



City of Camarillo

CITY COUNCIL POLICY

Section: Procurement

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PURPOSE

To establish efficient procedures for the procurement of goods, equipment, and services at the lowest possible cost commensurate with quality needed; to exercise positive financial control over purchases; to clearly define authority for the purchasing function; and to assure the quality of purchases.

This Policy is not intended to address every issue, exception, or contingency that may arise in the course of procurement activities. The basic standard that should always prevail is to exercise good judgment in the use and stewardship of City resources, including keeping within the budget authorized by the City Council.

POLICY

The Policy contained herein was developed under the authority of Chapter 2.34 of Title 2 of the Camarillo Municipal Code. The City Manager is designated as the Purchasing Officer for the City and may delegate the administration of this Policy. The Purchasing

Officer is charged with the responsibility and authority for coordinating and managing the purchase of the City's good, equipment, and services according to this Policy.

The Policy outlined herein is to be adhered to by the Purchasing Officer and all departments when purchasing goods, equipment, and services. This Policy strives to define decision making with prudent review and internal control procedures and to maintain departmental responsibility and flexibility in evaluating, selecting and purchasing goods, equipment, and services.

Pursuant to City of Camarillo Municipal Code, Title 2, Chapter 2.35, the City Council has elected to become subject to the Uniform Public Construction Cost Accounting Act (UPCCAA) as established by the California Uniform Construction Cost Accounting Commission for Public Projects as defined on page 21. Procurement bidding procedures and all dollar amounts of Public Project contracts are subject to the regulations contained in the UPCCAA under Section 22000, et seq. of the California Public Contract Code and not by this Procurement Policy.

A. Ethical Standards

The City strictly adheres to the laws and regulations of the Fair Political Practices Commission (FPPC) that apply to purchasing, all of which are available at <http://www.fppc.ca.gov/>. Additionally, the City is sensitive to what constitutes unethical purchasing behavior and what, while legal, constitutes the appearance of unethical behavior. Employees are expected to give primary consideration to the interests of the City, which means seeking to obtain the maximum value for each dollar expended, while remaining fair and impartial. City employees must not make any attempt to realize personal gain directly or indirectly through a purchase or service provided to the City.

In addition, this policy specifically prohibits practices which might result in unlawful activity including, but not limited to, rebates, kickbacks, or other unlawful consideration, and specifically prohibits government agency employees from participating in the selection process when those employees have a relationship with a person or business entity seeking a contract under this section which would subject those employees to the prohibition of Section 87100 of the Government Code.

B. Procurement Manual

Pursuant to this Procurement Policy, the Purchasing Officer will approve and implement a manual of purchasing procedures.

C. Responsibilities of the Purchasing Officer

The Purchasing Officer is charged with the responsibility and authority for coordinating and managing the purchase of the City's goods, equipment, and services according to this Policy.

The Purchasing Officer is responsible for 1) the purchase of general goods, equipment, and services; 2) the administration of the Procurement Policy; and 3) the management of surplus City property. To perform these functions efficiently and assist departments, the Purchasing Officer will:

1. Be charged with the responsibility and authority for coordinating and managing the purchase of the City's general goods, equipment, and services from the lowest responsive and responsible bidder when required by this Policy.
2. Ensure full and open competition on all purchases as required by this Policy.
3. Identify, evaluate, and utilize purchasing methods which best meet the needs of the City (i.e., cooperative and/or piggyback purchases/agreements, blanket purchase orders, contractual agreements, etc.).
4. Assist all departments with research and recommendations in developing specifications; review specifications for completeness of information to ensure specifications are not unnecessarily restrictive.
5. Recommend revisions to Procurement Policy and procurement manual when necessary and keep informed of current developments in the field of public purchasing.
6. Provide and maintain all forms and records necessary for the efficient operation of the purchasing function.
7. Act as the City's agent in the transfer and disposal of surplus equipment and materials.
8. Make purchase award recommendations to the appropriate authority.

D. Responsibilities of Departments

Departments are charged with the following responsibilities in the purchasing process:

1. To submit to the Purchasing Division at the beginning of each fiscal year, an updated authorized signature list designating those individuals who are delegated the authority to make purchases per this Policy.
2. To submit to the Purchasing Officer, at the beginning of each fiscal year, a list of vendors currently under contract by the department, setting forth the name of vendors, type of services, cost of contracts, length of contracts and date entered into, and the number of years retained by the City.
3. To anticipate requirements sufficiently in advance to allow adequate time to obtain goods in accordance with the best purchasing practices.

