



PURCHASING HANDBOOK

GENERAL SERVICES DEPARTMENT
PURCHASING DIVISION

April 2024



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GLOSSARY

Term	Description/Definition
Bidder	Each person or other entity submitting a bid whether or not such person or entity shall become a Seller by virtue of award of a contract.
Cal Card	The City's purchase card, to make small dollar, non-repetitive purchase of materials, parts, and supplies for their immediate needs
CAO	City Attorney's Office
City	References to "City" mean the City of Fresno
CMO	City Manager's Office
Construction Management	A Division within the Department of Public Works who manage construction contracts
Contractor	Bidder (prime contractor) who bids on projects, typically public work of improvement projects
Council	References to "Council" refer to the City of Fresno's Council
DBE	Disadvantaged Business Enterprise Program
Department Division	Refers to the various departments and divisions within the City of Fresno
EPO	Emergency Purchase Order
Formal Bid	Sealed bid whose value is anticipated to be over the Formal Bid Limit.
Formal Bid Limit	Annually adjusted threshold at which bidding is conducted as specified under the Charter.
Informal Bid	Bid whose value is anticipated to be under the Formal Bid Limit.
"Open" PO	A Purchase Order without competitive bidding for small purchases, with progress payments. Limited to \$10,000 per vendor per fiscal year, per division
Piggyback/Cooperative Purchase Agreement	Using a contract from another government agency to obtain a product or service without using the City's bidding process.
PO	Purchase Order
Pre-bid Meeting	For a bid – Conference prior to the bid due date with prospective bidders, department project manager, and Procurement Specialist.

GLOSSARY

Term	Description/Definition
Pre-proposal Meeting	For an RFP - Conference prior to the proposal due date with prospective proposers, department project manager, and Procurement Specialist.
Procurement Specialist	The Procurement Specialist is the "buyer" in the Purchasing Division
Proposal	A proposer's response to a Request for Proposals
Proposer	A person or company who submits a response to a Request for Proposals
Requirements Contract	Annual contract with a supplier/vendor put in place through Purchasing, allowing direct contract from Unit to Supplier.
Responsible Bid	A bid from a bidder who is able to perform the work, qualifications, financially, or otherwise
Responsive Bid	A bid that meets all requirements as listed in the specifications
RFI	Request for Information
RFP	Request for Proposals
RFQ	Request for Quotes, for one-time informal product purchases
RFQual	Request for Qualifications for professional services. This is a decentralized process, as detailed in Administrative Order 6-19
RLS	Request for Legal Services
Site Visit or Site Walk	For bids and RFPs, attendees include prospective bidders/proposers, the department staff, and the Procurement Specialist. Is an opportunity for department to show bidders/proposers the physical site of the project. Takes place prior to the bid opening.
SLBE	Small Local Business Enterprise
Sole Source	Procurement of products and equipment which is only available from a single manufacturer or source.
Specifications or "Specs"	The packet posted on Planet Bids, detailing the project or procurement, including bid opening information, required forms, bid item list, explanation of bid items, and technical specifications
Staff Determination	The posting created and published by the Purchasing Division listing the anticipated award information for all bids and RFPs (professional services are not included)
Working Day	Refers to a regular business day (does not include City-observed holidays or weekends)

GLOSSARY

Applicability of California Public Contract Code & Work of Improvement Definition

Fresno Municipal Code, Chapter 4, Article 1, Sec. 4-114 & 4-115

Per the FMC, provisions of the California Public Contract Code shall not be applicable to the City, in whole or in part, except as expressly provided by ordinance or incorporated in the City's bid specifications or contracts.

"Work of improvement" shall mean the construction, reconstruction, erection, improvement, installation, alteration, renovation, addition to, restoration, repair, painting or repainting, laying of carpet, demolition or removal, in whole or in part, of any building, road, curb, gutter, sidewalk, fence, railroad, bridge, drain, ditch, canal, dam, tunnel, sanitary sewer, storm sewer, water system, well, traffic signs, traffic signals, street lighting system, parking lot, park, playground, and all other facilities. It also means the seeding, sodding, or planting of any lot or tract of land for landscaping purposes, and the excavation, filling, leveling, or grading of any lot or tract of land. Notwithstanding the foregoing, "work of improvement" shall not mean or include any of the following:

1. Maintenance work.
2. Work performed during the design and preconstruction phases of construction including, but not limited to, inspection and land surveying work.

This definition is used by the City and may differ from special funding (state, federal, etc.) definitions. If using special funds, follow the funding source definition.

GLOSSARY

Public Work of Improvement Definition

Fresno Municipal Code, Chapter 4, Article 1, Sec. 4-115

“Public Work of Improvement” shall mean that portion of a work of improvement contracted for by the city, paid for in whole or in part with city funds or with financing to be retired with city funds, and that is or is to be owned by the city or that may be owned by the city subject to its exercise of a purchase option; provided that, for any capital lease or contract subject to a purchase option, if such lease or contract were fully performed by the city, and the option exercised in the case of the contract, the net present value of the respective lease or contract would total an amount greater than two million dollars (\$2,000,000). For purposes of this subsection, “fully performed” shall mean that the option is exercised at the end of the option period, but prior to its expiration. Notwithstanding the foregoing, “public work of improvement” shall not mean or include any of the following:

1. A work of improvement constructed by persons or entities other than the city as a condition of regulatory or permit approval of an otherwise private development project.
2. Pursuant to a lease or license of property or facilities owned by the city, a work of improvement constructed thereon by a licensed contractor hired and paid for directly by the tenant or licensee, notwithstanding any provision for rent credits or waiver, in part or in whole, of any fees or costs; provided the work of improvement is required by the respective tenant or licensee for his/her use of the property or facilities.
3. A work of improvement in a redevelopment project area constructed by persons or entities other than the city as a condition of entering into an agreement with the Redevelopment Agency of the City of Fresno for significant redevelopment, in addition to the work of improvement, in a redevelopment project area.

This definition is used by the City and may differ from special funding (state, federal, etc.) definitions. If using special funds, follow the funding source definition.

Introduction

Introduction

It is the mission of the Purchasing Division to support the City through the procurement of materials, equipment, and services which help improve the operations of each department. The Purchasing Division is committed to the highest ethical standards and strives to obtain the maximum value for each dollar of expenditure. The team delivers innovative, timely, and responsible solutions and promotes compliance with policies, procedures, and regulations. We are dedicated to providing equal opportunities and encourage small, diverse and local businesses to compete.

The goals of the City's Purchasing Division are:

- To provide dedicated, prompt, and effective customer service
- To afford equal access to all entities seeking to do business with the City of Fresno
- To be recognized as a provider of timely, high quality, low-cost procurement services
- Use best practices in the procurement of goods and services
- To provide quality goods and services in a fiscally responsible manner
- To ensure the City's procurement process is open, competitive, and inclusive





Code of Conduct

The City of Fresno's Purchasing Division subscribes to and accepts as its own, the Standards of Purchasing Practice adopted by the California Association of Public Purchasing Officers (CAPPO).

- To regard public service as a sacred trust, giving primary consideration to the interests of the public agency that employs us.
- To purchase without prejudice, seeking to obtain the maximum value for each dollar expended.
- To avoid unfair practices, giving all qualified vendors equal opportunity.
- To honor our obligations and require that obligations to our public agency be honored.
- To accord vendor representatives courteous treatment, remembering that these representatives are important sources of information and assistance in solving our purchasing needs.
- To refuse to accept any form of commercial bribery and prevent any appearance of so doing.
- To be receptive to counsel from our colleagues, and to cooperate with them to promote a spirit of teamwork and unity.
- To conduct ourselves with fairness and dignity, and to demand honestly and truth in the purchasing process.
- To strive for greater knowledge of purchasing methods and of the materials we purchase.
- To cooperate with all organizations and individuals involved in activities designed to enhance the development of the purchasing profession, remembering that our actions reflect on the entire purchasing profession.

The Purpose of this Handbook

Authority for this Purchasing Handbook is provided by and detailed in the City's Administrative Order 3-1.

This living handbook has been developed to give you, the user, information needed to make the best decisions when carrying out procurement activities. It provides a resource of purchasing and contracting standards and best practices. The processes and practices are aligned with the City of Fresno's Municipal Code (FMC) and City Charter, as well as the administrative regulations set forth by our executive leadership.

This handbook provides guidance on procurement for goods, services, and public work of improvement construction projects.

This handbook is not representative of the process for procurements using federal or other special funding, which will be addressed in supplemental handbooks.

Purchasing Authority

As per the FMC Chapter 4 Article 1, the City's Purchasing Manager, under the supervision and direction of the City Manager is the officer in charge of the purchasing function and shall have general charge of purchases of materials, supplies, equipment, services, and/or public works construction for the use of all departments and branches of the City government, except where otherwise provided by state law or the FMC.

Every contract involving an expenditure of city moneys of more than the current Formal Bid Limit, for materials, supplies, equipment or for any public work of improvement, shall be awarded to the lowest responsive and responsible bidder. Contracts for services are awarded to the proposal that provides the best value to the City.

Annual Adjustment to Formal Competitive Bid Limit

In July of each year, the Purchasing Manager shall be responsible for adjusting the Formal Bid Limit to the nearest whole thousand dollars based on changes in the Consumer Price Index for all materials, supplies, equipment, or for any public work of improvement. The new Formal Bid Limit is communicated via tray memo to all departments by the Purchasing Manager each July.



Getting Started



Getting Started

City departments determine their operational needs, and the Purchasing Division identifies the most effective and expeditious procurement to meet these needs.

Answering the Big 5

1. Who?
2. What?
3. Where?
4. Why?
5. How much or how often?

These basic questions need to be answered by the City department to ensure the correct procurement process is followed.

The answers to the “Big 5” will be used by the department to develop the scope of the procurement. The scope is key because it becomes the baseline and the foundation for the resulting agreement.

All procurements must begin as a requisition in the financial system, which is submitted and approved electronically by the requesting department prior to becoming available to the Purchasing Division.

Procurement Overview

Limits	Process	Notes
\$2,500	Cal Card (Visa)	Cardholder makes purchase with Visa
Up to \$5,000	Direct Invoice	Purchasing not involved
Up to \$10,000	Open Purchase Order	Department may request an "Open" PO, which expires at the end of the fiscal year, for multiple small purchases. Only one "Open" PO per vendor per FY.

