RESOLUTION NO. 24421

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIVERSIDE, CALIFORNIA ESTABLISHING RULES AND REGULATIONS FOR THE PROCUREMENT OF GOODS, SERVICES AND CONSTRUCTION CONTRACTS AND ESTABLISHING CONTRACT EXECUTION AUTHORITY, HEREINAFTER TO BE KNOWN AS THE PURCHASING RESOLUTION; AND REPEALING RESOLUTION NO. 24101.

WHEREAS the City Manager, subject to approval of the City Council, is authorized and directed by Article VI, Section 601 (d) of the Charter of the City of Riverside, Article XI, Section 1105 of the Charter of the City of Riverside, and Chapter 3.16 of the Riverside Municipal Code to prepare and recommend adoption of rules and regulations governing the contracting for and the procuring, purchasing, storing, distributing and disposing of all supplies, materials and equipment required by any office, department or agency of the City; and

WHEREAS the City Manager is authorized by Resolution as directed by Article IV, Section 419 of the Charter of the City of Riverside, to bind the City, with or without written contract, for the acquisition of equipment, materials, supplies, labor, services, or other items, if included within the budget approved by the City Council, and may impose a monetary limit upon such authority; and

WHEREAS the City Council has consolidated the City's various rules and regulations governing procurements into a single resolution, Resolution No. 24101, known as the "Purchasing Resolution, and

WHEREAS, the City Council now desires to amend the Purchasing Resolution as provided herein,

NOW, THEREFORE, IT IS RESOLVED by the City Council of the City of Riverside California, as follows:

Section 1: That the following rules and regulations are hereby adopted for the administration of the City's centralized purchasing system:

TITLE: PURCHASING RESOLUTION RULES AND REGULATIONS

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ARTICLE ONE: DEFINITION OF TERMS

SECTION 100. Definitions. The words set forth hereinafter in this Resolution shall have the following meanings whenever they appear in these rules and regulations, unless the context in which they are used clearly requires a different meaning:

(a) "Awarding Entity" means the City Council when referencing Procurement for the City or for any Using Agency of the City except for the Riverside Board of Public Utilities or Riverside Department of Public Utilities and Board of Library Trustees or Library Department; and means the Riverside Board of Public Utilities when referencing Procurement for the Riverside Department of Public Utilities in accordance with Article XII, Section 1202 of the Charter of the City of Riverside; and means the Board of Library Trustees when referencing Procurement for the Library Department in accordance with Article VIII, Section 808(d) of the Charter of the City of Riverside.

(b) "Bid" means an offer or proposal submitted by a Bidder setting forth the price for the Goods, Services, or Construction to be provided.

(c) "Bidder" means any individual, firm, entity, partnership, corporation, or combination thereof, submitting a Bid, acting directly or through a duly authorized representative of a Using Agency.

(d) "Change Order" means a City-issued document used to modify a Purchase Order to add, delete, or revise the quantity, price or scope of Goods, Services, Professional Services or Construction being provided.

(e) "City" means the City of Riverside.

(f) "Competitive Procurement" means a process involving the solicitation under the authority and supervision of the Manager by Formal Procurement or Informal Procurement (all as hereinafter defined) under procedures and circumstances intended to foster effective, broad-based competition within the private sector to provide Goods, Services or Construction to the City.

(g) "Construction" means the process of building, altering, repairing, improving or demolishing any public structure or building, or other public improvements of any kind, and

includes the projects described in Article XI, Section 1109 of the Charter of the City of Riverside; it does not include routine operation, maintenance or repair of existing structures, buildings or real property by the City's own forces. "Construction" shall also include "public project" as defined in Section 20161 of the California Public Contract Code.

(h) "Contract" means any type of legally recognized agreement to provide Goods, Services or Construction, no matter what it may be titled or how described, including executed Purchase Orders, for the Procurement or disposition of Goods, Services or Construction, but does not include any agreement for collective bargaining, utility extensions, subdivision improvements or any agreements whereby an owner of real property or his or her authorized representative agrees to construct improvements of a public nature on property to be dedicated to the City.

(i) "Contractor" means any Person (as hereinafter defined) who enters into a Contract with the City.

(j) "Cooperative Purchasing" means a purchasing method whereby the Procurement requirements of two or more governmental entities are combined in order to obtain the benefit of volume Procurement or reduction in administrative expenses. Cooperative Purchasing practices may include other agencies who conduct volume procurements on behalf of governmental agencies.

(k) "Design-Bid-Build" means a traditional method of construction project delivery involving the selection and award of professional design services followed by a separate process for construction services once the design documents are complete.

(l) "Design-Build" means a process involving contracting with a single entity for both the design and Construction of a public works project pursuant to a competitive negotiation process established by City Council ordinance from time to time in accordance with Article XI, Section 1114 of the City of the Charter of the City of Riverside and Chapter 1.07 of the Riverside Municipal Code.

(m) “Emergency Procurement” means the Procurement of Goods, Services or Construction without utilizing Competitive Procurement in circumstances set forth in Article Three hereof as constituting an “emergency”.

(n) “Field Order” means in construction projects, a written order passed to the contractor from the City or architect which will effect a minor change in work, requiring no further adjustment to the contract sum or expected date of completion.

(o) "Formal Bid" means a written Bid which shall be (1) submitted in a sealed envelope, or electronically, in conformance with a City-prescribed format and procedure, (2) publicly opened, read and-recorded at a City-specified date, time and place, and (3) accepted only by an award made by the Awarding Entity.

(p) “Formal Procurement” means Procurement by written Notice Inviting Bids and Formal Bid, Request for Proposals, or Request for Qualifications and includes Procurement of Construction, Goods and Services subject to the bidding requirements of Section 1109 of the City Charter.

(q) “Goods” means supplies, materials, equipment and other things included within the definition of "Goods" in Section 2105 of the California Uniform Commercial Code.

(r) “Grant” means funding from State, Federal or other sources, which require specific use of the funding provided to the City.

(s) “Informal Bid” means an offer, which may be conveyed to the Manager by email, letter, memo, financial system or other means, to provide for stated prices, Goods, Services or Construction, which are not required to be Procured by Formal Procurement; Informal Bids shall be solicited only by City personnel from a Using Agency who are authorized to do so, and for each instance of Procurement by Informal Bid, the authorized personnel shall obtain Informal Bids from at least three different Persons, if possible.

(t) “Informal Procurement” means Competitive Procurement by Request For Bid, Request for Proposals or Request for Information submitted by Persons in the Open Market submitted to the Using Agency or Manager.

(u) "Life Cycle Cost" means the estimated total cost of Goods, Services or Construction Procured by the City over the useful life of the Goods, Services or Construction based upon their initial Procurement price as adjusted by projected operating, maintenance and related ownership expenses which the City will incur during their useful life.

(v) "Lowest Responsive Bidder" means the Bidder or Offeror who submits the lowest responsive Formal Bid, Informal Bid, or Offer in response to the City's invitation or request therefore, as determined by the City.

(w) "Manager" means the City's Purchasing Manager, who supervises the City's Purchasing Division located in the Finance Department.

(x) "Negotiated Procurement" means the business marketplace in which a User Agency or the Manager, exercising prudent business practices and judgment, would Procure Goods, Services or Construction utilizing a negotiation procedure, subject to approval by the Manager, instead of Informal or Formal Procurement.

(y) "Open Market" means the private sector business marketplace in which private persons, exercising prudent business practices and judgement, would Procure Goods, Services, or Construction utilizing Informal Bid or Formal bid procedures.

(z) "Person" means any individual, partnership, limited partnership, association, corporation, labor union, committee, club, governmental entity or other entity recognized by California law.

(aa) "Piggy-Backing" means a procurement method by which the City utilizes a contract competitively awarded by another public agency or governmental entity for Goods, Services, or Professional Services. The City is not a party to the originating agency's contract but enters into its own purchase order, agreement, or other contractual arrangement directly with the awarded vendor, generally based upon the same or more favorable pricing, terms and conditions.

(bb) "Procure" and "Procurement" mean buying, purchasing, renting, leasing or otherwise acquiring or obtaining Goods, Services, or Construction; this also includes all functions and procedures pertaining thereto.

(cc) "Professional Services" means advisory, consulting, architectural, information technology, engineering, financial, legal (including claims adjustment), surveying, research or developmental and any other Services which involve the exercise of professional discretion and independent judgment based on an advanced or specialized knowledge, expertise or training gained by formal studies or experience.

