

## CHAPTER 3.01 PURCHASES

3. 01.010 Adoption of Purchasing System. In order to establish efficient procedures for the purchase of supplies, services and equipment, to secure the City's supplies, services and equipment meet the quality needed, to exercise fiscal and budgetary control over purchases, to clearly define authority of the purchasing function and to assure the quality of purchases and to promote economic development, a purchasing system is hereby adopted. (Ord. 149 §2 (part), 1998; Ord. 170 §1 (part), 2003)

3.01.020 Purchasing Officer. There is hereby created the position of Purchasing Officer. He or she shall be appointed by the City Manager. The Purchasing Officer shall, subject to such policies as prescribed by the City Manager, have authority to:

- (a) Purchase or contract for supplies, services and equipment required by any using department in accordance with purchasing procedures prescribed by this Chapter, such administrative regulations as the Purchasing Officer shall adopt for the internal management and operation of the Purchasing Department, and such other rules and regulations as shall be prescribed by the City Manager;
- (b) Negotiate and recommend execution of contracts for the purchase of supplies, services and equipment;
- (c) Act to procure for the City the needed quality in services and equipment at the least expense to the City;
- (d) Discourage uniform bidding, and endeavor to obtain as full and open competition as possible on all purchases;
- (e) Prepare and recommend to the City Manager revisions, additions and amendments to the purchasing policies;
- (f) Keep informed on current developments in the field of purchasing, prices, market conditions and new products;
- (g) Inspect or supervise the inspection of all supplies, services and equipment purchased to insure conformance with specifications;
- (h) Recommend the transfer of surplus or unused supplies and equipment between departments as needed and the sale of all supplies and equipment which cannot be used by any department

or which have become unsuitable for City use;

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(i) Maintain a bidders' list, vendors catalog file, and records needed for the efficient operation of the Purchasing Department; and

(j) Dispose of surplus, worn out or obsolete supplies and equipment with City Manager's approval, by advertising and public bid; provided, however, no bid will be made or accepted from any employee or officer of the City. In the event there are no acceptable bids from the public, bidding may then be opened to employees. (Ord. 149 §2(part), 1998)

3.01.030 Exemption from Purchasing Procedure. The Purchasing Officer, with the consent and approval of the City Manager, may authorize any department to purchase or contract for specified supplies, services and equipment independent of the purchasing department; but he or she shall require that such purchases or contracts be made *in* conformity with the procedures established by this Chapter, and rules and regulations. (Ord. 149 §2(part), 1998)

3.01.035 Local Contractor Preference. Notwithstanding any other section herein, and unless State law sets a lowest bidder requirement, fitness and quality being equal, the Purchasing Officer or the City Council shall have the authority to grant local preference when awarding any contract for the purchase of supplies, materials, equipment or services pursuant to the following criteria:

(a) A preference may be given to any service contractor with fixed offices *in* the City of Twentynine Palms if the bid of the contractor does not exceed the lowest bid or prices quoted by other contractors by more than *five* percent (5%).

(b) A preference may be *given* to any service contractor with fixed offices *in* the Morongo Basin if the contractor's bid does not exceed the lowest bid or price quoted by other contractors by more than two percent (2%).

Application of the preference in the award of the contract shall mean the amount by which the local contractor bid or provided an estimate shall be deemed reduced by the City's bid award or selection process and shall not actually reduce the amount ultimately paid by the City to the successful bidder.

(Ord. 170 §1(part), 2003)

3.01.040 Estimates of Requirements. All using departments shall file detailed estimates of their requirements in

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supplies and equipment in such manner, at such time and for such periods as the Purchasing Officer shall prescribe. (Ord. 149 §2(part), 1998)

3.01.050 Requisitions. Using departments shall submit requests for supplies, services and equipment to the Purchasing Officer.