Products, Supplies, Equipment

Up to \$50,000	Three Competitive Quotes	For simple, informal, product purchases the department may obtain 3 competitive quotes
Up to the Formal Bid Limit	Informal Bid	Once Purchasing receives specifications, 2-3 weeks from bidding to award by Purchasing
Up to the Formal Bid Limit	Informal Requirements Contract	Once Purchasing receives specifications, 3-4 weeks from bidding to award by Purchasing
Over the Formal Bid Limit	Formal Bid or Formal Requirements Contract	Once Purchasing receives specifications, 2 months from bidding to award by Council, Includes: Purchasing review, posting period, Department evaluation & Council award

Public Work of Improvement

Up to the Formal Bid Limit	Informal Bid*	Once Purchasing receives specifications, 5-6 weeks from bidding to award by Purchasing, Includes: site walk, 5 days for Department evaluation, insurance, bonds
Over the Formal Bid Limit	Formal Bid	Once Purchasing receives specifications, 2-3 months from bidding to award by Council, Includes: Purchasing review, Department evaluation and Council award

Services – Non-Professional

Up to \$50,000	Informal RFP or Three Competitive Quotes	Once Purchasing receives RFP documents, 6 weeks from bidding to award, Committee meeting/recommendation OR For simple, informal, services the department may obtain 3 competitive quotes
Over \$50,000	Formal RFP	Once Purchasing receives RFP documents, 2-3 months from bidding to award by Council, Includes: Purchasing, CAO, & Risk review, Committee meeting/recommendation & Council award

Services – Professional

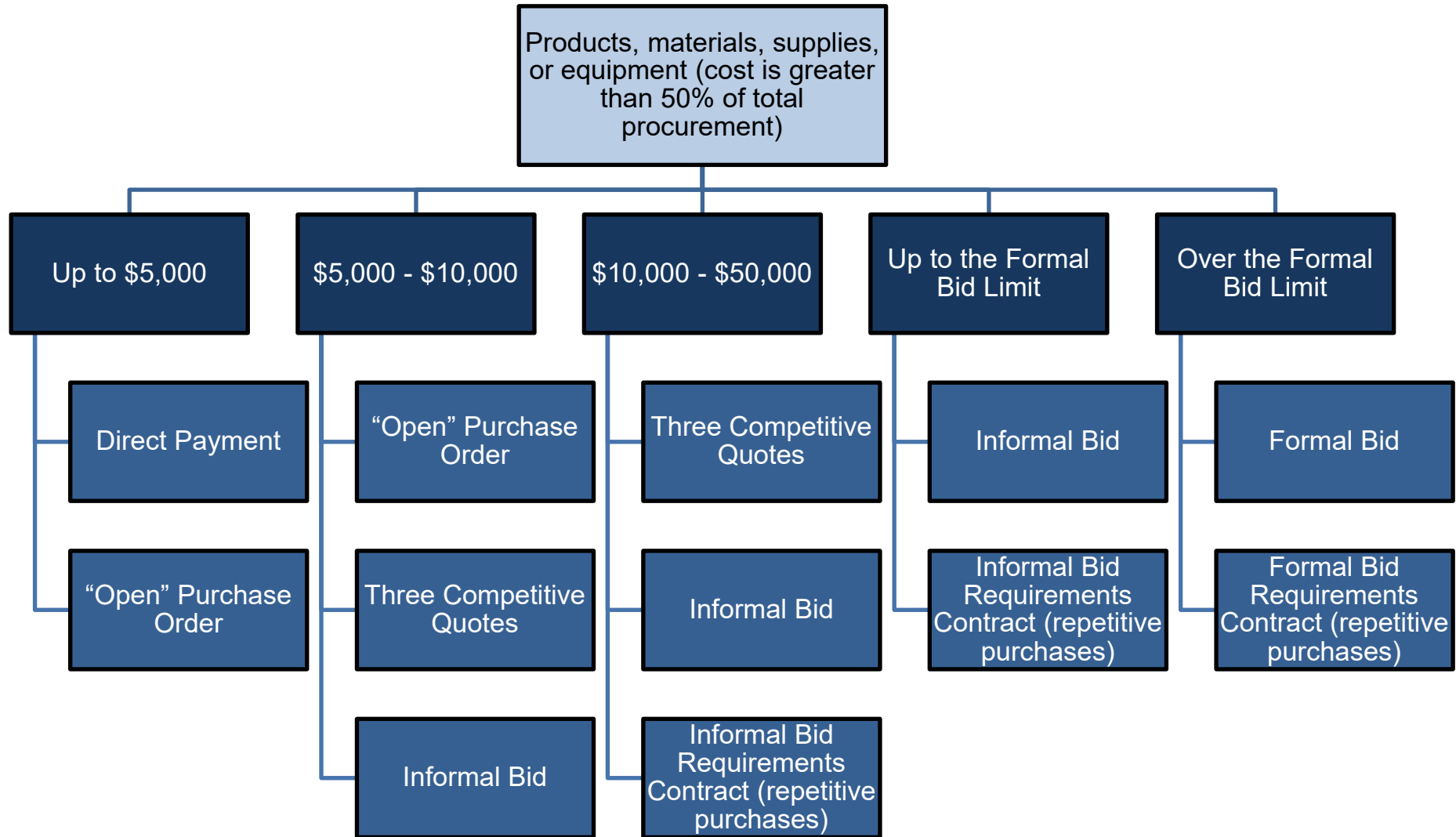
All contract amounts	Follow AO 6-19	Department manages
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*For simple, non-complex public work of improvement projects under \$50,000, seek Purchasing guidance before initiating any procurement processes.

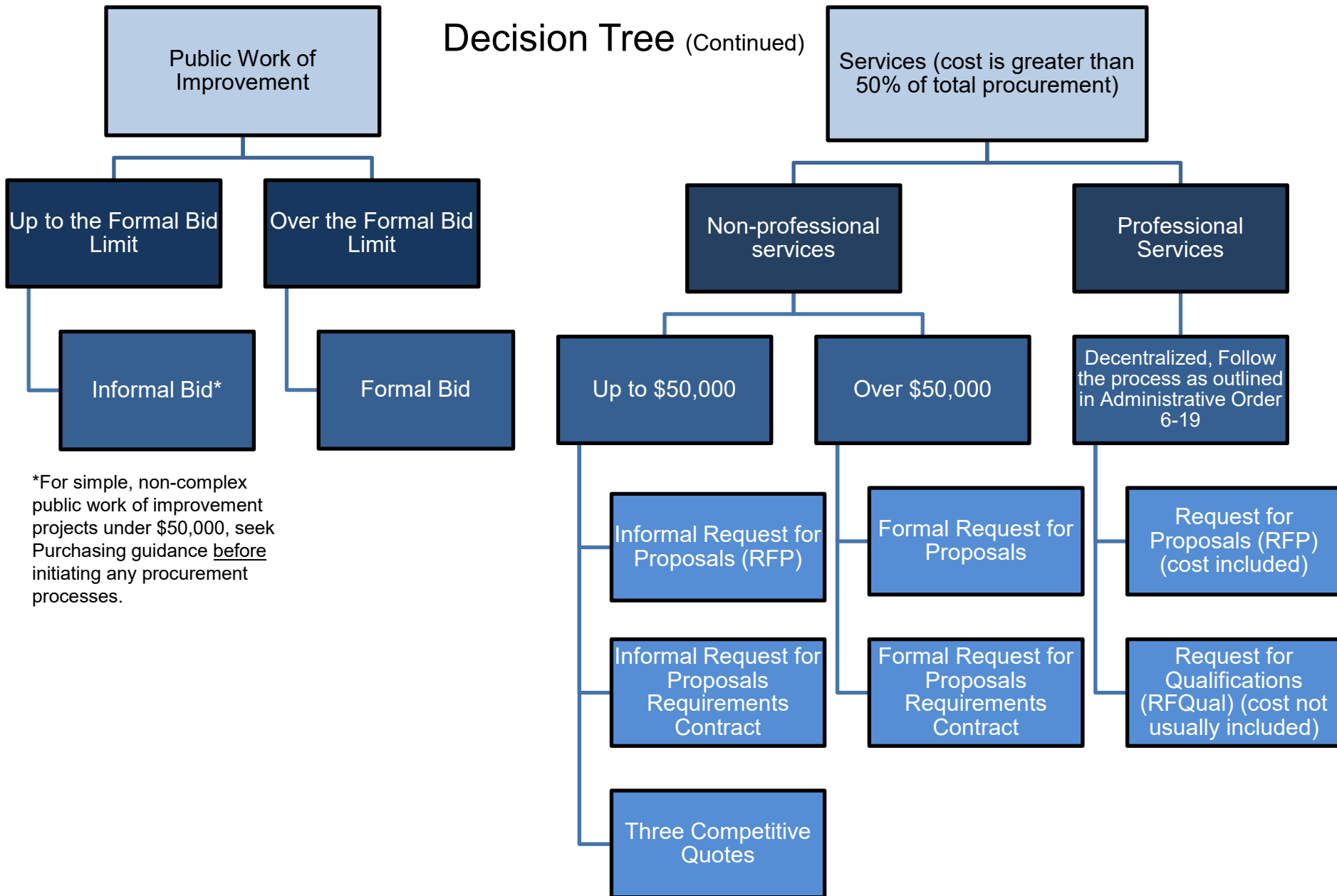
Procurement Overview (Continued)

Limits	Process	Notes
Sole Source - Products		
Up to \$50,000	Sole Source Request	Department may request sole source procurement by providing justification to Procurement Specialist
Over \$50,000 and up to the Formal Bid Limit	Sole Source Memo	Department may request sole source – memo to Purchasing Manager
Over the Formal Bid Limit	Sole Source Resolution	Department may request sole source – Resolution & Council approval required
Uniquely Qualified - Services		
Up to \$50,000	Uniquely Qualified Memo	Department may request Uniquely Qualified finding – memo to City Manager required
Over \$50,000	Uniquely Qualified Memo	Department may request Uniquely Qualified finding – memo to City Manager & subsequent Council approval required
Piggyback/Cooperative Purchase Agreement		
Up to the Formal Bid Limit	Purchase Order	Department must receive Purchasing approval
Over the Formal Bid Limit	Purchase Order	Department must receive Purchasing approval and subsequent Council approval required
Emergency Purchases		
Up to \$50,000	Emergency PO	Department to request EPO providing justification to Procurement Specialist
Over \$50,000 and up to the Formal Bid Limit	Emergency PO	Department to request EPO providing justification to Purchasing Manager
Over the Formal Bid Limit	Emergency PO	Department must obtain Council approval

Decision Tree



Decision Tree (Continued)



*For simple, non-complex public work of improvement projects under \$50,000, seek Purchasing guidance before initiating any procurement processes.

Purchases Under \$5,000

One-time purchases based on good business judgement under \$5,000 are decentralized and may be made directly by departments under the Direct Payment process, or by obtaining a purchase order from Purchasing.*

Purchases under \$5,000 for software, computers, remodeling, welding, vehicular equipment, and printing shall be authorized through the respective Internal Service Funds.

- See Administrative Orders:
 - › 3-1 City Wide Purchasing
 - › 8-8 City-Owned/Leased Vehicles – Acquisition, Assignment and Usage Policy
 - › 8-11 Use of Electronic Systems and Tools
 - › 8-21 Cloud Policy

Internal Services Funds are City departments who provide services to other City departments.

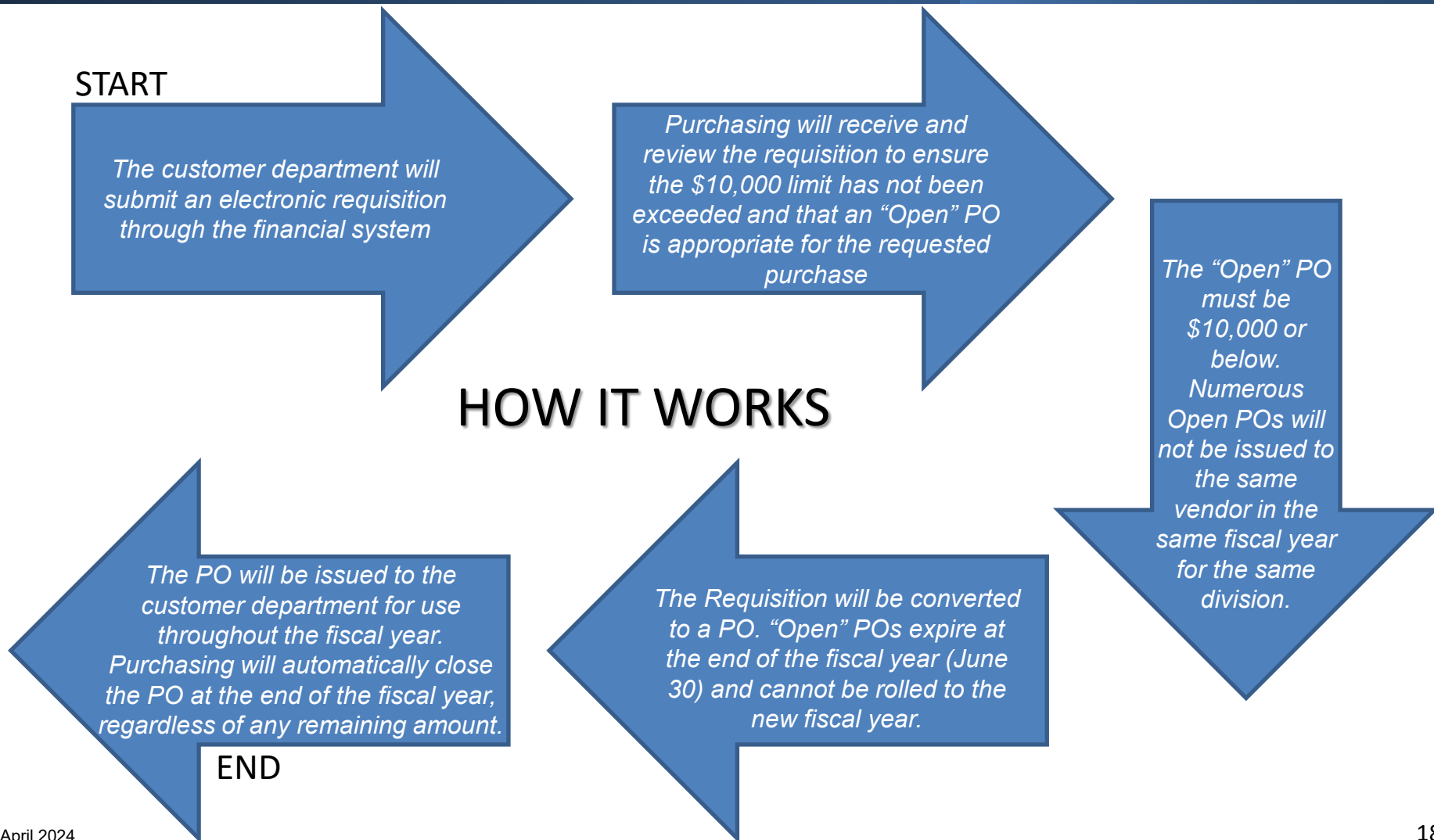
*This process is not intended for repetitive purchases which shall be acquired through a Requirements Contract or Purchasing may provide an “Open” Purchase Order.