(dd) "Purchase Order" means a City-issued document with any necessary terms and conditions, which authorizes the delivery of Goods, the rendering of Services or the performance of Construction at a stated price and encumbers City funds for the payment therefore; when approved by the City Council through the biennial budget process or at another time during the start of any fiscal year, a Purchase Order shall be referred to as an "Annual Purchase Order."

(ee) "Purchase Requisition" means a written request prepared on the requisite City form prepared by the Manager, and submitted by a Using Agency to the Manager for Procurement of specified Goods, Services or Construction.

(ff) "Request for Proposals" means a written solicitation issued by the Purchasing Division, through the supervision of the Manager, which (1) generally describes the Goods or Services sought to be procured by the City, (2) sets forth minimum standards and criteria for evaluating proposals submitted in response to it, (3) generally describes the format and content of proposals to be submitted, (4) provides for negotiation of terms and conditions of the Procurement Contract and (5) may place emphasis on described factors other than price to be used in evaluating proposals.

(gg) "Request for Bids" or "Notice Inviting Bids" means a written or verbal solicitation issued under the authority and supervision of the Manager for Formal or Informal Bids for described Goods, Services or Construction, which may be Procured by Formal or Informal Procurement.

(hh) "Request for Qualifications" means a written solicitation issued by the Purchasing Division, through the supervision of the Manager, which (1) generally describes the Goods or Services sought to be Procured by the City, (2) sets forth in determining what qualified Persons

can provide those services by providing minimum standards and criteria for the Goods or Services sought, and (3) generally describes the format and content of proposals to be submitted, and (4) may provide for negotiation of the Procurement Contract.

(ii) "Request for Information" means a written solicitation issued by a Using Agency, through the supervision of the Manager, which (1) generally describes the Goods or Services sought to be Procured by the City, (2) sets forth in determining what Persons can provide Goods or Services sought to be Procured by the City, and (3) does not provide for the negotiation of any Procurement Contract.

(jj) "Responsible Bidder" means a Bidder who is determined by the Manager or the Awarding Entity to be responsible based on the following criteria:

(1) The Bidder's ability, capacity and skill to perform the Contract, and to provide post-performance maintenance and repair;

(2) The Bidder's facilities and resources;

(3) The Bidder's character, integrity, reputation, judgment, experience and efficiency;

(4) The Bidder's record of performance of prior Contracts with the City and others; and

(5) The Bidder's compliance with laws, regulations, guidelines and orders governing prior Contracts performed by the Bidder.

(kk) "Responsive Bid" means a Formal Bid or Informal Bid submitted in response to a City-issued Notice Inviting Bids or Request For Bids, which meets and conforms to the substantive requirements specified by the City without material qualification or exception, as determined by the City.

(ll) "Services" means all services which are described in City specifications or are in the nature of advertising, cleaning, gardening, insurance, janitorial, leasing of Goods, membership, postal, printing, security, subscriptions, travel, utilities (electric, gas, telegraph, telephone, transportation and water), weeding and discing, and the repairing, maintaining or servicing of

Goods, but does not include Professional Services, real property transactions, Construction, Design-Build, nor employment and collective bargaining Contracts.

(mm) "Specifications" means a City-issued or referenced definite, detailed written description of the Goods to be furnished, the Services to be performed or the Construction work to be done and materials to be used under a Contract with the City, which specifies the composition, Construction, dimension, durability, efficiency, form, nature, performance characteristics and standards, quality, shape, texture, type and utility of Goods, Services or Construction sought by the City.

(nn) "Surplus Goods" means any Goods having a remaining useful life or salvage value but which are no longer used, needed for use or retained for potential use by the Using Agency which has care, custody or control of them.

(oo) "Using Agency" means all City departments, institutions, offices, boards, commissions, divisions, agencies and authorities which derive their support totally or in part from City funds and for which the Manager is directed to Procure Goods, Services, Professional Services, Design-Build, or Construction.

ARTICLE TWO: GENERAL PURCHASING POLICY STATEMENT AND DELEGATED AUTHORITY FOR PURCHASES AND CONTRACT EXECUTION

SECTION 200. Policy. It is hereby determined and declared to be the policy and requirement of the City that Procurement of Goods, Services and Construction by the City shall, whenever practicable and advantageous to the City, be based on Competitive Procurement, whether by Informal Procurement (ARTICLE FOUR) if permitted, or Formal Procurement (ARTICLE FIVE) if required, except as otherwise provided in this Resolution or the City Charter. Goods, Services and Construction must be procured in compliance with this Resolution.

SECTION 201. Purchasing Code of Ethics. As public employees, City staff shall use their best unbiased judgment every time money is expended, or action is taken on the City's behalf. These activities are guided through the application and adherence of the City Conflict of Interest

Code, Resolution No. 23653, as amended from time to time, and by the following commonly shared values and ethical standards for dealing with vendors and clients:

(a) Avoid unfair practices by granting all competitive Contractors equal consideration insofar as State, Federal and City regulations require;

(b) Conduct business in good faith, demanding honesty and ethical practices from all participants in the purchasing process;

(c) Decline personal gifts or gratuities from present or potential Contractors since this can influence or appear to influence procurement decisions;

(d) Promote positive Contractor relationships by affording Contractor representatives courteous, fair and ethical treatment;

(e) Make every reasonable effort to negotiate equitable and mutually agreeable settlements of controversies with Contractor(s);

(f) Avoid involvement in any transactions/activities that could be considered or even appear to be a conflict between personal interest and the interests of the City;

(g) Know and obey the letter and spirit of laws governing the purchasing function and remain alert to the legal ramifications of purchasing decisions; and

(h) Enhance proficiency by acquiring and maintaining current technical knowledge and pursuing related educational opportunities and professional growth.

These ethical standards are hereby adopted as policies of the City Council. All City staff engaged in the Procurement process shall adhere to these ethical standards. The Manager shall ensure that all Procurements are conducted in a manner consistent with these ethical standards.

SECTION 202. Exceptions. Competitive Procurement shall not be required in circumstances explicitly stated in this Resolution; exceptions to Competitive Procurement will be included with each type of Procurement under ARTICLE THREE (Emergency Procurement), ARTICLE SIX (Procurement of Goods), ARTICLE SEVEN (Procurement of Services), ARTICLE EIGHT (Procurement of Construction), ARTICLE NINE (Procurement of Design-Build Services, and ARTICLE TEN (Procurement of Real Property).

SECTION 203. Authorization. The City Manager is authorized to approve, execute, and bind the City to:

(a) Contracts and purchase orders for Goods, Services, and Professional Services, of $100,000 or less, entered into in accordance with the policies and procedures outlined in this Resolution, except where City Charter section 1202 requires approval by the Board of Public Utilities, and

(b) Contracts and purchase orders for Construction and Design-Build Services of $50,000 or less, entered into in accordance with the policies and procedures outlined in this Resolution, and

(c) Such other contracts as are expressly approved by the City Council, Board of Public Utilities, and Board of Library Trustees.

SECTION 204. Delegation by City Manager. The City Manager is authorized to delegate such authority to his or her designees, including among others, Department Heads, when the City Manager deems it is in the best interests of the City to do so.

SECTION 205. City Attorney Authorization. The City Attorney is authorized to approve, execute, and bind the City to contracts up to $100,000 for expert and consultant services in connection with existing and anticipated litigation and/or claim defense or prosecution, and other such related matters, including, but not limited to, expert witnesses, arbitrators, mediators, court transcripts, court reporters, process servers, private investigators, court filing and messenger services, and other legal support services.

ARTICLE THREE: EMERGENCY PROCUREMENT

SECTION 300. Policy. While the need for Emergency Procurement is recognized, the practice shall be curtailed as much as possible by anticipating needs so that normal Competitive Procurement may be used.

SECTION 301. Conditions. An "emergency" shall be deemed to exist under any one or more of the following circumstances:

(a) A great public calamity;

(b) An immediate need to prepare for national or local defense;

(c) A breakdown in machinery, facilities or essential services which requires the immediate Procurement of Goods, Services or Construction to protect the public health, welfare, safety, property, or personal/confidential information;

(d) A Using Agency operation directly affecting the public health, welfare, safety, the property, or personal/confidential information, is so severely impacted by any cause that personal injury or property destruction appears to be imminent and probable unless Goods, Services or Construction designed or intended to mitigate the risks thereof are Procured immediately; or

(e) A Using Agency is involved in a City project, which is of such a nature that the need for particular Goods, Services or Construction can only be ascertained as the project progresses and, when ascertained, must be satisfied immediately for the protection of public health, welfare, safety, property, or personal/confidential information.

