

CITY OF YUBA CITY
STAFF REPORT

Date: June 21, 2022
To: Honorable Mayor & Members of the City Council
From: Finance/IT Department
Presentation By: Spencer Morrison, Finance Director

Summary

Subject: FY 22-23 Citywide Sole Source and Professional Services Purchases

Recommendation: Adopt a Resolution pre-authorizing the City Manager or designee to enter into citywide sole source and professional services purchases from July 1, 2022 through June 30, 2023, for specified items based on each purchase recommendation being in the best interest of the City

Fiscal Impact: The listed purchases throughout the fiscal year 2022-2023, which must conform to the currently approved budget and purchasing policies, represent up to an estimated \$11,499,000 in existing or planned sole source agreements, professional service agreements and other frequently used vendors.

Purpose:

Approve known future and reoccurring sole source and professional services purchases in the 2022-2023 fiscal year.

Council's Strategic Goal:

This item addresses the City Council's Strategic Goal of fiscal responsibility.

Background:

The purpose of this staff report is to consolidate known future and mostly reoccurring sole source and professional services purchases in the 2022-2023 fiscal year. This approach streamlines purchases during the year and allows City Council to have a broader knowledge of the upcoming sole source and professional services purchases. In 2008, the City Manager sought to improve efficiency by placing all known, professional service and sole source purchases required to go before City Council due to exceeding the City Manager's \$50,000 purchasing authority onto one agenda item that serves to streamline the agendas. To continue to improve the process, a few years later it was suggested that all of the multi-year professional service and sole source purchases be included on the staff report in order to provide the most transparency, even though the current Council, or a previous Council, had awarded the contract on a previous agenda.

The City adopted an updated purchasing policy on February 1, 2022 that went into effect on March 2, 2022. The updated policy now authorizes the City Manager to enter into purchase agreements up to \$100,000 without City Council approval. Therefore, vendors appearing in Attachment 2 include those providing support, maintenance, or upgrades for proprietary equipment, those which are annually successful in the three quotes process with enough work for Yuba City to potentially bring them above the \$100,000 threshold in a fiscal year, and those which are continuing in a multiple year agreement that totals over \$100,000 over the entire contract and may have been competitively selected and awarded by Council already. Additionally, some purchases appear which are subject to the Public Contract Code wherein the threshold is \$60,000, but are included for public, City Council, and staff information.

All such contracts and purchasing will continue to follow the Purchasing Policy, as adopted by City Council, sections 9-1 through 10-8. Additionally, formal bid purchases will continue to go through the formal bid process outlined in the City's Purchasing Policies and Procedures, along with any sole source, professional services, and commodity purchases that are not in this report.

A sole source purchase is appropriate when:

- An integral repair part or accessory compatible with existing equipment is only available from one vendor, or
- A product has a unique design/performance specification or quality requirements essential to department operations, or
- This is only one known manufacturer or is only authorized seller/servicer of the product in the region, or
- Staff has specialized training or expertise with a product and retraining is substantial, or
- Upgrading existing software, making emergency purchases, or special situations as they arise, or
- An emergency purchase arises, or
- A public project procurement under the established requirement established by Public Contract Code Section 22032(a), or
- Special situations as they arise.

If there is a change in circumstances such that any sole source, professional services or commodity purchases would not be warranted under the Purchasing Policy, staff will return to the City Council for approval as to another vendor, etc., as appropriate.

Analysis:

With a City Council approval of staff's recommendation, the departments will still be required to work within their approved budgets for the fiscal year 2022-2023 and comply with the adopted Purchasing Policy when making purchases. The items in Attachment 2 were considered by departments when building their budgets and are expected to not affect budget reduction scenarios.

Fiscal Impact:

The listed purchases throughout the fiscal year 2022-2023, which must conform to the currently approved budget and purchasing policies, represent up to an estimated \$11,499,000 in existing or planned sole source agreements, professional service agreements and other frequently used vendors.

Alternatives:

Direct staff to formally bid some or all of the attached sole source purchases and solicit proposals for the professional services agreements.