“Open” Purchase Orders

An “Open” Purchase Order is a PO which has been issued to a vendor, against which specified purchases may be made for a specified period of time. It is a PO without competitive bidding for small purchases with progress payments.

The City of Fresno uses “Open” Purchase Orders under \$10,000 for low-cost items that are difficult to bid. “Open” Purchase Orders are not to be used for repetitive purchases that would be better facilitated by the use of a Requirements Contract.

“Open” Purchase Orders cannot be used if restricted by funding source (i.e., FTA).



Requirements Contracts

Requirements Contracts (RC) may be established when effective for commodity groups and services (tools, parts, chemicals, paint, tree trimming, janitorial services, etc.) when repetitive purchases and the anticipated annual expenditures make such action feasible and appropriate. Requirements Contracts decrease the procurement time by providing a ready source of supply for various commodities/services at a fixed price for a specified period of time.

Commodity group requirements (or scope of services) will be generally determined by the division. The division will submit a requisition and bid packet or Request for Proposals to Purchasing.

The division will provide a list of items or services and the anticipated annual usage of each item. The anticipated usage is used for bidding purposes and the actual quantities may be increased or decreased depending on actual need.

Requirements Contracts are typically awarded for a one to three-year period but may be extended for two to four one-year periods. Extensions are approved if: (1) the Division confirms in writing that the vendor is performing satisfactorily, and they wish to extend and (2) the vendor either agrees to hold the price or has agreed to a price change methodology as stated in the specifications. If there is a need for a longer RC term, the department must obtain approval from the Purchasing Division.

Approximately 6 months prior to the end of a Requirements Contract, Purchasing will notify the division to update the specific commodity items and quantities for rebid purposes.

Requirements Contracts follow either:

- The formal bid process, if the anticipated award amount is over the Formal Bid Limit
- The informal bid process, if the anticipated award amount is under the Formal Bid Limit.
- Request for Proposals process, if the contract is for services

Once a Requirements Contract has been established, departments shall not purchase the contracted goods or services from another vendor without the express permission of the Purchasing Division.

Bidding

General Bidding Information

The bid process is used when a department needs to make the purchase of products, materials, equipment, supplies, or has a public work of improvement project. A bid packet consists of a standardized bid specifications (boilerplate), approved by the City Attorney's Office and Risk Management, including standardized terms, conditions, and technical specifications. Boilerplate specifications can be accessed by visiting Purchasing's intranet site at:

[Purchasing Division – Home](http://sp-finance.fresno.gov/Purchasing/SitePages/Home.aspx) (<http://sp-finance.fresno.gov/Purchasing/SitePages/Home.aspx>)

Technical specifications shall be as concise and exact as possible without being ambiguous. They shall be written to solicit as many bids as possible from vendors who can deliver a product meeting the spirit and intent of the specification. City employees developing technical specifications may contact potential vendors to obtain technical data or industry standards but are cautioned against accepting technical data that would result in a proprietary specification.

- If a consultant or other vendor assists with the creation of the bid specifications, they are prohibited from bidding on the project due to the conflict of interest.

All bid specifications for public work of improvement projects shall first be routed to the Construction Management Division, for approval as to wages and labor code compliance if Construction Management will be managing the project.

The Fleet Division manages vehicle acquisitions in accordance with Administrative Order 8-8 City-owned/leased Equipment: Acquisition, Assignment, Maintenance and Usage Policy

The Information Services Department (ISD) must review all software and technology procurements prior to bidding. Administrative Orders 8-11 Use of Electronic Systems and Tools and 8-21 Cloud Policy apply.

Administrative Order 8-20 Accessible Information and Communication Technology (ICT) also applies and requires that:

- *“Public facing content must conform to applicable accessibility and usability standards to allow persons with disabilities to access information that is comparable to information provided to persons without disabilities. ICT provided to the public must be usable with assistive technologies.”*

Once completed, the bid specifications will be posted on the City's Planet Bids website for vendors to download. Vendors are automatically notified of projects via email through the Planet Bids site. Potential bidders, subcontractors, and suppliers can access the bid online through the City's webpage.

General Bidding Information (Continued)

Award of a bid will be made to the bidder who submits the lowest responsive and responsible bid.

Bidders who take an exception to the terms or does not bid all items as per the specifications, will be considered nonresponsive and not eligible for award. Such bidder will be bypassed, unless the Purchasing Manager, or designee, determines that the exception consists of a minor deviation that does not give the bidder a competitive advantage.

- There are occasions when bidders are allowed to bid on only some items. However, there must be language included in the specifications describing the exact requirements of the bid.

For public work of improvement projects, the bidder must also submit insurance and a payment bond that meets City requirements.

- The department is responsible for obtaining insurance and bonding documents from the vendor and receiving approval from Risk Management.

An executed agreement and Notice to Proceed will be issued for public work of improvement projects.

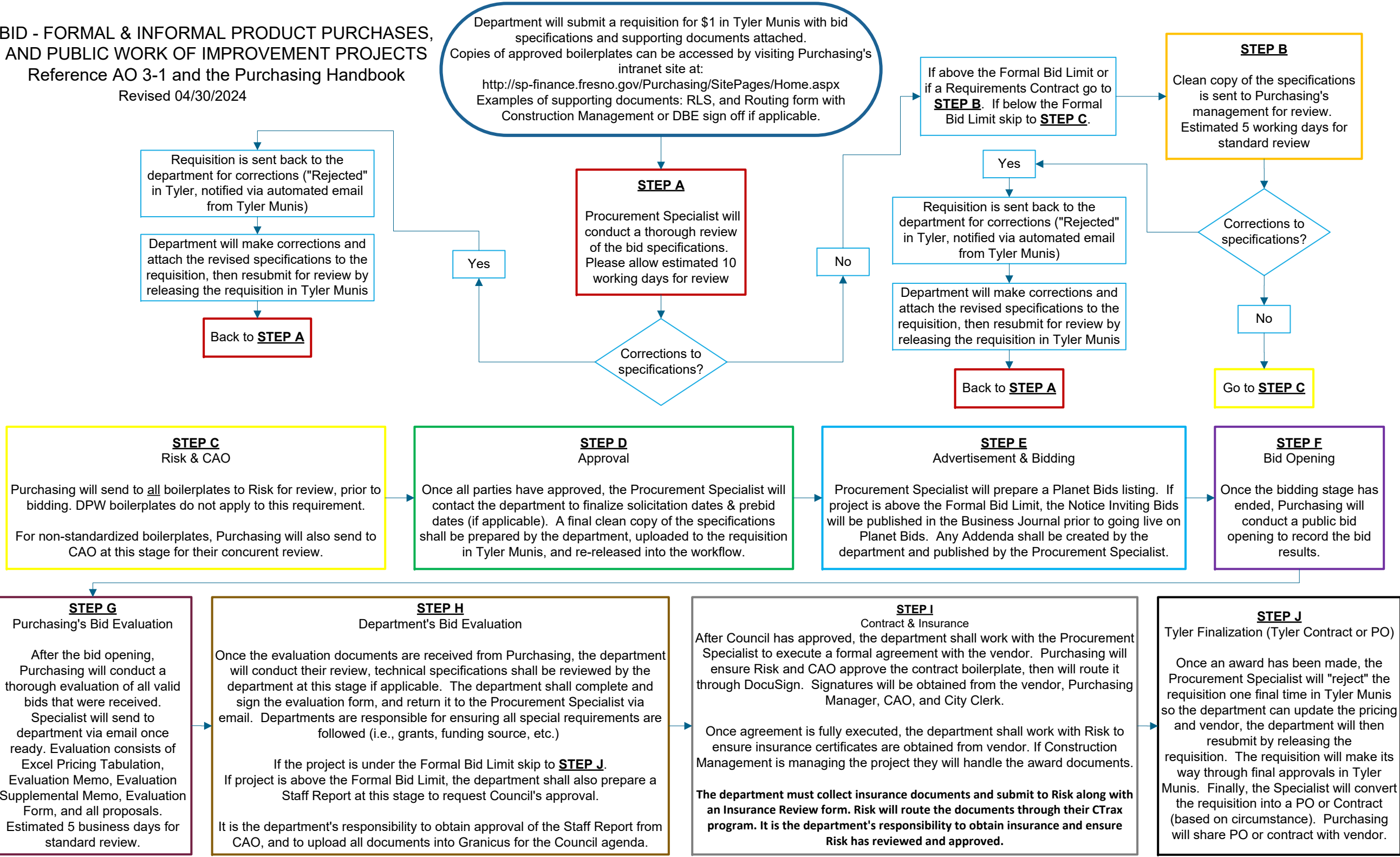
- If Construction Management is managing the project, they will handle all agreement and Notice to Proceed processes.
- If not, Purchasing will route the agreement for execution and issue the Notice to Proceed or purchase order.

When a procurement is bid using the informal process, bids received exceeding the Formal Bid Limit cannot be awarded. If all bids received exceed the Formal Bid Limit, the department must reject all bids through the Purchasing Division and rebid the procurement using the Formal Bid process.

When a procurement is bid using the Formal Bid process, the process must be completed even if bids received are below the Formal Bid Limit. If the lowest responsive and responsible bid is below the Formal Bid Limit, the contract must still be awarded/rejected at Council. If the department opts to reject all bids, Council must approve the Reject All before the department can rebid the procurement.

After award, Purchasing will notify all bidders of the award of bid, or rejection of all bids, via Planet Bids.

BID - FORMAL & INFORMAL PRODUCT PURCHASES,
AND PUBLIC WORK OF IMPROVEMENT PROJECTS
Reference AO 3-1 and the Purchasing Handbook
Revised 04/30/2024



Services

All Services

All procurement requests sent to the Purchasing Division must begin as a requisition in the City's financial system. Currently, the requisition number is used as the RFP/RFQ/RFQual file number.

Administrative Orders 6-19 Contracts for Consultant Services and 6-28 Nonprofessional Service Contracts are relevant to the procurement of services.

