



STAFF REPORT

MEETING DATE: November 12, 2025

PRESENTER: Josefina Alvarez, Finance Director

SUBJECT: Ordinance Repealing Chapter 3.20 of the Kerman Municipal Code Relating to the City's Purchasing System and Surplus Property (JA)

RECOMMENDATION: Council by motion waive the full second reading, adopt ordinance repealing Chapters 3.20 and adding new Chapter 3.20 relating to the City's purchasing system by title only.

EXECUTIVE SUMMARY:

On October 22, 2025, City Council introduced by title only an Ordinance repealing Chapter 3.20 and adding new Chapter 3.20 to the Kerman Municipal Code relating to the City's purchasing system and surplus property. City Council also adopted Resolution 25-83, which repealed Resolution Nos. 08-57, 14-54, 14-64 and 15-49 regarding surplus property as surplus property requirements are included in the City's Purchasing Ordinance.

The City of Kerman Municipal Code Chapter 3.20 Purchasing System was last reviewed and updated in 2021. While retaining the basic framework of the current ordinance, the purpose of the proposed ordinance is to enhance the efficiency of the City's purchasing procedures and to reflect contemporary purchasing guidelines. The proposed ordinance updates position titles in the ordinance and legal thresholds for purchases to conform to state law. It provides clearer distinctions for the procurement of goods and materials, public works construction projects and Requests for Proposals/Qualifications. A new section has been added regarding surplus property. The proposed ordinance creates efficiencies for implementation of the procurement system. It promotes maximum value and economy for the City through fair and competitive procedures. The Ordinance will be effective 30 days after approval.

DISCUSSION:

The basic framework for the proposed ordinance is basically the same as the current one. However, we have updated the various sections so that they are clearer. For example, thresholds for the purchase of goods and supplies are very different than thresholds for public contracts. The ordinance has been crafted so that staff can more easily navigate the procedures for the different kinds of contracts. For example, an emergency purchase of equipment is different than for awarding an emergency construction contract. The monetary thresholds are also different and have been updated consistent with state law. Another example is the use of RFPs. State law mandates that RFPs be used for certain services but not others. The proposed ordinance clarifies such instances. The proposed ordinance also adds provisions for the disposal

of surplus property and updates provisions for procurement through cooperative agreements and piggyback contracts.

The proposed ordinance creates a more efficient procurement process and helps to facilitate fairness, objectivity, accountability, and transparency in purchasing. At the same time, the ordinance strives to make sure the City obtains high quality equipment, goods and services at a cost that provides the best value to the City, and encourage competition among bidders and proposers.

FISCAL IMPACT:

The ordinance will create efficiencies resulting in reduced staffing costs.

ATTACHMENTS:

A. Proposed Ordinance

ORDINANCE NO. 25-__

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF KERMAN
REPEALING CHAPTER 3.20 OF TITLE 3 OF THE KERMAN MUNICIPAL CODE AND ADDING NEW
CHAPTER 3.20 TO TITLE 3 OF THE KERMAN MUNICIPAL CODE RELATING TO THE CITY'S
PURCHASING SYSTEM**

The City Council of the City of Kerman does ordain as follows:

SECTION 1. Chapter 3.20 of Title 3 of the Kerman Municipal Code is hereby repealed.

SECTION 2. Title 3 "Revenue and Finance" of the Kerman Municipal Code is amended by adding new Chapter 3.20 relating to the City's Purchasing System to read as follows:

Chapter 3.20

PURCHASING SYSTEM

Sections:

- 3.20.010 Purpose and Implementation.
- 3.20.020 Expenditure Authority.
- 3.20.030 Designation and Responsibility of Purchasing Officer.
- 3.20.040 Purchasing Amount Authority and Signature.
- 3.20.050 Purchases for Materials, Supplies and Equipment.
- 3.20.060 Procedures for Public Projects.
- 3.20.070 Cooperative Purchasing Agreements and Piggyback Purchases.
- 3.20.080 Prevailing Wages and Public Works Projects.
- 3.20.090 Requests for Proposals and Requests for Qualifications.
- 3.20.100 Standing Supply Purchase Agreements and Master Service Agreements.
- 3.20.110 Conflict of Interest.
- 3.20.120 Credit Card Purchasing Policy.
- 3.20.130 Surplus Supplies and Equipment.

