



AGENDA
COMMISSION ON THE ENVIRONMENT
REGULAR MEETING
WEDNESDAY, SEPTEMBER 23, 2015
6:00 PM
COMMUNITY ROOM
420 CAPITOLA AVENUE, CAPITOLA, CA 95010

CALL TO ORDER AND ROLL CALL

Commissioners: Jacques Bertrand, Amie Forest, Kailash Mozumder, Peter Wilk, and Chair Kristin Sullivan

ORAL COMMUNICATIONS

The Chair may announce and set time limits at the beginning of each agenda item.

The Committee Members may not discuss Oral Communications to any significant degree, but may request issues raised be placed on a future agenda.

APPROVAL OF MINUTES – July 22, 2015 and August 26, 2015

OTHER BUSINESS

- a. Review, Prioritize, Approve the Work Plan
- b. Climate Action Plan Discussion
- c. Proposed October 28, 2015 meeting cancellation

ITEMS FOR NEXT AGENDA

ADJOURNMENT

Notice: The Commission on the Environment meets on the fourth Wednesday of each month at 6:00 PM in the Community Room located at 420 Capitola Avenue, Capitola.

Agenda and Agenda Packet Materials: The Commission on the Environment Agenda is available on the City's website: www.cityofcapitola.org/ on Friday prior to the Wednesday meeting. If you need additional information please contact the Public Works Department at (831) 475-7300.

Americans with Disabilities Act: Disability-related aids or services are available to enable persons with a disability to participate in this meeting consistent with the Federal Americans with Disabilities Act of 1990. Assisted listening devices are available for individuals with hearing impairments at the meeting in the City Council Chambers. Should you require special accommodations to participate in the meeting due to a disability, please contact the City Clerk's office at least 24-hours in advance of the meeting at 831-475-7300. In an effort to accommodate individuals with environmental sensitivities, attendees are requested to refrain from wearing perfumes and other scented products.



DRAFT MINUTES
COMMISSION ON THE ENVIRONMENT
REGULAR MEETING
WEDNESDAY, JULY 22 2015
6:00 PM
COMMUNITY ROOM
420 CAPITOLA AVENUE, CAPITOLA, CA 95010

Peter Wilk called the meeting to order at 6:00 p.m.

CALL TO ORDER AND ROLL CALL

Commissioners Present: Amie Forest, Kailash Mozumder, and Vice-Chair Peter Wilk,
Commissioners Absent: Jacques Bertrand, Kristin Sullivan
City Staff Present: Steve Jesberg, Danielle Uharriet
Community Members Present: None

ORAL COMMUNICATIONS

None

APPROVAL OF MINUTES

Amie Forest made a motion to approve the April 22, 2015 meeting minutes. Peter Wilk seconded the motion. Motion passed 2-0, Kailash Mozumder abstained.
Amie Forest made a motion to approve the May 27, 2015 meeting minutes. Kailash Mozumder seconded the motion. Motion passed 3-0.

OTHER BUSINESS

a. Review, Prioritize, Approve the Work Plan

The Commission previously developed a list of seven work items. Staff organized the work items into a format for the COE to review and prioritize prior to approving the overall work plan.

Soquel Creek: All concurred with the proposed purpose and description. Peter Wilk suggested composing a draft letter that would accompany the distribution of the Soquel Creek Guide to property owners adjacent to the creek. Peter will contact Don Alley, fisheries biologist, and George McMenam, riparian restoration expert, to gain an understanding of the creek and adjacent lands. Peter also raised concern about the ivy invasion along the banks of the creek. Kailash Mozumder suggested the COE consider a similar educational effort regarding the overall watershed. He offered his expertise to develop or review any brochures or information currently available.

Website Development: The Community Development Department is currently creating a sustainability page for the City's website. Overall comments were that information is very difficult to find on the city's website. Amy Forest offered to review the website and make suggestions on how to better organize and search the information. The website will be an ongoing project.

Climate Action Plan: The COE will continue to work with the Community Development Department on reviewing the CAP implementation plan.

Safe Routes and Alternative Transportation: Kailash Mozumder will obtain information on bike lockers at bus stops. The COE will review the resources available, such as the New Brighton Middle School Safety Audit and Survey, and the Soquel Union Elementary School District website for possible ways to promote safe routes.

Residential Energy Audit: Using the product/service list offered by the HERO Program, the COE will develop a checklist for homeowners to review and consider green building opportunities utilizing the HERO Program.

Energy – Solar Promotion and Education: Refer to the resources in the city's website.

City Procurement: The COE will review with the full Commission. Amy Forest suggested the city avoid purchasing individual plastic water bottles for events.

ITEMS FOR NEXT AGENDA

Continued discussion of the Work Plan.

ADJOURNMENT: The Commission adjourned to a Workshop Meeting on August 26, 2015.

Approved at the meeting of September 23, 2015

Danielle Uharriet
Environmental Projects Manager



MINUTES
COMMISSION ON THE ENVIRONMENT
WORKSHOP MEETING
WEDNESDAY, AUGUST 26, 2015
6:00 PM
COMMUNITY ROOM
420 CAPITOLA AVENUE, CAPITOLA, CA 95010

Kristin Sullivan called the meeting to order at 6:00 p.m.

CALL TO ORDER AND ROLL CALL

Commissioners Present: Jacques Bertrand, Amie Forest, Kailash Mozumder, Peter Wilk, and Chair Kristin Sullivan

City Staff Present: Rich Grunow, Danielle Uharriet

DISCUSSION

a. Climate Action Plan – Implementation Strategy

Rich Grunow provided an update on the Climate Action Plan and the Implementation Strategy.

b. Commission Work Plan

Jacques Bertrand commented on the status of the Residential Energy Audit, Solar Promotion and the HERO Program.