4. To coordinate vendor relations, locate sources of supply, and evaluate vendor performance.
5. To communicate and coordinate purchases of products with the Purchasing Officer, as necessary.
6. To provide detailed, accurate specifications to ensure goods, equipment, and services obtained are consistent with requirements and expectations.
7. To prepare requisitions in accordance with instructions as provided in the Procurement Manual.
8. To inform the Purchasing Division of any vendor relations problems, shipping problems, (i.e., damaged goods, late delivery, wrong items delivered, incorrect quantity delivered, etc.) and any situation which could affect the purchasing function.
9. To minimize and sole source purchases and to provide written documentation when such purchases may be necessary.
10. To review all bids received for compliance with specifications and provide the Purchasing Division with written documentation supporting the award of contract or purchase order.
11. To notify vendors of purchase award when authorized by the Purchasing Officer.
12. To not "split" orders for the purpose of avoiding purchasing requirements.
13. To consider the use of recycled products when practical and economically feasible.
14. To coordinate volume bids of repetitive requirements (i.e., the frequent purchase of items such as chemicals, paper goods, etc., which annually exceed the authorized purchasing thresholds) and consultant contracts that can be used among multiple departments.
15. To ensure that vendors are in compliance with the City's Risk Management Policy, 5.01, and, when applicable, have an active business tax certificate.

E. Vendor Relations

It is to the City's advantage to promote and maintain good relationships with its vendors. The Purchasing Division and operating department staff shall conduct their dealings with vendors in a professional manner and shall promote equal opportunity and demonstrate fairness, integrity, and courtesy in all vendor relations.

When feasible to do so, vendors within the City of Camarillo should be utilized for goods, equipment, and services.

F. Unauthorized Purchases

Except in the case of an emergency or an urgency, no purchase of goods, equipment, and services shall be made without a previously authorized purchase order or contract as required by this policy. Otherwise:

1. Such purchases are void and not considered an obligation of the City.
2. Invoices without an authorized purchase order may be returned to the department or vendor unpaid.
3. The person ordering the unauthorized purchase may be held personally liable for the costs of the purchase or contract and subject to disciplinary action and/or termination.

Purchase orders must be issued prior to ordering goods, equipment, and services and not “after the fact” for work already done or materials already ordered.

G. Purchasing Thresholds

The following purchasing dollar limits apply per vendor per fiscal year except for Public Projects:

1. Purchases up to \$5,000: The authority to award is the Department Director. Comparative pricing is not required but must be used when practical. Prudent judgment must be used at all times. All departments may purchase goods, equipment, and services of up to \$5,000 without competitive bidding.
2. Purchases over \$5,000 and up to \$30,000: The authority to award is the Purchasing Officer. The informal bid process is described in Section J2. All departments must endeavor to obtain three written bids except for the provisions under Section H.4 through H.9.
3. Purchases over \$30,000: The authority to award is the City Council through a Formal Bid Process. The formal bid process is described in Section J3.

H. Purchasing Methods

Prior to beginning work, vendors must have, and maintain, certain types of insurance coverage appropriate for the services to be performed.

1. Purchase Orders

A Purchase Order is issued to a vendor to authorize purchases of goods, equipment, and services.

The purpose of a Purchase Order is to:

- a. Ensure compliance with this Procurement Policy.
- b. Encumber funds when an unencumbered appropriation exists in the fund.

The Procurement Policy allows for exemptions from Purchase Order requirements and examples of such exemptions include acquiring land, utility payments, payments to other governmental agencies, and debt service payments. A list of exemptions is outlined in the Procurement Manual.

Purchasing thresholds referenced in Section G of this Policy, apply to Purchase Orders.

2. Blanket Purchase Orders

A Blanket Purchase Order is an agreement whereby the City contracts with a vendor to provide goods, equipment, and services on an as needed and often over-the-counter basis. Blanket Purchase Orders provide a mechanism whereby items which are uneconomical to stock may be purchased in a manner that allows field operations timely access to necessary materials.

The Purchasing Division shall review Blanket Purchase Order requests based upon the following criteria:

- a. Geographic location
- b. Responsiveness and capabilities
- c. Average dollar value and type of items to be purchased
- d. Frequency of need

Once a Blanket Purchase Order is issued to a vendor, any authorized City employee may contact the vendor directly to place orders per the terms and conditions specified in the Blanket Purchase Order.

Purchasing thresholds referenced in Section G of this Policy, apply to Blanket Purchase Orders.

3. Contracts

Contracts should be prepared for purchases of goods, equipment, and services as stated in the Procurement Manual.

Contract templates are established and updated by the City Attorney's Office. A list of contract templates is outlined in the Procurement Manual.

All City contracts must be prepared on City contract templates unless approved by the City Attorney.

4. Contract Amendments

After contract award, amendments may need to reflect changes in the scope of goods or services, not-to-exceed amount, and/or terms.

