

**ORDINANCE NO. 2014-1328**

**AN ORDINANCE OF THE CITY OF LAKE ELSINORE, CALIFORNIA,  
AMENDING CHAPTER 3.08 AND CHAPTER 3.16 TO THE LAKE  
ELSINORE MUNICIPAL CODE REGARDING PURCHASING AND  
SURPLUS PROPERTY.**

**WHEREAS**, Chapter 3.08 of the Lake Elsinore Municipal Code establishes purchasing procedures for the City of Lake Elsinore; and

**WHEREAS**, Chapter 3.16 of the Lake Elsinore Municipal Code establishes surplus property procedures for the City of Lake Elsinore; and

**WHEREAS**, the City Council of the City of Lake Elsinore has determined that it is in the public interest and welfare to amend Chapters 3.08 and 3.16 of the Lake Elsinore Municipal Code.

**THE CITY COUNCIL OF THE CITY OF LAKE ELSINORE, CALIFORNIA,  
ORDAINS AS FOLLOWS:**

**SECTION 1:** That Chapter 3.08 of the Lake Elsinore Municipal Code is hereby amended and restated in its entirety, as follows:

**CHAPTER 3.08**

**GENERAL PROVISIONS**

**3.08.010 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 adopted.

**3.08.015 Scope of Chapter.** The procedures established by this Chapter shall apply only to the purchase of supplies, equipment and services, and shall not apply to public projects as defined in Section 20161 of the California Public Contract Code. A purchase shall include leasing or renting of equipment and shall be valued for purposes of applying the procedures established by this Chapter at the net present value of the payment amounts as determined by the Purchasing Officer.

**3.08.020 Purchasing Officer--Office created.** There is created the position of Purchasing Officer. The Purchasing Officer shall be responsible and have general supervision of the purchasing function. The duties of the Purchasing Officer shall be combined with those of the Director of Administrative Services. The Purchasing Officer shall have the authority to:

A. Purchase or contract for supplies and equipment required by any using agency or department in accordance with purchasing procedures prescribed by this Chapter, such administrative regulations as the Purchasing Officer shall adopt for the internal management and operation of the Purchasing Department, and such other rules and regulations as shall be prescribed by the City Council or City Manager;

B. Negotiate and recommend execution of contracts or purchase orders for the purchase of supplies and equipment;

C. Act to procure for the City the needed quality in supplies 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 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 Chapter and other rules and regulations;

I. Coordinate the inspection of all supplies 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 supplies and equipment which cannot be used by any department or which becomes unsuitable for City use; and

K. Maintain a bidder's list, vendor's catalog file and records needed for the efficient operation of purchasing functions.

**3.08.030 Additional authorization for purchasing.** The Purchasing Officer, with approval of the City Council, may authorize in writing any agency or department to purchase or contract for specified supplies, services and equipment independently of the Purchasing Officer, but shall require that such purchases be made in conformity with the procedures established by this Chapter. The Purchasing Officer shall also require that all documents supporting the formal or informal bidding procedures be attached to the City's copy of purchase order.

**3.08.035 Estimates of requirements.** All City departments shall file detailed estimates of their requirements in supplies and equipment in such manner, at such time, and for such future periods as the Purchasing Officer shall prescribe.

**3.08.040 Requisitions.** Each City departments shall submit requests for supplies, services and equipment to the Purchasing Officer by standard requisition forms, or by other means, as may be established by the purchasing rules and regulations.

**3.08.045 Purchase orders.** Purchases of supplies, services and equipment shall be made by purchase order, or by such other procedures established by the Purchasing Officer.

**3.08.050 Encumbrance of funds.** Except in cases of emergency, the Purchasing Officer shall not issue any purchase order for supplies or equipment unless there exists an unencumbered appropriation in the fund account against which such purchase is to be charged.

**3.08.055 Inspection and testing.** The Purchasing Officer or requesting department 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 the right to waive any defect or informality. The Purchasing Officer shall have the 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.

**3.08.060 Purchase Order Splitting Prohibited.** The Purchasing Officer or requesting department shall not engage in contract splitting or purchase order splitting in order to avoid the bidding procedures as set forth in this Chapter.

**3.08.065 City Manager.** The City Manager is authorized to enter into contracts for the purchase of supplies or equipment or contracts for personal, professional, consultant and maintenance services where the amount of such contract does not exceed \$30,000.