SECTION 302. Authorization. Emergency Procurement may be initiated by the head of a Using Agency or his or her duly authorized representative (the "individual") only as follows:

(a) During normal City business hours for non-Riverside Public Utilities purchases, the individual shall contact the Manager and explain to the Manager's satisfaction the reasons and justification for Emergency Procurement. If the nature of the emergency is such that Goods, Services or Construction must be Procured immediately and the Manager is satisfied with the explanation of reasons and justifications given therefor, the Manager shall authorize the Procurement and cause an emergency Purchase Order to be issued as soon as possible and in no event later than the following business day. A Purchase Requisition confirming the Procurement must be prepared by the individual and submitted to the Manager no later than the following business day. Items exceeding the authorization in section 203 require City Council approval or ratification.

(b) After normal City business hours for non-Riverside Public Utilities purchases, the individual shall exercise his or her best judgment in ascertaining whether the actual circumstances necessitate Emergency Procurement, and if deemed necessary shall order it. As soon as possible and in no event later than the following business day, the individual shall prepare a Purchase

Requisition confirming the Emergency Procurement and deliver it to the Manager, who shall then review and cause an emergency Purchase Order therefor to be prepared. Upon Manager concurrence, the word "confirmation" shall be clearly imprinted on all Purchase Requisitions and Purchase Orders issued in confirmation of Emergency Procurement. Items exceeding the authorization in section 203 require City Council approval or ratification.

(c) For urgent purchases relating to Riverside Public Utilities, Article, XII, Section 1202(b) of the City's Charter applies and shall be followed.

(d) For urgent purchases as defined by Article XI, Section 1109 relating to Public Works Contracts over $50,000; urgent items procured while not following Competitive Procurement, in order to preserve life, health or property, shall be authorized by resolution passed by at least five affirmative votes of the City Council and the resolution must contain a declaration of the facts constituting such urgency.

SECTION 303. Expenditure Limits. Total emergency expenditures for one event, unless otherwise stated in this resolution or approved by subsequent City Council action, shall not exceed $25 million as set forth in Municipal Code Section 9.20.090, Emergency Expenditures.

ARTICLE FOUR: INFORMAL PROCUREMENT

SECTION 400. Policy. For the acquisition of Goods, Services and Construction, Informal Procurement will be conducted by the Using Agency, through the approval of the Manager and the Manager's duly authorized representatives in a manner and under circumstances intended to elicit competitive responses.

SECTION 401. Informal Procurement Procedure. The process, forms and systems used to conduct Informal Procurement, as recommended by the Manager and Chief Financial Officer and approved by the City Manager, shall be included in the City's Administrative Manual.

SECTION 402. General Limitations on Informal Procurement. Informal Procurement may be conducted under the supervision of the Manager if the Procurement expenditure is estimated to be Fifty Thousand Dollars ($50,000.00) or less, does not fall within the Utilities Exception, and

does not involve the Procurement of Construction or Goods of the type required by Section 1109 of the City Charter to be acquired by Formal Procurement.

SECTION 403. Exceptions. Competitive Procurement shall not be required for Information Technology software maintenance and license renewals; training; advertising; or professional recruitment services where the Manager is satisfied that the best price, terms and condition for the Procurement thereof have been negotiated.

SECTION 404. Utilities Exception. The Water, Electric and Sewer Utilities have a need for compatibility within their respective systems for uniform operation, maintenance and replacement, and this need can be met by procuring certain supplies, equipment, and materials supplies through Informal Procurement or Negotiated Procurement.

If it appears to the Manager to be in the best interest of overall economy and efficiency of the City to do so, and it is within existing budget appropriation, the following supplies, equipment, and materials are determined to be peculiar to the needs of the Water Utility, the Electric Utility, and the Sewer Utility and may be acquired by Informal Procurement or Negotiated Procurement, regardless of their estimated Procurement expenditure amounts, provided that the City's Board of Public Utilities or City Council shall have approved the proposed acquisition if required under the provisions of the City Charter, either by approval of the procurement contract or approval of annual purchase orders:

Automatic Reclosers with associated controllers and communications equipment
Batteries and Chargers
Blower Equipment, Parts and Repair
Bus and Bus Support
Capacitors
Chemicals
Circuit Breakers
Circuit Switcher
Conduit and Duct
Connectors
Dewatering Equipment, Parts and Repairs
Electric Motor Controls
Electrical Line Devices
Electrical Motors, Panels, Panel Equipment, Materials and Repairs
Fiber Optics Equipment and Materials
Fire Hydrants
Fittings, Electrical, Water, and Sewer

Insulators and Bushings
Laboratory Instruments
Luminaries
Meter and Metering Devices
Mobile Substation
Pipe and Pipe Fittings
Pole Line Hardware
Poles, Utility
Power Generation Materials, Equipment, Parts and Repair
Prefabricated Electrical Enclosures
Pumps and Repairs
Regulators
Relaying and Protective Devices
Road and Backfill Materials
SCADA Equipment
Substation and Distribution Automation Equipment
Substation Online Monitoring Equipment and Devices
Substation Supervisory Equipment
Surge Arrestors
Switches, Switchgear, and Accessories Testing Equipment
Transformers and Accessories Treatment Equipment
Tubing, Copper and Plastic
Valves and Operators
Vaults and Accessories
Wire and Cable
Uninterruptable Power Supplies
Well Equipment (including incidental labor to install, which labor shall not exceed the amount set by state law for which bids are required for public works projects of a general law city)
Such other supplies and materials peculiar to the needs of the Public Utilities Department, which are carried as inventory items in Central Stores stock.

SECTION 405. Riverside Public Library Exception. The following supplies, materials and services are determined to be peculiar to the needs of the Library Department through City Charter Section 808(d). If it appears to the Manager to be in the best interest of overall economy and efficiency of the City to do so and is within existing budget appropriation, be acquired by Informal Procurement or Negotiated Procurement, regardless of their estimated Procurement expenditure amounts, provided that the City's Board of Library Trustees or City Council shall have approved the proposed acquisition if required under the provisions of the City Charter, either by approval of the procurement contract or approval of annual purchase orders:

Books
Journals
Maps
Office Supplies
Publications
Subscription Services
Other Needs as determined by the Manager

SECTION 406. Riverside Museum Exception. The following supplies, materials and services are determined to be peculiar to the needs of the Museum Department. If it appears to the Manager to be in the best interest of overall economy and efficiency of the City to do so and is within existing budget appropriation, may be acquired by Informal Procurement or Negotiated Procurement, regardless of their estimated Procurement expenditure amounts, provided that the City Council shall have approved the proposed acquisition if required under the provisions of the City Charter, either by approval of the procurement contract or approval of annual purchase orders:

Gift Shop Exhibit Materials for Profit
Academics, Curators and Exhibition Developers
Exhibit Books and Catalogs
Other Needs as determined by the Manager

SECTION 407. Request for Bids or Proposals. The Manager or Using Agency shall solicit Informal Bids by means of a written or verbal Request for Bids, accompanied by City specifications, if deemed necessary by the Manager. Where the Using Agency seeks the procurement of Services or Professional Services, a Request for Proposal or Request for Qualifications, as appropriate, may be issued. Responses to the City's Request for Bids, Proposals, or Qualifications shall be in writing, and documentation of responses shall be submitted to the Manager prior to payment by the Finance Department.

SECTION 408. Rejections and Awards. The Manager may reject any and all Informal Bids submitted in response to a Request for Bids and otherwise shall award all Informal Bids, insofar as practicable, to the Lowest Bidder, provided specifically that any potential award does not otherwise require consideration by the Awarding Entity, in which case any rejection or award shall be made by the Awarding Entity. The Manager shall be authorized to administer Purchase Orders for Goods, Services, and Construction awarded by Informal Procurement.

Where the Using Agency seeks the procurement of Services or Professional Services through Request for Proposals or Request for Qualifications, the Informal Bid shall be awarded in accordance with the evaluation criteria set forth in the Request for Proposals or Request for Qualifications, except that a local Proposer may be given preference pursuant to Section 704

"Preference Policy", where the difference in price proposal between the local Proposal and the lowest price proposal does not exceed five percent (5%) of the lowest price proposal.

SECTION 409. Contract Bonds. The provisions of Section 510 shall also apply to all Contracts for Goods, Services or Construction awarded under Informal Procurement.