Contracts that were originally approved by the Department Director and/or Purchasing Officer, must be amended by the same authority as long as they do not exceed the authority's award limit. Contracts that were originally approved by City Council can only be amended by City Council unless amendment authority is delegated by City Council to the Purchasing Officer for the authorized spending amount.

All City contract amendments must be prepared on City contract templates unless approved by the City Attorney.

Purchasing thresholds referenced in Section G of this Policy, apply to Contract Amendments cumulative of all prior amendments.

5. Cooperative Purchasing

The Purchasing Officer may participate in a collective bidding process established by other governmental agencies. If the City takes the lead or otherwise has input on the bidding methods, the City's standard bidding requirements apply; otherwise the City's bidding requirements do not apply. In any case, a City purchase order or contract is required.

Purchasing thresholds referenced in Section G of this Policy, apply to cooperative purchasing.

6. Piggybacking

The Purchasing Officer may utilize an existing purchase order or contract between another governmental agency and a vendor to purchase the same goods (including information technology systems, licenses, software and related technical support) as those listed in that contract. There are four requirements to piggyback:

- a. The other jurisdiction's purchase order or contract must have been established following a competitive bid process in which the jurisdiction selected the lowest bidder;
- b. The term of the City's contract or purchase order must expire before or on the expiration listed in the other jurisdiction's contract and/or purchase order;

- c. The scope of services for a trade service or the specifications of goods must be the same as that which is specified in the other jurisdiction's contract and/or purchase order without any substantial modifications; and
- d. The cost of goods, equipment, and services must be the same as the costs listed in the order jurisdiction's purchase order and/or contract.

To piggyback, the City needs information regarding the other jurisdiction's bid process and its contract document. If the award calculation included a local preference and was awarded to their local vendor, the bid cannot be used. If piggybacking is used, the City's standard bidding requirements do not apply; however, a City purchase order and/or contract is still required.

Piggybacking is not allowed for public works projects or professional contracts.

Purchasing thresholds referenced in Section G of this Policy, apply to piggybacking.

7. Sole Source Purchases

Unique goods, equipment, and services that can be obtained from only one vendor, or one distributor authorized to sell in this area, with singular characteristics or performance capabilities or which have specific compatibility components with existing City products are exempt from the competitive bidding requirement and are deemed sole source purchases. Sole source purchases may include proprietary items sold direct from the manufacturer. Proprietary items are those held under exclusive title, trademark, or copyright by a private person or company. A proprietary distributorship would also apply.

Specifications which lead to sole source purchases must be avoided whenever possible as they minimize or eliminate competition.

Use of brand names in specifications must be for the purpose of describing the standard of quality, performance, and characteristics the City desires and not be intended to limit or restrict competition.

All sole source purchases must include written documentation supporting the determination of a sole source, signed by the Department Director and submitted to the Purchasing Division.

Purchasing thresholds referenced in Section G of this Policy, apply to sole source purchases.

8. Urgency Purchases

Urgency purchases may be made without competitive bidding when time is of the essence, and must be made only for the following reasons:

- a. To preserve or protect life, health or property; or
- b. Upon natural disaster; or
- c. To forestall a shutdown of essential public services; or
- d. For reasons as determined by the Purchasing Officer.

Since urgency purchases do not normally provide the City an opportunity to obtain competitive quotes or properly encumber funds, sound judgment shall be used in keeping such purchases to an absolute minimum.

The City Council delegates authority to the Purchasing Officer to authorize an urgency purchase. Anytime the value of urgency purchases exceeds \$30,000 in the aggregate for a single urgency purchase, City Council ratification is required within 30 days of purchase.

9. Task Orders

A task order is issued based on an approved On-Call Contract for a specified not-to-exceed amount. After entering into an On-Call Contract, task orders can be issued for individual projects with a detailed scope of work.

I. Professional Services

When contracting for professional services (at fair and reasonable price including but not limited to those services listed in Government Code Section 4526), management, general or special services contracts should only be awarded to consultants who have demonstrated “adequate competence” meaning: an adequate level of experience, competence training, credentials, character, integrity, reputation, financial responsibility, resources, equipment, staffing, and other professional qualifications necessary for more than a satisfactory performance of the services required in the time period needed and price.

The information needed to determine that level of competence, other qualifications, and the procedures for selecting such services will be determined by the City department responsible for recommending the professional service agreement.

The acquiring of professional services will be procured through a negotiated agreement following a Request for Qualification (RFQ) and/or Request for Proposal (RFP) process. The RFQ and/or RFP must put prospective applicants on notice as to whether they are required to file Conflict of Interest Statements in accordance with Fair Political Practice rules. Consultants/contractors who assist in drafting specifications, and/or who design a project, are prohibited from bidding on the construction project.

