

ORDINANCE NUMBER 678-AC

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NEEDLES, CALIFORNIA
AMENDING AND RESTATING ARTICLE II OF CHAPTER 8 OF THE
CITY OF NEEDLES MUNICIPAL CODE**

WHEREAS, the City Council of the City of Needles desires to update its purchasing code limits to reflect reasonable limits reflecting the current costs for goods and services, streamline administrative processes, and align with comparable cities; and

WHEREAS, the purchasing limits have not been increased since 2006, and the cumulative Consumer Price Index (“CPI”) increase from 2006 to 2025 is approximately 59.46%; and

WHEREAS, the City Council finds that the current requirement for purchase orders on every item over \$5,000 is administratively burdensome and that updating these limits will improve efficiency and expedite payment processes without creating undue risk due to inadequate internal controls; and

WHEREAS, the City Council further desires to authorize the City Manager to approve combined change orders on a purchase order up to his/her signature authority, consistent with best practices in other cities;

WHEREAS, the City Council has determined that amendments to Article 2 of Chapter 8 of the Needles Municipal Code are necessary and appropriate; and

WHEREAS, the City Council has determined that such amendments are in the best interests of the City and its residents; and

WHEREAS, this ordinance has been introduced and considered by the City Council in accordance with applicable law.

NOW, THEREFORE, the City Council of the City of Needles does ordain as follows:

SECTION 1. Incorporation of Recitals. The recitals reflected above are true and correct and incorporated herein by this reference as the cause, purpose, and foundation for the action taken by the City Council through this Ordinance.

SECTION 2. CEQA. The City Council finds that the actions contemplated by this Ordinance are exempt from the California Environmental Quality Act (“CEQA”) pursuant to 15061(b)(3), CEQA review is not required because there is no possibility that this Ordinance may have a significant effect upon the environment and the proposed text amendments constitute a minor alteration in a land use limitation under CEQA Guidelines Section 15305, and such a land use limitation is a permissible exercise of the City's zoning powers.

SECTION 3. Severability. The City Council hereby declares that if any provision, section, paragraph, sentence, or word of this Ordinance is rendered or declared to be invalid or unconstitutional by any final court action in a court of competent jurisdiction, or by reason of any preemptive legislation, such invalidity shall not affect the other provisions, sections, paragraphs, sentences, or words of this Ordinance, and to this end the provisions of this Ordinance are severable. The City Council declares that it would have adopted this Ordinance irrespective of the invalidity of any particular portion thereof and intends that the invalid portions should be severed and the balance of the Ordinance enforced.

SECTION 4. Prosecution of Prior Ordinances. Neither the adoption of this Ordinance nor the repeal of any other ordinance of this City shall in any manner affect the prosecution of any violation of any City ordinance or provision of the City of Beaumont Municipal Code, committed prior to the effective date hereof, nor be construed as a waiver of any penalty or the penal provisions applicable to any violation thereof.

SECTION 5. Amendment to Needles Municipal Code. Chapter 8, Article II of the Needles Municipal Code is hereby amended and restated in its entirety as set forth in **Exhibit “A”** attached hereto and incorporated herein by this reference.

SECTION 6. Repeal of Certain Ordinances and Resolution. Ordinances 524-AC and 658-AC and Resolution 2023-13 are hereby repealed.

SECTION 7. Findings. The City Council HEREBY FINDS AND DETERMINES that facts do exist to approve an amendment to the Needles Municipal Code.

SECTION 8. Approval. The City Council HEREBY APPROVES Ordinance 678-AC amending and restating Needles Municipal Code Chapter 8, Article II to read as set forth in Exhibit "A".

SECTION 9. Effective Date. This action shall become final and effective thirty (30) days after this decision by the City Council as provided by the Needles Municipal Code.

SECTION 10. Severability. If any section or provision of this Ordinance is for any reason held to be invalid or unconstitutional by any court of competent jurisdiction, or contravened by reason of any preemptive legislation, the remaining sections and/or provisions of this Ordinance shall remain valid. The City Council hereby declares that it would have adopted this Ordinance, and each section or provision thereof, regardless of the fact that any one or more section(s) or provision(s) may be declared invalid or unconstitutional or contravened via legislation.