(Ord. 149 §2(part), 1998)

3.01.060 Purchase Orders. Purchases of supplies, services and equipment costing more than One Thousand Dollars (\$1, 000. 00) and less than Fifteen Thousand Dollars (\$15,000.00) shall be made by purchase order, unless authorized by a signed contract or City Council Action. (Ord. 149 §2(part), 1998)

3.01.070 Encumbrance of Funds. Except in cases of emergency, the Purchasing Officer shall not issue any purchase order for supplies, services or equipment unless there are funds budgeted and for which no funds are committed by previous purchases. In all such instances, the restrictions on the use, transfer or accountability of funds shall apply. (Ord. 149 §2(part), 1998)

3.01.080 Professional Services. Professional services, including, but not limited to, legal, medical, certified public accountants, insurance brokers or involving experts for the study and report on any municipal problem, may be procured without complying with the bidding procedures required by this Chapter. In procurement cases of this type, the selection of the professional service must, of necessity, depend on qualifications and cost, and therefore be a matter of value judgment. In securing professional services with fees exceeding Fifteen Thousand Dollars (\$15,000.00), the City Manager shall make the award recommendations, and the City Council shall make the selection. A Request for Proposal for information/ qualification screening process may be utilized in selecting such professional services. (Ord. 149 §2(part), 1998)

3.01.090 Bidding. All purchases of supplies, services and equipment and the sale of personal property shall be by bid procedures pursuant to Sections 3. 01.100 and 3. 01.110. Bidding shall be dispensed with only when the commodity can be obtained from only one (1) vendor, when the amount involved is less than Two Thousand Five Hundred Dollars (\$2,500.00), or when an emergency requires that an order be placed with the nearest available source of supply. An emergency shall be deemed to exist if:

(a) There is a great public calamity, such as an  
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extraordinary fire, flood, storm, earthquake, epidemic or other  
disaster;

(b) There is an immediate need to prepare for national  
or local defense; or

(c) There is a breakdown in machinery or an essential  
service which requires the immediate purchase of supplies or  
services to protect the public health, welfare or safety and  
the City Council by majority vote determines that the public  
interest and necessity demand the immediate expenditure of  
public money to safeguard life, health or property. The City  
Council, by majority vote, may dispense with bidding and other  
procedures required by this Chapter in any individual instance  
upon a finding that it would be impractical, useless or uneconomical  
in such instance to follow these procedures and that  
the public interest would be promoted by dispensing with these  
procedures. (Ord. 149 §2(part), 1998)

3.01.100 Open Market or Informal Quotation Procedure.  
Purchases of supplies, equipment, contractual services and  
sales of personal property of an estimated value of more than  
Ten Thousand Dollars (\$10,000.00) and less than Twenty-Five  
Thousand Dollars (\$25,000.00) may be made in the open market,  
pursuant to the procedure herein:

(a) Open market purchases shall, whenever possible, be  
based on at least three (3) quotes;

(b) The Purchasing Officer or the department head shall  
solicit quotes by either written request, by telephone or by  
public notice posted on a public bulletin board in or adjacent  
to City Hall;

(c) An informal record shall be made of all quotes requested  
and those received. This record shall be included with  
the invoice when payment is authorized; and

(d) Even though informal bids are solicited, purchases  
over Fifteen Thousand Dollars (\$15,000.00) must be approved by  
the City Council. (Ord. 149 §2(part), 1998; Ord. 170 §1  
(part), 2003)

3.01.110 Formal (Sealed) Contract Bidding Procedures.  
The City of Twentynine Palms has adopted the uniform construction  
cost accounting procedures set forth in Article 2 commencing  
with Section 22010 of the California Public Contract

Code. Formal bidding procedures will be carried out as described in that Code. (Ord. 149 §2(part), 1998)

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### 3.01.100 Open Market or Informal Quotation Procedure.

