contracted or professional service agreements.
  - 3) Hold harmless, defense and indemnification provision.
  - 4) Provision for reliance upon professional skills.
  - 5) Ownership of drawings, plans, models, etc.
  - 6) Liquidated damages provision (typically related to construction contracts).
  - 7) Nonassignability provision (without prior written City approval).
  - 8) Nondiscrimination provision.
  - 9) Provision for cancellation clause, at City's convenience, in consultant contracts or agreements.
  - 10) Retention of a percentage of billings where appropriate.

- 11) Optional provision for written amendments with approval of the City Manager.
  - f. Insurance requirements which are satisfactory to the Risk Manager, City Attorney's Office, or bonds where appropriate and the amount of bond coverage.
  - g. Indicates in recitals the specific City Council action, for example: budget provision or date of authorization under City Council Policy A-10.
2. Sends "Original" and at least one "Duplicate Original" to party contracting with the City for signature and insurance.
3. Reviews agreement returned by consultant/contractor and ensures that all documents are properly signed and that all bonds and certificates of insurance, including endorsements have been secured and provided to City by the consultant/ contractor, and City is named as additionally insured party on all appropriate policies.
4. Enters the contract via the requisition process into the City's financial system (IFAS) indicating Type "C" for contract.
5. Prepares a contract cover sheet (CA-2) ensuring the routing on the cover sheet matches the routing in IFAS. Writes the requisition number in the top right-hand corner of the contract cover sheet.

6. Reviews contracts equal to or less than \$10,000, to ensure that it is correct as to content and signs "As To Content," and routes contract to department head for signature, executing contract. For contracts greater than \$10,000, routes contract to department head for review and approval.
7. Reviews agreement to ensure that it is correct. If contract is equal to or less than \$10,000, department head executes the agreement and approves requisition on-line through IFAS. If the agreement is greater than \$10,000, signs "As to Content" and approves requisition on-line through IFAS.
8. Routes the agreement to Finance and Administrative Services Department, then to the City Attorney and if required by Administrative Instruction A-10, the City Manager and City Clerk.
9. Reviews completed agreements for all financial matters and for accuracy and completeness, and signs document for "Financial Approval." This signature certifies that payments will be made if the terms of the agreement are met. Approves requisition on-line through IFAS. Forwards to the City Attorney for review.
10. Reviews the agreement, signatures, and bonds and insurance to ensure the adequacy of the documents.
11. Signs "As To Form" and approves the requisition on-line through IFAS, if the agreement, signatures, and bonds and insurance are adequate.

Originating Department  
Head or Designated  
Representative

Finance and  
Administrative Services  
Department

City Attorney's Office

12. Forwards all documents, if necessary, to the City Manager in accordance with Administrative Policy A-10 or returns both originals to Finance and Administrative Services Department for scanning into the financial system (IFAS).
- City Manager's Office  
(Depending on the compensation as authorized by City Council Policy A-10)
13. Reviews the documents.
14. Signs "To Execute the Agreement" and approves the requisition on-line through IFAS.
15. Forwards all copies to City Clerk for attestation, if applicable, or returns both originals to Finance and Administrative Services Department.
- City Clerk's Office
16. Agreements which were approved by the City Council go to the City Clerk for attestation, etc.
17. City Clerk attests agreements and returns a Duplicate Original to Purchasing.
- Finance and Administrative Services Department
18. Receives completed executed original contracts from various sources.
19. Scans original executed contract into IFAS and attaches image to the purchase order. Prints PO and forwards one original agreement to City Clerk's Office for City's records (if two originals are received) and one agreement to originating department for distribution to vendor.

SUBJECT: PREPARATION OF AGREEMENTS

NO.: 1-5

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- Originating Department
20. Ensures contract is properly executed prior to the commencement of any services provided by contractor.
  21. Distributes original to contracting party.