Selection of Consultants for Professional Services for Continuing Services

Professional consultants providing engineering, land surveying, environmental, landscape architecture, or other similar services may be retained on a continuing basis to provide professional services. The Department Director, with the approval of the Purchasing Officer, may contract on a project-by-project or on a retainer basis for additional work/services without going through the RFQ and/or RFP and selection process. At least every three (3) to five (5) years, these arrangements must be reviewed, and every effort must be made to receive proposals from at least three (3) consultants to perform the same services. This is to ensure the City is receiving the best value for, and performance level of, services contracted.

Conflict of Interest

Consultants must comply with all regulations and laws dealing with conflict of interest disclosure and reporting. Consultants must not be engaged if a conflict of interest exists. Contracts for services must include requirements, if any, on conflict of interest reporting.

Purchasing thresholds referenced in Section G of this Policy, apply to professional services.

Exclusions

1. Environmental Review - The process of selecting California Environmental Quality Act (CEQA) and special report consultants for non-City projects will be conducted by the Director of Community Development due to time constraints and applications processing requirements. The final consultant selection and fee will be reviewed and approved by the Purchasing Officer.
2. Debt Issuance - City Council must also review and approve each debt issue in concept. Approval for the selection of certain professional consultants, as needed, will be selected by the Director of Finance as approved by the Purchasing Officer.

J. Bidding

Except as otherwise exempted in the policy, purchases of goods, equipment, and services must be made as follows:

1. No Bid Required – A department may purchase directly for goods, equipment, and services of a value up to \$5,000. Departments must exercise reasonable prudence in seeking price quotes when purchasing such items. Bid splitting to circumvent the bidding process is prohibited.
2. Informal Bid Purchases – Purchases of goods, equipment, and services with an estimated value of over \$5,000 and up to \$30,000.

3. Public Projects - Pursuant to City of Camarillo Municipal Code, Title 2, Chapter 2.35, the City Council has elected to become subject to the Uniform Public Construction Cost Accounting Act (UPCCAA) as established by the California Uniform Construction Cost Accounting Commission for Public Projects as defined on page 21. Procurement bidding procedures and all dollar amounts of Public Project contracts are subject to the regulations contained in the UPCCAA under Section 22000, et seq. of the California Public Contract Code and not by this Procurement Policy.

Informal Bid Process

- a. The responsible department must prepare a written scope of work and/or a written product specification describing the minimum requirements of the purchase.
 - b. Requests for bids may either be posted at City Hall, published on the City's website, mailed or e-mailed, or solicited over the phone to prospective bidders a minimum of ten (10) calendar days before the due date.
 - c. The department must endeavor to obtain at least three written bids. The bids may be made by mail, email or fax. Further negotiation with a vendor to negotiate a lower price based on the bids received from other vendors is prohibited.
 - d. In the event no satisfactory bids are received, the department has the option of any of the following:
 - i. Abandon the purchase;
 - ii. Rebid the purchase; or
 - iii. Request Purchasing Officer approval to obtain the purchase on a negotiated contract.
 - e. Award of Contract: Contracts for goods, equipment, and services will be approved by Purchasing Officer to the lowest responsive and responsible bidder.
3. Formal Bid Purchases – Purchases of goods, equipment, and services with an estimated value of over \$30,000.

Formal Bid Process

- a. Bid Authorization: Purchasing Division must review and approve the solicitation of formal bids prior to its release. ~~City Council must authorize staff to solicit formal bids.~~

- b. Notice Inviting Bids (NIB): The responsible department must include a general description of the goods, equipment, and services to be purchased or required, describe any performances or bid security required, and the time and place for the opening of bids.
 - c. Bid Security: When applicable, the bidder's security will be prescribed in the NIB in an amount equal to ten percent (10%) of the bid amount. the Bid security will be returned to unsuccessful bidders within sixty (60) days of the date of the award.
 - d. Performance Bonds: The City may require a performance bond in such amount as it reasonably finds to protect the public interest. When applicable, the form and amount of the bonds will be described in the NIB.
 - e. Published Notices: The NIB must be posted on the City's website and published at least once in a newspaper of general circulation (required for public projects only); and, if applicable, in appropriate trade publications. The date of publication must be at least fourteen (14) calendar days before the due date.
 - f. Bid Opening Procedure: All formal bids must be sealed and will be publicly opened and read at the date, time, and place indicated in the published notice. Sealed bids must be submitted to the City Clerk's Department and identified as to bidder, project, and "Bid" on the envelope. A written record and tabulation will be made at the time all bids received are opened.
 - g. Award of Contracts: If awarded, contracts will be awarded by the City Council to the lowest responsive and responsible bidder.
- 4. Bid Splitting - Purchases, contracts, public works contracts, work orders and projects must not knowingly be split into single transactions or smaller segments for the purpose of circumventing the competitive formal or informal bidding process. Bid splitting is a form of unauthorized purchasing under Section F.
 - 5. Rejection of Bids – The Purchasing Officer or the requesting department may recommend rejection of any or all bids if it is determined to be in the best interest of the City. Reasons for rejection may include, but are not limited to, the following: a bid is determined to be non-responsive; the number of bids received is inadequate; bids received are not reasonably uniform in price, or the lowest bid received is deemed to be too high. The Purchasing Officer may, in any given case, reject all informal bids and the City Council may, in any given case, reject all formal bids.
 - 6. Tie Bids – If two or more quotes/bids are received for the same total amount or unit price, quality and service being equal, then the department may

accept the lower quotes/bids obtained through negotiation with the vendors submitting the tie quotes/bids.