Recommendation:

Adopt a Resolution pre-authorizing the City Manager or designee to enter into citywide sole source and professional services purchases from July 1, 2022 through June 30, 2023, for specified items based on each purchase recommendation being in the best interest of the City.

Attachments:

1. Citywide Purchases Resolution
2. FY 22-23 City Wide Staff Report List
3. Purchasing Policy Excerpt
4. Public Contract Code 22032

Prepared By:

Kevin Rivera
Accountant I

Submitted By:

Diana Langley
City Manager

ATTACHMENT 1

RESOLUTION NO.

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
PRE-AUTHORIZING THE CITY MANAGER OR DESIGNEE TO ENTER INTO
CITYWIDE SOLE SOURCE AND PROFESSIONAL SERVICES PURCHASES
FROM JULY 1, 2022 THROUGH JUNE 30, 2023**

BE IT RESOLVED AND ORDERED BY THE CITY COUNCIL OF THE CITY OF YUBA CITY AS FOLLOWS:

WHEREAS, the City of Yuba City is a public entity established under the laws of the State of California, and

WHEREAS, the City of Yuba City has a City Council adopted Purchasing Policy that provides direction to staff on all professional service and sole source agreements, and

WHEREAS, the City Council of the City of Yuba City has the intent to keep the approval of routine and annual purchases through negotiated professional service and sole source agreements with well-vetted and competent vendors efficient while maintaining transparency, and

WHEREAS, such a process promotes the efficient use of public resources, and is in the best interests of the City; and

WHEREAS, the City Council desires to authorize the City Manager, or designee, to enter into contracts with the vendors on the attached list, to be updated and brought before City Council annually.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Yuba City as follows:

1. From July 1, 2022 through June 30, 2023, the City Council pre-authorizes the City Manager, or designee, to enter into agreements with vendors, service providers, etc., as identified in Attachment 2, and in the amounts not to exceed those identified therein. The City Manager, or designee, shall otherwise have discretion as to the terms of said agreements, subject to review and approval of the City Attorney as to legal form. The actual selection and award of such contracts and purchasing items will continue to comply the City's adopted Purchasing Policy as may be amended. If there are circumstances such that an award of any sole source, professional service or commodity purchase to a pre-authorized business or person would not otherwise be warranted under the Purchasing Policy, then the award shall not be made to that pre-authorized person or business. Instead, the City Manager or designee will return to the City Council to obtain approval as to another person or business who would be appropriately awarded the bid or agreement consistent with the Purchasing Policy, unless the City Manager was otherwise authorized to make such an award under the Purchasing Policy or other authority previously granted by the City Council.
2. The City Council finds that the pre-authorization as provided for herein promotes the efficient use of public resources, and is in the best interests of the City.

The foregoing Resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 21st day of June, 2022.

AYES:

NOES:

ABSENT:

Dave Shaw, Mayor

ATTEST:

Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM
COUNCIL FOR YUBA CITY:

Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP

ATTACHMENT 2

Citywide Purchases:

BEST BEST & KRIEGER, LLP of Sacramento, CA

Professional services agreement in the estimated amount of **\$185,000** for personnel and other matters.

COP SHOP INSTALLATIONS of Yuba City, CA

Sole source purchases in the estimated amount of **\$150,000** for the purchase and install of emergency vehicle accessories for Police and Fire Department vehicles such as light bars, decals, sirens, scanners, opticoms, etc.

ESTRADA ENGINEERING of Yuba City, CA

Professional services in the estimated amount of **\$250,000** for design and engineering services. An estimated \$100,000 will be used by Public Works for Engineering and CIP projects. The remaining \$150,000 will be used by the Yuba City Fire Department for fire station remodeling and construction projects.

LANDSCAPES BY STENTZEL of Live Oak, CA

Professional services agreement in the estimated amount of **\$225,000** for special projects in the Feather River Parkway and Landscape Maintenance Districts.

LIEBERT, CASSIDY & WHITMORE, INC of Los Angeles, CA

Professional services agreement in the estimated amount of **\$120,000** for labor relations consulting services.