The Request for Proposals (RFP) process is used for professional and non-professional services when pricing information is being requested with the proposal responses. The Request for Qualifications (RFQ/RFQual) process is used for professional services when award is based on a provider's qualifications alone and cost or pricing information is usually not requested at the time of proposal submittals. There are special instances where pricing is submitted with responses to an RFQual, but the pricing is sealed separately and not opened until the end of the evaluation process.

All RFP and RFQual solicitations must be reviewed and approved by the City Attorney's Office and Risk Management Division prior to publishing. For non-professional services, the Purchasing Division will obtain CAO and Risk approval of the RFP documents after Purchasing has completed their review. For professional services, the department is responsible for obtaining CAO and Risk approval of the RFP or RFQual documents prior to submitting a requisition.

The Purchasing Division publishes the Notice Inviting Proposals or Notice Inviting Qualifications in the Business Journal for all service contracts expected to exceed \$50,000.

All contracts for services (professional and non-professional) below \$50,000 must be approved by the City Manager or their designee. Additionally, all contracts for services exceeding \$50,000 must be approved by the City Council.

The awards for both RFP and RFQual are based on best value for the City, rather than pricing alone. Evaluation criteria must be clearly set forth in the RFP and RFQual and may include community benefits, local employment, experience, qualifications, ability to meet requirements, financial stability, past performance, etc.

All executed service agreements must be added to the City's financial system (Tyler Munis) via a requisition submitted by the department prior to any requests for payment. Contracts in the financial system are not required to be encumbered.

Non-Professional Services

The department may choose to obtain three competitive quotes for simple non-professional services below \$50,000 as an alternative to conducting an RFP. It is recommended to conduct an RFP for multi-year or complex service contracts.

RFPs for non-professional services are processed by the Purchasing Division, unless otherwise directed by the City Manager.

The Purchasing Division will conduct a thorough evaluation of all proposals received and prepare evaluation documentation for the department's review. Purchasing's Proposal Evaluation documentation will be sent to the department via email.

For contracts exceeding \$50,000, a Selection Committee should be assembled prior to the publication of the RFP. After the proposal deadline, the Evaluation/Selection Committee will meet to review all proposals received and make a recommendation for award. In addition to committee meetings, the committee can elect to hold proposer meetings to ask additional questions, conduct interviews, and request for Purchasing to check references. A facilitator from the Purchasing Division must be included in all meetings, interviews, etc. All communication with proposers must route through Purchasing. A committee report written by the Committee and Purchasing's proposal evaluation documentation must route through Purchasing for approval by the General Services Department and the City Manager prior to placement on the Council agenda.

For contracts below \$50,000, there is no formal Evaluation Committee, but the department will consult with Purchasing.

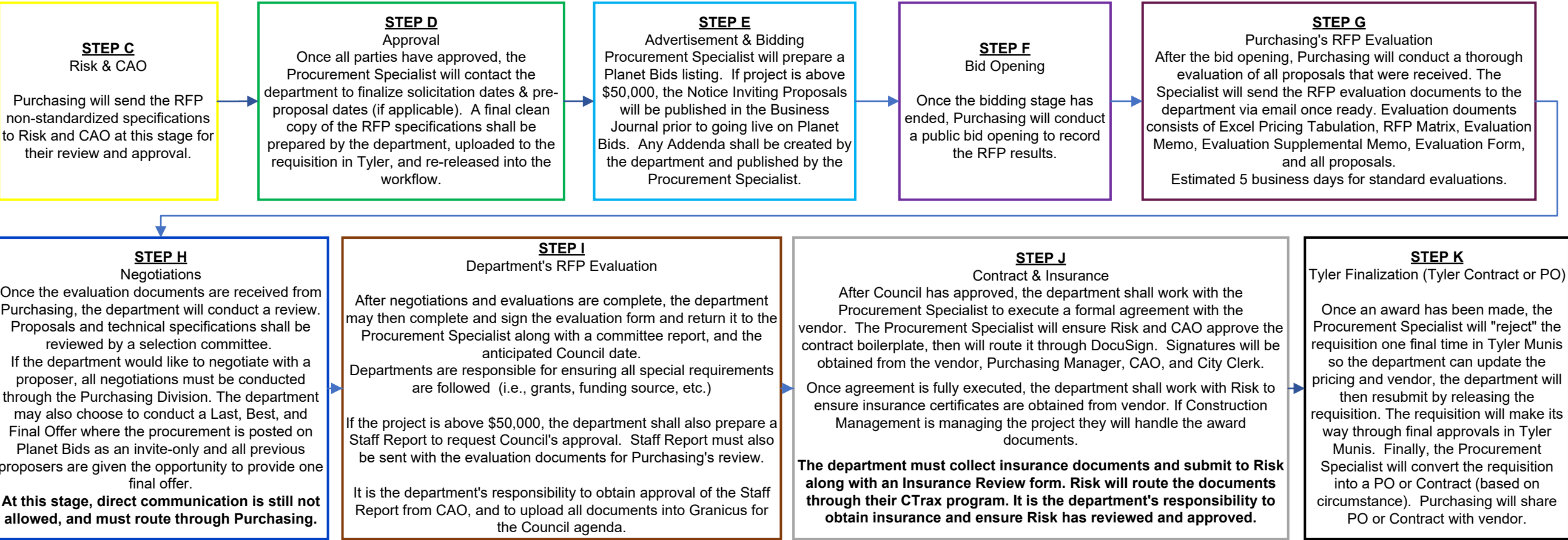
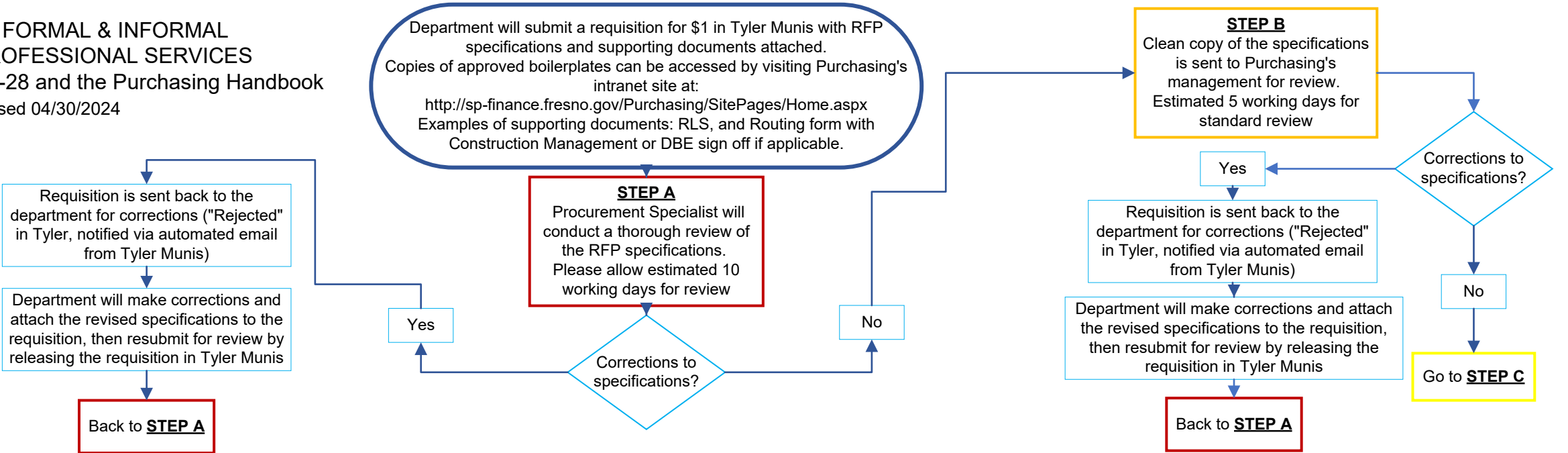
Once an award has been made, the Purchasing Division will acquire and route the contract/agreement for signatures and provide the executed document to the department. The department must obtain insurance from the awardee and ensure approval is granted by Risk Management.

Non-Professional Services Two-Step

The two-step process is primarily used for services which are broadly defined by the department. From responses received from the proposers in the first step, the Department develops complete specifications for the services required in the second step. The process lends itself to complex technical projects, such as custom software (not off the shelf).

- Step 1 = Define the scope
 - › The Department provides a broad scope of the project and assesses what is available on the market.
 - › Proposals will be evaluated by the Department and Purchasing.
 - › Once complete, the Department will develop the specifications for Step 2
- Step 2 = Develop the scope
 - › The Department is now at the RFP stage, and should refer to the process used in either the RFPs for Technical & Nonprofessional Services (Formal) OR (Informal)

RFP - FORMAL & INFORMAL
NON-PROFESSIONAL SERVICES
Reference AO 6-28 and the Purchasing Handbook
Revised 04/30/2024



Professional Services

Requests for Proposals (RFPs) and Requests for Qualifications (RFQs) for consultants and professional services (i.e., accounting, engineering, architectural, legal, medical, etc.) are decentralized and the policies and procedures of Administrative Order 6-19 apply.

Similar to other procurements, the RFP and RFQ must start as a requisition in the financial system. However, Purchasing is used as a “mailbox only”. The Procurement Specialist will advertise the procurement in the Business Journal if notified by the department that the contract is expected to exceed \$50,000. The Procurement Specialist will also post the procurement on Planet bids, but qualifications and proposals are submitted directly to the project manager or Planet Bids. The department is responsible for routing all RFP and RFQ documents to CAO and Risk for review and approval.

Proposals are not opened publicly, and Purchasing does not perform an evaluation of proposals received. As such, there are no Purchasing Division evaluation forms used in the award or selection of a proposer.

The anticipated award is not posted on Purchasing’s Staff Determination, as it typically is with other procurements.

- **Request for Proposals** – Includes pricing and a contract is awarded for a specific project
- **Request for Qualifications** – A request that does not include pricing but is awarded based on the professional’s qualifications. Example: On-call engineering services

PROFESSIONAL SERVICES
(Consultant, RFP, RFQ, SOQ, Mailbox Only)

Reference AO 6-19 and the Purchasing
Handbook
Revised 04/30/2024

**Per AO 6-19, this process is decentralized and
Purchasing's involvement is minimal.**

For professional services, Purchasing is used as a "mailbox only". The Procurement Specialist will post the procurement on Planet bids, but qualifications and proposals are submitted directly to the project manager or Planet Bids.

Proposals are not opened publicly, and Purchasing does not perform an evaluation of proposals received. As such, there are no Purchasing Division evaluation forms used in the award or selection of a proposer.

The anticipated award is not posted on Purchasing's Staff Determination, as it typically is with other procurements.

Department will submit a requisition in Tyler Munis for \$1 with one copy of the Request for Proposals, Request for Qualifications, or Statement of Qualifications for review.

Please be sure to include any and all exhibits, attachments, and other related documents that should be uploaded to Planet Bids along with your document. It is important at this stage to add comments to the requisition identifying the anticipated cost of the contract.

Note: Department's are responsible for obtaining CAO and Risk approval, if applicable, before sending to the Purchasing Division for advertisement and/or publication.

STEP A

Procurement Specialist will conduct a breif review of the document(s) to ensure certain language is not contained within the document.

Examples of language that should not be included: Staff Determination, "Bid Opening" references, Appeals.

Approved by
Procurement
Specialist?

Yes

No

Procurement Specialist will "Reject" the requisition in Tyler Munis, requesting additional information from the customer department for review.

Department will be notified via automated email from Tyler Munis.

Back to **STEP A**

STEP B

Procurement Specialist will publish the document(s) to Planet Bids.

If the anticipated cost of the contract exceeds \$50,000 the Procurement Specialist will also advertise the procurement in the Business Journal.

STEP C

After the proposal period ends, the Procurement Specialist will send any proposals received via Planet Bids to the Project Manager for review. The department is responsible for the proposal evaluation.