3.20.010 Purpose and Implementation.

A. Title. This chapter shall be known as the City of Kerman Purchasing Ordinance ("Purchasing Ordinance"). It is also referenced herein as "chapter." The purpose of this Purchasing Ordinance is to establish efficient procedures for the purchase of supplies, equipment and services at the lowest possible cost commensurate with quality needed, to exercise positive financial control over purchases, to define purchasing authority and to assure the quality of purchases.

B. Compliance with Laws. The adoption of this purchasing ordinance is intended to meet the requirements of state law including but not limited to the following: (1) Government Code

Sections 54201 to 54205 regarding the purchase of supplies and equipment; (2) Public Contract Code Sections 20160 to 20174 regarding City public works construction projects; (3) Public Contract Code Sections 22000 to 22045 regarding the Uniform Public Construction Cost Accounting Act; (4) Government Code Section 4526 regarding professional services; (5) Labor Code requirements for prevailing wages; and (6) other applicable laws.

C. Superseding Procurement Requirements. The procurement requirements under this Purchasing Ordinance shall be followed. However, in the event stricter procurements are required by state or federal law or by a state or federal funding source, those requirements shall be met to ensure funding compliance.

D. Administrative Purchasing Policy. The City's purchasing functions shall be governed by this purchasing ordinance and by the City's administrative purchasing policy which shall be established by the City Manager, both as may be amended from time to time. The administrative purchasing policy shall be consistent with this ordinance. The administrative purchasing policy may supplement and amplify the provisions of this ordinance and will contain administrative requirements, responsibilities and updated best practices to meet the City's needs.

3.20.020 Expenditure Authority.

Purchase and contract expenditures must be authorized in the City's annual budget or pursuant to amendment to the annual budget approved by the City Council.

3.20.030 Designation and Responsibility of Purchasing Officer.

A. Designation. The City Manager shall be designated as the Purchasing Officer. The City Manager may delegate his or her authority as Purchasing Officer to another City employee. Such designation must be made in writing and specifically delegate to that person the responsibility of purchasing officer under this chapter.

B. Purchasing Officer Authority. The Purchasing Officer shall have authority to:

1. Purchase or contract for supplies, equipment and services required by City in accordance with purchasing procedures prescribed by this purchasing ordinance, the administrative purchasing policy and any requirement as shall be prescribed by state or federal funding agencies.
2. Negotiate and recommend execution of contracts for the purchase of supplies, equipment and services at least expense to the City.
3. Act to procure for the City the needed quality in supplies, equipment and services at least expense to the City.
4. Discourage uniform bidding and endeavor to obtain as full and open competition as possible on purchases.

5. Prepare and recommend to the City Council revisions and amendments to the purchasing ordinance.
6. Prescribe and maintain the forms as are necessary to the operation of the purchasing ordinance and other laws.
7. Supervise the inspection of all supplies, equipment and services purchased to ensure conformance with specifications.
8. Maintain a bidders list, vendors catalog file and records needed for the efficient operation of the purchasing system.
9. Require that department heads verify and ensure purchases are made in accordance with the purchasing system and with state or federal funding sources. (Ord. 21-03 §3, 2021).

3.20.040 Purchasing Amount Authority and Signature.

- A. City Manager. Purchases and contracts of less than thirty thousand dollars (\$30,000) may be awarded and signed by the City Manager unless the City Council expressly reserves approval on a particular purchase or contract or the City Manager requests Council approval.
- B. City Council. If the amount of any purchase or contract is thirty thousand dollars (\$30,000) or more, the contract shall be awarded by the City Council and signed by the Mayor unless a resolution authorizes the City Manager to sign the contract.

3.20.050 Purchases for Materials, Supplies and Equipment.

- A. Procedures for Specific Amounts. The following procedures shall be followed when purchasing or leasing materials, supplies, or equipment:

\$0 to \$1,000--The purchasing officer shall ensure that the City pays fair prices and receives commensurate value for amounts expended.

\$1,001 to \$10,000--Price quotes must be solicited, either verbally or in writing, from a minimum of three vendors, if available. The low price quote must be confirmed in writing.

\$10,001 to \$75,000--Written specifications describing the delivery schedule, materials, supplies and equipment must be prepared. Price quotes must be solicited in writing from a minimum of three vendors, if available. The low price quote must be confirmed in writing.

\$75,000 or higher--Informal bidding requirements which will include: (i) written specifications describing the delivery schedule, materials, supplies and equipment; (ii) published notice in the newspaper at least 10 days before bid opening; (iii) posted notice on City's website; (iv) solicitation of sealed bids from prospective suppliers whose names are on a bidders' list maintained by the Purchasing Officer.