*Signed*

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Kevin C. Duggan, City Manager

Effective Date: March 1, 1976

Revision Date: September 29, 1999

ADM/01-05ADM-610^

SUBJECT: EMPLOYMENT OF PROFESSIONAL SERVICES      NO.: 1-6

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POLICY:

It is the policy of the City of Mountain View to retain consultant (professional) services on the basis of demonstrated competence and qualification for the type of services required at fair and reasonable prices.

**PROCEDURE FOR SELECTING A PROFESSIONAL CONSULTANT – MAJOR CONTRACTS WITH A FEE THAT EXCEEDS THE CURRENT CITY COUNCIL EXPENDITURE LIMIT**

PROFESSIONAL SERVICES CONTRACT

Professional or specialized services include, but are not limited to, services of accountants, engineers, architects and specialized consultants. Attorneys and legal services are selected on the basis of specialized expertise as determined by the City Attorney and are excluded from this administrative instruction. When a City department identifies the need for consultant professional services, the department will draft a "scope of services" to be performed. This scope of services should be in general conformance with the description of the project scope contained in the approved CIP, other budget or master plan documents.

Scope of Services

The scope of services for the particular contract will be developed by the department managing the project (responsible department). The department sponsoring the project, if different than the responsible department, will be consulted on the scope. The scope should define the tasks to be performed, identify the various task components, phases, major deliverables and completion dates for the deliverables. Detailed task descriptions should also be prepared to guide prospective consultants. The degree, if any, of Federal or State participation should also be defined at this time since certain planning and design criteria may be prerequisites for Federal or State assistance. The scope of services shall also indicate the number of meetings, estimated schedule and amount, timing and quality of deliverables to be required of the consultant.

If the contract amount is over the current City Council expenditure limit, a staff report must be prepared for the City Council defining the need for the contract, identifying an estimated cost of the contract services required, and providing the source of funds for



payment to the consultant and requesting the City Council's approval to enter into the contract.

#### ROSTER OF CONSULTANTS

A roster of consultant firms available to provide the specific type of service needed by the City may be compiled by the responsible department.

#### REQUEST FOR INFORMATION

If desired by the responsible department, a reasonable number of appropriate firms on the consultant roster are selected and sent a letter requesting a written expression of interest in the specific project. The request should invite comment as to the firm's special experience relating to the type of project being considered and the availability of the firm to provide the required service within any time limitations and the type of specialized information, if any, that is being requested.

From the firms responding to the Letter of Interest inquiry, a list of qualified consultants will be selected to receive a Request for Proposal per the following initial screening criteria as well as any other particular project requirements.

#### REQUEST FOR PROPOSALS

Requests for proposals should be used for contracts exceeding the "Current City Council Expenditure Limit" or a sole-source justification may be used if approved by the City Manager.

The letters expressing interest will be circulated for initial screening to a selection committee composed of the department head or his/her designee and staff from the responsible department as well as staff from the project sponsoring department. The initial screening list will generally narrow the number of firms to at least three firms who will receive Requests for Proposals (RFP). The following factors and any other major consideration relative to the project will be used for the screening:

Factors to be considered in initial screening may include:

1. Specialized experience in the type of work required.

2. Experience of the firm in doing similar projects and evidence of technical expertise and design ability where appropriate.
3. Record of the firm in accomplishing work on other projects in the required time and within budget.
4. Quality of work previously performed by the firm for the City and other clients.
5. Recent experience showing accuracy of cost estimates.
6. Ability to work with public agencies and be sensitive to citizens' concerns.
7. Geographic location of the principal offices of the firm.
8. Size and resources of the firm related to ability to accomplish the work in a timely manner, and at a high quality.
9. Any legal difficulties the firm has been involved with currently or in the past.

SUBMITTED PROPOSALS

Based on the result of the initial screening, the top three to ten firms should be sent RFPs and invited to submit a detailed proposal. Firms not asked to submit a detailed proposal should be so advised in writing by the administering department and thanked for their interest in the project. Firms receiving RFPs and submitting detailed proposals shall be asked to provide resumés of their key proposed project personnel; the name of the principal who would be responsible for the work; the amount of work presently underway; the ability of the firm to meet required time schedules; a description of how the project would be conducted; as well as other facts they wish to present in order to place their firm above the other proposers.