SECTION 410. Public Records. The Manager shall maintain and keep records of all Informal Procurements, including Informal Bids received, in accordance with the applicable City's Record Retention Schedule adopted by the City Council from time to time.

SECTION 411. Bidder Contact with City. All communications from Bidders shall be directed only to the City representative and in the form as designated in the Request for Bids. Any communications, whether written or verbal with any City Councilmember or City staff other than the City representative designated in the Request for Bids, prior to the award of a contract, is strictly prohibited. Bidders violating this section shall be disqualified from consideration and rejected by the Manager.

ARTICLE FIVE: FORMAL PROCUREMENT

SECTION 500. Policy. For the acquisition of Goods, Services and Construction, Formal Procurement shall be conducted by the Manager and the Manager's duly authorized representatives in conjunction with a Using Agency, or may be conducted by the Using Agency, through the approval of the Manager and the Manager's duly authorized representatives in a manner and under circumstances intended to elicit competitive responses.

SECTION 501. Formal Procurement Procedure. The process, forms and systems used to conduct Formal Procurement, as recommended by the Manager and Chief Financial Officer and approved by the City Manager, shall be included in the City's Administrative Manual.

SECTION 502. General Limitations on Formal Procurement. Formal Procurement shall be conducted under the supervision of the Manager if the Procurement expenditure is estimated to be more than Fifty Thousand Dollars ($50,000.00), or falls within Section 1109 of the City Charter, except in those Procurement situations described in:

(a) Article Three (Emergency Procurement);

(b) Section 402 (Informal Procurement – General Limitations);

(c) Section 403 (Exceptions);

(d) Section 404 (Utilities Exception);

(e) Section 405 (Riverside Public Library Exception);

(f) Section 406 (Riverside Museum Exception);

(g) Section 602 (Acquisition of Good Exceptions);

(h) Section 702 (Acquisition of Services Exceptions);

(i) Section 802 (Acquisition of Construction Exceptions);

(j) Section 902 (Design-Build Exceptions); and

(k) Section 1002 (Acquisition of Real Property Exceptions)

SECTION 503. Soliciting Bids. When required by Charter section 1109 or by law, a Notice Inviting Bids shall be published at least once in a newspaper of general circulation in the City, the first publication of which shall be at least ten days before the time and date set by the Manager for opening the Formal Bids received. All other Notices Inviting Bids or Requests for Bids shall be published through the City bidding website for at least ten days before the time and date set by the Manager for opening the Bids received, unless otherwise exempted by the Awarding Entity pursuant to Charter section 1109 for qualifying public utility projects. The notice shall include a general description of the Goods, Services or Construction sought to be Procured by the City, shall state where Specifications therefor may be obtained and shall set forth the time and place for a public opening of Formal Bids received timely. The Manager shall, in addition and as practicable, solicit Formal Bids from a sufficient number of responsible prospective bidders whose names appear on the bidders' lists maintained pursuant to Section 1105 hereof by causing to be sent to them notification that will acquaint them with the Procurement items sought by the City. A Notice Inviting Bids for the procurement of Services or Professional Services may be issued in the form of a Request for Proposals or Request for Qualifications as deemed appropriate by the Manager.

SECTION 504. Submittal of Bids and Bid Securities. Bids and bid securities, which security shall guarantee the Bid and be forfeited to the City if the Bidder is awarded the Contract but fails or refuses to honor the Bid and execute the Contract documents timely, shall be submitted to the City in the following manner:

(a) For Formal Procurement subject to Section 1109 of the City Charter, the Bids shall be (i) submitted in the manner required by the City as specified in the solicitation document, (ii) accompanied by the type and amount of Bid security prescribed by Section 1109, (iii) sealed as prescribed in the Notice Inviting Bids or the specifications referenced in the notice, and (iv) submitted to the City's Purchasing Division within the time and in the manner specified by the notice or Specifications.

(b) For Formal Procurement not subject to Section 1109 of the City Charter, the Bid shall be submitted in the form required by the City, accompanied by the type and amount of Bid security specified, sealed, and submitted to the Purchasing Division within the time and manner specified in the notice inviting Bids or the Specifications referenced in the notice.

SECTION 505. Opening of Bids. The Bids shall be opened and referenced as to Bidder identity and amounts Bid in public at the time and place specified in the published notice, and no Bid shall be received or recognized by the Purchasing Division, which has not been received prior to the time so specified. Bids submitted in response to a Request for Proposals or Request for Qualification shall be opened and evaluated in the manner provided in the Request for Proposals for the Request for Qualifications. If, upon the opening of Bids to provide Goods, Services, or Professional Services, the Manager determines that the actual expenditure therefor would appear to be $50,000, or less, the Manager may convert the Formal Procurement to Informal Procurement procedures for award of a Contract. For Construction not subject to the provisions of Section 1109 of the City Charter, the Manager may convert the Formal Procurement to Informal Procurement procedures only when the actual expenditure therefor would appear to be $50,000 or less.

SECTION 506. Tabulation or Evaluation and Inspection of Bids. After the Bids have been opened and referenced, the Manager shall cause them to be tabulated or, in the case of a Request

for Proposals or Request for Qualifications, evaluated in accordance with the criteria established therein.

SECTION 507. Rejection of Bids. The Manager may in his/her discretion reject any and all Bids, or any segregable portions thereof, for any one or more types of Goods, Services, Professional Services, Construction, or Design-Build Services included in the Specifications when the public interest is served thereby, provided specifically that any potential award does not otherwise require consideration by the Awarding Entity, in which case any rejection or award shall be made by the Awarding Entity. The Awarding Entity may also take any other action permitted by Section 1109 of the City Charter. Notwithstanding the above, the Manager may cancel a Formal Procurement and reject all bids at any time prior to the Award when doing so would be in the best interest of the City.

SECTION 508. Awards. Contracts procured through Formal Procurement shall be awarded by the Awarding Entity to the Lowest Responsive and Responsible Bidder, except that:

(a) Contracts procured through Formal Procurement may be awarded by the Manager where the procurement is made using Cooperative Procurement methods and a supplemental appropriation is not otherwise required;

(b) A Contract for Goods may be awarded to a local Responsive Bidder who is not the Lowest Responsive Bidder pursuant to Section 604, "Preference Policy" if the Bid difference amount between the local Responsive Bidder and the Lowest Responsive Bidder does not exceed five percent (5%) of the Lowest Responsive Bid;

(c) Contracts procured through Formal Procurement for Services or Professional Services, where a Request for Proposals or Request for Qualifications was used to solicit Bids, shall be awarded by the Awarding Entity in accordance with the evaluation criteria set forth in the Request for Proposals or Request for Qualifications, except that a local Proposer may be given preference pursuant to Section 704 "Preference Policy", where the difference in price proposal between the local Proposal and the lowest price proposal does not exceed five percent (5%) of the lowest price proposal;

(d) Contracts for Professional Services procured through Formal Procurement shall be awarded by the City Council. Where the Using Agency is the Public Utilities Department, the award shall be reviewed by the Board of Public Utilities for recommendation prior to award by the City Council.

SECTION 509. Approval of Contracts. All Contracts procured through Formal Procurement shall be approved as to form by the City Attorney.

SECTION 510. Contract Bonds. Contract bonds executed by good and sufficient sureties authorized to conduct surety business in the State of California and in such amounts as are required by law or deemed adequate to insure the faithful performance of a Contract in the time and manner prescribed therein shall be required of the successful Bidder for all Contracts over $25,000 for Construction, where they are required by law, and in other instances as determined by the Manager. Contract bonds requirements shall be set out in the notice inviting bids or the specifications. "Contract bonds" means performance bonds (or functional equivalent such as supply bonds) to guarantee the Contractor's faithful performance of the awarded Contract in the time, manner and workmanship specified and payment bonds to guarantee the Contractor's payment of claims as prescribed in Section 9550 et seq. of the California Civil Code.

SECTION 511. Assignment of Contract. Contracts procured through Formal Procurement shall not be assigned by the Contractor without the written consent of the City Manager. In no event shall a Contract or any part thereof be assigned to a Bidder who was declared not to be a Responsive Bidder during consideration of the Bids submitted in response to advertisement for that particular Procurement.

SECTION 512. Public Records. The Manager shall maintain and keep records of all Formal Procurements, including Formal Bids received, in accordance with the applicable City's Record Retention Schedule adopted by the City Council from time to time.