Kristin Sullivan presented a prioritized list of work items. She will specifically work on the Climate Action Plan.

Kailash Mozumder commented on the status of the Alternative Transportation. He will contact the City of Santa Cruz for bike locker and other alternative transportation information. He reported that he would compose a letter to include in the distribution of the Soquel Creek pamphlet.

Peter Wilk provided an update on his contact with Don Alley about Soquel Creek, who did not suggest any improvement from the COE on the health of the creek. He walked the creek with George McMenamin and discussed an ivy removal/riparian restoration project in Peery Park. Mr. McMenamin will be making a phased proposal plan for review by staff prior to implementation of the project.

Kristin Sullivan and Amie Forest requested information on the herbicide used for ivy removal.

Kristin Sullivan and Amie Forest provided the status of the environmental/sustainability website design and development. They requested a meeting with Rich Grunow and Larry Laurent to discuss the type of website envisioned.

ITEMS FOR NEXT AGENDA

ADJOURNMENT

Approved at the meeting of September 23, 2015

Danielle Uharriet
Environmental Projects Manager

**CITY OF CAPITOLA
COMMISSION ON THE ENVIRONMENT
Agenda Report**

Meeting Date: September 23, 2015

Subject: Work Plan

Continue to review and provide updates on the COE work plan.

- Alternative Transportation update
- Draft letter for Soquel Creek pamphlet distribution
- Peery Park ivy removal project and herbicide use
- Website development

**COMMISSION ON THE ENVIRONMENT
PROJECT WORK PLAN**

DATE: 22 July 2015

PROJECT TITLE: Energy – Solar Promotion & Education

PURPOSE AND DESCRIPTION OF PROJECT:

Assist City in developing public outreach information and educational materials to promote the HERO and Capitola Energy Sage solar programs.

IDENTIFIED ISSUES AND LIMITATIONS:

Currently the HERO Program has very few local contractors participating in the program. Work toward promoting HERO Program to local contractors to encourage local participation.

Increase awareness of Capitola Energy Sage program.

INTENDED RESULTS:

Increased awareness of solar program options for city residents and businesses

PROJECT PRIORITY:

COE to determine

COST OF EFFORT:

TBD

RESOURCES AVAILABLE:

HERO Program: <https://www.heroprogram.com/capitola>

HERO Contractor Workshop: July 21 & 22

Energy Sage: <http://www.energysage.com/p/city-of-capitola/>

Capitola has partnered with Energy Sage. Community Development is working with the City of Santa Cruz to create a larger community based site.

Brochures

RESPONSIBLE DEPARTMENT AND STAFF/TEAM:

Public Works

Community Development

COMMISSION ON THE ENVIRONMENT PROJECT WORK PLAN

DATE: 22 July 2015

PROJECT TITLE: Website Development

PURPOSE AND DESCRIPTION OF PROJECT:

Assist in the development of a sustainability section on the city's website for access to current programs, funding assistance, and resources.

IDENTIFIED ISSUES AND LIMITATIONS:

Existing website design platform is somewhat restrictive in design and is difficult to locate information.

INTENDED RESULTS

Make recommendations for sustainability information, including documents and links to be provided.

PROJECT PRIORITY:

Determined by COE

COST OF EFFORT:

TBD

RESOURCES AVAILABLE:

Soquel Creek/Lagoon

Soquel Creek Streamside Care Guide

Soquel Creek Lagoon Management Enhancement Plan 1990 & 2004

Soquel Lagoon Monitoring Reports 2006-2014

Link to current water quality:

County Environmental Health

<http://sccch.com/Home/Programs/WaterResources/WaterResourcesDocumentsLinks/CurrentWaterQualityInformation.aspx>

Surfrider Foundation

<http://www.surfrider.org/blue-water-task-force/chapter/33>

Green Business

<http://www.montereybaygreenbusiness.org/AboutUsSC.html>

Green Building

<http://www.cityofcapitola.org/building/page/green-building-information>

HERO Program: <https://www.heroprogram.com/capitola>

Energy Sage: <http://www.energysage.com/p/city-of-capitola/>

Stormwater

<http://www.cityofcapitola.org/publicworks/page/post-construction-requirements>

http://www.cityofcapitola.org/sites/default/files/fileattachments/public_works/page/3878/10.c._irwm_attachment_3_full_report.pdf

Rain Barrel Program

RESPONSIBLE DEPARTMENT AND STAFF/TEAM:

Public Works

Community Development

**COMMISSION ON THE ENVIRONMENT
PROJECT WORK PLAN**

DATE: 22 July 2015

PROJECT TITLE: Safe Routes and Alternative Transportation

PURPOSE AND DESCRIPTION OF PROJECT:

To assist others in encouraging the use of alternative transportation to school.

IDENTIFIED ISSUES AND LIMITATIONS:

See various reports identified below

INTENDED RESULTS:

Increase awareness of options for driving to school and prioritize programs and projects to reduce impediments.

PROJECT PRIORITY:

Determined by COE

COST OF EFFORT:

TBD

RESOURCES AVAILABLE:

Main Street Elementary Safety Audit & Survey
New Brighton Middle School Safety Audit & Survey
Soquel Elementary Safety Audit & Survey

RESPONSIBLE DEPARTMENT AND STAFF/TEAM:

Public Works

**COMMISSION ON THE ENVIRONMENT
PROJECT WORK PLAN**

DATE: 22 July 2015

PROJECT TITLE: City Procurement

PURPOSE AND DESCRIPTION OF PROJECT:

Review city's procurement policies and purchasing to determine if changes can be incorporated to address environmentally sensitive issues/purchases

INTENDED RESULTS:

Evaluation of purchasing policy with recommendations

PROJECT PRIORITY:

Determined by COE

COST OF EFFORT:

TBD

RESOURCES AVAILABLE:

City Administrative Procedure Order III-4

RESPONSIBLE DEPARTMENT AND STAFF/TEAM:

Finance

**COMMISSION ON THE ENVIRONMENT
PROJECT WORK PLAN**

DATE: 22 July 2015

PROJECT TITLE: Soquel Creek

PURPOSE AND DESCRIPTION OF PROJECT:

Improve education, care and maintenance of Soquel Creek to reach adjacent property owners and occupants, neighbors, locals, and visitors. Establish a riparian restoration plan for Peery Park.