STEP D

The department will obtain an agreement boilerplate from CAO and ensure Risk and CAO approve the agreement before obtaining the vendor sigantures.

Department is required to obtain vendor signatures prior to Council's review.

STEP E

If the contract is below \$50,000 skip to **STEP G**.

If the contract is above \$50,000 the department is responsible for obtaining Council approval.

STEP F

It is the department's responsibility to obtain approval of the Staff Report from CAO, and to upload all documents into Granicus for the Council agenda.

If Council approves, move to **STEP G**.
If Council does not approve, request is denied and no further action is required.

STEP G

The department shall work with CAO to ensure the agreement is executed with the remaining City of Fresno signatures. Additionally, the department is responsible for working with the vendor and Risk to ensure insurance is approved.

STEP H

Once the agreement is executed and the insurance has been reviewed by Risk, the Procurement Specialist will "Reject" the requisition one final time. The department will make necessary adjustments and resubmit by releasing the requisition in Tyler Munis.

STEP I

Once the requisition has been approved by all parties in Tyler Munis, the Procurement Specialist will then convert the requisition into a contract. A copy of the contract will be shared with the department for contract management.

The department must collect insurance documents and submit to Risk along with an Insurance Review form. Risk will route the documents through their CTrax program. It is the department's responsibility to obtain insurance and ensure Risk has reviewed and approved.

Miscellaneous Procurement

Informal Sole Source Procurement

In the event that there is one, and only one, source for a product, a sole-source contract may be used.

Sole Source requests below \$50,000 are reviewed and approved by the Purchasing Division's Procurement Specialist. A Sole Source memo is not required, unless otherwise required by the funding source, but adequate justification and a purchase quote via attachment to the requisition are required.

All Sole Source requests above \$50,000 and up to the Formal Bid Limit must be approved by the Purchasing Manager. A Sole Source memo requesting approval from the Purchasing Manager is required. The memo must contain the information listed below.

The following statements and findings must be made and set forth in every sole-source/single source memo:

- A statement describing every unique or specialized feature of the product in question.
- A statement of why the department requires that the product in question has such unique or specialized features (i.e., a statement of why a product without such features would not meet the department's needs).
- A description of the department's efforts to locate all possible suppliers of such product.
- A statement that, in spite of its efforts, the department has been able to locate only one supplier of the product in question.
- A statement that indicates the ultimate cost of the product and the process used to determine the cost of the product.
- A finding that it is, therefore, proper for the City to dispense with the competitive bidding requirement in this instance and to authorize the Purchasing Manager to purchase the product in question under the sole source exception.

Once all approvals have been obtained, the department must enter a requisition and attach all supporting documentation in the financial system. The Purchasing Division will issue a Purchase Order upon receipt of the requisition and after review of the supporting documentation.

Formal Sole Source Procurement

In the event that there is one, and only one, source for a product, a sole-source contract may be used.

For Sole Source requests above the Formal Bid Limit, the department must work with the City Attorney's Office to prepare a Resolution and Staff Report. The City Manager will review and approve the procurement via Granicus. Subsequently, the Sole Source Resolution approved by Council is also required. The Resolution must contain the information listed below.

The following statements and findings must be made and set forth in every Sole Source Resolution:

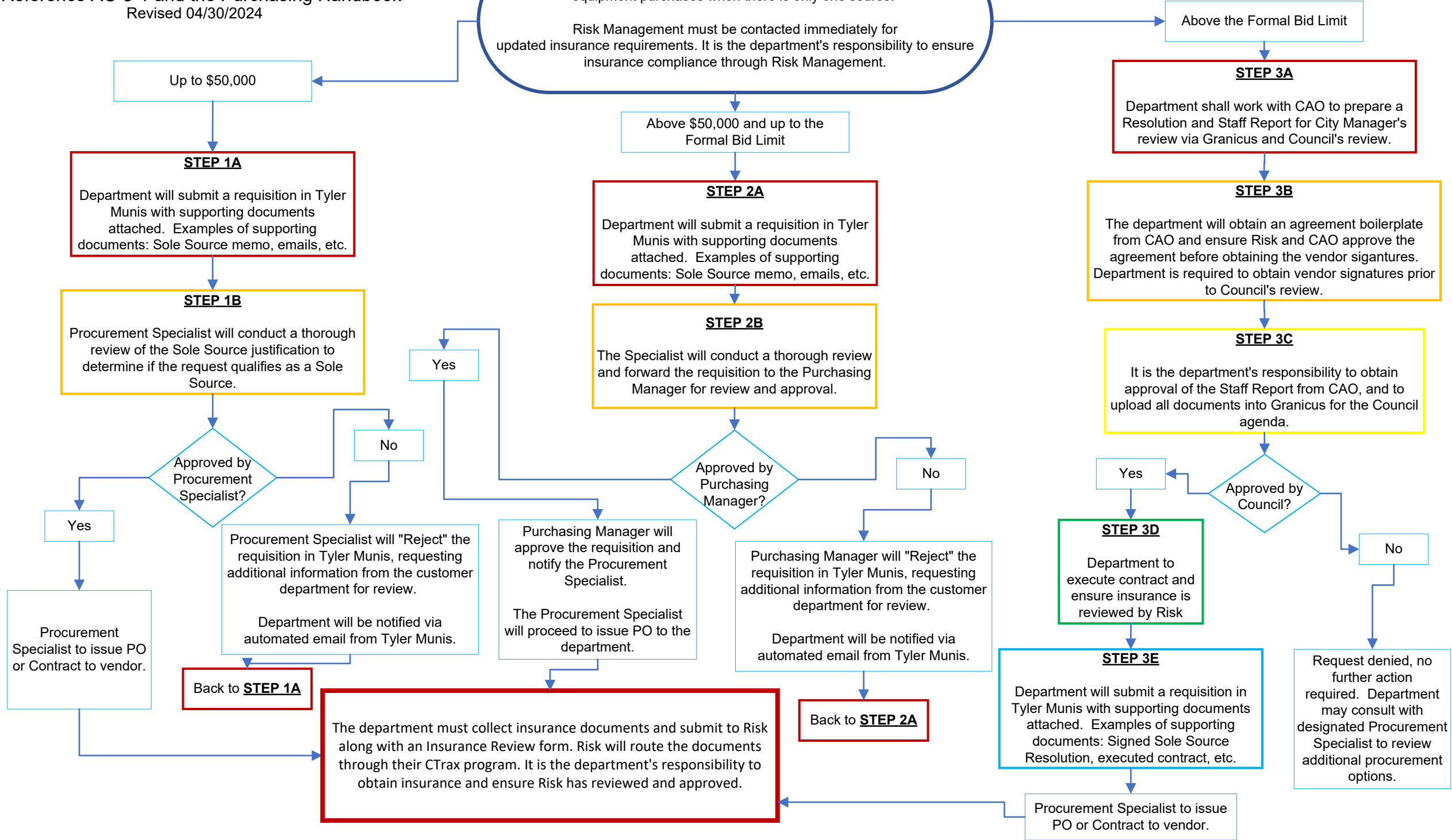
- A statement describing every unique or specialized feature of the product in question.
- A statement of why the department requires that the product in question has such unique or specialized features (i.e., a statement of why a product without such features would not meet the department's needs).
- A description of the department's efforts to locate all possible suppliers of such product.
- A statement that, in spite of its efforts, the department has been able to locate only one supplier of the product in question.
- A statement that indicates the ultimate cost of the product and the process used to determine the cost of the product.
- A finding that it is, therefore, proper for the City to dispense with the competitive bidding requirement in this instance and to authorize the Purchasing Manager to purchase the product in question under the sole source exception.

Once all approvals have been obtained, the department must enter a requisition and attach all supporting documentation in the financial system. The Purchasing Division will issue a Purchase Order upon receipt of the requisition and after review of the supporting documentation.

SOLE SOURCE
Reference AO 3-1 and the Purchasing Handbook
Revised 04/30/2024

Sole Source requests may be used for products, supplies, materials, and equipment purchases when there is only one source.

Risk Management must be contacted immediately for updated insurance requirements. It is the department's responsibility to ensure insurance compliance through Risk Management.



Uniquely Qualified

In the event that there is a service provider with unique skills, experience, fitness, familiarity or other factors enabling it to perform the proposed services, a uniquely qualified finding may be used.

A uniquely qualified service provider does not have to be the sole provider of the services for the particular project but must provide qualification(s) which other service providers lack making the service provider the best option for the City.

All uniquely qualified requests must be approved by the City Manager. The department is required to write a memo to the City Manager outlining the unique qualifications of the provider. Upon City Manager approval, if the request exceeds \$50,000 subsequent Council approval is also required.

After all necessary approvals are received, the department is required to submit a requisition in the financial system to create a contract for payment and tracking purposes. The department must attach all supporting documents to the requisition.

The Purchasing Division is not involved in generating the memo or any approval processes of uniquely qualified procurements. However, Purchasing can provide memo examples and is available to assist with document review if requested.

Examples of approved Uniquely Qualified memos can be found on Purchasing's intranet site.

UNIQUELY QUALIFIED
Reference AO 3-1 and the Purchasing Handbook
Revised 04/30/2024

In the event that there is a service provider with unique skills, experience, fitness, familiarity or other factors enabling it to perform the proposed services, a Uniquely Qualified finding may be used.

STEP A

Customer department shall submit a Uniquely Qualified Memo to the City Manager for review and approval.

Note: All Uniquely Qualified procurements must be reviewed and approved by the City Manager, regardless of the amount

Up to \$50,000

Approved by the City Manager?

Yes

STEP 1B

Customer department shall work with CAO and Risk to ensure an agreement is executed.

No

Request denied, no further action required. Department may consult with designated Procurement Specialist to review additional procurement options

STEP 1C

Customer department will submit a requisition in Tyler Munis with supporting documents attached. Supporting documents may consist of signed Uniquely Qualified Memo, Quotes, copy of Executed Agreement.

STEP 1D

Procurement Specialist will convert Tyler requisition into a contract and share the contract document with the department for contract management.

The department must collect insurance documents and submit to Risk along with an Insurance Review form. Risk will route the documents through their CTrax program. It is the department's responsibility to obtain insurance and ensure Risk has reviewed and approved.

STEP 2B

The department will obtain an agreement boilerplate from CAO. The department must ensure Risk and CAO approve the agreement boilerplate before obtaining vendor signatures.

Department is required to obtain vendor signatures prior to Council's review.

STEP 2C

It is the department's responsibility to obtain approval of the Staff Report from CAO, and to upload all documents into Granicus for the Council agenda.

Yes

Above \$50,000

Approved by the City Manager?

No

Request denied, no further action required. Department may consult with designated Procurement Specialist to review additional procurement options

Yes

STEP 2D

The department shall work with CAO to ensure the agreement is executed with the remaining City of Fresno signatures.

Approved by Council?

No

Request denied, no further action required. Department may consult with designated Procurement Specialist to review additional procurement options

STEP 2E

The department will submit a requisition in Tyler with supporting documents attached. Supporting documents may consist of Council Approval, signed Uniquely Qualified Memo, Quotes, and copy of executed agreement.

STEP 2F

The Procurement Specialist will review to ensure Council's approval was granted and convert the Tyler requisition into a PO or Contract

Cooperative Purchases & Piggybacks

The Fresno Municipal Code allows the Purchasing Manager to engage in cooperative purchasing agreements. A cooperative agreement is an instance where a different agency takes the lead on carrying out a formal solicitation to benefit a region or body of agencies so that the benefit of economies of scale can occur. An example of cooperative agreements that are common are those for office supplies, fuel, or furniture.

Cooperative agreements can also be joint efforts between a national and/or regional purchasing alliance of educational institutions, municipalities or other public agencies. The City is a member of many national and regional organizations which afford it the opportunity to take advantage of cooperative agreements.

The Purchasing Manager is authorized to use piggyback contracts for products and equipment which have been entered into by other governmental agencies through a competitive bid.