SECTION 513. Bidder Contact with City. All communications from Bidders shall be directed only to the City representative and in the form as designated in the Notice Inviting Bids. Any communications, whether written or verbal with any City Councilmember or City staff other

than the City representative designated in the Notice Inviting Bids, prior to the award of a contract, is strictly prohibited. Bidders violating this section shall be disqualified from consideration and rejected by the Manager.

ARTICLE SIX: ACQUISITION OF GOODS

SECTION 600. Policy. Acquisition of Goods by a Using Agency under the supervision of the Manager:

(a) Of $50,000 or less may follow the Informal Procurement process, unless as required by Section 1109 of the City Charter;

(b) Anticipated to be more than $50,000, shall follow the Formal Procurement process.

SECTION 601. Acquisition of Goods Procedure. The process, forms and systems for the acquisition of Goods, as approved by the Manager, Chief Financial Officer, and City Manager, shall be included in the City's Administrative Manual.

SECTION 602. Exceptions. Competitive Procurement through the Informal Procurement and Formal Procurement process shall not be required in any of the following circumstances:

(a) When an emergency arises and Emergency Procurement is undertaken pursuant to Article Three hereof;

(b) When the Procurement involved is less than $10,000.00;

(c) When the Procurement can only be obtained from a sole source and the Manager is satisfied that the best price, terms and conditions have been negotiated;

(d) When the Procurement can only be obtained timely from a single source and the Manager is satisfied that the best price, terms and conditions for the Procurement thereof have been negotiated;

(e) When the Procurement is for vehicles, equipment, replacement parts, accessories, or other Goods necessary for the acquisition, outfitting, operation, maintenance or repair of the City's vehicles and aviation units, and other motorized Fleet related equipment;

(f) When Cooperative Purchasing is available and undertaken or when Goods can be obtained through Federal, State and/or other public entity pricing contracts or price agreements;

(g) Where payment for Goods is to be made to a Federal, State, and/or other public entity;

(h) When Goods can be Procured by Piggy-backing from a Bidder who offers the same or better price, terms and conditions as the Bidder previously offered as the Lowest Responsive Bidder under Competitive Procurement conducted by the City or another public agency, provided that, in the opinion of the Manager, it is in the best interests of the City to do so;

(i) When the Procurement is subject to Section 403 of this Resolution;

(j) When the Procurement is subject to Section 404 of this Resolution, which generally allows for items peculiar to the needs of Riverside Public Utilities (Section 1203 of the City Charter) and Public Works - Sewer to be made through Informal or Negotiated Procurement;

(k) When the Awarding Entity waives bidding requirements under and according to the circumstances set forth in Section 1109 of the City Charter, or when it is determined by the Manager to be in the best interests of the City to do so;

(l) When the Procurement is subject to Section 405 of this Resolution, which generally allows for books, journals, maps, publications and other supplies peculiar to the needs of the library to be made through Informal or Negotiated Procurement subject to the provisions of Section 808(d) of the City Charter;

(m) When the Procurement is Subject to Section 406 of this Resolution, which generally allows for Gift Shop Exhibit Materials for Profit, Academics, Curators, Exhibition Developers, Exhibit Books and Catalogs to be made through Informal or Negotiated Procurement;

(n) When the Procurement is for public art or Museum artifacts;

(o) When the Procurement is for wholesale energy, energy ancillary services, energy transmission, wholesale water commodity, and water transmission purchases by or on behalf of the City's Public Utilities Department;

(p) When approved by the Manager, the City requires Goods not subject to the bidding requirements of Section 1109 of the City Charter, which are of such a nature that suitable technical or performance specifications describing them are not readily available and cannot be developed in a timely manner to meet the needs of the City, in which case the Manager shall be authorized to

negotiate with any Person or Persons for the Procurement thereof upon the price, terms and conditions deemed by the Manager to be in the best interest of the City and in doing so may utilize Informal Procurement or Negotiated Procurement process;

(q) When the Procurement is for the renewal of maintenance, license(s), support, or a similar need for existing technology systems, including hardware, and the items procured are from the owner/developer of the software/hardware or from a sole source provider, and the Manager is satisfied that the best price, terms and conditions have been negotiated;

(r) When the Procurement is for the renewal of maintenance, license(s), support, or a similar need for existing technology systems, including hardware, and the items are procured from a vendor/reseller that was originally selected based on the City's procurement standards, provided that 1) the contractor has been used continuously since such selection and 2) if there are not any non-substantive changes to the Procurement and 3) when it is determined by the Manager to be in the best interests of the City to do so;

(s) When the Procurement is for employee negotiated benefits established through an applicable collective bargaining agreement, memorandum of understanding, employment agreement, or other City-authorized employee benefit program, and the cost is paid almost entirely by the participating employee; and

(t) When the Procurement is for the purchase or acquisition of a City K-9 Officer or other working animal, or for Goods necessary for the care, feeding, equipping, or healthcare of a City K-9 Officer or other working animal.

SECTION 603. Grant Purchases. When the Procurement for Goods are to be procured through the use of Federal or State grant funding, procurement shall be done in accordance with the procedures herein. If the receipt of grant funding is conditioned upon requirements and procedures more strict than as set forth herein, the procedures necessary for the receipt of the grant funding shall be followed. Certain federally funded Procurements are subject to sections 200.317 through 200.327 of Title 2 of the Code of Federal Regulations (CFR). Federally funded Procurements shall follow the applicable CFR provisions, except where this Resolution provides

for a stricter procedure, then the provisions of this Resolution shall apply. The Using Agency is responsible for compliance with all aspects of grant requirements and shall inform the Manager of any and all grant requirements which affect the expenditure of grant funds and the procurement of Goods, Services, or Construction with grant funds.

SECTION 604. Preference Policy. In the Manager's administration of Competitive Procurement pursuant to this Resolution, the Manager shall be authorized to give such preferences for Goods, Services, Professional Services or Construction as chartered cities are required to give by applicable State or Federal law, or such preferences as are permitted by such law and specifically provided for from time to time by City Council resolution or ordinance.

SECTION 605. Local Preference. In the Procurement of Goods for the City's requirements, preference shall be given to those vendors who have a local presence in the City of Riverside, provided that price, quality, terms, delivery and service reputation are determined to be equal by the Manager under the criteria set forth in Section 508 hereof. To qualify as a local vendor, the Bidder must certify to the following at the time of Bid submission:

(a) It has fixed facilities with employees located within the City limits;

(b) It has a business street address within the City limits (Post Office box or residential address shall not suffice to establish a local presence);

(c) All sales tax returns for the Goods purchased must be reported to the State through a business within the geographic boundaries of the City and the City will receive one percent (1 %) or such percentage of sales tax of Goods purchased as is allocable to the City from time to time under then existing state law; and

(d) It has a current City business license.

False certifications shall be immediate grounds for rejection of any Bid or if the Bid is awarded, grounds for voiding the Bid, terminating any Contract, and seeking damages thereto. This local preference shall not be applicable where otherwise prohibited by law, including but not limited to Procurements funded by utility rates and subject to Proposition 218 and/or Proposition 26 and Procurements funded by federal grants.

SECTION 606. Recycled Goods Preference. In the Procurement of Goods for the City's requirements, preference shall be given, as the City Council from time to time hereafter directs by resolution or ordinance, to recycled Goods as defined and provided for in such state legislation as the State Assistance for Recycling (STAR) Markets Act of 1989 (commencing at Section 12150 of the California Public Contract Code) and the California Integrated Waste Management Act of 1989 (commencing at Section 40000 of the California Public Resources Code).

SECTION 607. Preference Exceptions. Preferences shall not be applicable in the following circumstances:

(a) Where the Procurement is funded by utility rates subject to Proposition 218 and/or Proposition 26, such as Water, Electric, Sewer, or Solid Waste Collection;

(b) Where the Goods are procured under a cooperative purchasing agreement;

(c) Where the Procurement is funded in whole or in part by another governmental entity or granting agency with laws, regulations, or policies prohibiting local preference;

(d) Where the Procurement is let under emergency or noncompetitive situations pursuant to Section 403 and 602;

(e) When the Procurement involved is less than $10,000.00, except that the Using Agency shall make good faith efforts to obtain such Goods from a local vendor as defined in Section 605;

(f) Where the City Council has exercised discretion to waive the application of the local preference to a particular contract for which the Manager is the awarding authority; and

(g) Where otherwise prohibited by law.

ARTICLE SEVEN: ACQUISITION OF SERVICES

SECTION 700. Policy. Acquisition of Services and Professional Services by a Using Agency under the supervision of the Manager:

(a) Of $50,000 or less may follow the Informal Procurement process;

(b) Anticipated to be more than $50,000, shall follow the Formal Procurement process.