MUNICIPAL RESOURCE GROUP, LLC of Wilton, CA

Professional services agreement in the estimated amount of **\$150,000** to replace the current annual [performance appraisal for non-safety departments. Municipal Resource Group will be providing training to employees on a quarterly basis.

SIERRA PACIFIC TURF SUPPLY of Campbell, CA

Sole source in the estimated amount of **\$225,000** for purchasing fertilizer and pesticides for City facilities and parks throughout the City.

Development Services Purchases:

TRUE POINT SOFTWARE of Loomis, CA

Professional services agreement in the estimated amount of **\$105,000** for implementation, training and setup for Accela software. True Point is the local Accela certified firm and employs a team with an average of 16 years of experience providing public sector IT services.

OPEN COUNTER of Boston, MA

Professional services agreement in the estimated amount of **\$105,000** for interactive software implementation for building application processes. The software provides 24/7 step-by-step instructions, specific to the applicants' projects, that will allow applicants to further understand permit requirements, zoning, municipal codes, etc.

PLACEWORKS of Santa Ana, CA

Professional services agreement in the estimated amount of **\$350,000** for general plan updates, zoning code updates, and associated environmental work.

Finance/IT Purchases:

SPILLMAN TECHNOLOGIES of Logan, UT

Sole source in the estimated amount of **\$140,000** for the annual maintenance agreement of the City's Police CAD/RMS System. This system is a collection of software modules that integrate to form a single system. Spillman is the developer and sole distributor of their software.

CENTRAL SQUARE TECHNOLOGIES of Lake Mary, FL.

Sole source in the estimated amount of **\$160,000** for the City's financial system annual maintenance agreement. This system is a collection of software modules that integrate to form a single system. Pentamation is the developer and sole distributor of their software.

GAYNOR TELESYSTEMS, INC. of Redding, CA

Sole source in the estimated amount of **\$150,000** for parts, installation and support of phone systems at multiple City locations. Gaynor installed and supports several phone systems throughout the City and will be used to expand these phone systems at City Hall, YCPD, Corporation Yard, and Fire Station 4.

LENOVO GLOBAL TECHNOLOGY of Morrisville, NC

Sole source computer purchases in the estimate amount of **\$442,000** for fiscal year 22-23 at prices not to exceed the California Multiple Award Schedule (CMAS) contract price for Lenovo Global Technology.

SOFTWARE ONE of Waukesha, WI

Sole source in the estimated amount of **\$130,000** for the City's Microsoft Enterprise Agreement annual maintenance. This agreement provides software for desktops, servers and applications including Office, email and databases. Software One is the designated reseller in our state by Microsoft and is the only authorized reseller for all organizations in the State of California.

SUTTER BUTTES COMMUNICATION of Yuba City, CA

Sole source in the estimated amount of **\$120,000** for parts, installation, radio service and warranty for patrol vehicles, fire vehicles, and the communication center. Sutter Buttes has been providing service to the City for many years and is very familiar with the parts and installation that is needed to keep our radio communications working.

MOTOROLA SOLUTIONS, INC of Schaumburg, IL

Sole source in the estimated amount of **\$130,000** for portable radios and accessories for personnel and vehicles.

AXON of Scottsdale, AZ

Sole source in the estimated amount of **\$120,000** for the annual maintenance agreement of the Police Department's in-car and body camera equipment, as well as the cloud storage for video recordings.

Fire Purchases:

ALLSTAR FIRE EQUIPMENT OF HAYWARD, CA

Sole source contract in the estimated amount of **\$192,000** for Fire Department purchases of Phos-Check Class A and Angus AR-AFFF Class B concentrated firefighting foam, structural firefighting helmets, hose, and Lyon structural firefighter turnouts.

LN CURTIS & SONS of Oakland, CA

Sole source contract in the estimated amount of **\$200,000** for Fire personal protective equipment, hose and apparatus equipment, and vehicle extrication equipment. LN Curtis & Sons has exclusive contracts with many manufacturers of Fire Equipment used by the Yuba City Fire Department. Standardization of equipment for all fire units is necessary for efficient use in emergencies.