Purchases of supplies, equipment, contractual services and sales of personal property of an estimated value of more than Ten Thousand Dollars (\$10,000.00) and less than Twenty-Five Thousand Dollars (\$25,000.00) may be made in the open market, pursuant to the procedure herein:

- (a) Open market purchases shall, whenever possible, be based on at least three (3) quotes;
- (b) The Purchasing Officer or the department head shall solicit quotes by either written request, by telephone or by public notice posted on a public bulletin board in or adjacent to City Hall;
- (c) An informal record shall be made of all quotes requested and those received. This record shall be included with the invoice when payment is authorized; and
- (d) Even though informal bids are solicited, purchases over Fifteen Thousand Dollars (\$15,000.00) must be approved by the City Council. (Ord. 149 §2(part), 1998; Ord. 170 §1 (part), 2003)

### 3.01.110 Formal (Sealed) Contract Bidding Procedures.

The City of Twentynine Palms has adopted the uniform construction cost accounting procedures set forth in Article 2 commencing with Section 22010 of the California Public Contract Code. Formal bidding procedures will be carried out as described in that Code. (Ord. 149 §2(part), 1998)

**3.01.120 Splitting Purchases.** No purchases of supplies, services or equipment shall be split or separated into smaller orders or projects for the purpose of evading any provisions of this Chapter. (Ord. 149 §2(part), 1998)

**3.01.130 Change Orders.** After a contract has been awarded by the City Council, incremental change orders may be processed under a purchase order duly issued, when both of the following conditions are met:

- (a) The amount of the incremental change order does not exceed Ten Thousand Dollars (\$10,000.00);
- (b) The change order does not exceed ten percent (10%) of the amount of the original contract.

All such change orders shall be approved in writing by the City Manager. There must be sufficient unencumbered funds within the department budget to commit for such a change order, Change orders exceeding the conditions in subsections (a) and (b) of this section shall be approved by the City council. (Ord.

149 §2(part), 1998)

**3.01.140 Escalation Clause.** All purchases of supplies, services and equipment shall be based upon a firm bid price whenever possible. In those cases where a firm bid price cannot be obtained due to extended delivery date, or the items or services are subject to rapid market fluctuations, a purchase order or contract may be awarded based upon an escalation clause related to a national or other established index or formula, or upon a periodic fixed percentage increase. (Ord. 149 §2(part), 1998)

**3.01.150 Alternative Award Procedures.** From and after such time as the City Council has adopted a resolution electing to make the City subject to the Uniform Construction Cost Accounting Procedures set forth in Article 2 (commencing with Section 22010) of Chapter 2 of Part 3 of Division 2 of the California Public Contract Code, and has notified the State Controller of such election, the City Council may use the alternative procedures for the award of public projects as provided for in Section 3. 01.160 in which formal bidding procedures are not required. (Ord. 149 §2(part), 1998)

**3.01.160 Alternate Procedures.** Pursuant to Section 22034 of the California Public Contract Code, when using the alternative procedures authorized in Section 3. 01.150, the following provisions shall apply to public projects for which formal bidding procedures are not required:

(a) Public works projects of Twenty-Five Thousand Dollars (\$25,000.00) or less may be performed by employees of the City by force account, by negotiated contract, or by purchase order .  
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(b) Public works projects of Seventy-Five Thousand Dollars (\$75,000.00) or less may be let to contract by informal bidding procedures set forth in subsection (c) of this section.

(c) The following provisions shall be complied with in selecting contractors to perform public works projects pursuant to this section.

(1) The Purchasing Officer shall maintain a list of qualified contractors, identified according to categories of work. The list shall be developed and maintained in accordance with criteria established for such lists by the California Uniform Construction Cost Accounting *Commission*.

(2) Each contractor on the list for the category of work being bid, and/or all construction trade journals specified by the Commission to receive mailed notice of all informal and formal construction contracts

being bid for work in San Bernardino County, as determined by the Purchasing Officer, shall be mailed a notice inviting informal bids.

(3) All mailings of notices to contractors and construction trade journals pursuant to subsection (c) of this section shall be completed not less than ten (10) calendar days before bids would be due pursuant to such notice.