A proposed scope and a sample contract will be provided to each firm asked to prepare a detailed proposal so that the consultant can be fully informed of the parameters of the proposed project and general City contracting policies. The proposed scope will be prepared by the responsible department.

If requested in the RFP, firms shall submit their fee proposal in a separate envelope. The actual fee proposed will remain confidential during the initial selection process. The fee proposal will not be used as the sole determining factor in consultant selection

but may be one determining factor if more than one qualified consultant is ranked in the top tier by the selection process.

The firms asked to submit detailed proposals will also be advised that the City policy requires that an Affirmative Action (AA) or Compliance with Equal Opportunity and Nondiscrimination Program must be signed by the consultant prior to execution of the contract. Provisions of the City policy should be made available to all firms requesting to make proposals.

#### FINAL SELECTION AND CONTRACT NEGOTIATION

##### Interview and Selection

Upon receipt of the detailed proposals, the selection committee will review the proposals interview, if necessary, the prospective consultants whose proposals show clear qualifications to perform the tasks; and then select the consultant for the project who best satisfies the established criteria. Associate consultants (i.e., subconsultants) who would be used by the primary consultant should demonstrate appropriate qualifications, availability, staffing and professional competence. All other factors being equal, preference will be given to a firm with a Mountain View place of business and/or which is a minority firm as defined in Attachment C. Consultants who submit proposals should be thanked in writing for participating in the selection process.

##### Checking References

References for the final consultant selected shall be checked for such things as: record of firm accomplishing work in a timely manner for similar projects and within budget; recent experience showing accuracy of cost estimates; quality of work previously performed for the City and other clients; ability to work with the public and staff; and related recent legal problems outstanding.

##### Contract Negotiations

If the references are satisfactory, the firm selected will then be requested to attend a conference with the responsible department or division to refine the scope of service to be provided. The fee will then be negotiated within funds available for the project, a contract will be prepared and submitted to the responsible department for review and then submitted to the City Council for approval.

If, after reasonable effort, a contract with the initially selected consultant cannot be negotiated within available funds, the negotiations with the said consultant shall be terminated in writing and negotiations shall be started with the next qualified consultant recommended. If contract negotiations are successful, a contract will be prepared and then submitted to the consultant for approval. After approval by the consultant, authorization to execute the contract shall be submitted to the City Council for approval.

The City will enter into the agreement only after all necessary insurance policies and other contractual attachments have been received by the responsible department and reviewed by the Risk Manager and the City Attorney. The City Attorney's Office shall be responsible for ensuring that all necessary attachments are included prior to approving the contract as to form.

Note: Any attachments, which refer to the date of the contract must agree with the date of the contract. The contract should be dated on a day identified by the City and consultant.

The responsible department will supply copies of the Contractual Agreement to appropriate parties and will be responsible for filing the original contract and attachments with the City Clerk's Office.

**DEVELOPMENT AND SELECTION FROM AN APPROVED ELIGIBLE LIST OF CONSULTANTS FOR GENERAL CIVIL ENGINEERING, ARCHITECTURAL, ENVIRONMENTAL AND OTHER STANDARD PROJECTS**

In order to make the most efficient use of consultant and staff time in applying the above-described selection process, a consultant eligibility list may be developed for general civil engineering, architectural and other standard professional services which the City may require more than once each year. For example, on projects such as those requiring routine landscape architectural services and civil engineering services, the acceptable finalist firms identified through the above-described selection process may be placed on an eligibility list which staff could select from on a rotational basis. The eligibility list will remain effective for two years. A new selection process to develop a new eligibility list will be undertaken when the current list expires.

In cases involving small projects, a decision may be made to shorten the process whereby only three or four prospective consultants are interviewed and considered with one selected to perform the required services.