IDENTIFIED ISSUES AND LIMITATIONS:

Water quality and riparian protection problems

INTENDED RESULTS:

Increased awareness of the natural habitat and ways to protect and enhance it

PROJECT PRIORITY:

Determined by COE

COST OF EFFORT:

TBD

RESOURCES AVAILABLE:

Soquel Creek Streamside Care Guide 1992

Soquel Creek Lagoon Management Enhancement Plan 1990 & 2004

Soquel Lagoon Monitoring Reports 2006-2014

Coastal Watershed Council Annual Reports for First Flush and Urban Watch

RESPONSIBLE DEPARTMENT AND STAFF/TEAM:

Public Works

**COMMISSION ON THE ENVIRONMENT
PROJECT WORK PLAN**

DATE: 7 July 2015

PROJECT TITLE: Residential Energy Audit

PURPOSE AND DESCRIPTION OF PROJECT:

Assist with development of energy audit reporting at time of sale

IDENTIFIED ISSUES AND LIMITATIONS:

COE to determine

INTENDED RESULTS:

COE to determine

PROJECT PRIORITY:

COE to determine

COST OF EFFORT:

TBD

RESOURCES AVAILABLE:

AMBAG Residential Programs

<http://www.ambag.org/programs-services/energy-watch/residential-program>

RESPONSIBLE DEPARTMENT AND STAFF/TEAM:

Community Development

**COMMISSION ON THE ENVIRONMENT
PROJECT WORK PLAN**

DATE: 7 July 2015

PROJECT TITLE: Climate Action Plan Assistance

PURPOSE AND DESCRIPTION OF PROJECT:

Assist in the completion of the Climate Action Plan Implementation Strategy as a tool to implementing the greenhouse gas reduction measures in the Climate Action Plan.

IDENTIFIED ISSUES AND LIMITATIONS:

Meeting statewide greenhouse gas emissions targets by 2020 and beyond.

INTENDED RESULTS:

Implementation of the greenhouse gas reduction measures adopted Climate Action Plan

PROJECT PRIORITY:

Determined by COE

COST OF EFFORT:

TBD

RESOURCES AVAILABLE:

Draft Climate Action Plan

RESPONSIBLE DEPARTMENT AND STAFF/TEAM:

Community Development



ADMINISTRATIVE POLICY

Number: III-4

Issued: August 29, 2002

Revised: 3/9/06

7/26/12

Jurisdiction: City Council

PURCHASING & PROCUREMENT POLICY

PURPOSE

To establish policies and procedures to meet the City's requirements which provide an economic and efficient process for the purchase of materials, supplies, services and equipment for the City consistent with the City's Municipal Code, and State and Federal laws, rules and regulations.

POLICY

It is the policy of the City of Capitola to comply with all purchasing rules and regulations established by the City, the State of California and the Federal Government. Within this context, it is the City's goal to establish efficient procedures for the purchase of supplies, equipment and general services at the lowest cost commensurate with quality needed, to exercise positive financial control over purchases, to clearly define authority for the purchasing function, and to assure the quality of purchases.

AUTHORITY

The City's purchasing ordinance delegates purchasing authority to the City Manager, as well as any other representatives designated by the City Manager. The maximum purchasing authority level of the City Manager is defined in Section 3.16.050 of the Capitola Municipal Code as \$25,000; with the exception of single capital equipment purchases that do not exceed \$50,000 and are approved in the budget.

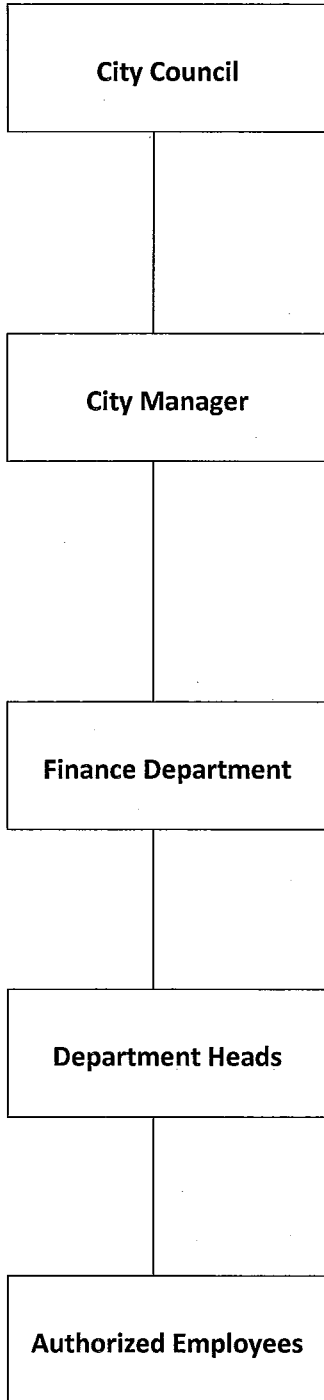
Each year, the City Manager will approve purchasing authority levels on an Expenditure Authorization Form (Exhibit A). The recommended purchasing levels are presented in Exhibit A; however they may be adjusted based on operational needs or economic changes. The delegated purchasing levels shall not exceed the City Manger's purchasing authority.