B. Factors for Award. The City is not required to award to the lowest bidder in purchases of over ten thousand (\$10,000) or more as other factors may be considered. The City may award to the best qualified vendor. In determining “best qualified vendor” as used in this section 3.20.50, consideration is to be given to quality and performance of the goods and supplies, equipment or materials to be purchased or nonprofessional services to be provided by the vendor. Criteria for determining best qualified vendor includes, but is not limited to, the following:

1. The cost or best value of the goods and supplies, equipment, or materials;
2. The ability, capacity and skill of the vendor to perform the contract and to provide the goods and supplies, equipment, or materials requested;
3. The ability of vendor to provide the goods and supplies, equipment, or materials, promptly or within the time specified and without delay; and
4. The quality of vendor’s performance on previous purchases or contracts by City.

C. Purchase Order or Contract Required. Purchases of supplies, equipment and services of ten thousand dollars or more shall be made only by written purchase order or contract.

D. Standing Supply Purchase Agreements. Standing supply purchase agreements may be entered into with specific vendors for purchase of repetitive-use goods, materials, equipment and/or supplies. The standing supply purchase agreements will be subject to the informal bidding procedures in Section 3.20.050A except that factors other than low price may be considered pursuant to Section 3.20.050B.

E. Sole-Source Purchases of Materials, Supplies, Equipment. In the event that there is one, and only one, source for a product in excess of one thousand dollars (\$1,000), a sole-source contract may be used. When a department head wishes to make a sole-source purchase, he or she must make the findings set forth below and file such certification with the Finance Department. If the purchase exceeds the Purchasing Officer’s monetary authority to contract, a resolution making the findings set forth below must be submitted with the staff’s request for award of a contract. In order to establish a legal basis for a sole-source exception, the following statements and findings must be made:

1. A statement describing every unique or specialized feature of the product in question;
2. A statement of the department head’s efforts to locate all possible suppliers of such product;
3. A statement that, in spite of its efforts, the department head has been able to locate only one supplier of the product in question;
4. A statement that indicates the ultimate cost of the product and the process used to determine the cost of the product; and

5. A finding that it is, therefore, proper for the City to dispense with a competitive bidding requirement and to authorize the City to purchase the product in question under the sole-source exception.

F. **Emergency Purchases.** In the case of an emergency, the Purchasing Officer may determine to proceed with the immediate purchase of goods and supplies, equipment, or materials. The term “emergency” means a sudden, unexpected occurrence that poses a clear and imminent danger requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential services.

1. If the dollar amount is within the City Manager’s authority, the Purchasing Officer shall promptly file in the Finance Department a signed declaration showing that emergency conditions existed and created the necessity for such action, together with an itemized account of all expenditures. A copy of such declaration shall be transmitted to the City Council.
2. If the dollar amount is above the City Manager’s authority, the Purchasing Officer shall at the next regular meeting of the City Council seek ratification of the purchase by resolution which includes the emergency conditions which existed and the immediate need to take action together with an itemized account of all expenditures.

3.20.060 Procedures for Public Projects.

A. **Uniform Public Construction Cost Accounting Act Adopted.** The City Council of the City of Kerman, California hereby affirms the prior election to adopt the California Uniform Public Construction Cost Accounting Act (California Public Contract Code Section 22000 *et seq.*) for the purpose of prescribing regulations governing contracts awarded by the City for public projects as defined in this section 3.20.060. However, nothing contained herein shall preclude the City from utilizing more restrictive procedures if and when required by federal or state law, or when federal or state funds are part of the contract to be awarded and the funding agency requires more restrictive procedures.

B. **Definitions of Terms.** As used in this section, the words, terms and phrases shall have the following meanings, as defined in Public Contract Code Section 22002, unless otherwise apparent from the context:

1. “Facility” means any plant, building, structure, ground facility, real property, street, highway, or other public works improvement.
2. “Maintenance work” includes all of the following:
 - a. Routine, recurring and usual work for the preservation or protection of any publicly owned or publicly operated facility for its intended purposes.
 - b. Minor repainting.
 - c. Resurfacing of streets and highways at less than one inch.
 - d. Landscape maintenance, including mowing, watering, trimming, pruning,

planting, replacement of plants and servicing of irrigation and sprinkler systems.

- e. Work performed to keep, operate and maintain City-owned water and water systems.