Public Works Purchases:

Professional Services:

ARCSINE ENGINEERING of Redding, CA

Professional services in the estimated amount of **\$150,000** for support of the electrical, SCADA, and instrumentation systems at the water and wastewater treatment facilities.

BLAIS & ASSOCIATES of Little Elm, TX and Irvine, CA

Grant monitoring and support services in the estimated amount of **\$200,000** per calendar year.

CALTEST of Napa, CA

Professional services in the estimated amount of **\$160,000** for contracted laboratory and stormwater testing services.

COASTLAND CIVIL ENGINEERING of Auburn, CA

Professional services in the estimated amount of **\$200,000** for engineering, design, document preparation and staff support.

CONTROL POINT AUTOMATION of El Dorado Hills, CA

Professional services in the estimated amount of **\$250,000** to upgrade the WWTF SCADA software platform. The project includes installing new software developing new control strategies, historical charts & trends, PID tuning, I.D. tags, and enable/disable functions.

DU-ALL SAFETY of Fremont, CA

Sole source in the estimated amount of **\$150,000** for the continued development and implementation of safety programs, employee training, and compliance services.

HERWIT ENGINEERING of Clayton, CA

Professional services in the estimated amount of **\$300,000** to review and analyze existing anaerobic digester operation and near-term capacity issues identified in the Wastewater Master Plan. Provide recommendation and cost estimate for 3rd anaerobic digester.

HOLMES INTERNATIONAL of Sacramento, CA
Professional services in the estimated amount of **\$150,000** to support the update of the City's Sewer System Management Plan and audit.

JACOBS of Sacramento, CA
Professional services in the estimated amount of **\$200,000** for engineering support of the water and wastewater systems.

LARRY WALKER ASSOCIATES of Davis, CA
Professional services in the estimated amount of **\$300,000** for consulting services related to the WWTF NPDES permit renewal, storm-water management, and Utilities CIP projects.

MHM, INC. of Marysville, CA
Professional services in the estimated amount of **\$300,000** for on-call engineering, surveying, and design services on a time-and-materials basis to support miscellaneous Engineering, CIP, water, and wastewater projects.

SOLIS GROUP of Pasadena, CA
Professional services in the estimated amount of **\$200,000** for grant reporting, reimbursement assistance, and labor compliance.

SOMACH SIMMONS & DUNN of Sacramento, CA
Professional services in the estimated amount of **\$150,000** for legal services for water rights and supply issues.

TESCO of Sacramento, CA
Professional services in the estimated amount of **\$175,000** for instrumentation system support, preventative maintenance services, and proprietary materials and parts at the Water Treatment Facility (\$50K), Wastewater Treatment Facility (\$50K), and Corp Yard (\$50K).

TJC AND ASSOCIATES of Sacramento, CA
Professional services in the estimated amount of **\$200,000** for support of the structural design, electrical, SCADA, and instrumentation systems at the Water and Wastewater Treatment Facilities.

WEST YOST ASSOCIATES of Davis, CA
Professional services in the estimated amount of **\$300,000** for engineering support services for the water and wastewater systems.

WOODARD & CURRAN of Walnut Creek, CA
Professional services in the estimated amount of **\$350,000** for engineering support services for the water and wastewater systems.

ZANGERO of Sacramento, CA
Professional services in the estimated amount of **\$150,000** for water planning and supply consultant services.

On-call Services:

ALL-AMERICAN CONSTRUCTION, INC. of Live Oak, CA

Sole source in the estimated amount of **\$200,000** for on-call construction services on a time-and-materials basis for public works projects up to \$200,000 or less in accordance with Public Contract Code Section 22032(a).

BIG S ASPHALT CO. of Yuba City, CA

Sole source in the estimated amount of **\$120,000** for on-call construction services on a time-and-materials basis for public works projects up to \$60,000 or less in accordance with Public Contract Code Section 22032(a).