The City Manager also has the authority to approve individual changes orders up to \$7,500; with cumulative totals not to exceed \$25,000. If cumulative change orders exceed \$25,000, they must be approved by City Council.

RESPONSIBILITY

The City maintains a decentralized purchasing system; and Department Heads are responsible for distributing, advertising, collecting and evaluating all procurement activities conducted within their Departments. Additional purchasing responsibilities are outlined in the chart presented below:

Purchasing System Responsibilities



Purchasing Policies and Ordinance

- Adopts Purchasing Ordinance
- Approves Purchasing and Procurement Policy
- Approves invitation for Bids/RFP's over \$25,000
- Delegates authority to award contracts to the City Manager
- Awards contracts if they exceed the budgeted amount

Purchasing Policies, Ordinances, and Resolutions

- Implements purchasing policies
- Delegates purchasing authority
- Awards major contracts
- Approves Bids/RFP's up to \$25,000
- Approves single Capital Equipment purchases up to \$50,000
(Contingent upon Council approval in the budget)

Administrative Policies and Procedures

- Develops and implements purchasing guidelines
- Monitors and evaluates system performance
- Sets payment schedule
- Approves authorized purchase orders up to \$25,000
- Assists departments with purchasing needs

Organization Wide Procedures

- Develops and implements departmental purchasing procedures
- Delegates department purchasing authority
- Approves major departmental purchases

Department Procedures

- Purchases, receives, and pays for goods and services in accordance with the City and departmental guidelines
- Prepares necessary bid documents
- Maintains required purchasing records
- Manages department inventories

PURCHASING STANDARDS OF CONDUCT

Every employee or official engaged in purchasing activities on behalf of the City is required to employ the following standards of conduct:

- Consider the interests of the City first, in all transactions
- Carry-out established policies of the City
- Seek to obtain the maximum value for each expenditure of public funds
- Inspect materials, supplies and equipment delivered to determine their conformance with the specifications set forth in the order or contract
- Maintain confidentiality of information furnished by vendors and/or contractors regarding price, terms, performance specifications, or other data prior to a bid opening. All information that is presented during the public bid opening will be made available after the award.

The following practices are specifically prohibited in performing purchasing activities on behalf of the City:

- Having a financial or personal beneficial interest (directly or indirectly) in any contract or purchase.
- Accepting or receiving (directly or indirectly) from any person, firm, or corporation to whom any contract or purchase order may be awarded any money or anything of value, or promise or obligation or contract for future reward or compensation. Inexpensive advertising items bearing the name of the firm - such as pencils, pens, paperweights, or calendars - are not considered articles of value or gifts in relation to the policy
- Using position or status in the City to solicit (directly or indirectly) business of any kind; or to purchase products at special discounts or upon special concessions for private use from any person or firm who sells or solicits sales to the City.
- Dividing purchases with the intent to circumvent the purchasing authority levels

LOCAL VENDOR PREFERENCE

Departments are encouraged to do business with Capitola-based businesses due to the benefit to the community and the advantages in timing and availability. This preference should be given whenever it is legal, economical, and results in competitive product or service. Purchasers will actively seek to identify local vendors interested and able to conduct business with the City of Capitola. It is important that purchasers include in their inquiry or invitation to bid, the opportunity

for vendors to identify themselves as local and to provide necessary supporting evidence (see definition of local vendor).

Bids, quotes, or offers submitted by Capitola-based vendors will be credited with the current local (City) sales tax and local (City) transactions & use tax in effect. This net bid will be used to compare bids. In the event of a tie, bids submitted by Capitola vendors will be given preference.

ALTERNATIVE FUEL VEHICLES

Vehicles powered by clean alternative fuels as defined by the Energy Policy Act of 1992 and other energy efficient advanced technology vehicles shall be given consideration when purchasing new and replacement fleet vehicles

TERMINOLOGY

Best Value (Lowest Responsible Bidder): Best value is largely based on cost; however the following factors could be considered in awarding a contract: Skills of the contractor, ability to provide supplies or services; timely processing; and compliance with governing statutes. The complete definition of best value is provided in Section 3.16.040 (A) of the Municipal Code.

Bid: Formal process to obtain lowest responsive responsible bidder or price for materials, supplies and services, and equipment

Consultant or Professional Services: Services of an attorney, engineer, doctor, financial consultant, planning or environmental consultant, investment advisor, bank or trustee office, or other professional

Contract: A written agreement between two or more persons setting forth a matter of performance and compensation or consideration given for the performance. The term contract includes, but is not limited to; purchase orders, contract for services, an addendum or change order or a letter agreement.

Formal Purchases – Purchases over \$25,000 which are subject to formal bid requirements and Council approval. Different levels of purchasing requirements may be imposed on whether the purchase is for general services, supplies, materials, and equipment or a public project

Local Business (Local vendor/Capitola-based business): Any business which has a retail outlet within city limits of the City of Capitola and holds the required licenses and permits for conducting its business within the City.

Maintenance: Routine, recurring, and usual work for the preservation or protection of any publicly owned or publicly operated facility for its intended purposes. It also includes minor painting, resurfacing of streets less than one inch; and landscape maintenance. This definition is provided in Section 22002 (c) of the Public Contract Code and should be contrasted with Public Project.

Open Market Purchases: Purchases of supplies, equipment, and general services from \$5,000 - \$25,000.

Over the Counter or Informal Purchases: Purchases under \$5,000 made by authorized personnel.

Petty Cash: Cash used to reimburse authorized purchases up to \$80. All reimbursements must be accompanied by a receipt.

Public Project: Construction, reconstruction, erection, alteration, renovation, improvement, demolition, and repair work involving any publicly owned, leased, or operated facility. This can also include the painting or repainting of publicly owned, leased, or operated facility. This definition is provided in Section 22002 (c) of the Public Contract Code and should be contrasted with the definition of Maintenance.