7. Bid Protest – Any party that submitted a bid for the Project may file a protest regarding the purchasing decision authorized.
 - a. Notice of Decision: After a decision regarding a bid award has been made, the department will post notice of intended award on the City website. If a bidder is rejected because the bid is found non-responsive or because the bidder is deemed not responsible, the City will give written notice to said bidder of evidence reflecting such decision.
 - b. Time to File Protest: All protests must be submitted to the Office of the City Clerk by email or facsimile transmission within five (5) business days from the date on the notice of intended award.
 - c. Form of Protest: All protests must be in writing, state the factual basis for the protest, state the facts relevant to the protest, and all evidentiary support to rebut adverse evidence that it or another bidder was either non-responsive or not responsible. All protests have to be filed in accordance with the instructions contained in the solicitation which is the subject of the protest.
 - d. Protest Review: The Department Director will review all timely protests and recommend that the Purchasing Officer, or City Council if formal bid, either reject the protest and award to the lowest responsible and responsive bidder or accept the protest and award the bid to the next lowest responsible and responsive bidder.
 - e. Hearing on Protest: A hearing will be set within a reasonable time to provide a decision before final approval of the selected low bid.
 - f. Appeal of Purchasing Officer's Decision to City Council: Such appeals must be in writing and must be filed with the City Clerk within five (5) business days from the date of the Purchasing Officer's decision.
 - g. Failure to Timely Appeal: A bidder who fails to file a protest within the times set forth in this section waives any right to protest the issue further. No appeal of any decision to award a bid may occur once the contract has been awarded.
8. Exemptions from Bidding – The following are exempted from obtaining competitive bids:
 - a. Legal Services
 - i. Anything relating to existing or threatened litigation

- ii. Anything that protects attorney-client privileged records or discussion
- b. Anything relating to a confidential on-going investigation and other confidential police business
- c. Advertising (airtime/newspaper/magazine ad space, not advertising agencies or design services)
- d. Public Projects under UPCCAA
- e. Government printed publications
- f. Subscriptions to publications
- g. Common carrier shipments
- h. Travel payments made directly to hotels, motels, airlines or for other transportation
- i. Insurance and claim settlements
- j. Legal brief printing and transcription
- k. Membership to professional organizations
- l. Credit card payments to a bank
- m. Contracts with other governmental entities
- n. Permit fees including, but not limited to, those to another governmental agency for operation of a City utility
- o. Events sponsorship
- p. Postage and United States Postal Service post office box fees (not private mail companies)
- q. Real property purchases, escrow fees and lease payments
- r. Utilities including but not limited to payments for electricity or gas
- s. Voting materials
- t. Debt services

K. Information Technology Purchases

The City recognizes that purchasing information technology on the basis of lowest purchase price alone may not always serve the best interests of the City.

Therefore, to ensure hardware requirements and software compatibility, all such purchases must be reviewed by the Information Systems Division prior to purchase.

L. Uniform Guidance Federal Procurement Standards

The City is to conform purchases made with Federal funds in accordance with applicable Federal laws and standards identified in the Uniform Guidance, Procurement Standards (2 CFR 200.318-326) including but not limited to, excerpts summarized below.

Where thresholds differ between City and Federal procurement policies, City employees utilizing Federal grants will follow the most restrictive rule.

1. General Procurements Standards

No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employees or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the non-Federal entity must neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontractors. However, non-Federal entities may set standards for situations in which the financial interest is not substantial, or the gift is an unsolicited item of nominal value. Any City employee, officer, or agent that violates such standards shall be subject to disciplinary action per the City's Personnel Rules.

Purchases must be necessary and limit waste of government spending by avoiding acquisition of unnecessary or duplicative items. Consideration should be given to consolidating or breaking out procurement to obtain a more economical purchase. Federal excess and surplus property shall be considered in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs. The City shall maintain records sufficient to detail the history of procurement, such as rationale for the method of procurement, selection of contract type, contractor selection or rejection and the basis for the contract price.

2. Competition

Procurement procedures must be documented and conducted in a manner that provides full and open competition. Geographical preferences are prohibited, unless mandated by Federal statute or state license.