3. "Public project" means any of the following:

- a. Construction, reconstruction, erection, alteration, renovation, improvement, demolition and repair work involving any publicly owned, leased, or operated facility.
- b. Painting or repainting any publicly owned, leased, or operated facility.
- c. "Public project" does not include maintenance work, as defined above.
- d. Furnishing supplies or materials for any such project, including maintenance or repair of streets or sewers.

C. Dollar Amount of Public Project Determines Process to Be Used. The dollar amount thresholds provided in this section shall automatically adjust upon the effectiveness of any adjustment notification by the State Controller in accordance with Public Contract Code Section 22020 *et seq.*, without the necessity of amending this section or any subdivision herein to reflect any such adjustment.

- 1. Public projects of seventy-five thousand dollars (\$75,000) or less may be performed by City employees by force account, by negotiated contract, or by purchase order.
- 2. Public projects of two hundred twenty thousand dollars (\$220,000) or less may be let to contract by informal bidding procedures as set forth in subsection D of this section.
- 3. Public projects of more than two hundred twenty thousand (\$220,000) dollars shall, except as otherwise provided in this section, be let to contract by formal bidding procedure as set forth in subsection D of this section.

D. Procedures to Be Used for Contracts Regarding Public Projects Dependent on Dollar Amount

- 1. No Bidding Required. Per Public Contract Code Section 22032, public projects of seventy-five thousand dollars (\$75,000) or less may be performed by the employees of the City by force account, by negotiated contract, or by purchase order consistent with the procedures in Section 3.20.050(A). Contracts exceeding thirty thousand (\$30,000) shall be submitted to the City Council for award.
- 2. Informal Bidding Procedures. Public works projects of two hundred twenty thousand dollars (\$220,000) or less per subsection (C)(2) of this section shall be awarded to the lowest responsive and responsible bidder in accordance with the Uniform Construction Cost Accounting Act, Section 22034 *et seq.* of the Public Contract Code, as follows:

- a. Contractors List. A list of qualified contractors shall be developed and maintained in accordance with the provisions of Section 22034 of the Public Contract Code and criteria promulgated from time to time by the California Uniform Construction Cost Accounting Commission.
 - b. Notice Inviting Informal Bids. A notice inviting informal bids shall be prepared, which shall describe the project in general terms, describe how to obtain more detailed information about the project and state the time and place for the submission of bids. The notice shall be mailed, not less than ten days before bids are due, to either all the contractors on the contractors list for the category of work to be bid, or to all construction trade journals specified in the California Public Contract Code Section 22036, or both, unless the product or service delivery is proprietary.
 - c. The informal bids for public projects shall be awarded by the City Council and signed by the Mayor or by City Council designee.
 - d. If all bids received are in excess of two hundred and twenty thousand dollars (\$220,000), the City Council may, by adoption of a resolution of four-fifths vote, award the contract, at two hundred thirty-five thousand dollars (\$235,000) or less, to the lowest responsible bidder, if it determines the cost estimate of the City was reasonable.
3. Formal Bidding Procedures. Public work projects of more than two hundred twenty thousand dollars (\$220,000) shall be awarded pursuant to formal bidding procedures to the lowest responsive and responsible bidder in accordance with, but not limited to, the procedures set forth below. The bid package will typically include the following:
- a. Notice inviting bids. Setting the time and place for receiving and opening of sealed bids and describing the contract/project.
 - b. Instructions to bidders. Identifying the contract documents to be considered, the availability of information, any scheduled pre-bid meetings, bid protest procedures and any other procedures to be followed for bids to be considered.
 - c. Publication of notice inviting bids. The notice shall be published at least fourteen calendar days prior to bid opening in a newspaper of general circulation or otherwise comply with the requirements of Cal. Public Contract Code Section 22037. The notice shall also be sent electronically, if available, and mailed to all construction trade journals specified in Public Contract Code Section 22036, at least fifteen days prior to bid opening. The notice inviting bids shall include all of the following:
 - i. The proposal form.
 - ii. Submission of sealed bids.
 - iii. A public bid opening.
 - iv. Award to the lowest, responsive and responsible bidder.
 - v. City reservation in notice inviting bids of the right to reject any or all bids and to waive minor irregularities.
 - vi. Award and execution of a written contract.
 - vii. Reference to applicable state or federally funded project

- requirements.
- viii. Bid security.
- ix. Performance and payment bonds.
- x. Listing of subcontractors.