SECTION 701. Acquisition of Services Procedure. The process, forms and systems used in the acquisition of Services and Professional Services as approved by the Manager, Chief Financial Officer, and City Manager, shall be included in the City's Administrative Manual.

SECTION 702. Exceptions. Competitive Procurement through the Informal Procurement and Formal Procurement process shall not be required in any of the following circumstances:

(a) When an emergency arises and Emergency Procurement is undertaken pursuant to Article Three hereof;

(b) When the Procurement involved is less than $10,000.00;

(c) When the Procurement can only be obtained from a sole source and the Manager is satisfied that the best price, terms and conditions for the Procurement thereof have been negotiated;

(d) When the Procurement can only be obtained timely from a single source and the Manager is satisfied that the best price, terms and conditions for the Procurement thereof have been negotiated;

(e) When the Procurement consists of services needed for the acquisition, outfitting, operation, maintenance, replacement parts, or repair for the City's vehicles and aviation units and other motorized Fleet related equipment;

(f) When Cooperative Purchasing is available and undertaken or when Services can be obtained through Federal, State and/or other public entity pricing contracts or price agreements;

(g) Where payment for Services is to be made to a Federal, State, and/or other public entity;

(h) When Services, except for Professional Services, can be Procured by Piggy-backing from a Contractor who offers the same or better price, terms and conditions as the Contractor previously offered as the Lowest Responsive Bidder under Competitive Procurement or negotiations conducted by the City or another public agency, provided that, in the opinion of the Manager, it is in the best interests of the City to do so;

(i) When the Procurement is subject to Section 403 of this Resolution.

(j) When the Procurement is subject to Section 404 of this Resolution, which generally allows for items peculiar to the needs of Riverside Public Utilities (Section 1203 of the City Charter) and/or Public Works - Sewer to be made through Informal or Negotiated Procurement.

(k) When the Procurement is subject to Section 405 of this Resolution, which generally allows for books, journals, maps, publications and other supplies peculiar to the needs of the library to be made through Informal or Negotiated Procurement subject to the provisions of Section 808(d) of the City Charter;

(l) When the Procurement is subject to Section 406 of this Resolution, which generally allows for Gift Shop Exhibit Materials for Profit, Academics, Curators, Exhibition Developers, Exhibit Books and Catalogs to be made through Informal or Negotiated Procurement;

(m) When the Procurement is for public art or Museum artifacts;

(n) When the Awarding Entity waives bidding requirements under and according to the circumstances set forth in Section 1109 of the City Charter, or when it is determined by the Manager to be in the best interests of the City to do so;

(o) When the Procurement is for wholesale energy, energy ancillary services, energy transmission, wholesale water commodity, and water transmission purchases by or on behalf of the City's Public Utilities Department;

(p) When the Procurement is for the retention of outside legal counsel and services;

(q) When the Procurement is for the retention of services associated with litigation and/or claims, or other such related matters, including but not limited to expert witnesses, arbitrators, mediators, court transcripts, court reporters, process servers, private investigators, court filing and messenger services, and other legal support services;

(r) When the Procurement is by the City Manager or designee for an interim Department Head, interim Assistant/Deputy Department Head or an interim Senior Management employee;

(s) When approved by the Manager and the Procurement is for the hiring of special instructors/performers, including but not limited to classes offered by the Library, Museum, or Park, Recreation, and Community Services departments.

(t) When the Procurement is for the annual maintenance, license(s), support, or similar need for current technology systems, including hardware, and the items procured are from the owner/developer of the software/hardware or from a sole source provider, and the Manager is satisfied that the best price, terms and conditions have been negotiated;

(u) When the Procurement is for the renewal of maintenance, license(s), support, or a similar need for existing technology systems, including hardware, and the items are procured from a vendor/reseller that was originally selected based on the City's procurement standards, provided that 1) the vendor has been used consecutively since then and 2) if there are any non-substantive changes to the procurement, the Manager is satisfied that the best price, terms and conditions have been negotiated;

(v) When the Competitive Procurement of less than $50,000 for Services and Professional Services is waived with the written approval of the City Manager;

(w) When approved by the Manager, Services not subject to the bidding requirements of Section 1109 of the City Charter, which are of such a nature that suitable technical or performance specifications describing them are not readily available and cannot be developed in a timely manner to meet the needs of the City, in which case the Manager shall be authorized to negotiate with any Person or Persons for the Procurement thereof upon the price, terms and conditions need by the Manager to be in the best interest of the City and in doing so may utilize Informal Procurement or Negotiated Procurement process;

(x) When the Procurement is for employee negotiated benefits established through an applicable collective bargaining agreement, memorandum of understanding, employment agreement, or other City-authorized employee benefit program, and the cost is paid almost entirely by the participating employee; and

(y) When the Procurement is for training, boarding, veterinary care, healthcare, or other Services necessary for a City K-9 Officer or other working animal.

SECTION 703. Grant Purchases. When the Procurement of Services are to be procured through the use of Federal or State grant funding, procurement shall be done in accordance with

the procedures herein. If the receipt of grant funding is conditioned upon requirements and procedures more strict than as set forth herein, the procedures necessary for the receipt of the grant funding shall be followed. Certain federally funded Procurements are subject to sections 200.317 through 200.327 of Title 2 of the Code of Federal Regulations (CFR). Federally funded Procurements shall follow the applicable CFR provisions, except where this Resolution provides for a stricter procedure, then the provisions of this Resolution shall apply. The Using Agency is responsible for compliance with all aspects of grant requirements and shall inform the Manager of any and all grant requirements which affect the expenditure of grant funds and the procurement of Goods, Services, or Construction with grant funds.

SECTION 704. Local Preference. In the Procurement of Services and Professional Services for the City's requirements, preference shall be given to those vendors who have a local presence in the City of Riverside, provided that price, quality, terms, delivery and service reputation are determined to be equal by the Manager under the criteria set forth in Sections 408 and 508 hereof. To qualify as a local vendor, the Bidder/Proposer must certify to the following at the time of Bid submission:

(a) It has fixed facilities with employees located within the City limits;

(b) It has a business street address within the City limits (Post Office box or residential address shall not suffice to establish a local presence);

(c) It has a current City business license.

False certifications shall be immediate grounds for rejection of any Bid/Proposal or if the Bid/Proposal is awarded, grounds for voiding the Bid/Proposal, terminating any Contract, and seeking damages thereto.

SECTION 705. Preference Exceptions. Preferences shall not be applicable in the following circumstances:

(a) Where the Procurement is funded by utility rates subject to Proposition 218 and/or Proposition 26, such as Water, Electric, Sewer, or Solid Waste Collection;

(b) Where the Services are procured under a cooperative purchasing agreement;

(c) Where the Procurement is funded in whole or in part by another governmental entity or granting agency with laws, regulations, or policies prohibiting local preference;

(d) Where the Procurement is let under emergency or noncompetitive situations pursuant to Section 403 and 702;

(e) When the Procurement involved is less than $10,000.00, except that the Using Agency shall make good faith efforts to obtain such Services or Professional Services from a local vendor as defined in Section 704;

(f) Where the City Council has exercised discretion to waive the application of the local preference to a particular contract for which the Manager is the awarding authority; and

(g) Where otherwise prohibited by law.

ARTICLE EIGHT: ACQUISITION OF CONSTRUCTION SERVICES

SECTION 800. Policy. Acquisition of Construction services shall be completed in conformance with Section 1109 of the City Charter. To the extent not inconsistent with the City Charter, the provisions of this Resolution, as amended from time to time, shall apply to all Design-Build and Design-Bid-Build Public Works Projects. Formal Procurement process and Awarding Entity approval shall be required for acquisition of all services above $50,000 pursuant to City Charter Sections 1109 and 1202(b).

SECTION 801. Acquisition of Construction Services Procedure. The process, forms and systems used to acquire Construction Services, as approved by the Manager, Chief Financial Officer, and City Manager, shall be included in the City's Administrative Manual.