(4) Each notice inviting informal bids shall describe the project in general terms, state how to obtain more detailed information about the project, and specify the time and place for submission of bids.

(5) The City Manager is authorized to award informal bids in amounts up to Twenty-Five Thousand Dollars (\$25,000.00) and to delegate that authority to the Purchasing Officer or the department heads at his or her discretion.

(6) If all bids received are in excess of Seventy-Five Thousand Dollars (\$75,000.00), but less than Eighty Thousand Dollars (\$80,000.00) the City Council may, by passage of a resolution by four-fifths (4/5) vote, award the contract, to the lowest responsible bidder, if the City Council determines the estimate for the work was reasonable. If the City Council does not award the contract, the specifications must be reviewed and formal bids solicited. (Ord. 149 §2(part), 1998)

**3.01.170 Cooperative Purchasing Arrangements.** Subject to approval of the City Manager or the City Council pursuant to the dollar approval limits as provided in Section 3.01.090 or Section -31- (Twentynine Palms 10/99)

3. 01.100 the City may attach to the formal bidding process or engage in cooperative purchasing agreements with any of the following agencies: any county government within California, or any city within such counties, the State of California or the Federal Government. (Ord. 149 §2(part), 1998)

**3.01.180 Surplus Supplies and Equipment.** All using departments shall submit to the Purchasing Officer, at such times and in such forms as prescribed, reports showing all supplies and equipment which are no longer used, obsolete or worn out. The Purchasing Officer shall have authority to exchange for or trade-in on new supplies and equipment all supplies and equipment which cannot be used by any department or which have become unsuitable for City use. The Purchasing Officer shall also have the authority, subject to the

approval of the City Manager, to dispose of surplus supplies and equipment by auction or by sale or otherwise receiving bids or proposals which, based upon judgment, provide the maximum return to the City. (Ord. 149 §2(part), 1998)

**CITY OF TWENTYNINE PALMS  
CITY COUNCIL  
ORDINANCE NO. 270**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY  
OF TWENTYNINE PALMS, CALIFORNIA, AMENDING  
CHAPTER 3.01 OF THE TWENTYNINE PALMS MUNICIPAL  
CODE REGARDING PURCHASING AND LOCAL  
PREFERENCES**

**WHEREAS**, the City of Twentynine Palms ("City") has adopted Chapter 3.01 of the Municipal Code ("Municipal Code") to establish efficient procedures for the purchase of supplies, services and equipment; and

**WHEREAS**, there are certain inconsistencies within Chapter 3.01 which require amendment; and

**WHEREAS**, the City Council desires to provide the City Manager the ability to delegate certain purchasing abilities to designated department heads or other employees;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TWENTYNINE PALMS, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:**

Section 1: Sections 3.01.020, 3.02.030, 3.01.035, 3.01.040, 3.01.50, 3.01.060, 3.01.70, 3.01.080, 3.01.100, 3.01.160, and 3.01.180 of Chapter 3.01 of the Municipal Code are hereby amended to read as follows:

**3.01.020      Purchasing.** The City Manager shall have authority to:

(a) Purchase or contract for supplies, services and equipment required in accordance with purchasing procedures prescribed by this Chapter, such administrative policies as he or she shall adopt, and such other rules and regulations as shall be authorized;

(b) Negotiate and recommend execution of contracts for the purchase of supplies, services and equipment;

(c) Act to procure for the City the needed quality in supplies, services and equipment at the least expense to the City;

(d) Discourage uniform bidding, and endeavor to obtain as full and open competition as possible on all purchases;

(e) Prepare and implement policies relating to purchases and contracts for supplies, services, and equipment;

(f) Keep informed on current developments in the field of purchasing, prices, market conditions and new products;

(g) Inspect or supervise the inspection of all supplies, services and equipment purchased to insure conformance with specifications;

(h) Recommend the transfer of surplus or unused supplies and equipment between departments as needed and the sale of all supplies and equipment which cannot be used by any department or which have become unsuitable for City use;

(i) Maintain a bidders' list, vendors catalog file, and records needed for the efficient implementation of this Chapter; and

(j) Dispose of surplus, worn out or obsolete supplies and equipment by advertising and public bid; provided, however, no bid will be made or accepted from any employee or officer of the City. In the event there are no acceptable bids from the public, bidding may then be opened to employees.