E. Authority to Prepare and Issue Notice Inviting Bids. The City Engineer is authorized to prepare and issue notices inviting bids and to establish such additional bidding procedures as are consistent with those stated herein.

F. Prohibition Against Splitting or Separating Projects. It shall be unlawful to split or separate into smaller work orders or projects any project for the purpose of evading the provisions of this purchasing ordinance requiring work to be done by contract after competitive bidding. Under Public Contract Code Section 22033, "It shall be unlawful to split or separate into smaller work orders or projects any project for the purpose of evading the provisions of this article requiring work to be done by contract after competitive bidding."

G. Limitation on specifications by brand or trade names. Specifications in Notices Inviting Bids for brand or trade names are prohibited under Public Contract Code Section 3400. However, this prohibition may not apply if the City makes a finding that is described in the invitation for bids or request for proposals that a particular material, product, thing, or service is designated by

specific brand or trade name for any of the purposes set forth in Public Contract Code Section 3400.

H. City Council Authority to Reject, Readvertise, or Otherwise Award.

1. In its discretion, the City Council may reject any and all bids presented under the informal and formal bidding procedures described above for public projects, if the City, prior to rejecting all bids, furnishes a written notice to the apparent low bidder. The notice shall inform the bidder of the City's intent to reject the bid and shall be mailed at least two business days prior to the council meeting at which the City intends to reject the bid. If after the first invitation for bids all bids are rejected, after reevaluating its cost estimates of the project, the City shall have the option of either of the following:
 - a. Abandoning the project or readvertising for bids in the manner described in this section.
 - b. By passage of a resolution by a four-fifths vote of the City Council declaring that the project can be performed more economically by the employees of the City, the City may have the project done by force account without further complying with this section.
2. If the contract is awarded, it shall be awarded to the lowest responsive and responsible bidder. If two or more bids are the same and the lowest, the City may accept the one it chooses.

3. If no bids are received through the informal or formal bidding procedures described above, the project may be performed by employees of the City by force account or by informal bidding procedures set forth above.

I. Emergencies Regarding Public Projects.

The term “emergency” as used in this section means a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services.

1. In case of an emergency regarding a public project which requires competitive bidding, the City Council may pass a resolution by a four-fifths vote of its members declaring that the public interest and necessity demand the immediate expenditure of public money to safeguard life, health, or property. The resolution shall specify that the emergency will not permit a delay resulting from a competitive solicitation for bids and that the action is necessary to respond to the emergency.
2. In the event consideration of the emergency action cannot await the City Council’s determination due to the serious nature of the emergency, the City Council by a four-fifths vote hereby delegates to the City Manager the authority to order any action pursuant to paragraph (1) of subdivision I of Section 3.20.060. Such action is to be taken by the City Manager’s declaration which shall describe the emergency and specify that the emergency will not permit a delay resulting from a competitive solicitation for bids and that the action is necessary to respond to the emergency.
3. If the City Manager orders any action specified in paragraph (1) of subdivision (a), that person shall report to the City Council, at its next meeting required pursuant to this section, the reasons justifying why the emergency did not permit a delay resulting from a competitive solicitation for bids and why the action was necessary to respond to the emergency.
4. Any action taken by the City Council as specified in this section shall be reviewed by the City Council at its next regular meeting and, except as specified below, at every regularly scheduled meeting thereafter until the action is terminated, to determine, by a four-fifths vote, that there is a need to continue the action.
5. If City Manager orders any action specified in this section, the City Council shall initially review the emergency action no later than seven (7) days after the action, or at its next regular meeting if that meeting will occur no later than fourteen (14) days after the action and at least at every regularly scheduled meeting thereafter until the action is terminated, to determine, by a four-fifths vote, that there is a need to continue the action.
6. When the City Council reviews the emergency action pursuant to paragraph (4) or (5), it shall terminate the action at the earliest possible date that conditions warrant so that

the remainder of the emergency action may be completed by giving notice for bids to let contracts.

J. Written Contracts Required. All contracts for public projects shall be in writing; all amendments to contracts shall be in writing. The City Manager shall work with the City Attorney to ensure that the contract includes language protecting the City's interest and language required by law. This language shall include, but is not limited to: specified term, scope of services, termination language, insurance, warranties, indemnification, non-collusion, contractor license, security, bonds, liquidated damages, change orders, retention, delays, claims process, prevailing wages and compliance with applicable laws.