**SOLE-SOURCE JUSTIFICATION (EXCEPTION TO THE PROCESS)**

If a case can be made for avoiding the above process or abbreviating the process, this must be authorized by the appropriate department head, City Manager or City Council, depending on the value of the services. The sole-source justification must be documented explaining why it was decided that this provider would be the sole source considered. Reasons such as: size of project, amount of contract, familiarity with a project due to having accomplished previous phases or identical past design, urgency to comply with regulations, only consultant locally who performs this service, most recognized authority in the field, availability/workload or consistency with previous reports as well as credibility with agencies for required approvals are suitable justification, depending on the circumstances. The intent is to provide an opportunity for a wide variety of consultants to impartially compete for work whenever possible, but for reasons in the best interest of the City, an exception may be made.

**PROCEDURES FOR SELECTING A PROFESSIONAL CONSULTANT – MINOR CONTRACTS WITH A FEE OF UNDER CURRENT CITY COUNCIL EXPENDITURE LIMIT**

An abbreviated procedure or the sole-source procedure, if justified, may be used for selecting consultants where the contract is less than the Current City Council Expenditure Limit.

When selecting a consultant to provide professional services with a contract amount over \$10,000 but under the current City Council Expenditure Limit, the City Manager may approve the contract without City Council action, provided the funds to pay for the contract have been budgeted. Solicitation of letters of interest from firms will not be required. The responsible department will select up to five firms from the roster of consultant firms maintained by said department. The responsible department may prepare an RFP with a scope of services that may be in a letter format and send the RFP to the selected firms. The responsible department staff will screen the responses to the RFP, select the most qualified and appropriate firm and negotiate a contract with the firm. In certain situations where it is appropriate and can be justified, the sole-source process may be used and a contract negotiated with the selected firm.

When selecting a consultant to provide professional services with a contract up to \$10,000, the responsible department head may approve the contract, provided the funds to pay for the contract have been budgeted.

SUBJECT: EMPLOYMENT OF PROFESSIONAL SERVICES      NO.: 1-6

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The responsible department shall prepare an RFP with a scope of services in a letter format and send the RFP to two to three firms selected from the roster of consultant firms. The responsible department will select the consultant based on qualification and negotiate a contract with the selected firm. Where it can be justified, the sole-source selection process may be used.

*Signed*

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Kevin C. Duggan, City Manager

Effective Date:    July 1, 1975  
Revision Date:    January 1, 1998

FI/ADM  
1-06ADM-942^

SUBJECT: TRAVEL AND EXPENSE POLICY

NO.: 2-1

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PURPOSE:

To establish procedures and guidelines for travel and certain other expenses of employees.

POLICY:

1. General

- a. City employees may be required to travel and to incur other expenses in the course of their duties and employment with the City. This policy establishes the criteria for City payment of these expenses.
- b. Employee travel and expenses may be authorized for conducting City business or activities such as professional meetings, conferences and training sessions. Payments for travel and expenses may be requested as advances, prepayment or reimbursement of appropriate expenses for registration fees, lodging, food, transportation and reasonable incidental expenses.
- c. All claims for travel and expenses shall be accompanied by sufficient supporting documentation as appropriate (no documentation necessary for claims of per diem for meals and incidentals), including original receipts, copies of registration forms, invoices, canceled checks or notation for any receipts that are lost.
- d. Prior to the commitment for travel, the expenses should be reviewed and authorized by the employee's supervisor and Department Head. All claims for travel and expenses shall be signed by the Department Head or his/her designee.
- e. The Finance and Administrative Services Director, or his/her designee, will review and authorize reasonable expenditures.
- f. All out-of-state travel expenses and travel advances must be authorized by the department head prior to the travel or disbursement of a travel advance. Any travel outside of the United States shall be authorized in advance by the City Manager.