Purchase Order: A document used to acknowledge acceptance of a bid quotation or offer, and a contractual relationship is established upon its issuance and acceptance by the vendor.

Request for Proposal (RFP): An offer in to provide materials, supplies or services where the City selects vendor/consultant usually based upon criteria specified in Request for Proposal such as competence, qualifications and expertise in the field. Price is not the sole basis for selection, but may be considered in the criteria for evaluating proposals. Typically used for consultant or professional service contracts.

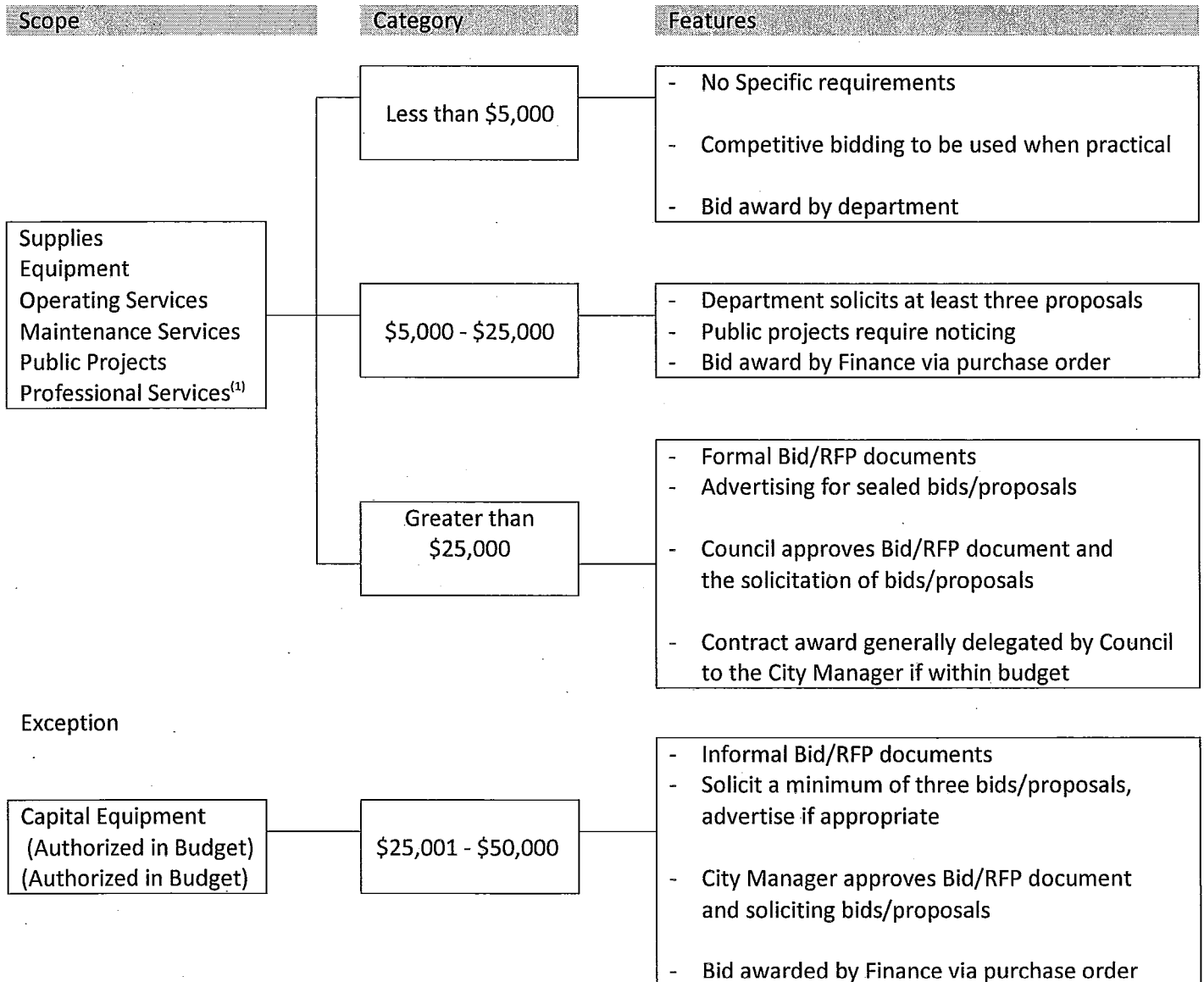
General Services: Any work performed or services rendered by an independent contractor, with or without the furnishing of materials such as a professional consultant.

Sole Source: Sole source purchases are used where no secondary source is reasonably available precluding the use of a competitive process.

PURCHASING SYSTEM OVERVIEW

A general overview of the City’s purchasing procedures; thresholds, and responsibilities are presented in the following charts. Detailed procedures for each Purchasing Category are provided in subsequent sections of this policy.

Purchasing System Chart



(1) Additional information related to Professional Services/RFP's is provided in the Supplemental Information Section.
(2) The Capitola Municipal Code and this Administrative Procedure provides additional guidelines regarding emergency situations

PURCHASING CATEGORIES AND PROCEDURES

I. Over the Counter/Informal Purchases – General Purchases under \$5,000

Purchases under \$5,000 may be made by an authorized Purchasing Authority.

- Bids/Quotations: There are no specific bidding requirements for these purchases; however competitive bidding should be used whenever practical. Quotations for these purchases may be written or verbal.
- Selection: Purchases can be awarded by the department and initiated with an invoice, purchase order, credit card, or petty cash (reimbursements up to \$80). All credit card purchases must be made in accordance with Administrative Procedure II-5 Credit Card Purchasing Program.
- Invoices: Invoices should be submitted to the Finance Department for payment. All requests for payment shall be accompanied by the appropriate electronic or manual signature authorizations and accounting information.