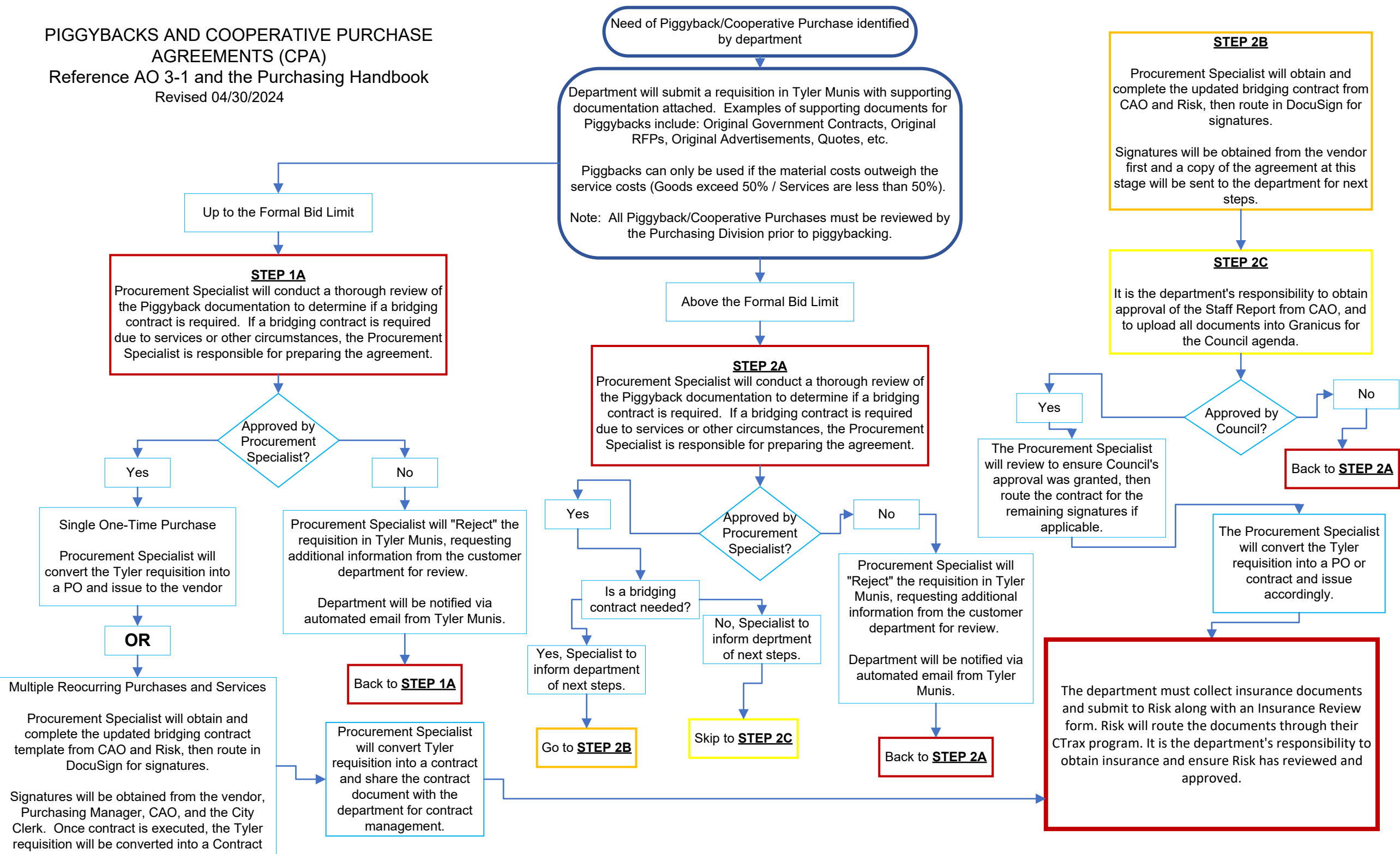
All products or equipment purchased under this provision must substantially meet the technical specifications of the bid. Major deviations from the product specification will not be allowed. Minor deviations will be allowed, unless otherwise restricted by the funding source.

All cooperative purchases and piggybacks must be approved by the Purchasing Manager.

All contracts which exceed the Formal Bid Limit must be approved by the City Council.

- Sources for CPA/Piggyback opportunities include:
 - › California Multiple Award Schedules (CMAS)
 - › General Services Administration (GSA)
 - › National Association of State Procurement Officials (NASPO)
 - › National Cooperative Purchasing Alliance (NCPA)
 - › Omnia Partners
 - › Sourcwell
 - › And more! Contact your department's designated Procurement Specialist for assistance.

PIGGYBACKS AND COOPERATIVE PURCHASE AGREEMENTS (CPA)
Reference AO 3-1 and the Purchasing Handbook
Revised 04/30/2024



Emergency Purchases

What is considered an Emergency Purchase?

An Emergency Purchase is defined as a repair for a downed piece of equipment; material needed for repair of items providing vital services; unforeseen items not known prior to commencement of project; situations where a return visit to repair equipment or complete a project would not be cost-effective; or an unforeseen emergency that is a health and safety concern. The Purchasing Manager or their designee will approve such a purchase.

Emergency Purchases Under the Formal Bid Limit

Before making a purchase, the authorized employee must submit an emergency requisition in the financial system (except for nighttime emergencies) and obtain an Emergency Purchase Order (EPO) number. The requesting division will be required to give reason and justification for request, vendor, and dollar estimate of expenditure.

Emergency Purchases Over the Formal Bid Limit

The emergency purchase of equipment or emergency construction over the Formal Bid Limit is subject to the Council's approval of an Emergency Resolution to suspend competitive bidding in accordance with Section 1208(a) of the Charter. The Emergency Resolution is submitted to the Council by the division; Purchasing is available as a resource.

Nighttime Emergencies

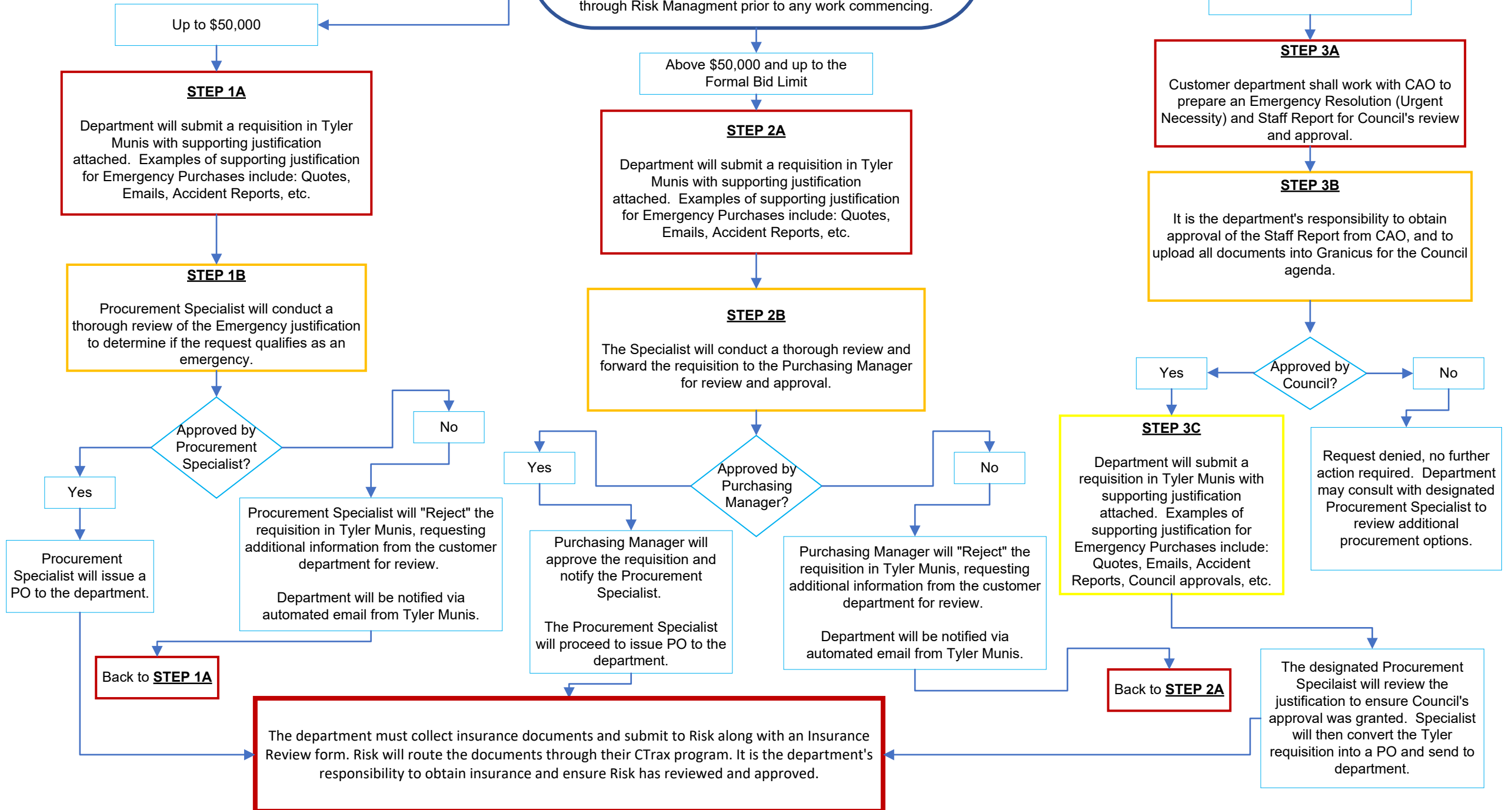
For nighttime emergencies, which require the immediate acquisition of materials, services or supplies, complete the transaction accordingly. The Purchasing Division must be contacted the next working day to secure an Emergency Purchase Order (EPO) number as detailed previously under "Emergency Purchases Under the Formal Bid Limit".

Insurance Requirements

Prior to commencing any work, the Indemnification and Hold Harmless form must be completed. Additional project-specific insurance requirements must be obtained from Risk Management. Exceptions to insurance requirements must be authorized by the City Manager.

EMERGENCY PURCHASES
Reference AO 3-1 and the Purchasing Handbook
Revised 04/30/2024

All Emergency Purchases must be approved by the Purchasing Division prior to the procurement of goods or services. Risk Management must be contacted immediately for updated insurance requirements. It is the department's responsibility to ensure insurance compliance through Risk Management prior to any work commencing.



Design-Build

If departments are interested in using the design-build process, they must consult with Purchasing and the City Attorney's Office before initiating any processes.

The Fresno Municipal Code (FMC) Chapter 4, Article 5 defines design-build as “a procurement method for a public work of improvement contract in which both the design and the construction of a public work of improvement are procured from a single entity”. Additionally, FMC Section 4-502 states that the City Manager will select one of the methods listed below as the process to be recommended for the selection.

No design-build process or Design-Build Entity selection shall be initiated without Council approval.

Design-build methods as defined in the FMC are as follows:

- **Performance Specifications Method.** A design-build competition based on performance specifications and criteria set forth by the city in the request for proposals. The RFP process will be followed when using this method.
 - › Criteria used in this form of evaluation of proposals may include, but not be limited to, items such as proposed design approach, initial and/or life-cycle costs, project features, financing, quality, capacity, schedule, and operational and functional performance of the facility. However, any criteria and methods used to evaluate proposals shall be limited to those contained in the request for design-build proposals.
 - › Subject to the right to reject any and all proposals, award by Council shall be on the basis of the criteria specified, including initial and/or life-cycle costs, and made to the Design-Build Entity whose proposal is judged as providing the best value in meeting the interest of the city and the objectives of the design-build project.
- **Program and Preliminary Design Method.** A design-build competition based on program requirements, performance specifications, and a preliminary design or combination thereof set forth by the city in the request for proposals. Limited drawings and specifications detailing the requirements of the design-build project may accompany the request for proposals. The RFP process will be followed when using this method.
 - › The City Manager shall establish technical criteria and methodology, including price, to evaluate proposals and shall describe the criteria and methodology of evaluation and selection in the request for design-build proposals.