**3.08.070 Exceptions to Bid Procedures.** Notwithstanding the purchase procedures set forth in this Chapter, bidding procedures for the purchases of supplies, services and equipment shall not apply to the following situations:

- A. An emergency requires that an order be placed with the nearest available source of supply;
- B. The commodity or service can be obtained from only one vendor;
- C. The commodity or service can be obtained through a cooperative purchasing program devoted to local government procurement so long as the underlying procurement was made using bid procedures at least as restrictive as provided in this Chapter 3.08.
- D. Professional services contracts for accountants, attorneys, architects, engineers, surveyors, construction managers and other professionals and consultants;
- E. When in the best interest of the City, the City Manager may authorize the Purchasing Officer to bypass the formal bid process for the purchase of surplus property from another governmental entity;
- F. When in the best interest of the City, the City Manager may authorize the Purchasing Officer to bypass the bid process required under this Chapter for purchases of \$30,000 or less;
- G. When in the best interest of the City, the City Council may authorize the City Manager or Purchasing Officer to bypass the bid process required under this Chapter for purchases greater than \$30,000; or

H. Purchases of less than \$5,000.

The City Council will be advised by the City Manager of procurements over \$5,000 which were exempted from the bid process set forth in this Chapter.

### OPEN MARKET PURCHASE PROCEDURES

**3.08.100 Limits.** Except as provided in this Chapter, purchases of supplies, equipment, contractual services and sales of personal property of an estimated value in the amount of \$30,000 or less, and in the case of public works projects in the amount of \$5,000 or less, may be made by the Purchasing Officer in the open market as follows without observing the procedure prescribed in LEMC 3.08.200 through 3.08.235.

**3.08.110 Minimum number of bids.** Open market purchases shall, whenever possible, be based on at least three bids and shall be awarded to the lowest responsible bidder.

**3.08.120 Request for bids.** The Purchasing Officer shall solicit bids by written requests, telephone, facsimile or electronic mail, to prospective vendors.

**3.08.130 Written bids.** 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.

**3.08.140 Award.** The bid shall be awarded to the lowest responsible bidder except as otherwise provided herein. Bidders located within the City of Lake Elsinore may be given a five percent pricing allowance when calculating the lowest responsive bid due to the City of Lake Elsinore's interest in promoting growth and stimulate the local economy. To qualify for this preference, the vendor shall have a fixed facility with employees within the City of Lake Elsinore and such vendor shall hold a current and valid City of Lake Elsinore business license.

### FORMAL BIDDING PURCHASE PROCEDURES

**3.08.200 Procedure for purchases exceeding \$30,000.** Except as provided in this Chapter, purchases of supplies, services, equipment and the sale of personal property of estimated value greater than \$30,000 shall be by written contract as follows:

**3.08.205 Request for bids.** Notices inviting bids shall include a general description of the articles to be purchased or sold, state where bid blanks and specification may be secured, and the time and place for opening bids.

**3.08.210 Notice of bids.** At least five days before the date of opening of bids, a notice inviting bids shall be posted on the City's website and either: (a) posted on a website devoted to procurement services, bid and vendor management such as Planetbids.com., or (b) published in a newspaper of general circulation in the City.

**3.08.215 Bidder's list.** The Purchasing Officer shall also solicit sealed bids from any responsible prospective suppliers.

**3.08.220 Bid opening procedure.** Sealed bids shall be submitted to the City Clerk and shall be identified as bids on the envelope. It is the responsibility of the bidder to ensure receipt of the bid document by the City Clerk by the designated hour. Bids shall be opened in public at the time and place stated in the public notice. A tabulation of all bids received shall be open for public inspection during regular business hours for a period of not less than 30 days after the bid opening.

**3.08.225 Rejection of bids.** The Purchasing Officer may recommend to the City Manager, the rejection of any and all bids and readvertise for bids.

**3.08.230 Award.** Contracts shall be awarded by the City Council to the lowest responsible bidder except as otherwise provided herein. Bidders located within the City of Lake Elsinore may be given a five percent pricing allowance up to a maximum of \$5,000 when calculating the lowest responsive bid due to the City of Lake Elsinore's interest in promoting growth and stimulating the local economy.

To qualify for this preference, the vendor shall have a fixed facility with employees within the City of Lake Elsinore, hold a current and valid City of Lake Elsinore business license and shall be subject to the following monetary limitations:

A. The preference shall only be applicable to the first \$100,000 annually for purchases of supplies, equipment, and sales of personal property which are competitively bid; or

B. The preference shall only be applicable to the first \$100,000 annually for contractual services, including maintenance work and other general services, which are competitively bid; or

C. If the purchase combines the purchase of supplies, equipment, or sales of personal property referenced in subsection (A) of this section with the purchase of contractual services referenced in subsection (B) of this section, the annual limitation on the five percent preference shall be increased to a maximum of \$10,000 and shall be applied to the first \$200,000 of combined goods and services which are competitively bid.

