

In the City Council
City of Lodi
Lodi, California

ORDINANCE NO. 630

AN ORDINANCE OF THE CITY OF LODI PROVIDING FOR
THE PURCHASE AND SALE OF SUPPLIES, SERVICES AND
EQUIPMENT.

THE CITY COUNCIL OF THE CITY OF LODI DOES ORDAIN AS FOLLOWS:

SECTION 1. ADOPTION OF PURCHASING SYSTEM. In order to establish efficient procedures for the purchase of supplies, services and equipment, to secure for the City supplies, services and equipment 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, a purchasing system is hereby adopted.

SECTION 2, PURCHASING OFFICER, There is hereby created the position of Purchasing Officer. He shall be appointed by the City Manager. The Purchasing Officer shall be the head, and have general supervision of the Purchasing Department. The duties of Purchasing Officer may be combined with those of any other office or position, The Purchasing Officer shall have authority to:

- (a) Purchase or contract for supplies, services and equipment required by any using agency in accordance with purchasing procedures prescribed by this ordinance, such administrative regulations as the Purchasing Officer shall adopt for the internal management and operation of the Purchasing Department and such other rules and regulations as shall be prescribed by the City Council or (city manager, administrative officer, etc.).

- (b) Negotiate and recommend execution of contracts for the purchase of supplies, services and equipment.
- (a) Act to procure for the City the needed quality in supplies, services and equipment at least expense to the City,
- (d) Discourage uniform bidding and endeavor to obtain as full; and open competition as possible on all purchases.
- (e) Prepare and recommend to the City Council rules governing the purchase of supplies, services and equipment for the City.
- (f) Prepare and recommend to the City Council revisions and amendments to the purchasing rules.
- (g) Keep informed of current developments in the field of purchasing, prices, market conditions and new products.
- (h) Prescribe and maintain such forms as reasonably necessary to the operation of this ordinance and other rules and regulations.
- (i) Supervise the inspection of all supplies, services and equipment purchased to insure conformance with specifications.
- (j) Recommend the transfer of surplus or unused supplies and equipment between departments as needed and the sale of all supplies and equipment which cannot be used by any agency or which may become unsuitable for City use.
- (k) Maintain a Bidders' List, Vendors Catalog file and records needed for the efficient operation of the Purchasing Department.

SECTION 3. EXEMPTIONS FROM CENTRALIZED PURCHASING. The Purchasing Officer, with the approval of the City Council, may authorize in writing any agency to purchase OF contract for specified supplies, services and equipment independently of the Purchasing Department; but he shall require that such purchases OF contracts be made in conformity with the procedures established by this ordinance, and shall further require periodic reports from the agency on the purchases and contracts made under such written authorization.

SECTION 4. ESTIMATES OF REQUIREMENTS. All using agencies shall file detailed estimates of their requirements in supplies, services and equipment in such manner, at such time,, and for such future periods as the Purchasing Officer shall prescribe.

SECTION 5. REQUISITIONS. Using agencies shall submit requests for supplies, services and equipment to the Purchasing Officer by standard requisition forms.

SECTION 6. BIDDING. Purchases of supplies, services, equipment and the sale of personal property shall be by bid procedures pursuant to Sections 10 and 11. Bidding shall be dispensed with only when an emergency requires that an order be placed with the nearest available source of supply, when the amount involved is less than \$100, or when the commodity can be obtained from only one vendor.

SECTION 7. PURCHASE ORDERS. Purchases of supplies, services and equipment shall be made only by purchase order.

SECTION 8, ENCUMBRANCE OF FUNDS. Except in cases of emergency, the Purchasing Officer shall not issue any purchase order for supplies, services or equipment unless there exists an unencumbered appropriation in the fund account against which said purchase is to be charged.

SECTION 9. FORMAL CONTRACT PROCEDURE. Except as otherwise provided herein, purchases and contracts for supplies, services, equipment and the sale of personal property of estimated value greater than \$2,000.00 shall be by written contract with the lowest or highest responsible bidder, as the case may be, pursuant to the procedure prescribed herein,

(a) Notice Inviting Bids. Notices inviting bids shall include a general description of the articles to be purchased or sold, shall state where bid blanks and specifications may be secured, and the time and place for opening bids.