K. Change Order Limits. The award of contracts for public projects shall include a recommended contingency amount not to exceed fifteen percent (15%). Any change order must be reasonably related to the scope of the original contract and based on post-award information that requires modification based on unforeseen conditions or by mutual agreement of the parties. Any change order which results in a total contract amount greater than the limits in this provision shall require City Council approval.

3.20.070 Cooperative Purchasing Agreements and Piggyback Purchases.

A. Cooperative Purchasing. The City, through the Purchasing Officer, may purchase supplies, equipment, or services (other than public projects as defined in this ordinance) through a joint powers or other cooperative purchasing program with any local, county, state, or federal public entity or entities, or any association of public agencies, including the California League of Cities, the California State Association of Counties and the National Conference of Mayors, provided that:

1. The selected bidder was selected in compliance with the competitive bidding or proposal process requirements of any participating entity or association; and
2. The Purchasing Officer determines that the competitive bidding or proposal process utilized is similar to that contained in this Ordinance; and
3. The Purchasing Officer determines that, as a result of cooperative purchasing, the price of the supplies, equipment, or services is likely to be lower than it would be if purchased directly by the City pursuant to this Ordinance.

B. Piggyback Purchasing. The City may utilize the purchasing practice commonly referred to as "piggyback" purchasing. The City, through the Purchasing Officer, may purchase supplies, equipment, or services without complying with the bidding or proposal procedures in this ordinance from any supplier who offers the supplies, equipment, or services at the same or better price, terms and/or conditions as the supplier previously offered to another city or other public agency as the lowest bidder pursuant to the competitive bidding or proposal process required by that city or other public agency, provided that:

1. The competitive bidding or proposal process required by that city or other public

agency is similar to that contained in this ordinance; and

2. The competitive bidding or proposal process required by that city or other public agency included all known bidders; and
3. The supplier's bid or proposal was for like or greater quantities and a like or greater quality, of supplies, equipment, or services.

C. Information Technology Goods and Services. In accordance with Cal. Public Contract Code § 10299, the City, through the Purchasing Officer may, without formal or informal bidding, contract with suppliers who have been awarded contracts by governmental entities for the purchase of goods, information technology and services under the competitive process in Cal. Public Contract Code §§ 12100 to 12113. Such contracts typically take the form of master agreements, price schedules, or multiple award schedules. The City may make these purchases directly from the vendors or the state may provide assistance to the City in making these acquisitions.

3.20.80 Prevailing Wages and Public Works Projects.

A. Under Labor Code Section 1771, all work performed under contract for "public works" projects of more than one thousand dollars shall be subject to prevailing wages. The Labor Code defines the term "public works project" more broadly than the Public Contract Code and Section 3.20.060. There may be instances in which bidding is not required but payment of prevailing wages is required.

B. For the purpose of determining prevailing wages, the term "public works project," means:

1. Construction, alteration, demolition, installation, or repair work done under contract and paid for in whole or in part from City funds. For purposes of this subsection (B)(1), "construction" includes work performed during the design and preconstruction phases of construction, including, but not limited to, inspection and land surveying work. For purposes of this subsection (B)(1), "installation" includes, but is not limited to, the assembly and disassembly of freestanding and affixed modular office systems.
2. The laying of carpet done under a building lease-maintenance contract and paid for out of public funds.
3. Street, sewer, or other improvement work done under the direction and supervision of the City.
4. Hauling refuse from a public works site to an outside disposal location.
5. Maintenance work, including routine, recurring and usual work for the preservation of a City-owned or operated facility and landscape maintenance work per Labor Code Section 1771.

C. Prevailing wage requirements do not apply to work performed by the City with its own forces.

D. The City Manager is authorized to establish guidelines for implementing prevailing wages requirements that are consistent with this section and with the Labor Code.

E. The City Manager shall designate a person to comply with the contractor registration requirements on all contracts requiring prevailing wages.

3.20.090 Requests for Proposals and Requests For Qualifications.

Procurements under a Request for Proposal (RFP) or Request for Qualifications (RFQ) are appropriate for services that are not subject to legal public bidding requirements and are not public projects as defined in Section 3.20.060. Such procurements may include consulting services, professional services, maintenance services and other services as described in this section.

A. Use of RFP or RFQ. If a state or federal funding source requires an RFP or RFQ process, the City shall comply with said process to secure funding. If there are no statutory or funding condition requirements that specify use of an RFP or RFQ, selection is based on the nature of the procurement. For example, an RFP is the preferred option for project-based procurement where the specific scope of services is known in advance and one of the primary criteria will be the best lump sum price for providing services (although experience and qualifications may also be considered). An RFQ is often preferable for ongoing or on-call professional or consulting services where there is not a single defined project and the qualifications and experience of the consultant are the primary criteria (although hourly rates may also be considered).