If the local preference is applicable to a bid offering, it shall be noted in the applicable notice inviting bids.

**3.08.235 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 readvertising 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.

## **JOB ORDER CONTRACTING FOR NON-PUBLIC WORKS**

### **MAINTENANCE AND REPAIRS**

**3.08.300 Purpose.** The purpose of this article is to provide for the use of job order contracts that will benefit the public by providing an effective means of reducing the total lead-time and cost for recurring expenses or purchase of unique or nonstandard supplies and equipment.

**3.08.305 Procedures.** In lieu of the open market and formal bid procedures set forth herein, the Purchasing Officer may issue a purchase order to a job order contractor pursuant to an approved contract under LEMC 3.08.345 for maintenance, minor repairs, rehabilitation, or alteration of facilities that is of a recurring nature or for such other purchases of supplies and equipment which, due to the wide variation of options and cost factors, best serves the needs of the City and provides the City with the highest quality and cost effective goods and services.

**3.08.310 Request for proposals.** Notices inviting proposal shall include a general description of the supplies, equipment, or contractual services to be purchased and state where proposal blanks and specification may be secured, and the time and place for opening proposals.

**3.08.315 Notice of Request for Proposals.** At least five days before the date of opening of bids, a notice inviting bids shall be posted on the City's website and either: (a) posted on a website devoted to procurement services, bid and vendor management such as Planetbids.com., or (b) published in a newspaper of general circulation in the City.

**3.08.320 Proposer's list.** The Purchasing Officer shall also solicit sealed proposals from any responsible prospective job order contractor.

**3.08.325 Proposal opening procedure.** Sealed proposals shall be submitted to the City Clerk and shall be identified as proposals on the envelope. It is the responsibility of the proposer to ensure receipt of the bid document by the City Clerk by the designated hour. Proposals shall be opened in public at the time and place stated in the public notice. A tabulation of all proposals received shall be open for public inspection during regular business hours for a period of not less than 30 days after the proposal opening.

**3.08.330 Rejection of bids.** The Purchasing Officer may recommend to the City Manager, the rejection of any and all proposals and readvertise the request for proposals.

**3.08.335 Recommendation.** The Purchasing Officer shall consider the following factors when recommending the selection of a job order contractor to the City Council:

A. The extent to which the proposal meets the needs of the City for the equipment or supplies;

- B. The quality of the equipment or supplies proposed;
- C. The overall cost to the City of the proposal, including, but not limited to, pricing of the equipment or supplies, delivery schedule, terms of payment, warranties, maintenance requirements and required site preparation;
- D. The experience and qualifications of vendor submitting a proposal to successfully meet the requirements for the equipment or supplies;
- E. Previous performance of the vendor submitting a proposal in providing similar equipment or supplies;
- F. Financial ability of the vendor submitting the proposal to provide the equipment or supplies to the City;
- G. The vendor's conformity to the specifications for the equipment or supplies set forth in the request for proposal; and
- H. Such similar factors as may be specifically included in the request for proposal.

**3.08.340 Award.** Contracts for job order contractors shall be awarded by the City Council.

**3.09.345 Term.** Job order contracts shall be in writing and shall be approved by the City Council for an initial contract term of not to exceed three years. Such job order contracts shall be reviewed periodically by the City Council.

**SECTION 2:** That Chapter 3.16 of the Lake Elsinore Municipal Code is hereby amended and restated in its entirety, as follows:

## **CHAPTER 3.16**

### **SURPLUS PROPERTY**

**3.16.010 Surplus supplies and equipment.** All City departments shall submit to the Purchasing Officer, at such times and in such form as the Purchasing Officer shall prescribe, reports showing all supplies and equipment which are no longer needed or which have become obsolete or worn out.

**3.16.020 Disposition.** The Purchasing Officer shall have authority to sell all supplies and equipment which cannot be used or which have become unsuitable for City use, or to exchange the same for, or trade in the same on, new supplies and equipment.

**3.16.030 Notice.** In the event that surplus property is to be sold, at least five days before the date of opening of bids or holding of an auction, a notice shall be posted on the City's website and either: (a) posted on a website devoted to procurement services, bid and vendor management such as Planetbids.com., or (b) published in a newspaper of general circulation in the City. All bids submitted to the City shall be immediately available upon request by the public and all auctions shall be open to the public.