SECTION 802. Exceptions. For Procurements subject to section 1109 of the City Charter, (Construction Services over $50,000), only the exceptions listed in section 1109 shall apply. Except as otherwise required by the City Charter, Competitive Procurement for Construction Services under $50,000 through the Informal Procurement and Formal Procurement process shall not be required in any of the following circumstances:

(a) When an emergency arises and Emergency Procurement is undertaken pursuant to Article Three hereof;

(b) When the Procurement involved is less than $10,000.00;

(c) When the Procurement can only be obtained from a sole source and the Manager is satisfied that the best price, terms and conditions for the Procurement thereof have been negotiated;

(d) When the Procurement can only be obtained timely from a single source and the Manager is satisfied that the best price, terms and conditions for the Procurement thereof have been negotiated;

(e) When procurements are conducted by Consultants on behalf of the City;

(f) When Construction Services can be Procured by Piggy-backing from a Contractor who offers the same or better price, terms and conditions as the Contractor previously offered as the Lowest Responsive Bidder under Competitive Procurement or negotiations conducted by the City or another public agency, provided that, in the opinion of the Manager, it is in the best interests of the City to do so;

(g) When Cooperative Purchasing is available and undertaken or when Services can be obtained through Federal, State and/or other public entity pricing contracts or price agreements;

(h) Where payment for Construction Services is to be made to a Federal, State, and/or other public entity;

(i) When the Awarding Entity waives bidding requirements under and according to the circumstances set forth in Section 1109 of the City Charter, or when it is determined by the Manager to be in the best interests of the City to do so; and

(j) When approved by the Manager, the City requires Construction Services, not subject to the bidding requirements of Section 1109 of the City Charter, which are of such a nature that suitable technical or performance specifications describing them are not readily available and cannot be developed in a timely manner to meet the needs of the City, in which case the Manager shall be authorized to negotiate with any Person or Persons for the Procurement thereof upon the price, terms and conditions deemed by the Manager to be in the best interest of the City and in doing so may utilize Informal Procurement.

SECTION 803. Grant Purchases. When the Procurement for Construction Services are to be procured through the use of Federal or State grant funding, procurement shall be done in accordance with the procedures herein. If the receipt of grant funding is conditioned upon requirements and procedures more strict than as set forth herein, the procedures necessary for the receipt of the grant funding shall be followed. Certain federally funded Procurements are subject to sections 200.317 through 200.327 of Title 2 of the Code of Federal Regulations (CFR). Federally funded Procurements shall follow the applicable CFR provisions, except where this Resolution provides for a stricter procedure, then the provisions of this Resolution shall apply. The Using Agency is responsible for compliance with all aspects of grant requirements and shall inform the Manager of any and all grant requirements which affect the expenditure of grant funds and the procurement of Construction Services with grant funds.

SECTION 804. Change Order Exception. Field Orders are specifically allowed on Design-Build and Design-Bid-Build projects, if contemplated for in the contract.

ARTICLE NINE: ACQUISITION OF DESIGN-BUILD SERVICES

SECTION 900. Policy. Acquisition of Design-Build Services shall be completed in conformance with Section 1114 of the City Charter and Chapter 1.07 of the City Municipal Code. To the extent not inconsistent with the City Charter and Municipal Code, the provisions of this Resolution, as amended from time to time, shall apply to all Design-Build Public Works Projects. All Design-Build Services, regardless of Procurement dollar amount and approval limits for each Awarding Entity, shall follow the selection process and process outlined in Chapter 1.07 of the City Municipal Code.

SECTION 901. Acquisition of Design-Build Services Procedure. The process, forms and systems used to acquire Design-Build Services, as approved by the Manager, Chief Financial Officer, and City Manager, shall be included in the City's Administrative Manual.

SECTION 902. Exceptions. When an emergency arises and Emergency Procurement is undertaken pursuant to Article Three hereof.

SECTION 903. Grant Purchases. When the Procurement for Design-Build Services are to be procured through the use of Federal or State grant funding, procurement shall be done in accordance with the procedures herein. If the receipt of grant funding is conditioned upon requirements and procedures more strict than as set forth herein, the procedures necessary for the receipt of the grant funding shall be followed. Certain federally funded Procurements are subject to sections 200.317 through 200.327 of Title 2 of the Code of Federal Regulations (CFR). Federally funded Procurements shall follow the applicable CFR provisions, except where this Resolution provides for a stricter procedure, then the provisions of this Resolution shall apply. The Using Agency is responsible for compliance with all aspects of grant requirements and shall inform the Manager of any and all grant requirements which affect the expenditure of grant funds and the procurement of Design-Build Services with grant funds.

ARTICLE TEN: ACQUISITION OF REAL PROPERTY

SECTION 1000. Policy. Acquisition of Services by a Using Agency under the supervision of the Real Property Services Manager:

SECTION 1001. Acquisition of Real Property Procedure. The process, forms and systems used to conduct the acquisition of Real Property, as approved by the Manager, Community & Economic Development Director, Chief Financial Officer, and City Manager, shall be included in the City's Administrative Manual.

SECTION 1002. Exceptions. None.

SECTION 1003. Grant Purchases. When the Procurement for Real Property is to be procured through the use of Federal or State grant funding, procurement shall be done in accordance with the procedures herein. If the receipt of grant funding is conditioned upon requirements and procedures more strict than as set forth herein, the procedures necessary for the receipt of the grant funding shall be followed. Certain federally funded Procurements are subject to sections 200.317 through 200.327 of Title 2 of the Code of Federal Regulations (CFR). Federally funded Procurements shall follow the applicable CFR provisions, except where this Resolution provides for a stricter procedure, then the provisions of this Resolution shall apply.

The Using Agency is responsible for compliance with all aspects of grant requirements and shall inform the Manager of any and all grant requirements which affect the expenditure of grant funds and the procurement of Real Property with grant funds.

SECTION 1004. Signatory Authority. When the cost of acquisition of real property by the City is Fifty Thousand Dollars ($50,000) or less, or when the cost of acquisition of real property by the City is over Fifty Thousand Dollars ($50,000) and said acquisition has been previously approved by the City Council, the City Manager, any of the Assistant City Managers, or the Community & Economic Development Director are hereby authorized to negotiate and execute any and all documents necessary to complete the transaction, including, but not limited to, Purchase and Sale Agreements and Escrow Instructions.

SECTION 1005. Public Utilities. Pursuant to Article XII, Section 1202(b), when Riverside Public Utilities funds in excess of $50,000 are utilized for the full or partial payment for the acquisition of Real Property, the Board of Public Utilities must approve the purchase prior to approval of the City Council.

SECTION 1006. Notification to Manager. Within 90 days following the acquisition of real property, the acquiring City Department will notify the Manager of the acquisition so that the property may be added to the City's schedule of insured property.

ARTICLE ELEVEN: PURCHASE ORDER AND PURCHASE REQUISITION PROCEDURES

SECTION 1100. Policy and Purpose. The purpose of the Purchase Requisition is to inform the Manager, in clear and explicit terms, of the Procurement needs and processes followed of the Using Agencies, thus enabling the Manager to oversee the Procurement of all Goods, Services, Professional Services, Construction, and Design-Build work required by the City. Except as otherwise provided in this Resolution, each Using Agency shall prepare a Purchase Requisition and submit it to the Manager to provide documentation for the proper Procurement process followed. Goods shall not be ordered and/or received, and Services, Professional Services, Construction and Design-Build work shall not commence until a Purchase Requisition has been

approved by the Manager or designee and a Purchase Order has been issued. No Purchase Requisition shall be broken into smaller units to evade any requirement of this Resolution, except that unrelated items requisitioned by Using Agencies may be separated to provide different lists to vendors dealing in different types of Goods, Services, Professional Services, Construction and Design-Build work.

SECTION 1101. Who May Requisition. All Purchase Requisitions shall be completed and shall be approved by the head or duly authorized representative of the Using Agency making the requisition. At such times and in such manner as shall be prescribed by the Manager, the head of each Using Agency shall file with the City's Chief Financial Officer a written designation of each person who is authorized to approve Purchase Requisitions on behalf of the Using Agency or any division or section thereof.

SECTION 1102. Purchase Requisition Procedure. The process, forms and systems used to process Purchase Requisitions, as approved by the Manager, Chief Financial Officer, and City Manager, shall be included in the City's Administrative Manual.

SECTION 1103. Purchase Order and Encumbrance of Funds. All Procurement of Goods, Services Construction, and Design-Build shall be made by Purchase Order. Certain procurements for Services, Construction and Design-Build may have terms and conditions that govern those Procurements stated in Contracts and in such case the Purchase Order will be utilized to track and encumber funds. No Purchase Orders shall be required for petty cash purchases or P-Card purchases less than an amount recommended from time to time by the Chief Financial Officer and approved by the City Manager. Except in cases of Emergency Procurement, no Purchase Order shall be issued unless there exists an unencumbered appropriation in the fund account against which the Procurement is to be charged. Except for Emergency Procurement, no Goods, Services, Construction or Design-Build work shall be ordered, obtained or received without authorization by the Manager, which authorization shall be in the form of an executed or confirming Purchase Order. The Manager, or his designees, shall be authorized to issue and execute Purchase Orders in

accordance with policies and procedures established by the City Manager from time to time, that are consistent with this Resolution.