Design-Build (Continued)

- › Subject to the right to reject any and all proposals, award by Council shall be on the basis of the technical criteria and methodology, including price, and made to the Design-Build Entity whose proposal is judged as providing the best value in meeting the interest of the city and the objectives of the design-build project.
- **Bid Invitation Method.** A design-build competition based on program requirements and a detailed scope of work, including any preliminary design drawings and specifications set forth by the city in the bid invitation. Subject to the right to reject any and all bids, award by Council shall be made to the lowest responsive and responsible bidder. The bidding process will be followed when using this method.
- **Qualifications Method.** A design-build competition based on qualifications to meet program and performance requirements as set forth by the city in the request for qualifications. Limited drawings and specifications detailing the requirements of the design-build project may accompany the request for qualifications. The RFP process will be followed when using this method.
 - › The City Manager shall establish technical criteria and methodology to evaluate proposals and shall describe the criteria and methodology of evaluation and selection in the request for design-build proposals.
 - › Subject to the right to reject any and all proposals, award by Council shall be on the basis of technical criteria and methodology and may include, but not limited to a guaranteed maximum price for the design-build project and made to the Design-Build Entity whose proposal is judged as providing the best value in meeting the interests of the city and objectives of the design-build project.
 - › The City Manager shall have the discretion to determine whether a design-build contract is one or two phases, and may include additional terms, as set forth in the request for proposals.
- **Design-build Competition Method.** A Design-build competition based on a Design-build procurement process included or referenced in the statute or regulation of the design-build project funding source. Such funding sources shall include, but are not limited to the Federal Transit Administration, the Federal Aviation Administration, and the Federal Highway Administration. The design-build process specific to the project funding source will be used for this method.

Additional Information

Bid Deposits

The Fresno Municipal Code and City Charter state every contract exceeding the Formal Bid Limit for materials, supplies, equipment or for any public work of improvement must meet the competitive bidding requirements as set forth in Charter Article XII, Section 1208.

One aspect of the competitive bidding process includes a requirement for all bids to be accompanied by a bid deposit payable to the City. The deposit must be no less than the dollar amount specified in the bid specifications, or 10% of the aggregate amount of the bid. Bid deposits are accepted in the form of:

Certified Check	Certificate of Deposit
Cashier's Check	Bidder's Bond
Irrevocable Letter of Credit	Annual Bidder's Bond

If the awarded bidder neglects or refuses to enter into the contract within the time specified in the bid specifications, the amount of the bid deposit may be declared forfeited to the City.

Aside from the provision above, all bid deposits are returned to all bidders as soon as the contract is executed, or when all bids are rejected by Council.

The customer department may select to use either a specified dollar amount or 10%, unless otherwise restricted by the funding source (i.e., CDBG funded procurements typically require a 5% deposit). A 10% bid deposit is common practice for public work of improvement projects.

Key considerations when selecting a bid deposit amount:

- **Project Value** – Consider the size of the project. Larger projects may justify a higher bid deposit.
- **Project Complexity** – For more complex projects, a higher bid deposit may be justified to ensure bidders are committed and financially capable
- **Risk Assessment** – Evaluate the risks associated with the project. Higher risks might necessitate a higher deposit to mitigate the chances of withdrawal by the awarded bidder.
- **Bidder Profile** – Consider the financial capabilities of potential bidders. Setting a deposit too high might discourage smaller, yet capable, contractors from bidding.

Payment & Performance Bonds

Payment Bond

Payment bonds are issued by surety companies to contractors and guarantee that all parties involved in a contract, including subcontractors, suppliers, and laborers, receive payment for their contributions. Having a payment bond in place can enhance the credibility of the contractor, as it demonstrates financial stability and commitment to fulfilling payment obligations.

Performance Bond

Performance bonds are also issued by surety companies and are used to guarantee the satisfactory completion of a project by a contractor. They ensure that the contractor will complete the contract according to the terms and conditions specified in the contract. If the contractor fails to meet the obligations, the surety company will step in to either complete the project or compensate the City for any losses incurred.

Bond Amounts

Determining the amount of payment and performance bonds for contracts involves considering several factors to ensure that the bond appropriately mitigates the risk associated with the contract. Factors to consider are:

- **Type of Contract** – The nature of the scope of work. For example, service contracts involving significant financial transactions or high-value assets might require a higher performance bond.
- **Financial Impact** – The potential impact on the City if the contractor fails to meet their obligations.
- **Project Duration** – Longer projects may require a higher bond amount due to the extended period during which claims may arise.
- **Subcontractor Involvement** – If the contract involves significant subcontractor work, a higher payment bond may be needed to ensure all parties are covered.

In California, if a public work of improvement project exceeds \$25,000, both payment and performance bonds are required and must be 100% of the contract price.

For other contracts, the bond amount is often a percentage of the total contract value, ranging from 10% to 100%, depending on the level of risk, but can be a dollar amount (i.e., \$15,000).

Risk Management

According to AO 2-1: “The Risk Management Division is charged with the responsibility of safeguarding the City’s financial interest and minimizing the adverse effects of accidental losses through the inclusion of the City’s standard indemnification and insurance provisions to all contracts to which the City is a party. Deviations from the standardized language must be approved by Risk Management prior to the execution of any contract with a third party.

All contracts, RFPs, RFQs, Cooperative Purchase Agreements, etc. must be sent to Contracts@fresno.gov for review and approval of indemnity and insurance requirements. The documents must be accompanied by a Contract Review Request form and the standard review time is 5-7 business days, exceptions to the timeline can be made for extenuating circumstances.

Risk Management uses an automated insurance certificate review software to review and track insurance documents. To submit insurance documents for review, the completed Insurance Review form, contract, and vendor/contractor insurance must be submitted electronically to: submitinsurance@fresno.gov

Advertising, Bidding Duration, & Addenda

Advertising

For formal procurements, when all approvals have been received for a procurement and all dates have been set (bid opening, site visit, etc.) the Procurement Specialist will send a Word version of the Notice Inviting Bids/Proposals to the Business Journal for advertising. The procurement must open for bidding on Planet Bids on the same day it is published in the Business Journal. Departments may request for informal procurements to be advertised in the Business Journal as well. Other publications used for advertising may be utilized but are the responsibility of the department.

Bidding Duration

- Procurements without a pre-bid meeting, pre-proposal meeting, or site visit should be open for bidding for a minimum of 21 calendar days.
- Procurements with a pre-bid meeting, pre-proposal meeting, or site visit should be open for bidding for a minimum of 28 calendar days.
- Procurements with special funding which require a longer posting period will comply with the funding source requirements.
- All requests for a shorter bidding duration must be approved by the Procurement Supervisor or Purchasing Manager.

Addenda

Any changes to a procurement currently bidding must be communicated to all prospective bidders and proposers via the Planet Bids website. Additionally, all responses to prospective bidders' and proposers' questions must also be communicated via addenda.

Addenda pertaining to the technical specifications or project requirements of the bid or project must be created by the department, on department letterhead with a signature from the Project Manager, Assistant Director, or Director.

Addenda changing the bid opening, pre-bid or pre-proposal meeting, site visit, etc. can be on Purchasing letterhead with a signature from the Procurement Supervisor or Purchasing Manager.

Addenda must be posted no later than Friday at 5pm for a bid opening the following Tuesday at 3pm except for an addendum to postpone a bid opening.

Pre-Bid Meetings, Pre-Proposal Meetings, & Site Visits

Pre-bid meetings, pre-proposal meetings, and site visit are used for prospective bidders/proposers to gain a better understanding of the location, requirements, and overall scope of the project. Any project or procurement can have a pre-bid meeting, pre-proposal meeting, or site visit (Formal, Informal, RFP, etc.). All meetings and site visits are facilitated by the Procurement Specialist with the help of the department at a date, time, and location agreed upon prior to the project going live on Planet Bids. The Procurement Specialist will provide the department with the Zoom meeting link, phone number, and meeting code. Detailed information regarding the meetings must be included in the Notice Inviting Bids/Proposals.

Once a procurement is live on Planet Bids, the pre-bid meeting, pre-proposal meeting, and site visits are the **ONLY** times the department may communicate directly with prospective bidders/proposers until a contract award has been made. The Procurement Specialist must be present prior to any communication taking place.

The department is responsible for sending out the pre-bid meeting invite via Outlook to City of Fresno employees and agencies involved in the project (i.e., Caltrans, FID, Fresno County, etc.).

- The Outlook invite cannot be shared with any potential bidders. Potential bidders are notified of the meetings/visits via Planet Bids and the Notice Inviting Bids/Proposals advertised in the Business Journal.
- It must include the meeting information (Zoom information provided by Purchasing, conference room, address, etc.).
- If the project includes DBE language, the DBE Coordinator must be invited.

At the start of the meeting and/or site visit, the Procurement Specialist will take note of all individuals in attendance. Upon concluding the meeting, the Procurement Specialist will upload the attendance list to Planet Bids as a public document. All attendants will be included on the list, including City of Fresno employees.

Mandatory pre-bid meetings, pre-proposal meetings, and site visits are highly discouraged and are only used in rare situations. Use of special funds may prohibit mandatory meetings and site walks. Requests for mandatory meeting requirements must be approved by either the Procurement Supervisor or Purchasing Manager.

Regulated Communication

From the time bid specifications and RFP documents are released and until award/rejection of all bids/proposals is made, no direct contact shall be made with potential bidders or proposers by anyone except the Purchasing Division without the Purchasing Manager's specific authorization. All inquiries shall be referred to the Purchasing Division who will be responsible for transmittal of information.

If additional vendor outreach is needed or departments have specific vendors they would like to be notified of a posting, a list of email addresses must be provided to the Purchasing Division. The Procurement Specialist will send a link for the posting to the requested vendors.

Purchasing notifies the following organizations of all open bidding opportunities every week:

- Fresno Chamber of Commerce
- Fresno Metro Black Chamber of Commerce
- Fresno Downtown Business Hub
- Hmong Chamber Foundation
- Central California Hispanic Chamber of Commerce\

Post bid communications and negotiations must only occur through the Purchasing Division.

Regulated Communication (Continued)

Communication with Elected Officials

The process for regulated communications with elected officials in the City's procurement process is addressed in the Fresno Municipal Code (FMC) Chapter 4, Article 6. This article applies to competitive procurement which may result in the award of a contract by the Council.

The intent of the Article is to:

- Ensure all communications by and between bidders/proposers, the Mayor and Councilmembers is open and public.
- All elected officials should be provided the same information for decision-making.
- Instill greater public confidence in the integrity of the City's procurement processes by eliminating the appearance of impropriety and special consideration
- Lessen the chance of miscommunication or misunderstanding
- Foster a greater sense of equity and fair play
- Ensure the Mayor and all Councilmembers are afforded equal access to information

Any elected official and any proposer who has initiated, engaged in or received any regulated communication shall disclose that regulated communication as per the process outlined in the FMC Section 4-606.

Sanctions may be imposed by the Purchasing Manager as outlined in the FMC Sections 4-607 and 4-608.

The complete language and process can be accessed here: [Regulated Communications in City Procurement Process](#)

Local Preference

It is the policy of the City of Fresno to provide a local preference to local firms whose main branch or office is located within a 25-mile radius from City Hall or within Fresno County. Local preference can be applied for purchases of products, material and/or equipment where the vendor is located within Fresno County. The local preference is applied when the low bidder is non-local and another bidder is local.

Local preference may not be applicable to federally funded purchases and projects, depending on the requirements of the funding source.

In order to apply local preference, bidders/proposers must self-certify using the Local Preference form located in the bid specifications packet or RFP document, depending on the type of procurement.