B. RFP/RFQ Required By Law or Funding Source.

1. Architectural and Engineering Services. Per Cal. Gov't Code § 4529.12, all architectural and engineering services shall be procured pursuant to a fair competitive selection process. Therefore, an RFP/RFQ process must be followed. The term "architectural and engineering services" includes all architectural, landscape architectural, environmental, engineering, land surveying and construction project management services (see Cal. Gov't Code § 4529.10).
2. Funding Source Requirement. The City shall comply with county, state, or federal funding source requirements for use of an RFP/RFQ.

C. Other RFPs and RFQs.

1. Professional/Consultant Services. The City may contract with any specially trained and experienced persons, firms or corporations for special services and advice in financial, economic, accounting, legal or administrative services. Selection shall be on the basis of demonstrated competence, on the professional qualifications

necessary for the satisfactory performance of the services required and at a fair and reasonable price to the City. To obtain the best competitive value for services, the City may employ an RFP or RFQ process dependent on nature of the services, complexity, estimated cost and immediate needs as determined by the City Manager.

2. Master Service Agreements. Master service agreements may be entered into with specific vendors for support services on an “as needed” basis pursuant to an RFP process

3.20.100 Standing supply purchase agreements and master service agreements.

A. Standing supply purchase agreements may be entered into with specific vendors for purchase of repetitive-use goods, materials, equipment and/or supplies common to one or several departments. The standing supply purchase agreements will be subject to the informal bidding procedures in Section 3.20.060D except that factors other than low price may be considered.

B. Master service agreements may be entered into with specific vendors for support services on an “as needed” basis. The master service agreements will be subject to a request for proposal process as set forth in the City’s administrative purchasing policy.

3.20.110 Conflict of interest.

No person shall recommend, participate in any contract evaluation, selection, purchase, or lease which would constitute a conflict of interest defined in the City conflict of interest code or applicable state law.

3.20.120 Credit Card Purchasing Policy.

A. Credit Card Policy.

1. This section shall be deemed the City’s credit card purchasing policy.
2. The Finance Director shall be responsible for the City’s credit card issuance, accounting, monitoring, retrieval and for general oversight of compliance with this credit card use policy.
3. Credit cards may be used for the purchase of goods and services that are for the official business of the City when standard accounts payable procedures cannot be utilized. Examples include fuel purchases, travel-related expenses, conference registration fees and purchases wherein vendor requires immediate payment and the purchase is immediately necessary for City business.
4. City credit cards may be used only by those authorized and only for the purchase of goods or services for the official business of the City.
5. Purchases made via the credit card must comply with the City’s purchasing and expenditure policies. The card in no way changes such policies.
6. The Finance Department will follow established accounts payable internal control

- procedures for approval, documentation and payment of credit card charges.
7. Unauthorized use of a City credit card shall result in disciplinary measures to the fullest extent of the law.

B. Procedures.

1. Issuance of Credit Cards.

- a. Credit cards may be issued to the City Manager, Finance Director, Police Chief, Lieutenant, Community Services Director, Community Development Director, Public Works Director, Human Resources Officer and City Clerk. Only one card will be issued in an individual's name. Cards are nontransferable. It is understood that each individual issued a credit card may designate support staff to process credit card purchases.
- b. The Finance Director may authorize credit card purchases of up to two thousand five hundred dollars. Contracts and purchases in excess of that amount which have been authorized by the Finance Director may be paid with credit cards if specifically authorized by City Manager. The authorized credit limit of each credit card issued by the City shall not exceed five thousand dollars.