2. Transportation

- a. All travel will be made by the method least costly to the City. In arriving at the lowest cost method, factors such as time, distance traveled and cost of transportation must be considered.
- b. Transportation costs to and from the authorized destination will not exceed advance-purchase economy-class airfare unless such fare is not available. Employees shall inquire as to any government discount the airlines may provide.
- c. City vehicles should be utilized whenever possible.
- d. When two (2) or more employees are traveling by personal vehicle, every effort is to be made to ride together.
- e. The mileage reimbursement shall be the rate as set by the Internal Revenue Service Code and shall be reimbursed for the distance between home and the destination or work and the destination, whichever is less.
- f. Transportation to and from airports shall be reimbursed for either actual mileage if personal vehicle is used or for reasonable taxi fare, airport, van or other public transportation if available. If a personal vehicle is left at the airport for more than one day, parking will be reimbursed per day based on long-term parking rates or other transportation fare to and from airport, whichever is lower. Parking will not be reimbursed for more than one day at the short-term rate.
- g. If a personal side-trip is planned, the City will reimburse not more than the advance-purchase economy class airfare to and from the original destination. Any additional costs related to personal travel shall be borne by the employee.
- h. If a guest accompanies an employee, only the costs of the employee will be reimbursed. All costs above a single person will be borne by the employee.
- i. The necessity for a rental car must be established and authorized in advanced by the Department Head or designee and is discouraged. Only economy car models may be rented, unless the upgrade is provided at no additional cost



to the City. If the employee otherwise chooses, the use of a rental car will be reimbursed to the extent of taxi fares or other public transportation costs only.

3. Lodging

- a. No lodging expenses incurred by employees within the nine greater Bay Area counties shall be reimbursed unless there are extenuating circumstances with prior department head approval.
- b. Lodging expenses may be prepaid directly to the hotel or reimbursed. Prepayments or reimbursement will be limited to single occupant room rates. Lodging reimbursement shall not exceed conference hotel cost.
- c. Hotels often provide exemptions from transient occupancy tax for government employees. Employees should request exemption for hotel transient occupancy tax if applicable.

4. Registration

- a. Registration fees will be fully paid directly by the City or reimbursed to the employee. For reimbursement, the employee must provide proof of payment. Any discounts offered for early registration or attendance by additional persons should be obtained whenever possible.

5. Meals and Incidental Costs

- a. Meals and personal incidentals will be reimbursed at the current standard IRS per diem rates (see chart for \$26 to \$38 cities, effective January 1, 1995). A chart for California is attached which is effective January 1, 1995. Please contact the Finance and Administrative Services Department for rates outside of California. If the destination city is not listed, then the rate for the county applies. If there is no rate for the city or county, the lowest rate applies (currently \$26). Incidental expenses are to cover any personal costs incurred in connection with travel (i.e., personal phone calls, toiletries, etc.).

The per diem rate indicated is to be reimbursed only for full days of travel (i.e., travel away from City overnight). If partial day of travel, the City will

reimburse at actual cost (receipts required) based on the following guidelines:

Breakfast	Lunch	Dinner
\$8	\$8	\$20

- b. No reimbursement will be made for alcohol.
- c. Incidental expenses related to City business shall be reimbursed at cost as supported by submitted receipts.

6. Reconciliation and Reimbursement

- a. Within ten business days after the employee's return from a trip, a Travel and Expense Report (GO-4 Form) must be filed with the Finance and Administrative Services Department. The completion and filing of this form must be performed regardless if a reimbursement is requested.
- b. If expenses for any trip are not reported within the required ten working days, no future travel requests will be processed for the individual until outstanding travel and expense claims are completed.
- c. All travel and expense reports shall include copies of documentation of previous prepayments or advances made, including registration, airfare, hotel, etc.