3. Methods of Procurement

In addition to the City's Procurement Policy approval limits, one of the following procurement methods should be used (threshold amounts are subject to change by the Federal Acquisition Regulation and the City will follow the most current limitation):

- a. Micro-purchase: Purchase without soliciting competitive quotes if reasonable, if the aggregate dollar amount does not exceed the micro-purchase threshold (2 CFR 200.67).
- b. Small Purchase: Simplified Acquisition with price or rate quotes obtained from an adequate number of qualified sources, if the aggregate dollar amount does not exceed the small purchase threshold (2 CFR 200.88).
- c. Sealed Bid: Amounts greater than Small Purchase with formal advertising awarded to lowest responsible bidder. This method is primarily for construction contracts and a cost and price analysis must be performed.
- d. Competitive Proposal: Amounts greater than Small Purchase when Sealed Bid is not appropriate. Proposals can either be fixed-price or cost-reimbursement and a cost and price analysis must be performed.
- e. Noncompetitive Proposal: Amounts great than Micro-purchase with justification documented and requirements met. This category applies to procurement where the item is only available from a single source, or when there is a public emergency. Sole Source procurements require approval from the Federal or pass-through funding source.

All five (5) procurement types must comply with the Procurement Standards which can be summarized generally as follows: (1) the purchase complies with the non-Federal entity's documented procedures in place, (2) purchases are necessary, (3) open competition (to the extent require by each method), (4) conflict of interest policy, and (5) proper documentation for the purchases.

4. Contracting with Small/Minority and Women's Business Enterprises

All necessary affirmative steps should be taken to assure that minority business, women's business enterprises, and labor surplus area firms are used when possible. Affirmative steps include:

- a. Placing qualified small and minority businesses, and women's business enterprises on solicitation lists;

- b. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- c. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
- d. Establishing procurement specifications, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
- e. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
- f. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed above.

5. Contracts Cost and Price

A cost analysis should be performed and documented with every procurement and contract modification over the Simplified Acquisition Threshold. The cost plus a percentage of cost and percentage of construction cost methods of contracting is not to be used and the City is to make independent estimates before receiving bids or proposals.

6. Federal Awarding Agency or Pass-Through Entity Review

The City must make available, upon request of the Federal awarding agency or pass-through entity, technical specification on proposed procurements where the Federal awarding agency or pass-through entity believes such review is needed to ensure compliance with the procurement standards. The City may be exempt from procurement review if compliance determination or self-certification is relied upon.

7. Bonding Requirements

Bid guarantees, performance bonds, and payment bonds may be required for construction/facility improvement contracts/subcontracts exceeding the Simplified Acquisition Threshold to ensure that the Federal interest in the procurement is adequately protected.

8. Contracted Provisions

The City's contracts are to contain the provisions in the Office of Management and Budget (OMB) Federal Regulations Appendix II to Title 2, Subtitle A, Part 200 – Contract Provisions for non-Federal Entity Contracts Under Federal Awards, as applicable.

M. Surplus Property

Refer to Policy [insert policy #]

N. Credit Card

Refer to Policy [insert policy #]

O. Definitions

1. Agreement. A written understanding or arrangement between two or more parties. Also see “*Contract*” and “*Purchase Order*”.
2. Addendum. A document issued during the bid period to clarify, modify or support the plans, specification, and other bid document terms.
3. Appropriation. City Council authorization to expend public funds for a specific purpose.
4. As Is. A term indicating that goods offered for sale in existing condition are without *Warranty* or *Guarantee*.
5. Award. The acceptance of a *Bid* or *Proposal*.
6. Bid. The executed document submitted by a *Bidder* in response to a *Notice Inviting Bids (NIB)*, *Request for Proposals*, or a *Requests for Qualifications*.
7. Bidder. A person or legal entity who submits a bid in response to a solicitation. Proposer. See *Bid* or *Proposal*.
8. Blanket Purchase Order. An *Agreement* of no more than one year between the City and a *Vendor* allowing authorized City employees to charge repetitive *Purchases* of goods, equipment, and services on an as-needed basis at pre-arranged prices, dollar limits and/or other terms and conditions.
9. Brand Name. A trade name which serves to identify a product or particular manufacturer.
10. Change Order. A contract amendment to a Public Works construction contract.
11. City. *City* shall mean the City of Camarillo, the Camarillo Sanitary District, The Camarillo Development Commission, the Camarillo Capital Improvement Corporation, the Camarillo Industrial Development Authority, and other such districts, authorities, or agencies as may be governed by the members of the City of Camarillo *City Council*.
12. City Attorney. Shall mean and include the *City Attorney* of the City of Camarillo, the District Counsel of the Camarillo Sanitary District, and Legal Counsel to the Camarillo Capital Improvement Corporation, the Camarillo

Development Commission, and the Camarillo Industrial Development Authority.