SECTION 11. Certification. The City Clerk shall certify the introduction and adoption of this Ordinance.

INTRODUCED AND READ for the first time and ordered posted at a regular meeting of the City Council of the City of Needles, California, held on the 12th day of November 2025, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Janet Jernigan, Mayor

ATTEST: _____
Candace Clark, City Clerk

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council of the City of Needles, California, held on the 9th day of December 2025.

AYES:
NOES:
ABSENT:
ABSTAIN:

Janet Jernigan, Mayor

ATTEST: _____
Candace Clark, City Clerk

Approved as to form:

Lena Wade, Deputy City Attorney

EXHIBIT "A"
CITY OF NEEDLES MUNICIPAL CODE
CHAPTER 8 FINANCE ARTICLE II PURCHASING

Sec. 8-4. Purchasing system adopted - Purpose of system

A purchasing system is hereby adopted which ensures efficient and timely purchasing of supplies, services and equipment for the city. The system is designed to encourage such purchases be made at the lowest possible price, at the appropriate quality level, and with adequate financial controls, authority levels and accountabilities to discourage abuse or misuse of the system and to ensure timely payment of suppliers.

Sec. 8-5. Purchasing officer

The responsibility and authority for the purchases of supplies, services and equipment is hereby vested in the city manager. As the purchasing officer, the city manager shall have authority to:

(a) Purchase or contract for supplies, services and equipment required by the city in accordance with the procedures described in this article, or other rules and regulations as approved by the city council;

(b) Establish administrative procedures and policies for the management and operation of the purchasing system which may include the delegation of purchasing responsibilities to other management, departments or individual employees;

(c) Establish quality standards and specification procedures that will ensure the city is purchasing supplies, services and equipment that will meet or exceed the desired performance or expectations, and that such supplies, services and equipment, when received, are inspected and/or tested, as appropriate, to verify such standards and specifications have been delivered by the supplier;

(d) Establish supplier selection criteria that considers the "total cost" of supplies, services and equipment, for evaluating a vendor. The criteria may include such items as warranty or guarantees, ability to service after sale, delivery schedules, estimated useful life, parts availability, repair or parts delivery guarantees, training, type of support documentation such as user's manuals, parts lists, training guides, etc.;

(e) Develop supplier "partnerships" that may include single-source agreements referred to in Section 8.9(c), when approved by council, for reasonable periods of time. These arrangements shall be based upon either price, enhanced support services, supplier warehousing, guaranteed quantity purchases, technical design and support, training, or similar criteria;

(f) Create written policies, documentation and forms needed for the purchasing system;

(g) Obtain full and open competition wherever possible on all purchases;

(h) The city manager and finance director shall certify that this purchasing chapter has been followed when submitting the warrants to council for approval.

Sec. 8-6. Centralized purchasing procedure

Supplies, services and equipment purchases shall be completed through a centralized purchasing system to ensure conformity to applicable policies and procedures, accuracy of documentation and consistency with policies and procedures. Exceptions to centralized purchasing can be approved by the city manager, when the item(s) being purchased are necessary to restore a customer(s) utility service(s), or to protect the health, safety or welfare of employees or the public; or when the use of the centralized purchasing system would be detrimental to the best interests of the city. Exception to the use of the centralized purchasing system means that the city manager may authorize any city department to purchase or contract for specified supplies, materials, equipment and services independently of the purchasing department, provided that such purchases or contracts be made in conformity with the procedures set forth in this chapter.

Sec. 8-7. Encumbrance of funds

Except in cases of an emergency or in cases where specific authority has been first obtained from the city council, the city manager shall not issue any purchase order for supplies, services or equipment unless there exists an unencumbered appropriation in the department budget against which such purchase is to be charged. With the exception of salaries and associated expenses and capital items the department may move appropriated funds between accounts in the same department. All departments needing additional appropriation of funds must get city council approval for an amendment to the budget. For accounting purposes, the capitalization threshold will be ten thousand dollars (\$10,000.00).

Sec. 8-8. Purchasing procedures

(a) Purchasing procedures shall be developed by the city manager which support the centralized purchasing system, minimize costs, avoid delays and provide adequate controls and financial accountability.