PROCEDURE:

<u>Responsibility</u>	<u>Action</u>
Employee	<ul style="list-style-type: none"><li>1. Discusses planned travel and expenses with immediate supervisor. Obtains prior authorization for any nonstandard expenses (i.e., rental cars, meals in excess of guidelines, etc.)</li><li>2. Submits requests for any advances or prepaid items within standard disbursement deadlines.</li></ul>

3. Completes Travel and Expense Report (Form GO-4) within ten business days from return of trip.
  4. Obtains approval of Department Head or designee on Travel and Expense Report.
  5. Forwards all completed Travel and Expense Reports to Finance and Administrative Services Department.
- Department Head
1. Reviews and approves, modifies or denies request expenses related to travel.
- Finance and Administrative Services Department
1. Receives completed Travel and Expense Report GO-4 from employee.
  2. Reviews request prepayments, advances and reimbursements related to travel.

Responsibility

Action

3. Processes Travel and Expense Report GO-4 forms and provides payment for advances, prepayments or reimbursements.
4. Distributes payments for prepayments to vendor.
5. Distributes payments for advances or reimbursement to employee.

*Signed*  
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Kevin C. Duggan, City Manager

Effective Date: February 1, 1976  
Revision Date: March 29, 1995

PJK/ADM  
2-01ADM-546^

SUBJECT: AUTHORIZED SIGNATURE LIST

NO.: 2-2

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PURPOSE:

Establishes a procedure for compiling and maintaining an authorized signature list which delegates general authority for certain employees to sign financial documents such as departmental petty cash vouchers, purchase requisitions, material requisitions, documents relating to purchase orders, building maintenance work orders, vehicle defect reports and central services requests. (Authorization for contracts and to approve time cards is not covered by this Administrative Instruction.)

PROCEDURE:

<u>Responsibility</u>	<u>Action</u>
Department Heads	<ol style="list-style-type: none"> <li>1. Are directly responsible and accountable for departmental expenditures incurred through employees whose names are on the authorized signature list. For activities funded by resources other than the General Fund, such as the Parking District, which may not fall under the sole jurisdiction of a single department, the authorizations for each of the department(s) which are involved with the activity shall apply.</li> <li>2. Delegates authority in writing to certain employees in their department to sign for documents mentioned in this Administrative Instruction.</li> </ol>

<u>Responsibility</u>	<u>Action</u>
Department Heads	3. Prepares in writing a list to be forwarded to the Finance and Administrative Services Department of employees in their department who will have authority to sign the specified documents mentioned in this Administrative Instruction, or submits in writing, recommended amendments to the list. General signature levels will be included in this list and departments may further restrict signature authority, but the department shall be responsible for controlling this lower level control.
Finance and Administrative Services Department	4. Shall establish and maintain an authorized signature list (approved by the City Manager) which shall be revised periodically to reflect changes. 5. Shall establish eligibility and authorization limit guidelines. 6. Because of the nature of such items as telephone, PG&E and water bills, payroll related charges, interdepartmental charges, etc., the Finance and Administrative Services Director may make charges to departments or activities without specific approval of the various departments. A record of these items shall accompany other department charges on the monthly expenditure reports. Finance and Administrative Services Department will submit to department annually, PG&E and water bills for review.

<u>Responsibility</u>	<u>Action</u>
City Manager, Assistant City Manager, Finance and Administrative Services Director and Assistant Finance and Administrative Services Director	7. Has authority to sign all documents listed in this Administrative Instruction for all departments.
	8. May delegate the authority to sign documents mentioned in this Administrative Instruction to other responsible employees.

Signed  
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Kevin C. Duggan, City Manager

Effective Date:  
Revision Date: January 1, 1998

SA/ADM  
2-02ADM-630^

SUBJECT: PURCHASING POLICY

NO.: 2-10

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PURPOSE:

To establish procedures and guidelines to obtain timely delivery of price-competitive commodities and services; capitalize on quantity discounts by utilizing economies of scale and enhancing efficiencies by utilizing available technologies.