COMMERCIAL PUMP & MECHANICAL, INC. of Chico, CA

Sole source in the estimated amount of **\$225,000** for on-call mechanical and pump repair services on a time-and-materials basis for water and wastewater infrastructure maintenance.

DOS RIOS of Yuba City, CA

Sole source in the estimated amount of **\$175,000** for construction services to be provided for the Water Treatment Plant.

H & H TRENCHING of Arboga, CA

Sole source in the estimated amount of **\$120,000** for on-call construction services on a time-and-materials basis for public works projects up to \$60,000 or less in accordance with Public Contract Code Section 22032(a).

KINNEY ELECTRIC & POWER TRANSMISSION, INC. of Yuba City, CA

Sole source in the estimated amount of **\$150,000** for on-call services and parts on a time-and-materials basis for the water (\$35K) and wastewater systems (\$35K).

MICHELS CORPORATION DBA MICHELS PIPELINE CONSTRUCTION of Salem, OR

Sole source in the estimated amount of **\$200,000** for water infiltration, manhole rehabilitation, storm drainage system, and related on-call services for the sewer collection system.

NEWLAND ENTITIES of Marysville, CA

Sole source in the estimated amount of **\$120,000** for on-call construction services on a time-and-materials basis for public works projects of \$60,000 or less in accordance with Public Contract Code Section 22032(a).

NOR-CAL PIPELINE SERVICES of West Sacramento, CA

Sole source in the estimated amount of **\$120,000** for on-call sewer collection system maintenance and repairs on a time-and-materials basis for public works projects of \$60,000 or less in accordance with Public Contract Code Section 22032(a).

NORTH STAR CONSTRUCTION AND ENGINEERING, INC. of Yuba City, CA

Sole source in the estimated amount of **\$200,000** for on-call construction and engineering services on a time-and-materials basis for public works projects of \$60,000 or less in accordance with Public Contract Code Section 22032(a).

RICHALL ELECTRIC CO. of Yuba City, CA

Sole source in the estimated amount of **\$175,000** for on-call electrical services on a time-and-materials basis, including emergency and afterhours work, for all City facilities.

ROBERY FARLEY CONSTRUCTION of Yuba City, CA

Sole source in the estimated amount of **\$200,000** for on-call construction services on a time-and-materials basis for public works projects up to \$200,000 or less in accordance with Public Contract Code Section 22032(a).

TELSTAR INSTRUMENTS of Sacramento, CA

Sole Source in the estimated amount of **\$150,000** for on-call instrumentation system support, SCADA programming, annual calibration and preventative maintenance.

Sole Source Purchases:

BADGER METER of Santa Rosa, CA

Sole source in the estimated amount of **\$350,000** for the continued provisions of the water meter reading system, such as software support and water meter equipment and repair parts.

FRANK OLSEN COMPANY of Livermore, CA

Sole source in the estimated amount of **\$250,000** for purchasing valves and actuators for the Water Treatment Plant and Wastewater Treatment Plant's conventional filters.

JAM SERVICES of Livermore, CA

Sole source in the estimated amount of **\$105,000** for the City's customized illuminated street name signs and replacement parts and miscellaneous electrical parts and equipment.

POLYDYNE, INC. of Riceboro, GA

Sole source in the estimated amount of **\$500,000** for polymer for the wastewater treatment process.

REXEL USA, INC. of Yuba City, CA

Sole source in the estimated amount of **\$200,000** for electrical parts, supplies, and services for the Water and Wastewater Treatment Facilities.

RIEBES AUTO PARTS of Yuba City, CA

Sole source in the estimated amount of **\$105,000** for general minor parts and supplies for fleet maintenance.

SHAPE INCORPORATED of Pleasanton, CA

Sole source in the estimated amount of **\$150,000** for pump parts, repairs, and service for Flygt-brand equipment.

XYLEM WATER SOLUTIONS USA, INC. of Rye Brook, NY and Fairfield, CA

Sole source in the estimated amount of **\$150,000** for specialty pumps, parts, and supplies for the Water and Wastewater Treatment Facilities.