The system shall use purchase orders, except for purchases which may be exempted from this requirement, such pre-approved purchase agreements; and purchases of fifteen-thousand dollars (\$15,000.00) or less. Splitting or separating any purchase or project into smaller purchases or projects to avoid following the requirements in this chapter is prohibited.

(b) The dollar limits established in this Article shall apply to the original contract or purchase as well as to any amendments, modifications or change orders. Individual and cumulative amendments, modifications or change orders shall remain within the city manager's signature authority for amounts of fifteen thousand dollars (\$15,000) or less. Any amendments, modifications or change orders, individually or in the aggregate, of more than fifteen thousand dollars (\$15,000) shall be subject to the approval requirements applicable to the higher contract amount as provided in this Article.

Sec. 8-9. Purchasing

(a) Preference to Local Vendors.

(1) "Local vendor" means any individual, limited liability company, partnership or corporation which regularly maintains a place of business and an inventory of merchandise or services for sale within the corporate limits of the city and holds a valid city business license.

(2) The city manager may recommend and/or approve the awarding of a purchase to local vendors for supplies, services or equipment when the purchase is being made with an informal bid, even if the local vendor's price is not the lowest. Such awards may only be made when the local vendor can provide the quality and quantity required by the purchase order specifications, and if the difference in price does not exceed five percent(5%).

(3) The city council may approve the awarding of bids or contracts to a local vendor when the purchase is being made with a formal bid, even if the local vendor's price is not the lowest. Such awards may only be made, when the local vendor can provide the quality and quantity required by the purchase order specifications, and if the difference in price does not exceed five percent (5%).

(4) The net return of any sales tax to the city shall be utilized as a bid evaluation factor in determining the lowest bid.

(b) Preferred Vendor.

(1) The city manager may identify a preferred vendor for supplies, services and equipment. A preferred vendor shall only be selected when the supplies, services or equipment from the vendor will either minimize spare parts inventory, eliminate equipment operation problems (such as configuration, coordination, downtime), expedite parts or equipment delivery, reduce employee training requirements, reduce customer outages or restoration time, or add significant life to the system.

(2) A preferred vendor may be selected only if the above criteria have been met, and the supply, service or equipment price does not exceed five percent (5%) of the low bid or price of like supplies, services, or equipment. Support services and replacement parts for existing systems or equipment are exempt from the five percent (5%) price requirement.

(3) The council may authorize the use of a preferred vendor when the price exceeds five percent (5%) of the low bid or price, when system maintenance and/or operation demands consistency and uniformity.

(4) Supplies, services and equipment being purchased from a preferred vendor shall be informally bid annually to establish the low bid or price for the five percent (5%) comparison.

(5) Purchases from preferred vendors shall comply with the other applicable provisions of this Article applicable to purchases of supplies, services and equipment.

(c) Single-Source Agreements

(1) The city may enter into a "single-source" or "partner" agreement with a vendor for services, supplies and equipment, if the agreement reduces the cost of purchasing or other costs such as inventory warehousing; and/or the agreement provides additional services such as maintenance, training, engineering; and/or the agreement provides other benefits which either reduce costs or increase customer service for the city.

(2) Single-source agreements may only be awarded, upon council approval, and only after a formal contract or bidding procedure has been completed. The contract and bidding procedure must include a published invitation to bid in at least one newspaper of general circulation and on the city's website.

(3) Single-source agreements may be awarded for a period of no longer than three (3) years.

(4) The city manager may develop and implement written purchasing procedures specific to a single-source agreement, as required by that agreement.

(d) Purchases from County, State and Federal Agencies. The city manager is authorized to procure supplies, services, equipment and motor vehicles through direct purchase from county, state or federal agencies when he or she deems it is in the best interest of the city to do so. All purchases from these agencies are exempt from the provisions of subsection (g) of this section, provided that purchases in excess of thirty thousand dollars (\$30,000.00) shall require city council approval unless otherwise exempted under this Article.

(e) Bidding Requirements for Public Projects.

(1) Pursuant to Charter Section 1109, purchases for public projects meaning the construction or improvement of public buildings, works, streets, drains, sewers, utilities, parks or playgrounds, or for supplies and materials of such construction or improvement shall not be completed without a formal bid and written contract, when the amount being purchased exceeds fifteen thousand dollars (\$15,000.00).