II. Open Market Purchases – Purchases between \$5,000 and \$25,000.

The purchase of supplies, equipment and general services of a value from \$5,000 to \$25,000 may be made by authorized personnel. An additional bidding requirement is outlined for purchases that are defined as a Public Project.

A. Invitation for Bids/Requests for Proposals

1. Supplies, equipment, and general services

Open-market purchases shall, whenever feasible, be based on at least three quotations. The purchasing employee shall solicit quotations by written request or telephone to prospective vendors. Telephone quotations shall be documented in writing. A "Quotation Evaluation Form" is provided for reference in Exhibit B; however departments may use an alternate form if it includes the following information:

- Date of request for quote
- Exact request for quote
- Vendor information (contact name)
- Vendor's response to the quote
- Justification for selection of the vendor

2. Public Projects

Public projects between \$5,000 and \$25,000 shall be in accordance with the Uniform Cost Accounting Act. The purchasing authority should carefully review the definition of "Maintenance" and "Public Project" to determine if this section is applicable. This section is only required if the purchase meets the definition of Public Project.

Procedures include:

- Sending notices inviting bids to a list of qualified contractors at least ten calendar days before the bids are due.
- Mailing notices within ten calendar days before the bids are due to all construction trade journals. If the City does not have a qualified list of contractors for the particular type of work to be performed, notices inviting bids will only be sent to the construction trade journals as required by the Uniform Public Construction Cost Accounting Act.

If the product or service is proprietary in nature and can only be obtained from a certain contractor or contractors, notices inviting bids will only be mailed to such contractor or contractors.

B. Rejection of Bids

The purchasing authority may reject bids or invite new quotations for any reason.

C. Award of Contract

Once a purchasing authority has determined that a quotation is the best value to the City, a contract will be awarded by the Finance Department via a purchase order. The process for issuing a purchase order is listed below:

Departments

- Initiate a purchase order in the financial software system
- Forward the Quotation Evaluation Form to the Finance Department
- Notify the vendor of the award

Finance

- Approves contract based on purchasing authorization and supporting documents
- Maintains copies of Quotation Evaluation Forms for a period of one year

D. Bids for Public Projects – In Excess of Limit

In the event that all bids received for a public project are more than \$25,000, and bids were invited pursuant to this section, the Council may adopt a resolution by a four-fifths of a vote to award the contract based on best value. If Council rejects the bids and the City chooses to pursue the project, the purchasing authority should follow procedures outlined in Section III – Formal Purchase.

E. Exceptions

1. Cooperative Purchasing Agreements with Governmental Entities

The quotation procedure under this section may be dispensed with for purchases between \$5,000 and \$25,000 where supplies and equipment are purchased through cooperative purchasing arrangements with the State or other group of multiple governmental entities.

2. Sole source purchases

III. Formal Purchases - General, services, supplies, and equipment greater than \$25,000

A. Notice inviting bids/RFPs shall include, but not be limited to, the following:

1. A general description of the item(s) or services to be purchased, or the public work to be constructed or improved;
2. The location where bid blanks and specifications may be secured;
3. The time and place assigned for the opening of sealed bids;
4. The type and character of bidder's security required, if any; and
5. The location and deadline for submission of bid

B. Notices inviting bids/RFP's shall be made as follows:

1. For supplies, services, and equipment, notices inviting bids shall be published at least once in the official newspaper of the city, with the first publication occurring at least ten calendar days before the date of opening the bids.
2. For public projects greater than \$25,000, notices inviting bids distinctly describing the project be published at least once in the official newspaper of the City, with the first publication at least fourteen calendar days before the date of the opening bids. Notices inviting bids distinctly describing the project shall also be mailed at least thirty calendar days before the date of opening bids to all construction journals as required by the Commission.
3. The City may also give such other notice as it deems appropriate

C. Security requirement on Bids/RFP's

Bidder's security may be required when deemed necessary by the purchasing authority. When required, the security form, amount and conditions, will be included in the bid documents. Bidders shall be entitled to return of bid security. However, a successful bidder shall forfeit his bid security upon refusal or failure to execute a contract within fifteen days after notice of award of that contract, unless the City is responsible for the delay. The contract may be awarded to the next lowest responsible bidder upon the refusal or failure of the successful bidder to execute the contract within the time herein prescribed.

D. Opening and Retention of Bids/RFP's

Sealed bids shall be submitted to the purchasing authority and shall be identified as bids on the envelope. Bids shall be opened in a public and read aloud at the time and place stated in the public notice. A tabulation of all bids received shall be available for public inspection during regular business hours for a period not less than thirty (30) calendar days after the bid opening

E. Rejection of Bids/RFP's

The purchasing authority may reject:

1. Any bid that fails to meet the bidding requirements in any respect

2. All bids, for any reason whatsoever, and may readvertise for new bids or abandon the purchase
3. In the case of public projects, the council may, by passage of a resolution by a four-fifths vote, declare that the project can be performed more economically by employees of the City and may have the project done by force account

F. Bids/RFP's - None Received

If no bids are received the purchase may be made through negotiated contract or other process approved by the Finance Director, including, in the case of public projects, performing the work by employees of the City by force account.

G. Contract Award

Subject to the approval of the City Manager, contracts shall be awarded by the purchasing authority to the bid which represents the best value to the City as defined in Section 3.16.040, except as follows:

1. If at the time of bid opening, two or more bids received are for the same total amount or unit price, quality and service being equal, and if the discretion of the purchasing authority the public interest will not permit the delay of readvertising for bids, then the purchasing authority may accept the one he or she chooses or the lowest bid obtained through subsequent negotiation with tied bidders.
2. Sellers, vendors, suppliers and contractors who maintain places of business located within the limit of the City shall be given preference, if quality, price, service, and all other factors are equal.