The administration of centralized purchasing for the City is under the authority of the City's Purchasing Agent. This purchasing policy is intended to provide the user with a variety of purchasing methods that comply with the City Charter, City Code and City policy and promote sensible and convenient direct purchases. **Whenever possible, purchases should be grouped and larger purchases should be planned in advance with the Purchasing Section.**

POLICY

A. Methods of Purchasing by Dollar Amount and Type of Expenditure

Types of expenditures include:

- |  |                              |
|--|------------------------------|
| • Petty Cash                                 | up to \$100                  |
| • Procurement Card                           | up to \$5,000                |
| • Blanket Purchase Order or Contract Pricing | up to any amount budgeted    |
| • Informal Bids Handled by Purchasing        | up to \$40,000               |
| • Formal Bids Handled by Purchasing          | \$40,000 (indexed) and above |
| • Contracts                                  | See Council Policy A-10      |

The following identifies those procurement methods available to authorized department staff, their definition and general procedures.

1. PETTY CASH:

For small purchases, under \$100 (or other amount as approved in writing by the Finance and Administrative Services Director), may use petty cash. Items purchased with petty cash should not include items readily available in the warehouse or on an existing contract or Purchase Order. After an employee makes a valid purchase, a petty cash slip with the amount (receipt attached) and date of the transaction, brief description of the expenditure, and two signatures (one authorizing and one receiving the petty cash reimbursement) are required. These signatures may be the same.

Petty cash can also be used as an advance prior to a purchase. Again, the petty cash slip is completed and the word "ADVANCE" is noted on the slip. When the purchase has been made, a receipt is returned to the cashier holding the "ADVANCE" petty cash slip. Any difference between the advance and the actual cost is then returned to the City or reimbursed to the employee.

2. PROCUREMENT CARD (See Administrative Instruction 2-11):

Purchases for \$5,000 or less (as authorized by Ordinance), at the discretion of the Purchasing Agent, may be delegated to operating department staff by payment made by procurement card. For more information regarding purchases made by procurement cards, see Administrative Instruction 2-11.

3. Blanket Purchase Orders:

Departments submit their annual or long-term requirements to Purchasing, which then manages a bid process to select a vendor and issues a blanket purchase order for the contract period. Department staff would then buy directly off this annual purchase order.

- USE BLUE STAMP to get signature approval for authorizing payment off of purchase orders.

4. Informal and Formal Bids--Purchase Requisitions

- A requisition needs to be completed on-line through IFAS. It must have a vendor ID or a V1 designation for no vendor selected at this time; a ship to address; a requested by date for when the goods or services are required; and a requestors' name on the first screen. On the second "Item" screen, a quantity; estimated unit cost; unit of issue; an account number; and a proper description/specification of what is to be purchased.

Specifications are a description of the physical and functional characteristics or the nature of a supply or service and the performance requirements. Any use of brand name in specifications is illustrative only. A reference to a brand name describes a component that best



meets the specific operational, design, performance, quality and reliability requirements of the City. Bidders may bid a proposed equal to specified name brand specifications. The proposed equal will be evaluated to determine if it is an acceptable equivalent in quality, product performance and service.

- The on-line requisition will be routed for approval to the appropriate authorized signer and it then will automatically be forwarded to Purchasing for processing.
- When requisitioning goods or services that have been purchased before, check your last purchase order. This will provide you with important information as well as allow you to copy the item description to a new requisition allowing you to only update or correct the specifications/ descriptions.
- Provide as much information as possible, including suggested vendors and any other pertinent information, in the item description field. Dollar estimates are required on all items requested.
- Getting Bids

Purchasing staff will use the on-line requisition to solicit bids from vendors on either an informal or formal basis, depending on the dollar amount of the purchase.

5. Contracts – Professional or Specialized Services (See Council Policy A-10, the Contracts Manual and Administrative Instruction 1-5 for more direction)

Professional services are those rendered by attorneys, architects, engineers, accountants and other specialized consultants. All contracts for professional services follow Administrative Instruction 1-5. A requisition is entered on-line into IFAS with a requisition type "C" which is routed for approvals as applicable.