**3.01.030 Delegation.** The City Manager may authorize any designated employee to purchase or contract for specified supplies, services and equipment so long as such purchases or contracts are made in conformity with the procedures established by this Chapter, and any established administrative policies.

**3.01.035 Local Contractor Preference.** Notwithstanding any other section herein, and unless State law sets a lowest bidder requirement, fitness and quality being equal, the City Manager or the City Council shall have the authority to grant local preference when awarding any contract for the purchase of supplies, materials, equipment or services pursuant to the following criteria:

(a) A preference may be given to any service contractor with a fixed office in the City of Twentynine Palms if the bid of the contractor does not exceed the lowest bid or prices quoted by other contractors by more than five percent (5%).

(b) A preference may be given to any service contractor within the Morongo Basin if the contractor's bid does not exceed the lowest bid or price quoted by other contractors by more than two percent (2%).

Application of the preference in the award of the contract shall mean the amount by which the local contractor bid or provided an estimate shall be deemed reduced by the City's bid award or selection process and shall not actually reduce the amount ultimately paid by the City to the successful bidder.

**3.01.040 Estimates of Requirements.** All using departments shall file detailed estimates of their requirements in supplies and equipment in such manner, at such time and for such periods as the City Manager shall prescribe.

**3.01.050 Regulations.** Using departments shall submit requests for supplies, services and equipment to the City Manager.

**3.01.060 Purchase Orders.** Purchases of supplies, services and equipment costing more than One Thousand Dollars (\$1,000.00) and less than Twenty-Five Thousand Dollars (\$25,000.00) may be made by purchase order, approved by the City Manager or his or her designee.

**3.01.070 Encumbrance of Funds.** Except in cases of emergency, the City Manager shall not issue any purchase order for supplies, services or equipment unless there are funds budgeted and for which no funds are committed by previous purchases. In all such instances, the restrictions on the use, transfer or accountability of funds shall apply.

**3.01.080 Professional Services.** Professional services, including, but not limited to legal, medical, certified public accountants, insurance brokers or involving experts for the study and report on any municipal issue, may be procured without complying with the bidding procedures required by this Chapter. In procurement cases of this type, the selection of the professional service must, of necessity, depend on qualifications and cost, and therefore be a matter of value judgment. In securing professional services with fees exceeding Twenty-Five Thousand Dollars (\$25,000.00), the City Manager shall make the award recommendations, and the City Council shall make the selection. A Request for Proposal for information/qualification screening process may be utilized in selecting such professional services.

**3.01.100 Open Market or Informal Quotation Procedure.** Purchases of supplies, equipment, contractual services and sales of personal property of an estimated value of less than Twenty-Five Thousand Dollars (\$25,000.00) may be made in the open market, pursuant to the procedure herein:

- (a) Open market purchases shall, whenever possible, be based on at least three (3) quotes;
- (b) The City Manager or his or her designee shall solicit quotes by either written request, by telephone or by public notice posted on a public bulletin board in or adjacent to City Hall;
- (c) An informal record shall be made of all quotes requested and those received. This record shall be included with the invoice when payment is authorized; and
- (d) Even though informal bids are solicited, purchases over Twenty-Five Thousand Dollars (\$25,000.00) must be approved by the City Council.