ATTACHMENT 3

SECTION 9: SPECIAL PROCUREMENT CIRCUMSTANCES

9-1. Finance Department Procurements

The Finance Department is charged with the duty to contract for purchase of the following equipment, materials, and services:

1. New or replacement vehicles or equipment
2. Items purchased from state contracts
3. Computer hardware and software (through the Information Technology Division)
4. Other items as may be determined in the future
5. When it is in the best interest of the City to negotiate an extension of an existing contract for supplies or technical services, based on satisfactory performance. Such negotiated price must be fair and reasonable. This shall also apply to products or services purchased through prior recent bidding.

9-2. CDBG and Other Applicable Federal Grants:

In compliance with the City's Community Development Block Grant, HOME funds, and other applicable federal funds administered by the United States Department of Housing and Urban Development (HUD), procurement procedures shall comply with federal regulations (24 CFR 85.36). The City will follow the Office of Management and Budget Guidance 2 CFR 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

9-3. Sole Source Purchases:

When competitive quotations for goods and services are not possible, such purchases shall be made through negotiated procurement. Sole source purchases may require City Manager or City Council approval, based upon procurement limits and Municipal Code requirements.

A sole source justification form must be signed by the requestor's Department Head and City Manager (if applicable), then forwarded to the Finance Department and filed to justify the sole source purchase. Sole-source specifications should be avoided whenever possible as they minimize or eliminate competition.

When the use of said sole-source vendor is expected to be repeated or ongoing, the operating department may indicate that it is a "recurring" sole source on the sole source justification form. The sole source justification shall then be valid for three years from date of approval by the Department Head.

9-3.1. Sole Source is Appropriate When:

1. The requested product is an integral repair part or accessory compatible with existing equipment and is only available from one vendor.
2. The requested product has unique design/performance specifications or quality requirements which are essential to department operations and are not available in comparable products.
3. Only known manufacturer of this product.
4. The requested product is one with which department staff have specialized training and/or extensive expertise. Retraining would incur substantial cost in time and/or money.
5. Only vendor authorized to sell/service this product in our region.
6. Upgrade to existing software. Available only from the producer of this software who sells on a direct basis only.
7. Emergency purchase.
8. Public project procurements under the requirements established by Public Contract Code Section 22032(a).
9. Special situations as they arise.

9-3.2. City Manager Approval:

Sole source requests between \$50,000.01 and \$100,000 require the approval of the City Manager.

9-3.3. City Council Approval:

Sole source requests over \$100,000 require the approval of the City Council.

9-4. Emergency Purchases up to \$100,000 (Not for Public Projects):

Emergency purchases may be made without the benefit of competitive bidding when time is of the essence. Emergency purchases should be made only for the following reasons: (1) to preserve life, health, or property; (2) upon a natural disaster; (3) to correct or forestall a shutdown to maintain essential public services; or (4) other unforeseeable events (as authorized by the City Manager). Emergency purchases are not valid for contrived urgencies resulting from lack of planning and organization. Since emergency orders do not normally provide the City an opportunity to obtain competitive quotes, nor properly encumber funds, such orders should be kept to an absolute minimum. Emergency purchases shall be approved by the Department Head or designee.

9-5. Emergencies Over \$100,000 (Not for Public Projects):

Emergency purchases over \$100,000 require the approval/signature of the City Manager. The City Manager shall provide a report after any emergency purchase over \$100,000 at the next City Council meeting following the emergency purchase.

9-6. Emergency Public Projects:

Public projects shall be completed according to Public Contract Code 22050 and the City's Municipal Code Section 2-6.15.

9-7. Cooperative Purchases:

The City may participate in purchases and contracts conducted by other political jurisdictions, provided that the cooperative agreement is established following a competitive bid process. In a cooperative purchase, one agency represents several agencies by soliciting bids including the needs of the other agencies in the bid specifications. This higher product volume may result in lower unit cost for all agencies, and also reduces the time and cost of the City administering its own bid process.