**3.16.040 No bids.** If there are no bids, the property may be sold at private sale or donated as provided herein.

**3.16.050 Surplus supplies and equipment--Donation.** The Purchasing Officer shall have authority, subject to the approval of the City Manager, to donate surplus supplies and equipment subject to the following:

A. Surplus supplies and equipment may be donated to nonprofit organizations or school districts located or operating within the City, or if none are identified, then to nonprofit organizations or school districts whose operations benefit Lake Elsinore residents.

B. Donations made to nonprofit organizations or school districts, ("recipient entity"), shall be on a first-come, first-serve basis.

C. Prior to transfer of the donated supplies or equipment, the recipient entity shall provide a statement executed by a person duly authorized to legally bind the recipient entity that the donated property will:

1. Be accepted "as is," with no express or implied warranties; and,
2. That an immediate need exists for the property and that it will be put into immediate use; and,
3. That the property not be sold or otherwise transferred for profit; and,
4. That the recipient entity shall assume all costs and liability associated with the removal and transportation of the surplus property from the City.

D. City shall provide notice of the surplus property to be donated.

E. If, in the opinion of the Purchasing Officer, the property to be donated pursuant to this section has a value of \$2,000 or more, the Purchasing Officer shall notify the City Council, in writing, of the property to be donated, the estimated value of the property to be donated, and the recipient of the property proposed to be donated at least 30 days prior to the donation of the property.

**3.16.060 Surplus supplies or equipment--Scrap or other disposal of surplus supplies or equipment.**

A. The Purchasing Officer shall have authority, subject to the approval of the City Manager, to scrap surplus supplies or equipment if the surplus supplies or equipment cannot otherwise be traded-in, sold, auctioned, donated, or salvaged. At least 30 days prior to any such action, the Purchasing Officer shall notify the City Council, in writing, of the property to be scrapped.

B. If after reviewing the procedures outlined herein, the Purchasing Officer determines that trade-in or sale of the surplus supplies or equipment is not practicable and after offering said surplus supplies or equipment for donation in accordance with LEMC 3.16.050, the Purchasing Officer may dispose of such surplus supplies or equipment as he/she determines is in the best interests of the City. Prior to such final

disposition of the surplus supplies or equipment, the Purchasing Officer shall notify the City Manager and City Council of the proposed method of disposal which shall be done not less than 30 days thereafter unless the City Manager or City Council directs further review or takes other action as appropriate.

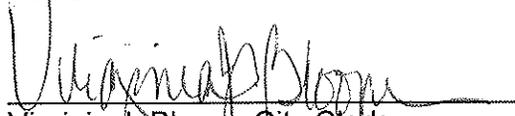
**SECTION 3.** If any provision, clause, sentence or paragraph of this Ordinance or the application thereof to any person or circumstance shall be held invalid, such invalidity shall not affect the other provisions of this Ordinance and are hereby declared to be severable.

**SECTION 4.** This Ordinance shall take effect thirty (30) days after the date of its final passage. The City Clerk shall certify as to adoption of this Ordinance and cause this Ordinance to be published and posted in the manner required by law.

**INTRODUCED** at a regular meeting of the City Council of the City of Lake Elsinore, California, on the 10th day of June, 2014, and adopted at a regular meeting of the City Council of the City of Lake Elsinore, California, on the 24 day of June, 2014.

  
\_\_\_\_\_  
Natasha Johnson, Mayor

**ATTEST:**

  
\_\_\_\_\_  
Virginia J. Bloom, City Clerk

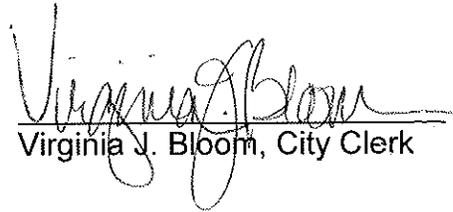
**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Barbara Zeid Leibold, City Attorney

STATE OF CALIFORNIA            )  
COUNTY OF RIVERSIDE        )  
CITY OF LAKE ELSINORE        )     ss.

I, Virginia Bloom, City Clerk of the City of Lake Elsinore, California, hereby certify that Ordinance No. 2014-1328 was introduced at the regular City Council meeting of June 10, 2014, and adopted at the regular meeting of June 24, 2014, by the following roll call vote:

AYES:            Council Member Magee, Council Member Tisdale, Council Member  
                      Hickman, Mayor Pro Tem Manos and Mayor Johnson  
NOES:            None  
ABSENT:         None  
ABSTAIN:        None

  
Virginia J. Bloom, City Clerk