**3.01.160 Alternate Procedures.** Pursuant to Section 22034 of the California Public Contract Code, when using the alternative procedures authorized in Section 3.01.150, the following provisions shall apply to public projects for which formal bidding procedures are not required:

- (a) Public works projects of Forty-Five Thousand Dollars (\$45,000.00) or less may be performed by employees of the City by force account, by negotiated contract, or by purchase order.
- (b) Public works projects of One Hundred Seventy-Five Thousand Dollars (\$175,000.00) or less may be let to contract by informal bidding procedures set forth in subsection (c) of this section.
- (c) The following provisions shall be complied with in selecting contractors to perform public works projects pursuant to this section.
  - (1) The City Manager shall maintain a list of qualified contractors, identified according to categories of work. The list shall be developed and maintained in accordance with criteria established for such lists by the California Uniform Construction Cost Accounting Commission.
  - (2) Each contractor on the list for the category of work being bid, and/or all construction trade journals specified by the Commission to receive mailed

notice of all informal and formal construction contracts being bid for work in San Bernardino County, as determined by the City Manager, shall be mailed a notice inviting informal bids.

- (3) All mailings of notices to contractors and construction trade journals pursuant to subsection (c) of this section shall be completed not less than ten (10) calendar days before bids would be due pursuant to such notice.
- (4) Each notice inviting informal bids shall describe the project in general terms, state how to obtain more detailed information about the project, and specify the time and place for submission of bids.
- (5) The City Manager is authorized to award informal bids in amounts up to Twenty-Five Thousand Dollars (\$25,000.00) and to delegate that authority to a department head or other designated employee at his or her discretion.
- (6) If all bids received are in excess of One Hundred Seventy-Five Thousand Dollars (\$175,000.00), but less than One Hundred Eighty-Seven Thousand Dollars (\$187,000.00) the City Council may, by passage of a resolution by four-fifths (4/5) vote, award the contract to the lowest responsible bidder, if the City Council determines the estimate for the work was reasonable. If the City Council does not award the contract, the specifications must be reviewed and formal bids solicited.

**3.01.180 Surplus Supplies and Equipment.** All using departments shall submit to the City Manager, at such times and in such forms as prescribed, reports showing all supplies and equipment which are no longer used, obsolete or worn out. The City Manager shall have authority to exchange for or trade-in on new supplies and equipment all supplies and equipment which cannot be used by any department or which have become unsuitable for City use. The City Manager shall also have the authority to dispose of surplus supplies and equipment by auction or by sale or otherwise receiving bids or proposals which, based upon judgment, provide the maximum return to the City.

**Section 2: Severability.** If any section, subsection, sentence, clause, phrase or portion of this Ordinance is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council of the City of Twentynine Palms hereby declares that it would have adopted this Ordinance and each section, subsection, sentence, clause, phrase or portion thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases or portions thereof may be declared invalid or unconstitutional.

**Section 3: Effective Date.** This Ordinance shall be in full force and effect thirty (30) days after its passage.

**Section 4: Publication.** The City Clerk is hereby ordered and directed to certify to the passage of this Ordinance, and to cause the same, or a summary thereof, or display advertisement, duly prepared according to law, to be published in accordance with law.

**PASSED, APPROVED AND ADOPTED**, at a regular meeting of the Twentynine Palms City Council held this 9<sup>th</sup> day of February, 2016 by the following vote:



ATTEST:

Cindy Villegas  
Cindy Villegas, City Clerk

Daniel L. Mintz, Sr.  
Daniel L. Mintz, Sr., Mayor

APPROVED AS TO FORM:

A. Patrick Muñoz  
A. Patrick Muñoz, City Attorney

I hereby certify that the foregoing is a true copy of Ordinance No.270, introduced on the 12<sup>th</sup> of January, 2016 and duly adopted by the City Council of the City of Twentynine Palms in a meeting held on 9<sup>th</sup> day of February, 2016, in Twentynine Palms, California by the following vote, to wit.

AYES: COUNCILMEMBER: COLE, HEISER, KLINK, WRIGHT, MINTZ  
NOES: COUNCILMEMBER: NONE  
ABSENT: COUNCILMEMBER: NONE  
ABSTAIN: COUNCILMEMBER: NONE

Cindy Villegas  
Cindy Villegas, City Clerk