Needed documentation includes:

1. Copy of the other jurisdiction's bid document(s)
2. Any Board or Council action awarding the contract
3. The contract documents

The City Manager may authorize the award of cooperative purchase agreements for amounts not more than \$100,000; City Council approval is required for the award of any cooperative purchase exceeding \$100,000.

9-8. Piggyback onto Existing Contract:

“Piggybacking” is the use of an existing contract for goods between another government agency and a vendor for the purchase of those same goods. When piggybacking onto a contract, the City must use the terms of the contract and price of the item must be as specified in the contract or awarding document. The contract for consideration must have been awarded through a competitive bidding process prepared and awarded by another local, state, or federal government agency.

Needed documentation includes:

1. Copy of the other jurisdiction's bid document(s)
2. Any Board or Council action awarding the contract
3. The contract documents

The City Manager may authorize the award of piggyback purchases for amounts not more than \$100,000; City Council approval is required for the award of any piggyback purchase exceeding \$100,000.

9-9. Exemptions from Obtaining a Purchase Order:

The Finance Department shall maintain an approved direct pay list for which no purchase order is required due to unique purchasing circumstances, such as invoices from government agencies, utility providers, and subscription services.

The following is a non-inclusive list of the direct pay categories and/or vendors at the time of policy adoption:

The following is a non-inclusive list of the direct pay categories and/or vendors at the time of policy adoption:

- Actuarial studies
- Advertising
- Assessment district administration costs
- Attorney services
- Bond issuance costs (bond counsel, rating agency fees, and trustee fees)
- Cafeteria plan administration
- CDBG and Home Rehabilitation Loans
- Claim settlements (for liability claims)
- Conference or seminar registration
- Copy machine maintenance and leasing under contract
- Debt service payments
- Department of Health Services
- Department of Water Resources
- Deposit refunds
- Document destruction
- Downtown Business Improvement District remittance of cash receipts
- Employment Development Department
- Family Intervention Team program expenditures
- Feather River Air Quality Management District
- Fingerprinting (Department of Justice)
- Fingerprinting (Sutter County – Live Scan)
- Fire Department stipend checks
- Fuel for storage tanks
- General Liability insurance premiums
- Gilsizer Drainage District
- Housing consultant
- Land/property
- Lobbying activities
- Meals (per diem or travel reimbursement)
- Membership dues
- MuniFinancial
- Net 5 purchases (Secretary, City of Marysville)
- Office equipment O&M
- Office supplies (consumable only)
- Parking Citation Hearing Officer
- Payroll deduction remittances
- Petty cash reimbursements
- Postage & freight
- Pre-employment physicals, medical blood, DATCO (substance abuse testing)

- Refunds
- Retirement administration: Phase II Systems for PARS trust administration
- State Board of Equalization (diesel fuel tax, sales and use tax)
- State Division of Administrative Services (seismic fees)
- State Water Resources Control Board
- Subdivision Agreement reimbursements
- Subscriptions
- Supplies or refreshments reimbursement
- Sutter-Yuba Mosquito Vector Control District
- Teambuilding (Amistad Associates)
- Telephone
- Temporary help (personnel agency)
- Training programs
- Travel & meetings
- Trustee fees
- Tuition reimbursements
- Uniform rental and cleaning (under contract)
- Utilities
- Vehicle allowance
- Water delivery service
- Yuba-Sutter Economic Development Corporation

An authorized signature and appropriate budget number(s) should be provided by the purchaser to Accounts Payable for invoices up to \$5,000. Invoices above \$5,000 should be accompanied by a check request form, approved by the Department Head.

SECTION 10: PROFESSIONAL SERVICES

10-1. Definition:

Those services by independent consultants such as legal, engineering, programming, planning, environmental, economic, financial, testing, specialized temporary employee services, medical, dental, accounting, surveying, landscape architecture, advertising, design, etc., are considered to be “professional services”. This may also include services requiring peculiar or specialized abilities which by state law do not require competitive bidding.