(2) Formal Bid Requirements for public projects.

(A) The city manager shall establish a dollar amount in the purchasing procedures of public projects, for the required use of formal bids and contracts. All purchases greater than fifteen thousand dollars (\$15,000.00) for public projects shall be by formal bid, unless otherwise authorized by the city council.

(B) Purchases requiring the use of formal bid and written contract shall be approved by the city council, and other appropriate review boards or commissions, prior to advertising for proposals.

(C) The formal bid procedure shall include criteria for inviting bids, publication of solicitations, bidder security, bid openings, bid rejection, "tie breaker" selection, notification and award of successful bids, performance and other bond requirements, contractor license requirements, recordkeeping, etc.

(D) Except as otherwise provided in this article, formal bids shall be awarded by the city council to the lowest responsible and most responsive qualified bidder. The decision of the city council shall be final. For purposes of this chapter, "lowest responsible and most responsive qualified bidder" means that bidder which best responds in price, quality, service, fitness, or capacity to the particular requirements of the city as determined by the city council. Price alone shall not be the determining factor but shall be considered along with the other factors including, but not limited to, the ability of the bidder to deliver, availability of parts or service, prior experience with the bidder, and other factors relating to the particular needs of the city for the materials, supplies, equipment or services to be purchased.

(3) Informal Bid Requirements for public projects.

(A) The city manager shall establish a maximum dollar amount in the purchasing procedures for public projects which can be made without the use of a formal bid. The amount to be authorized in the procedures for such informal bid purchases shall not exceed fifteen thousand Dollars (\$15,000.00), unless authorized by the city council.

(B) Purchases that do not exceed the dollar amount, established in the purchasing procedures, may be made without solicitation of sealed proposals or bids.

(C) Informal bid purchases shall be made from the low-cost contractor.

(4) Exception for the extension or development of public utilities.

Projects for the extension or development of any public utility operated by the city or for the purchase of supplies or equipment for any such utility are excepted from the requirements of this Article up to the amount of one hundred thousand dollars (\$100,000.00).

(f) Bidding requirements for maintenance and general services

(1) Informal Bid Requirements for maintenance and general services.

(A) The city manager shall establish a maximum dollar amount in the purchasing procedures for purchases which can be made without the use of a formal bid and/or contract. The amount to be authorized in the procedures for such informal bid purchases shall not exceed thirty thousand dollars (\$30,000.00), unless authorized by the city council

(B) Purchases that do not exceed the dollar amount, established in the purchasing procedures, may be made without solicitation of sealed proposals or bids. However, when such a purchase exceeds five fifteen thousand dollars (\$15,000.00), it shall be made only after three written or verbal bids are obtained for the supplies, services or equipment being purchased.

(C) Informal bid purchases shall be made from the low-cost vendor, unless local preference is being given, (which must be approved by the city manager), or the low-cost vendor cannot supply the quality, quantity or comply with "supplier selection criteria."

(D) Informal written or verbal bids or prices for supplies, services or equipment may be used for additional purchases up to twelve months.

(2) Formal Bid Requirements for maintenance and general services.

(A) The city manager shall establish a dollar amount in the purchasing procedures, for the required use of formal bids and contracts. All purchases for maintenance and general services greater than thirty thousand dollars (\$30,000.00) shall be by formal bid, unless otherwise authorized by the city council.

(B) Purchases requiring the use of formal bid and contract shall be approved by the city council, and other appropriate review boards or commissions.

(C) The formal bid procedure shall include criteria for inviting bids, publication of solicitations, bidder security, bid openings, bid rejection, "tie breaker" selection, notification and award of successful bids, performance and other bond requirements, contractor license requirements, recordkeeping, etc.

(D) Except as otherwise provided in this article, formal bids shall be awarded by the city council to the lowest responsible and most responsive qualified bidder. The decision of the city council shall be final. For purposes of this chapter, "lowest responsible and most responsive qualified bidder" means that bidder which best responds in price, quality, service, fitness, or capacity to the particular requirements of the city as determined by the city council. Price alone shall not be the determining factor but shall be considered along with the other factors including, but not limited to, the ability of the bidder to deliver, availability of parts or service, prior experience with the bidder, and other factors relating to the particular needs of the city for the materials, supplies, equipment or services to be purchased.