13. City Council. Shall mean and include the *City Council* of the City of Camarillo and the Board of Directors of the Camarillo Sanitary District, the Camarillo Capital Improvement Corporation, the Camarillo Development Commission, and the Camarillo Industrial Development Authority. It shall also mean the governing boards of such other districts, authorities, or agencies as may be governed by the *City Council* of the City of Camarillo.
14. City Manager. Shall mean and include the *City Manager* of the City of Camarillo, the District Manager of the Camarillo Sanitary District, the President of the Camarillo Capital Improvement Corporation, and the Executive Director of the Camarillo Development Commission.
15. Competitive Bidding. The submission of prices by vendors competing for a *Contract*, privilege, or right to goods, equipment, or services.
16. Contract. A written, legally binding mutual agreement between two parties, e.g., an accepted *Purchase Order* or fully executed agreement for the purchase of goods, equipment, and services stating the expectations of both parties such as term, cost, scope of work, insurance requirements, and labor code, and prevailing wage requirements.
17. Contract Amendment. Written modification or addition to a *Purchase Order* or *Contract/Agreement* authorized by the appropriate authority, except for construction contracts (see *Change Order*).
18. Discount. An allowance or deduction from a normal or list price extended by a seller to a buyer to make the unit price more competitive.
19. Dispose of. To transfer or part with, to sell; get rid of; to throw out.
20. Emergency Purchase. An emergency purchase requires declaration of emergency and City Council action as noted in PCC Section 22050. City may perform work in accordance with PCC Section 22035.
21. Encumbrance. Committing budgeted funds prior to receiving goods, equipment, and services; funds are shown as an encumbrance until goods, equipment, and services are received, at which time funds are actually expended.
22. Equipment. Personal property necessary to conduct the City's business, including, but not limited to furnishings, machinery, vehicles, rolling stock, and other property used to conduct the City's business.
23. Formal Bid. A *Bid* which must be submitted in a sealed envelope and in conformance with a prescribed format, to be opened and announced at a specified time at a public opening.

24. General Services. Services such as custodial, uniform cleaning, maintenance, and other services for which the performance of such activities do not require any unique skill, special background or training.
25. Goods. Office *supplies*, custodial *supplies*, materials, goods, tools, or other commodities used in the general conduct of the *City's* business, except *supplies* or materials for a *Public Project* which is regulated under the *Public Contract Code* section 20160, et seq.
26. Guarantee. A pledge or assurance that something is as represented and will be replaced or repaired if it fails to meet the stated *Specifications*.
27. Informal Bid. Written *Quotations* for goods, equipment, and services which, pursuant to this Policy, are not required to meet the formal bidding requirements. *Informal Bids* include unsealed written quotes, quotes received via fax, or quotes received via email.
28. Lowest (Responsive and) Responsible Bidder. The *Bidder* submitting the lowest price and capable of performing the proposed *Contract*. See also "*Responsive Bidder*" and "*Responsible Bidder*".
29. Non-Responsive Bid. A *Bid* that does not conform to the essential requirements of the *Notice Inviting Bids*. Non-Conforming *Bid*. Unresponsive *Bid*.
30. Notice Inviting Bids (NIB). A formal notice, posted on the City's website, or published in the newspaper (required for public projects only) or elsewhere or sent directly to potential *Bidders*, notifying them that the City is accepting bids for a specific purpose.
31. On-Call Contracts. Contracts without a specific project scope of work, but rather categorized around general types of anticipated work or trades. When a specific scope of work is identified, task orders are authorized based on either a not-to-exceed time and materials basis or on a negotiated lump sum amount, using the unit priced bid by the contracts. The contracts are typically on an annual or multi-year basis.
32. Procurement. The act of obtaining or buying goods or services.
33. Professional Services. Any work performed by an auditor, attorney, doctor, architect, engineer, land surveyor, construction project manager, appraiser, expert, or consultant.
34. Proposal. The executed document submitted by an offeror or in response to a *Request for Proposals* (and the basis for subsequent negotiation).
35. Public Contract Code. Shall mean the *Public Contract Code* of the State of California.