The basis upon which the award is made shall be in writing.

H. Requiring Bond of Successful Bidder

The purchasing authority may require as a condition to executing a contract on behalf of the City, a performance bond or a labor and material bond, or both, in such amounts as the purchasing authority shall determine appropriate to protect the best interests of the City. The form and amounts of such bond(s) shall be described in the notice inviting bids.

I. Insurance

Insurance requirements will be provided via Purchase Order terms and conditions, or Request for Proposal terms and conditions information, or City contract

IV. Capital Equipment Purchases between \$25,001 - \$50,000

Section 3.16.050 (A)(2) of the Municipal Code provides the City Manager with the authority to approve contracts for single equipment purchases based on the following criteria:

- Single equipment purchases are not greater than \$50,000
- The equipment was clearly identified and described in the budget

- City Council approves the capital equipment purchase in the budget
- The equipment description listed in the budget is consistent with the item purchased
- The final cost does not exceed the amount approved in the budget

The purchasing authority shall follow the procedures listed for Open Market Purchases; however the City Manager must approve any specifications prior to the solicitation of bids. If there is a change to the equipment description or if the quotations exceed the budget, the purchase becomes subject the Formal Procedures outlined in Section III.

V. Emergency Procedures

An emergency is defined as an unexpected occurrence or threatened occurrence that poses a danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services, or any emergency proclaimed pursuant to Municipal Code 8.08.060.

Upon approval of the City Manager or Finance Director, authorized purchasing authorities may exceed the purchasing limits of \$25,000. The following procedures are applicable to emergency purchases:

- Documentation. It will be the responsibility of the requesting department to attach a copy of the written justification of the emergency signed by the City Manager to any invoices at the time the invoice is submitted to accounts payable for payment.
- Reporting. All emergency purchases of goods and services over \$25,000 will be immediately reported by the department responsible for the purchase to the City Clerk for inclusion as an information item on the Agenda for the next scheduled meeting of the City Council.

In accordance with Chapter 2.5, Section 22050(a) of the Public Contract Code, the information on emergency purchase action shall be presented to the City Council for review and determination, by a four-fifths vote, that there is a need to continue the emergency action. This must occur within seven days after the action, or at the City Council's next regularly scheduled meeting if that meeting will occur within 14 days after the action. The emergency purchase action shall be presented to the City Council at least at every subsequent regularly scheduled meeting until the action is terminated. The City Council must determine, by a four-fifth vote, that there is a need to continue the emergency action.

SUPPLEMENTAL PURCHASING INFORMATION

I. Requests for Proposals (RFP)

Request for Proposal (RFP) are typically associated with general or professional service contracts over \$5,000. This document requests a firm to submit a proposal to perform the scope of work associated with a specific project. Cost is not the sole basis for selection in an RFP, other criteria such as experience, turn-around time, and approach to work are determining factors when

such as experience, turn-around time, and approach to work are determining factors when evaluating a proposal. Based on the estimated cost of service, the corresponding Open Market and Formal bid procedures are applicable.

Additional information related to the development and criteria of RFP's is listed below:

A. RFP Requirements

The RFP will be specific to the project and preparation will require some general knowledge of the project. However, preparation of the RFP should not involve any work for which the proposer would normally be compensated during the project. For example, on engineering projects, free preliminary engineering in the RFP should be discouraged. The RFP should address the following:

- 1) Required Information: In the RFP, the consultant shall be advised of the following requirements:
 - a. Standard contract requirements
 - b. Selection criteria.
 - c. Date and time proposal is due.
 - d. The name and telephone number of the staff member responsible for the project.

- 2) Selection & Evaluation Criteria. Proposals will be evaluated on the basis of the evaluation factors listed in the Request for Proposal. Respondents should be ranked based on the selection criteria. As a minimum, the following criteria will be used to evaluate the RFP.
 - a. Firm experience (including work and project-related references).
 - b. Specific staff experience and availability (including work and project-related references).
 - c. Approved methods to accomplish the work.
 - d. Scope of work and schedule

- 3) Price Considerations. Although price is always a consideration in recommending awarding the final selection, prices will not be a mandatory consideration in the initial evaluation process. At the discretion of the department, a department may opt to adopt an RFP procedure with price information in a separate sealed envelope. The envelopes shall not be opened until the highest rated firm is identified based upon demonstrated competence and professional qualifications. At that time, the price information will be compared to professional qualification to ensure that the price is fair and reasonable. If a major discrepancy between highest rated firm and the others exist, that discrepancy shall be evaluated and explained before award of the work. If not satisfactorily resolved, the department may to negotiate with the next-highest-ranked firm.

II. Sole Source

1. Materials, Supplies & Equipment:

a. Definition. Sole source purchases are used where no secondary source is reasonably available precluding the use of a competitive process. The following are examples of circumstances, which could necessitate sole source procurements:

- 1) Where compatibility of equipment, accessories or replacement parts is an important consideration;
- 2) Where public utility services are to be procured;
- 3) Where a sole supplier's item is needed for trial use or testing;
- 4) Where a used item is offered at a bargain price and subject to prior sale;
- 5) Where a cooperative purchasing agreement has been developed with another public agency that used a competitive selection process.
- 6) Where supply proximity is an important consideration.

2. Consultant or General Services:

a. In the case where a consulting firm has satisfactorily performed the previous stage of a project (e.g. a pre-design), or has acquired extensive background and working knowledge, the firm may be selected for follow-up work without solicitations from other firm upon written justification and recommendation of the department head and approval by the City Manager or designee.

b. If a firm is a highly recognized authority in a field or specialty, or has unique specific knowledge regarding the project, then the firm may be selected without other solicitations for contracts and upon written justification and recommendation of the department head and approval by the City Manager or designee.

c. Upon those infrequent occasions when confidence in the consultant and quality of service are important.