(g) Bidding requirements for materials, supplies and equipment.

(1) Informal Bid Requirements for materials, supplies and equipment.

(A) The city manager shall establish a maximum dollar amount in the purchasing procedures for purchases of materials, supplies, and equipment that may be made without the use of a formal bid and/or contract. The amount authorized for informal bid purchases shall not exceed thirty thousand dollars (\$30,000.00), unless otherwise approved by the city council.

(B) Purchases that do not exceed the dollar amount established in the purchasing procedures may be made without solicitation of sealed proposals or bids. However, when such a purchase exceeds fifteen thousand dollars (\$15,000.00), it shall be made only after three written or verbal bids are obtained for the materials, supplies, or equipment being purchased.

(C) Informal bid purchases shall be made from the low-cost vendor, unless a local preference is authorized by the city manager, or the low-cost vendor cannot supply the required quality, quantity, or otherwise fails to meet the city's supplier selection criteria.

(D) Informal written or verbal bids or prices for materials, supplies, or equipment may be relied upon for additional purchases for a period of up to twelve months, unless otherwise determined by the city manager.

(2) Formal Bid Requirements for materials, supplies and equipment.

(A) The city manager shall establish a dollar threshold in the purchasing procedures for the required use of formal bids and contracts. All purchases greater than thirty thousand dollars (\$30,000.00) for materials, supplies, and equipment shall be made by formal bid, unless otherwise authorized by the city council.

(B) Purchases requiring the use of formal bid and contract shall be approved by the city council, and other appropriate review boards or commissions, prior to advertising for proposals.

(C) The formal bid procedure shall include criteria for inviting bids, publication of solicitations, bidder security, bid openings, bid rejection, "tie breaker" selection, notification and award of successful bids, performance and other bond requirements, contractor license requirements, recordkeeping, etc.

(D) Except as otherwise provided in this article, formal bids shall be awarded by the city council to the lowest responsible and most responsive qualified bidder. The decision of the city council shall be final. For purposes of this chapter, "lowest responsible and most responsive qualified bidder" means that bidder which best responds in price, quality, service, fitness, or capacity to the particular requirements of the city as determined by the city council. Price alone shall not be the determining factor but shall be considered along

with the other factors including, but not limited to, the ability of the bidder to deliver, availability of parts or service, prior experience with the bidder, and other factors relating to the particular needs of the city for the materials, supplies, equipment or services to be purchased.

(h) Emergency Purchases. The purchase of emergency supplies and/or equipment may be exempted from the requirements of chapter 8, article 2, including the requirement for formal or informal bid process, if the city manager determines that an emergency exists such that the purchase of such supplies and/or equipment must be made immediately to prevent or remedy a disruption of service, damage to the utility systems or other property, or injury to personnel or other persons. In such emergency situations, the city manager is authorized to purchase supplies and/or equipment in an amount not to exceed one hundred thousand dollars (\$100,000.00) without prior council approval. The city manager shall immediately notify each member of the city council of the intent to make any emergency purchase. For purchases in excess of twenty-five thousand dollars (\$25,000.00), the city manager shall wait, if feasible, to make the emergency purchase until forty-eight hours after notification of the city council members to allow the city council the opportunity to call a special meeting to consider the purchase. In any case, the city manager shall report all emergency purchases at the next meeting of the city council.

(i) Exceptions to Bid Policy. Bidding shall not be required under the following conditions:

- (1) When the amount of the purchase is not more than fifteen thousand dollars (\$15,000.00);
- (2) When deemed to be of urgent necessity for the preservation of life, health or property;
- (3) When the purchase can be obtained from only one vendor and no equivalents or alternatives exist;
- (4) When the city council deems specific purchases as specialized and require specific technical knowledge or licenses, certification or other similar accreditation to complete the purchase;
- (5) When the council approves services for consulting or other similar support services and the award is based on professional qualification, experience or other such criteria;
- (6) When purchases are being made through the state's cooperative purchasing program;
- (7) When item(s) are purchased for resale;
- (8) When item(s) fall under the demand order system
- (9) Pursuant to section 1109 of the Charter, projects for the extension or development of any public utility operated by the City or for the purchase of supplies or equipment for any such utility may be excepted from the requirements of the purchasing procedures adopted by the City, provided the City Council so determines by at least five affirmative votes.