36. Public Project (definition is from State of California Public Contract Code).
“Public project” means any of the following:
- (1) Construction, reconstruction, erection, alternation, renovation, improvement, demolition, and repair work involving any publicly owned, leased, or operated facility.
 - (2) Painting or repainting of any publicly owned, leased, or operated facility.
 - (3) In the case of a publicly owned utility system, “public project” shall include only the construction, erection, improvement, or repair of dams, reservoirs, powerplants, and electrical transmission lines of 230,000 volts and higher.
- “Public project” does not include maintenance work. For purposes of this section, “maintenance work” includes all of the following:
- (1) Routine, recurring, and usual work for the preservation or protection of any publicly owned or publicly operated facility for its intended purposes.
 - (2) Minor repainting.
 - (3) Resurfacing of streets and highways at less than one inch.
 - (4) Landscape maintenance, including mowing, watering, trimming, pruning, planting, replacement of plants, and servicing of irrigation and sprinkler systems.
 - (5) Work performed to keep, operate, and maintain publicly owned water, power, or waste disposal systems, including, but not limited to, dams, reservoirs, powerplants, and electrical transmission lines of 230,000 volts and higher.
- “Facility” means any plant, building, structure, ground facility, utility system, subject to the limitation found in paragraph (3) of subdivision (c), real property, streets and highways, or other public work improvement.
37. Purchase. Renting, leasing, purchasing, licensing, or a trade of *goods, equipment, and services*.
38. Purchase Order. A *Purchaser’s* document to formalize a *Purchase* transaction with a *Vendor*. Acceptance of a *Purchase Order* constitutes a *Contract*; a *Purchaser’s* written offer to a supplier stating all terms and conditions of a proposed transaction.
39. Purchasing Division. The division and/or department within the organization to which the purchasing function has been delegated by the *Purchasing Officer*.

40. Purchasing Officer. The *City Manager* or his/her designated representative.
41. Qualified Bidder. A “qualified” bidder, is a bidder that demonstrates the following characteristics:
- (1) can provide product quality, fitness, and capacity for the required usage.
 - (2) has the ability, capacity, and skill to perform the contract or provide the service required.
 - (3) has demonstrated character, integrity, reputation, judgment, experience, and efficiency, particularly with reference to past purchases by the City or other public agencies.
 - (4) has the ability to perform within the time required.
 - (5) has shown quality of performance and/or of products provided in previous contracts or services with the City or other public agencies.
 - (6) Note: Previous documented incidents of unsatisfactory performance and/or unsatisfactory delivery, materials, or services may also result in a determination of unqualified.
42. Quotation. A *Bid*. A statement of price, terms of sale, and description of goods or services offered by a prospective seller to a prospective *Purchaser*, usually for *Purchases* below the amount requiring *Formal Bidding*.
43. Request for Proposal (RFP). All documents, whether attached or incorporated by reference, utilized for soliciting competitive cost *Proposals* including *scope of work*.
44. Request for Qualifications (RFQ). Documents prepared to solicit the qualification of professionals. An RFQ does not request prices and must be evaluated solely on the basis of experience and qualifications.
45. Responsible Bidder. A person who has the capability in all respects to perform in full the *Contract* requirements, and the integrity and reliability which will assure good faith performance.
46. Responsive Bidder. (1) A person who has submitted a *Bid* which conforms in all material respects to the Notice Inviting *Bids* (NIB) or (2) one whose *Bid* conforms in all material respects to the terms and conditions, *Specifications* and other requirements of the NIB.
47. Sealed Bid. A *Bid* which has been submitted in a sealed envelope to prevent its contents from being revealed or know before the deadline for the submission of all *Bids*; required on *Formal Bids*.

48. Sole Source. A determination that there is only one reasonably known capable supplier due to the unique nature of the requirements, the supplier, or market conditions for the goods, equipment, and services.
49. Specifications. A description of what the *Purchaser* seeks to buy or accomplish, and consequently, what a *Bidder* must be responsive to in order to be considered for *Award* of a *Contract*. A *Specification* may be a description of the physical or functional characteristics, or the nature of goods, equipment, and services. It may include a description of any requirements for inspecting, testing, or preparing goods, equipment, and services for delivery.
50. Split. To divide a *Purchase* into two or more parts in order to avoid the requirements of the Procurement Policy. This action is prohibited by the Policy.

Example:

Split: If a department knows it will use \$31,000 of a particular supply in one fiscal year and they place two orders six months apart to keep each order below the \$30,000 limit, the action is considered *Splitting* and is not allowed under the Policy.

Not Split: If a department hires ABC Engineering to prepare a fee study for \$8,000 and also hires the same company to oversee a capital improvement project for \$9,000, the action is not considered *Splitting*.

51. Surplus Property. Any City property that is no longer needed or usable by the holding department. Refer to Surplus Property Policy ~~XXX.XXX~~ [3.17](#).
52. Urgency Purchase. An urgency purchase does not require a declaration of emergency but must only be made to preserve or protect life, health or property, or upon natural disaster, or to forestall a shutdown of essential public services, or for reasons as determined by the Purchasing Officer.
53. Vendor. A supplier of goods, equipment, and services.
54. Warranty. The representation that something is true. Not to be confused with "*Guarantee*". A representation of utility, condition, and durability made by a *Bidder* or offeror for a product offered.