- Over \$40,000 (indexed) – Requires Authorization by City Council.
- Less than \$40,000 (indexed) and greater than \$10,000 – Requires City Manager signature.

- Up to \$10,000—Signed by Department Head.

One-Time Contracts—Up to \$5,000 for low-risk, one-time consultants, such as trainers, graphic artists, court reports, facilitators, departments may use the preprinted Short Form Professional Services agreement (MVF00-02) and send the completed contract and invoice to the Finance and Administrative Services Department (see MVF00-02 for instructions).

B. Direct Payments

- Invoices for the following types of payments can be sent directly to Accounts Payable for payment. USE RED STAMP for these check request payments.

Revenue Refunds	Security Deposit Refunds
Tuition and Registration Fees	Travel and Other Advances
Conference and Meeting Expenses	Postal Service Fees
Membership and Dues	Uniform Allowances
Employee Association Contributions	Employee Medical Exams
Legal Claims and Related Expenses	Publications and Subscriptions (except for Library)
Orders for a Few Books	Utility Payments

C. Request for Proposals

The Purchasing Agent may elect to use this process when it is in the best interest of the City, typically, for purchases of commodities and services requiring best value considerations, such as warranty and performance criteria or when experience, qualifications and references are to be evaluation criteria. Low bid pricing is not the primary award criteria in a Request for Proposals.

D. Sole Source

Sole Source procurement requests shall be submitted in writing to the Purchasing Agent by the Department Manager or designee responsible for the acquisition. Sole Source request by the Manager will certify that the product or service is only available through one source.

E. Capital Improvements (See the Contracts Manual for more direction)

A capital improvement is new construction or remodeling (i.e., improving the City's fixed assets) with a cost exceeding the indexed Public Works bid limit (currently \$40,000).

- Over \$40,000 – Formal Public Works bid – City Council Awards
- Under \$40,000 – Recommended informal bid – Department Head recommends award to the Purchasing Agent, who issues a purchase order.

F. Authority to Sign Contracts and Agreements

See Council Policy A-10.

G. Warehouse Services

The warehouse provides a listing of stocked items via a published warehouse catalog. The warehouse catalog contains approximately 1,200 items. Users may obtain warehouse-stocked goods by submitting a material requisition to the warehouse.

H. Surplus Property

- Send an e-mail from an authorized signer or a memo signed with an authorized signature describing the items to be surplus. If the item being surplus is on your fixed assets list, please complete an Equipment Inventory Adjustment Sheet listing the description, the serial number and City fixed asset number and forward to the Accounting Division.
- Small items may be sent to the warehouse by interoffice mail.
- Departments should contact the warehouse to determine if warehouse personnel may assist with delivery of larger items to the warehouse. If warehouse personnel are not able to assist (e.g., lack of equipment), the request will be placed with Facilities.
- To receive surplus material at the warehouse, first, call the warehouse to inquire about availability and determine whether to come to the warehouse

and inspect the item(s). To obtain surplus items, send an e-mail from an authorized signer or a memo signed with an authorized signature describing the item(s) wanted to Purchasing. Purchasing will make arrangements to deliver the item(s).

I. Accounts Payable

Check Requests:

- Payments will be processed within thirty (30) days of receipt of an approved invoice and by approval of the Finance and Administrative Services Department. DO NOT promise checks for payment to vendors.
- Urgent requests may be made one week in advance.

J. Emergency Purchases

When necessary for the protection of public peace, health, safety, welfare or property or interests of the City or general public, a department may make a purchase not in compliance with this Purchasing Policy. In those cases, the Department Head or designee will write and forward to Purchasing, a justification of the emergency (the purchase) and will attest to using good judgment in selecting the vendor to provide the emergency goods or services.

*Signed*  
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Kevin C. Duggan, City Manager

Effective Date: July 1, 2000  
Revision Date: January 2, 2007

JW/1/ADM  
02-10ADM-505^