(j) Demand Order System. The purpose of the demand order system is to accommodate those expenditures that are not amenable to the city's purchase order system, such as subscriptions, membership dues, conference/seminar registrations, travel expenses, books, and similar expenditures where payment is required to accompany the order. In addition, the demand system may be used to request payment for purchases of supplies or services of fifteen thousand dollars (\$15,000.00) or less for which the vendor does not require a purchase order.

Sec. 8-10. Disposal of surplus supplies and equipment

(a) All departments and agencies shall submit to the city manager, upon request, reports listing all supplies and equipment which are no longer used or which have become obsolete or worn out. The city manager shall have authority to exchange or trade in these items for new supplies and equipment.

(b) The city manager, with permission of the city council, may authorize the sale of any supplies or equipment which are no longer usable or which have become obsolete or worn out, to the public by sale either through public auction, or through a surplus sales site accessible to the public.

(c) Surplus Sale Site. The city manager may sell excess or obsolete supplies and equipment at a surplus sale site(s) accessible to the public, if it is determined that such a sale may generate a better revenue for the city than an auction. The city manager, with permission of the city council, may designate all supplies and equipment of a general category or type be sold at such sales sites. Prices shall be established by the city manager and will reflect approximate resale market value of the item, without discouraging purchase. Discounts to large quantity purchasers may be given by the city manager, if such discounts would be available to the purchaser in a retail/wholesale market environment.

(d) Public Auction. The city manager may auction the supplies and equipment either through written or active competitive bid sale. Any individual, association or entity may bid at such a sale, including employees

of the city. Notice of public sale shall be published in a newspaper having general circulation in the city at least thirty days, but not more than sixty days prior to the sale. The notice of public sale shall include the date of the sale, location of the sale and any bidder security requirements.

(1) Active Competitive Bid. The supplies and equipment shall be sold by an auctioneer selected by the city manager. The cost of an auctioneer, if any, shall be paid from the proceeds of the auction. The supplies or equipment shall be sold on the date of the sale to the person, association or entity submitting the highest bid. The highest bidder shall pay for the item at the completion of the bidding, or may deposit ten percent (10%) of the bid and make arrangements for payment of the balance at the time of pick up, if such deposit is approved by the city manager. All items purchased must be removed from the sale premises upon the published removal date. If the highest bidder fails to fulfill his bid, or fails to pick up the items purchased upon the removal date, then the next highest bidder, with permission of the city manager, shall have the option of purchasing the supplies or equipment for the amount of his bid. If the next highest bidder does not desire to purchase the items, then the supplies and equipment may be disposed of as scrap, salvage or other, with permission of the city manager. If bidder security has been required, the city manager shall retain such security from the highest bidder upon default. All other bidders' security deposits shall be returned.

(2) Written Competitive Bid. The supplies or equipment shall be sold on the date of the sale to the person, association or entity submitting the highest written bid. A written notice of award shall be given to the highest bidder within ten days from the date of the sale. If the highest bidder fails to fulfill his bid within ten days from the date of mailing of the notice of award, then the next highest bidder, with the permission of the city manager, shall have the option of purchasing the supplies or equipment for the amount of this submitted bid. If bidder security has been required, the city manager shall retain such security from the highest bidder upon default. All other bidders' security deposit shall be returned.

All items purchased must be removed from the sale premises upon the published removal date. If the highest bidder fails to pick up the items purchased upon the removal date, then the next highest bidder, with permission of the city manager, shall have the option of purchasing the supplies or equipment for the amount of his bid. If the next highest bidder does not desire to purchase the items, then the supplies and equipment may be disposed of as scrap, salvage or other, with permission of the city manager. If bidder security has been required, the city manager shall retain such security from the highest bidder upon default. All other bidders' security deposits shall be returned.

Footnote 3: For state law as to purchasing of supplies and equipment by cities, see Government Code Sections 54201 to 54205. For charter provisions as to purchasing of supplies, etc., by city manager, see Charter Section 525. See also Charter Sections 1107, 1115.