(1) Published Notice. Notice inviting bids shall be published at least ten days before the date of opening of the bids. Notice shall be published at least once in a newspaper of general circulation, printed and published in the City, or if there is none, it shall be posted in at least three public places in the City that have been designated by ordinance as the places for posting public notices.

- (2) Bidders' List. The Purchasing Officer shall also solicit sealed bids from all responsible prospective suppliers whose names are on the Bidders' List or who have requested their names to be added thereto.
- (3) Bulletin Board, The Purchasing Officer shall also advertise pending purchases or sales by a notice posted on a public bulletin board in the City Hall.
- (b) Bidder's Security. When deemed necessary by the Purchasing Officer, bidder's security may be prescribed in the public notices inviting bids. Bidders shall be entitled to return of bid security? provided that a successful bidder shall forfeit his bid security upon refusal or failure to execute the contract within ten (10) days after the notice of award of contract has been mailed, unless the City is responsible for the delay. The City Council may, on refusal or failure of the successful bidder to execute the contract, award it to the next lowest responsible bidder. Thereafter, if the City Council awards the contract to the next lowest bidder, the amount of the lowest bidder's security shall be applied by the City to the difference between the low bid and the second lowest bid, and the surplus, if any, shall be returned to the lowest bidder.
- (c) Bid Opening Procedure. Sealed bids shall be submitted to the Purchasing Officer and shall be identified as bids on the envelope. Bids shall be opened in public at the

time and place stated in the public notices. A tabulation of all bids received shall be open for public inspection during regular business hours for a period of not less than thirty (30) calendar days after the bid opening,

- (d) Rejection of Bids. In its discretion, the City Council may reject any and all bids presented and re-advertise for bids.
- (e) Award of Contracts. Contracts shall be awarded by the City Council to the lowest responsible bidder except as otherwise provided herein.
- (f) Tie Bids. If two or more bids received are for the same total amount or unit price, quality and service being equal and if the public interest will not permit the delay of re-advertising for bids, the City Council may accept the one it chooses or accept the lowest bid made by negotiation with the *tie* bidders at the time of the bid opening,
- (g) Performance Bonds. The City Council shall have authority to require a performance bond before entering a contract in such amount as it shall find reasonably necessary to protect the best interests of the City. If the City Council requires a performance band, the form and amount of the bond shall be described in the notice inviting bids.

SECTION 10. OPEN MARKET PROCEDURE, Purchases of supplies, equipment, contractual services, and sales of personal property of

an estimated value in the amount of \$2,000.00 or less may be made by the Purchasing Officer in the open market without observing the procedure prescribed by Section ~~10~~⁹.

- (a) Minimum Number of Bids. Open market purchases shall, wherever possible, be based on at least three bids, and shall be awarded to the lowest responsible bidder.
- (b) Notice Inviting Bids. The Purchasing Officer shall solicit bids by written requests to prospective vendors, by telephone, and by public notice posted on a public bulletin board in the City Hall
- (c) Written Bids. Sealed written bids, shall be submitted to the Purchasing Officer who shall keep a record of all open market orders and bids for a period of one year after the submission of bids or the placing of orders. This record, while so kept, shall be open to public inspection.

SECTION 11. INSPECTION AND TESTING. The Purchasing Officer shall inspect supplies and equipment delivered, and contractual services performed, to determine their conformance with the specifications set forth in the order or contract. The Purchasing Officer shall have authority to require chemical and physical tests of samples submitted with bids and samples of deliveries which are necessary to determine their quality and conformance with specifications.

SECTION 12. SEVERABILITY. If any section, subsection, subdivisions, sentence, clause or phrase of this ordinance is for any reason held to be unconstitutional or otherwise invalid, such

decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance, and each section, subsection, subdivision, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses or phrases be declared unconstitutional.

SECTION 13. EFFECTIVE DATE, The City Clerk shall certify to the passage of this ordinance and cause the same to be published one time in the "Lodi News-Sentinel," a daily newspaper of general circulation printed and published in the City of Lodi, and shall be in force and take effect thirty days from and after its passage.

Approved this 3rd day of December, 1958.

BOZANT KATZAKIAN
Mayor

Attest:

BEATRICE GARIBALDI:
City Clerk