10-2. Operating Department Responsibilities:

1. Prepare specifications or scope of work.
2. Solicit, review, and select qualified consultant/firm.
3. Provide written documentation justifying selection of the successful consultant/firm. Staff may utilize the Professional Services Justification form on CityNet.
4. Prepare a City Professional Services Agreement and obtain consultant's signature.
5. Compile all exhibits/attachments described or referenced in the contract.
6. Secure and review required insurance documents for conformance to City contract requirements.
7. Submit the contract to the City Attorney for review and approval, if applicable.
8. If between \$50,000 and \$100,000, obtain City Manager approval.
9. If over \$100,000, obtain Council approval.
10. Submit requisition to Finance to issue a purchase order.
11. Submit original signed contract, complete with exhibits, attachments, and insurance, to the City Clerk.
12. Provide the consulting firm a signed copy of the contract.

10-3. Decentralized:

Due to the specialized and technical nature of professional services, contracting for professional services is decentralized and shall be the responsibility of each applicable Department Head.

10-4. Solicitation of Proposals:

Solicitation of professional service proposals is the responsibility of the operating departments. The Finance Department may be contacted to assist and support the formal request for proposal process.

10-5. Selection of Consultant:

Contracts negotiated by the City for professional services will be based on demonstrated competence, professional qualifications for the services required, availability, fair and reasonable cost, and other relevant factors as determined by the operating department. Competitive bidding is encouraged whenever possible; however, it is not mandatory.

10-6. City Attorney Review and Approval:

The City shall, whenever possible, use the City's Professional Services Agreement form, which as been approved as to form by the City Attorney and is available on CityNet. Should another agreement be considered for professional services, review and approval as to form by the City Attorney is required prior to execution by the City.

The City Attorney shall review and approve as to form all Professional Service Agreements prior to City Council approval for contracts over \$100,000.

10-7. Procurement Limits — Professional/Consultant Services:

Specified procurement limits are tabulated per consultant firm per fiscal year and are not to be split to circumvent the determined limits. No professional services consultant shall be paid more than \$100,000 per fiscal year for the City as a whole without prior Council authorization.

10-7.1. Contracts of \$50,000 or Less:

Contacting three (3) firms, although encouraged, is not required for contracts \$50,000 or less. Department Heads are authorized to sign Professional Service Agreements totaling \$50,000 or less.

10-7.2. Contracts \$50,000.01 up to \$100,000:

Operating departments should, whenever possible, contact three (3) consultants/firms and select the most qualified firm. The City Manager is authorized to sign Professional Service Agreements totaling \$100,000 or less.

10-7.3. Contracts Over \$100,000:

Operating departments shall solicit written proposals and negotiate with a minimum of three (3) consultants/firms, whenever possible. Professional Service Agreements over \$100,000 require City Council approval. If the contract is a multiple year agreement, information regarding multiple years must be presented to Council in the staff report at the time of approval.

10-8. Changes to and Cancellation of Purchase Orders:

The operating department will notify Finance when initiating changes which alter the purchase order. Purchase orders that need to be canceled or closed must be forwarded to Accounts Payable. The last payment against a purchase order that does not increase the purchase order total by 10% can be processed without obtaining a purchase order change order.

The City Manager will approve any change orders that have the purchase order total amount exceed \$50,000, up to \$100,000. Change orders cannot be requested that exceed Council-approved appropriations or Council contract award amounts without additional Council authorization.

ATTACHMENT 4

State of California

PUBLIC CONTRACT CODE

Section 22032

22032. (a) Public projects of sixty thousand dollars (\$60,000) or less may be performed by the employees of a public agency by force account, by negotiated contract, or by purchase order.

(b) Public projects of two hundred thousand dollars (\$200,000) or less may be let to contract by informal procedures as set forth in this article.

(c) Public projects of more than two hundred thousand dollars (\$200,000) shall, except as otherwise provided in this article, be let to contract by formal bidding procedure.

(Amended by Stats. 2018, Ch. 169, Sec. 2. (AB 2249) Effective January 1, 2019.)