SECTION 1104. Change Orders.

(a) General Requirements. Modifications to a Purchase Order shall be made only by Change Order, except that minor variances of $200 or less, where the variance is due to sales tax or freight charges may be processed without a Change Order.

(b) Permitted Uses. Subject to the availability of funds, Change Orders may be utilized for purposes of (1) adding and/or deleting quantity of items being procured, (2) modifying unit prices, (3) modifying scope of work/services being provided, where the modification is reasonably related to the original scope of work/services, (4) changing funding source(s), (5) modifying contract completion time or the term of a Contract, or (6) any other change approved by the Manager.

(c) **Prohibited Scope Changes.** A Change Order shall not be used to add or modify Goods, Work, or Services that are not reasonably related to the original scope of the Contract or Purchase Order, as determined by the Manager. Such Goods, work, or Services shall require a separate Procurement or an applicable exception to Competitive Procurement;

(d) **Goods, Services, and Professional Services Not Previously Approved by the City Council.** The Manager, or designee, may approve Change Orders to a Contract or Purchase Order that was not previously approved by the City Council, provided that the cumulative Change Orders do not cause the total Contract or Purchase Order amount to exceed $100,000. If a Change Order causes the total Contract or Purchase Order amount to exceed $100,000, approval by the applicable Awarding Entity is required before the Change Order may be executed;

(e) **Goods, Services, and Professional Services Not Previously Approved by the Board of Public Utilities.** The Manager, or designee, may approve Change Orders to a Contract or Purchase Order procured by the Department of Pubic Utilities that was not previously approved by the Board of Public Utilities, provided that the cumulative Change Orders do not cause the total Contract or Purchase Order amount to exceed $50,000. If a Change Order causes the total Contract

or Purchase Order amount to exceed $50,000, approval by the applicable Awarding Entity is required before the Change Order may be executed;

(f) **Construction and Design-Build Not Previously Awarded by the Awarding Entity.** The Manager, or designee, may approve cumulative Change Orders of up to ten percent (10%) of the original Contract or Purchase Order amount, subject to the authority established by the City Charter and this Resolution. A Change Order that causes the Contract amount to exceed $50,000 or otherwise requires approval under the City Charter shall be approved by the applicable Awarding Entity before execution;

(g) **Contracts and Purchase Orders Previously Approved by the City Council or Board of Public Utilities.** The Manager, or designee, may approve cumulative Change Orders when:

1) The cumulative Change Orders do not exceed ten percent (10%) of the original Contract or Purchase Order amount; **and**
2) The cumulative Change Orders approved under this delegated authority do not exceed $150,000.
3) If either limit is exceeded, approval by the applicable Awarding Entity is required before any additional Change Order may be executed, unless the Awarding Entity previously authorized additional Change Order authority;

(h) **Term and Completion Date Extensions.** Approval by the applicable Awarding Entity is required when:

1) A Contract amendment extends the term of the Contract more than one year beyond the original expiration date; or
2) A Change Order extends the time for completion more than one year beyond the original completion date.
3) This subsection does not apply when the applicable Awarding Entity previously authorized the additional extension;

(i) **Pre-Approved Change Order Authority.** The City Council or Board of Public Utilities, as applicable, may authorize Change Order authority greater than the limits established in this Section. The amount or percentage of the additional authority must be expressly stated in the recommendation presented to the Awarding Entity. Any specifically approved Change Order authority shall be in lieu of, and not in addition to, the authority otherwise provided by this Section unless expressly authorized by the Awarding Entity;

(j) **Documentation and Execution.** Change Orders for Services and Professional Services shall be documented by a fully executed written amendment to the applicable Contract. All other Change Orders may be documented by an executed Change Order form. The Manager, or designee, is authorized to issue and execute Change Orders within the authority established by this Section and in accordance with policies and procedures established by the City Manager that are consistent with this Resolution.

SECTION 1105. Bidders' Lists. The Manager shall maintain public lists of prospective bidders for each class of Goods, Services, Professional Services or Construction for which Competitive Procurement is required. These lists shall set forth the names and addresses of prospective sources of Goods or Services and shall include the manufacturer of the Goods or the provider of the Services in all instances in which the manufacturer or provider follows the practice of direct bidding in addition to or in lieu of bidding through a local wholesaler, distributor or representative.

ARTICLE TWELVE: DISPOSITION OF SURPLUS GOODS

SECTION 1200. Reporting. Each Using Agency shall submit to the Manager, at such times and in such form as the Manager prescribes, reports describing all Goods held by the Using Agency, which the Using Agency has determined to be Surplus Goods. At such time that a periodic physical inventory of the Goods held by any Using Agency is required by the Manager, the Using Agency shall segregate all of its surplus Goods and a report thereof shall be furnished to the Manager by the Using Agency for the transfer or disposition of such Goods.

SECTION 1201. Custody of Surplus Goods. Each Using Agency shall retain custody of its surplus Goods in such manner and at such place as the Manager shall direct, until their transfer or final disposition has been made. No Using Agency shall in any event permit any surplus Goods held by it to be loaned or donated without City Council approval, or destroyed or otherwise removed from the City's custody without the prior written approval of the Manager.

SECTION 1202. Transfer. Before disposing of surplus Goods, including unclaimed property delivered to the Manager by the Police Department, the Manager shall first canvass all other Using Agencies to assure that the surplus Goods cannot be used by another Using Agency. If another Using Agency expresses a desire to use the Goods or hold them for potential future use, the Manager shall assist in transferring the Goods to that Using Agency.

SECTION 1203. Disposition. The Manager is hereby authorized to dispose of City surplus Goods and Police unclaimed property which are not used or needed by any Using Agency or which have become unsuitable for City use. The Manager may dispose of such Goods and Property by any of the following procedures:

(a) They may be exchanged or traded in on new Goods;

(b) They may be sold utilizing competitive procedures similar to those prescribed herein for Formal Procurement or Informal Procurement;

(c) They may be sold at public auction conducted by the Manager or a professional auctioneer which the Manager is hereby authorized to retain on the basis of a negotiated flat fee,

hourly fee or percentage of the amount of the sale, whichever is determined by the Manager to be in the best interests of the City;

(d) They may be sold utilizing a negotiation process when the Manager deems in writing that such process is in the best interests of the City;

(e) They may be disposed of as scrap or destroyed if they have no resale value;

(f) In accordance with State law, City's Municipal Code, and City's Administrative Manual policies and procedures; or

(g) They may be sold to another public agency utilizing a negotiation process when the Manager deems in writing that such process is in the best interests of the City.

SECTION 1204. Library Books. Notwithstanding anything to the contrary in this Resolution, books and other items which are subject to Section 808(d) of the City Charter and which the Library Department has determined to discard may be disposed of in accordance with policies as are adopted from time to time by the Board of Library Trustees and approved by the City Council.

SECTION 1205. Contributions to Other Agencies. Nothing contained in this Resolution shall affect the power and authority of the City Council to make contributions of funds, Goods, Services or Construction to other agencies.

Section 2: That the City Manager or his/her designee is authorized to execute all Contracts awarded in accordance with this Resolution.

Section 3: That Resolution No. 24101, and all amendments thereto, is hereby repealed.

ADOPTED by the City Council this ___ day of _____, 20__.

_____
PATRICIA LOCK DAWSON
Mayor of the City of Riverside

Attest:

_____
DONESIA GAUSE
City Clerk of the City of Riverside

ADOPTED by the City Council this 1st day of September, 2026.

PATRICIA LOCK DAWSON
Mayor of the City of Riverside

Attest:

DONESIA GAUSE
City Clerk of the City of Riverside

I, Donesia Gause, City Clerk of the City of Riverside, California, hereby certify that the foregoing resolution was duly and regularly adopted at a meeting of the City Council of said City at its meeting held on the 1st day of September, 2026, by the following vote, to wit:

Ayes: Falcone, Cervantes, Robillard, Conder, Mill, Hernandez and Hemenway

Noes:

Absent:

Disqualified:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Riverside, California, this 8th day of September, 2026.

DONESIA GAUSE
City Clerk of the City of Riverside

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