2. Card Holder Responsibilities and Liability.

- a. Each credit card holder must comply with the following requirements:
 - i. Ensure the card is used only for legitimate City business purposes.
 - ii. Maintain the card in a secure location at all times.
 - iii. Not allow other individuals to use the card.
 - iv. Adhere to City purchase limits and restrictions as set forth in this chapter and as required by the City Manager.
 - v. Submit documentation to the Finance Director including sales slips, register receipts and/or credit card slips and other documentation detailing the goods or services purchased, the cost of the goods or services, the date of the purchase and the official business for which it was purchased. Such documentation shall be submitted within five days of purchase.
 - vi. Attempt to resolve disputes related to billing errors with a vendor directly or in conjunction with the Finance Department.
 - vii. Ensure that the appropriate credit is issued for disputed items or billing errors on a subsequent credit card statement.
 - viii. Immediately report a lost or stolen card to the card issuer and notify the Finance Director of the lost or stolen card at the first opportunity available.
 - ix. Return the card to the Finance Director upon termination of employment with the City.
- b. Card Holder Liability. The credit card is a corporate charge card that will not affect the card holder's personal credit; however, it is the card holder's responsibility to ensure that the card is used within stated guidelines,

policies and procedures of the City. Failure to comply with program guidelines may result in the permanent revocation of the card, charge-back of an improper or unsupported transaction to the card holder for reimbursement to the City, notification of the situation to management and further disciplinary measures, which may include termination.

3.20.130. Surplus Supplies and Equipment

A. Definitions.

1. "Surplus City property" means supplies or equipment belonging to the City which are no longer used or which have become obsolete or worn out or which are otherwise of no further use.
2. "Immediate family" includes spouses, registered domestic partners, parents, children, siblings, grandchildren, grandparents, uncles, aunts, nieces and nephews by blood or marriage.

B. Duty to report surplus equipment and supplies. Departments shall submit to the Purchasing Officer, at such times and in such forms as prescribed, reports listing all available surplus City property. The Purchasing Officer shall have authority to exchange for, or trade in, such property on new supplies and equipment in accordance with this chapter.

C. Disposal required. The Purchasing Officer shall determine if any surplus City property can be used by any department of the City. If such supplies or equipment cannot be used or are unsuitable for City use, the Purchasing Officer shall, in the manner provided in this section, dispose of such supplies and equipment that cannot be exchanged for or traded in on new equipment or supplies.

D. Manner of disposal.

1. If the surplus City property which is not required for City use has been assigned an estimated market value of less than one thousand dollars by the purchasing officer, it may be disposed on the open market without advertising for bids.
2. If the surplus City property which is not required for City use has been assigned an estimated market value of one thousand dollars or more by the Purchasing Officer, the purchasing officer shall dispose of the property:
 - a. Through the solicitation of sealed bids, with the award going to the highest responsive, responsible bidder. All notices shall be published by the Purchasing Officer in a commercially reasonable manner, using any appropriate mediums of printed or electronic commerce which, in the opinion of the Purchasing Officer, are likely to ensure an optimum bidding process;

- b. Through participation in an auction;
 - c. Through consignment of items to a vendor to sell on behalf of the City. The Purchasing Officer shall enter into an agreement with the vendor that has the potential of generating the most market interest and, therefore, the highest net proceeds for the City. The consignment vendor shall, at its expense, advertise the item(s) for sale, in accordance with subsection (B)(1) of this section and shall accept offers on behalf of the City, with the City having final acceptance authority;
 - d. Through a negotiated agreement with another public agency, public safety organization, government agency or other nonprofit agency which may have limited funds and an expressed need for such item(s).
3. The amount received for any property sold pursuant to this chapter shall be deposited in the City's general fund or internal service fund as deemed appropriate by the Finance Director.
- E. City personnel and immediate family members prohibited from purchasing. No City officer or employee or any member of the immediate of a City officer or employee shall purchase surplus City property sold in accordance with this chapter.

SECTION 3. CEQA. A preliminary environmental assessment has been performed for this project pursuant the California Environmental and Quality Act (CEQA). The City Council finds and determines with certainty that, pursuant to CEQA Guidelines Section 15061(b)(3), there is no possibility that this project may have a significant, adverse, impact on the environment. This is because this project involves purely procedural policies with no impacts on the environment. Therefore, this project is not subject to CEQA.

SECTION 4. Severability. If any section, subsection, phrase, or clause of this ordinance is for any reason held to be unconstitutional or invalid, such decision shall not affect the validity of the remaining portions of this Ordinance.

SECTION 5. Publication. This ordinance shall be published in accordance with the provisions of Government Code Section 36933.

SECTION 6. Effective Date. This ordinance shall become effective thirty (30) days after the date of adoption.

The foregoing ordinance was introduced at a regular meeting of the City Council of the City of Kerman on the 22nd day of October 2025, and was passed and adopted at a regular meeting of the City Council of the City of Kerman on November 12, 2025, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

The foregoing ordinance is hereby approved.

Maria Pacheco
Mayor

ATTEST:

Josie Camacho
City Clerk