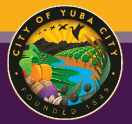




Purchasing System Ordinance and Policy Update

Background



- Muni Code and Policy last updated 2008 after reorg
- Bidding threshold doubled to \$50,000
- Decentralized purchasing not reflected in Code
- Staff reviewed current Code/Policy
- Rec'd feedback from departments/vendors/other agencies
- Seeking to streamline without ceding control
- Clarifying language

Analysis



- Needs clarifying language
- Restructure guidelines for different purchases
- Organize for ease of navigation
- Adjust \$ thresholds
- Define decentralize
 - Public Contract Code
 - Vendor relations
 - Formal bids
 - Sold source justifications
 - Evaluation of specs and bids

Analysis



Changes to Procurement Authorization Thresholds

Authority to Approve	Current Limit	Proposed Limit	Procurement Requirement
Staff – small purchase order & procurement card	\$1,000	\$5,000	No competition required
Department Head	\$5,000	\$25,000	Informal – 3 quotes if possible
Finance Director	\$25,000	\$50,000	
City Manager	\$50,000	\$100,000	
Council	>\$50,000	>\$100,000	Formal bid

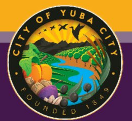
Analysis



Exceptions to Procurement Requirements

- Professional services—no competitive requirement, but recommended
- Public projects—subject to PCC
- Direct Pay List—Finance maintained for unique procurements: Gov't agencies, banking, utilities, subscriptions
- Piggyback other agencies' formal bids

Recommendation



- A. Introduce an ordinance amending Chapter 6 (Purchasing System) of Title 2 of the Yuba City Municipal Code by title only, and waive the first reading.
- B. Adopt a resolution adopting the Purchasing Policies and Procedures Manual Update (to become effective concurrently with the proposed ordinance).

Questions?