3. Documentation: It is the responsibility of the requesting department to maintain in their files a complete, written justification of the sole source purchase approved by the City Manager.

4. Authorization & Reporting: All sole source purchases of more than \$25,000 are authorized by the City Council and fully disclosed in the staff agenda report. Sole source purchases between \$5,000 and \$25,000 are authorized by the City Manager. Sole source purchases less than \$5,000 are authorized by the Department Heads.

III. Multiple Year Contracts

1. Applicability. When it is in the best interest of the City, multiple year contracts will be allowed. High vendor "startup costs" or the need for continuity may make a multiple year contract financially or operationally advantageous to the City. Under no circumstances should a multiple year contract be used to avoid competitive procurement procedures.
2. Termination Due to Lack of Funds. All multiple year contracts should contain a clause allowing the City to terminate the contract in thirty (30) days or subsequent fiscal years due to a lack of budgeted funds.
3. Term. The term of a multiple year contract should be clearly delineated. "Open end" contracts will not be used.
4. Authority. Multiple year contracts are subject to the same authority levels detailed above.
5. Changes. Changes to multiple year contracts are covered under "Change Orders" below.
6. Extension. Extension of contracts requires the approval of the City Manager via City contract amendment form.
7. Addendum. Increase in dollar amounts on an agreement, which results in an aggregate total in excess of \$25,000 requires approval from the City Council.

IV. Purchasing Policy Waiver

If the Finance staff receives an invoice for payment in excess of \$5,000 and it appears that this policy was not followed (i.e., three bids are not documented or copy of purchase order is not attached to the invoice), the invoice will be stamped with the "Purchasing Policy Waived" stamp and submitted to the City Manager or Finance Director for payment approval.

This policy was approved and authorized by the City Council on July 26, 2012:



Jamie Goldstein
City Manager

**DEPARTMENT EXPENDITURE AUTHORIZATION FORM
FISCAL YEAR 2011-2012**

Description	Dept Head	City Manager	City Council	PO Required	# of Quotes	Telephone Quote ⁽²⁾
Contract or Agreement		= or < \$25,000	> \$25,000	Yes	3	< \$25,000
Change Order (CO)		= or < \$7,500	> \$7,500	Yes	1	< \$25,000
Cumulative Change Order		= or < \$25,000	> \$25,000	Yes	1	< \$25,000
Equipment	= or < \$10,000			No	Invoice	N/A
Consultant or Professional Services	= or < \$10,000			No	Invoice	N/A
General (contract) Services	= or < \$10,000			No	Invoice	N/A
All purchase types			> \$25,000	Yes	3	No
Capital Asset		= or < \$25,000	> \$25,000	Yes	3	< \$25,000
Capital Equipment (Approved in Budget)		= or < \$50,000			3	

AUTHORIZED EMPLOYEE	VENDOR INVOICES	MILEAGE CLAIMS	EMPLOYEE REIMBURSEMENT	DEPT. PO	LIMIT	COMMENTS	SIGNATURE
Director ⁽¹⁾	yes	yes	yes	yes	\$10,000		_____
Supervisor	yes	yes	yes	no	\$2,000		_____

(1) Department Heads cannot authorize reimbursement or mileage claims to themselves, ONLY to employees in their department. Department Heads will present completed and signed requests for themselves to the City Manager or his designated personnel for approval. All purchase Orders will be prepared in New World by the Departments.

(2) All quotes should be documented on a Quotation Evaluation Form, vendor provided documents, or a departmental form with the required fields.

City Manager's Approval _____
 Jamie Goldstein

Contracts are selected, approved, and administered in accordance with the City Purchasing Policy, which is summarized in the above chart. After the contract is properly authorized, the corresponding invoices are approved by the department head or contract manager.

Date Approved _____

**City of Capitola
Quotation Evaluation Form**

Staff Contact : _____ Extension: _____

#1

Date: _____ Vendor Name: _____ Contact Name: _____ Phone # _____

	QUANTITY	UNIT	UNIT COST	DESCRIPTION	SALES TAX		Phone #	TOTAL	
(1)			-		\$	-	\$	-	
(2)			-		\$	-	\$	-	
(3)			-		\$	-	\$	-	
(4)			-		\$	-	\$	-	
(5)			-		\$	-	\$	-	
				Freight - if applicable	\$	-	\$	-	
TOTAL BID								\$	-

#2

Date: _____ Vendor Name: _____ Contact Name: _____ Phone # _____

	QUANTITY	UNIT	UNIT COST	DESCRIPTION	SALES TAX		Phone #	TOTAL	
(1)			-		\$	-	\$	-	
(2)			-		\$	-	\$	-	
(3)			-		\$	-	\$	-	
(4)			-		\$	-	\$	-	
(5)			-		\$	-	\$	-	
				Freight - if applicable	\$	-	\$	-	
TOTAL BID								\$	-

#3

Date: _____ Vendor Name: _____ Contact Name: _____ Phone # _____

	QUANTITY	UNIT	UNIT COST	DESCRIPTION	SALES TAX		Phone #	TOTAL	
(1)			-		\$	-	\$	-	
(2)			-		\$	-	\$	-	
(3)			-		\$	-	\$	-	
(4)			-		\$	-	\$	-	
(5)			-		\$	-	\$	-	
				Freight - if applicable	\$	-	\$	-	
TOTAL BID								\$	-

Procedures:

The Departments are responsible for obtaining and documenting quotes
 Circle the number of the bid that you are awarding
 Telephone Quotes are submitted with request for Purchase Order (PO) - When entering data, please copy and save this form on your computer
 Sales Tax - in the "SALES" column enter either yes or no
 Freight is entered in the far right column
 If the department is not recommending the lowest bidder have the City Manager, initial and date his approval by the bid # selected