The local preference varies with the type of procurement:

- **Products (materials, supplies, equipment):**

- › Five percent, not to exceed \$75,000 for procurement above \$500,000 (Fresno Municipal Code, Section 4-108(c) (1))
- › For procurement \$500,000 or less, the bidder must be qualified as small and local. The qualifications include:
 - › Having a total of 100 or fewer employees Not dominant in field of operation;
 - › Principal office located in California;
 - › Owners domiciled in California; and,
 - › A business with 100 or fewer employees; an average annual gross receipts of \$12 million or less, over the last three tax years; have a valid small business certification issued by the State of California

- **Public Work of Improvement projects:**

- › Five percent, not to exceed \$75,000 (FMC, Section 4-108(d))

- **Professional Services:**

- › Five percent (FMC, Section 4-109(b))

Local Preference (Continued)

The rate of local preference is calculated on the non-local bid and the resulting amount is added to the non-local bid. If the local bid is lower after the calculation, award may be made to the local bidder. If after the application of the preference, the local bid remains higher than the non-local bid, award shall be made to the non-local bidder.

Example:

Bidder 1 bids \$489,871.00 but they are not local.

Bidder 2 bids \$503,500.00, they are local, and they have submitted the local preference certification form with their bid.

$$\$489,871 \times 5\% = \$24,493.55; \$489,871 + \$24,493.55 = \$514,364.55$$

This means the local bidder (Bidder 2) is now the low bidder.

Below is an example of how local preference will be noted on the bid evaluation document from Purchasing:

BIDDERS	TOTAL NET BID AMOUNT
1. Bidder 1 Street Address Chino, CA 91710	\$489,871.00 – Net Bid \$24,493.55 – Local Preference Adjustment \$514,364.55 – Net Bid + Adjustment
2. Bidder 2 Street Address Fresno, CA 93711	*\$503,500.00 (Local Preference applied)
3. Bidder 3 Street Address Selma, CA 93662	\$538,300.00

Note: *Section 4-108(d) of the Fresno Municipal Code (FMC) states the City shall extend a 5% local preference in the evaluation of competitive bids. The 5% local preference is applied to the lowest responsive and responsible bid.

Bid & Proposal Evaluations

After the public bid opening, the Procurement Specialist evaluates all bids and proposals received for the procurement and sends the evaluation documents to the customer department. The Specialist will notify the department if there are any issues or concerns with any of the bids or proposals received.

For procurements under the Formal Bid Limit:

The department must thoroughly review all bids and proposals to ensure compliance with technical requirements. Once completed, the department project manager, Assistant Director, or Director must sign the evaluation. The department will then send the evaluation back to the Specialist. The Specialist then routes the evaluation to the DBE Coordinator (if applicable).

Once fully signed, the Specialist will send a Notice of Award to the bidder/proposer and complete the requisition process in Tyler Munis.

For procurements over the Formal Bid Limit:

The department must thoroughly review all bids and proposals to ensure compliance with technical requirements. Once completed, the department Assistant Director or Director must sign the evaluation. The department will then send back to the Specialist the evaluation, the desired council date, and a copy of the Staff Report. For RFPs, a Selection Committee Report must also accompany the evaluation.

The Specialist then routes the evaluation to the DBE Coordinator (if applicable) and subsequently to the Purchasing Manager. After the Purchasing Manager signs the evaluation and approves of the Staff Report, they will forward it to the Director of the General Services Department. Upon the GSD Director's approval, the Purchasing manager will send the evaluation to the City Manager for final approval.

Once approved by the City Manager, the Purchasing Division will publish a public notice called the Staff Determination on the City's website. This notice, which informs the public of the City's intended awardees, must be published at least 5 working days before to the requested Council date.

Staff Reports

All Staff Reports for sole source requests, piggyback/cooperative purchase agreements, bids, and Requests for Proposals must be reviewed and approved by the Purchasing Manager before being uploaded into Granicus. The exception is professional services, which is decentralized (per AO 6-19) and does not require Purchasing Division approval. It is the department's responsibility to enter items into Granicus following the "Reports to Council Process Due Dates" timetable deadlines provided by the City Manager's Office.

Reports to Council Process Due Dates 2024 Schedule

Council Meeting	Purchasing	City Attorney/ Budget (AARs)	Completed and Final Report In Granicus	Directors Pre-Agenda Meeting
January 11, 2024	12/08/23	12/13/23	12/27/23	01/03/24
January 18, 2024	12/15/23	12/20/23	01/03/24	01/10/24
February 01, 2024	12/29/23	01/03/24	01/17/24	01/24/24
February 22, 2024	01/19/24	01/24/24	02/07/24	02/14/24
March 07, 2024	02/02/24	02/07/24	02/21/24	02/28/24
March 21, 2024	02/16/24	02/21/24	03/06/24	03/13/24
April 04, 2024	03/01/24	03/06/24	03/20/24	03/27/24
April 18, 2024	03/15/24	03/20/24	04/03/24	04/10/24
May 02, 2024	03/29/24	04/03/24	04/17/24	04/24/24
May 23, 2024	04/19/24	04/24/24	05/08/24	05/15/24
June 06, 2024	05/03/24	05/08/24	05/22/24	05/29/24
June 13, 2024	05/10/24	05/15/24	05/29/24	06/05/24
June 20, 2024	05/17/24	05/22/24	06/05/24	06/12/24
June 27, 2024	05/24/24	05/29/24	06/12/24	06/19/24
July 25, 2024	06/21/24	06/26/24	07/10/24	07/17/24
August 15, 2024	07/12/24	07/17/24	07/31/24	08/07/24
August 29, 2024	07/26/24	07/31/24	08/14/24	08/21/24
September 12, 2024	08/09/24	08/14/24	08/28/24	09/04/24
September 26, 2024	08/23/24	08/28/24	09/11/24	09/18/24
October 10, 2024	09/06/24	09/11/24	09/25/24	10/02/24
October 31, 2024	09/27/24	10/02/24	10/16/24	10/23/24
November 7, 2024	10/04/24	10/09/24	10/23/24	10/30/24
November 21, 2024	10/18/24	10/23/24	11/06/24	11/13/24
December 5, 2024	11/01/24	11/06/24	11/20/24	11/27/24
December 12, 2024	11/15/24	11/13/24	11/27/24	12/04/24
January 09, 2025	12/06/24	12/11/24	12/24/24	12/31/24

Subject to Change

Adjusted dates due to holiday/office closures.

Last Revised: 12/11/2023

2024 BUDGET DATES

Special Meeting – Mayor's Budget Presentation: May 16, 2024

Budget Hearings: June 3-6, 2024

Vote on Budget Motions: June 12, 2024

Vote on Final Budget: June 20, 2024

Appeals

The City of Fresno provides due process to all bidders. Please reference Resolution 2003-129 for further information.

For procurements exceeding the Formal Bid Limit, at least five (5) working days prior to award, or as stated in the specifications, a Purchasing staff member shall post the Staff Determination for award on the City's website and make available in person at the General Services Department's front desk. If any bidder is bypassed for award for being nonresponsive to the specifications or a non-responsible bidder, the bypassed bidder shall be notified in writing at least five (5) working days prior to the Council meeting of the reasons for being considered nonresponsive or non-responsible and given the opportunity to appeal the Staff Determination.

Once the Staff Determination has been posted on the City's website, the bidder has five (5) working days to submit an appeal in writing to the Purchasing Manager or their designee. To view the most current Staff Determination, Go to www.fresno.gov Departments, Finance, Purchasing, and click Anticipated Formal Bid Award.

<https://www.fresno.gov/finance/purchasing/>

If an appeal is filed within the deadline and deemed acceptable by the City based on the current Appeal Resolution, it shall be heard in accordance with the procedures of that Resolution. When an appeal is received and accepted, the appellants and the non-appellants will be informed of the date, place and time of the appeal hearing. The Purchasing Division will notify the client division and invite a client representative to attend the appeal hearing. Should the appeal hearing result in a different determination of the lowest responsive and responsible bidder, it will be necessary to post the new staff determination for five (5) working days before an award is made.

Purchase Orders

Purchase Orders

For all budgeted purchases of products, equipment, supplies, and materials the requesting department shall electronically transmit a requisition to the Purchasing Division using the financial system. The requisition shall include a complete description of the procurement, including appropriate comments and supporting attachments.

Once the requisition has been made electronically available to the Purchasing Division, the designated Procurement Specialist will review the information and, if approved, will convert the requisition into a Purchase Order (PO).

Purchase Orders are typically sent to the vendor by the Procurement Specialist. The Purchasing Division may allow departments to send the PO to the vendor under special circumstances, as approved on a case-by-case basis.

When are POs required?

- POs are typically used for simple, single, one-time purchases.
- If a vendor requires a Purchase Order under the direct payment limit (up to \$5,000), a PO must be requested from the Purchasing Division.
- “Open” POs for multiple small purchases (up to \$10,000 per vendor per FY per Division). Expires at the end of the fiscal year and will not roll over to subsequent fiscal years.
- To liquidate against a contract, if the department or vendor requires as such.
- POs can be rolled to subsequent fiscal years with the exception of “Open” POs.

PO Change Orders

When a Purchase Order needs to be adjusted, the PO must be modified to reflect the appropriate information. Modifications of a PO must be submitted with supporting documentation by the requesting department through the financial system. Once the change order has been made electronically available to the Purchasing Division, the designated Procurement Specialist will review the changes and, if approved, will post the change order.



Contracts

Contracts

All contracts must be submitted by the requesting department as a requisition in the financial system. This includes:

- Consultant and service agreements
- Public work of improvement contracts
- Requirements Contracts
- Uniquely qualified agreements
- Leases and Revenue contracts
- When multiple purchases will be made against a contract for:
 - › Product purchases
 - › Sole source purchases
 - › Cooperative Purchase Agreements

The requisition must include a complete description of the procurement, including appropriate comments and supporting attachments. Once the requisition has been made electronically available to the Purchasing Division, the designated Procurement Specialist will review the information and, if approved, will convert the requisition into a contract.

There are no minimum dollar thresholds requiring executed agreements with the City Attorney's Office, City Clerk, and/or Risk Management approval. If the procurement requires insurance and/or hold harmless language, a City Attorney's Office agreement must be executed prior to proceeding. The department must request updated insurance requirements from Risk Management and is also responsible for obtaining insurance documents from the vendor and submitting to Risk Management for approval.

Contracts (Continued)

When are Tyler Munis Contracts required?

Contracts are typically used when there is a City Attorney's Office approved and executed agreement between the City and a vendor/provider.

There are a variety of contract types available in the financial system, such as:

- **Encumbered Accounts** – encumbers funds and restricts use to the accounts listed on the contract
- **Non-encumbered Accounts** – does not encumber funds, but still restricts use to the accounts listed on the contract
- **Not To Exceed** - does not encumber funds and does not require accounting information but does limit the amount of spend against the contract
 - › Not To Exceed (NTE) contracts can be created using an annual amount or aggregated total, depending on the needs of the department and the project. The Procurement Specialist will assist the department in determining which total to use.
- **Limitless** – no amount or accounting required
 - › This option is only used in extremely rare cases and must receive approval from the Purchasing Manager.
- **Revenue** – All revenue contracts must route through the Finance Department.

Contracts (Continued)

Tyler Munis contract facts:

- Purchase Orders can be created to liquidate against a contract, if required.
 - › Contracts for product purchases that have multiple transactions or orders against them, may require a PO for each new order with the vendor. The vendor will notify Purchasing if a PO is required.
 - › To issue a PO against a contract, the department must submit a requisition to convert to a Purchase Order and include the contract number on the line-item page of the requisition. Once the requisition has been made electronically available in the financial system to the Purchasing Division, the designated Procurement Specialist will review and, if approved, will convert the requisition to a PO.
- Contracts can be rolled to subsequent fiscal years
- Ability to set up retention amounts
 - › Example: Public work of improvement construction projects usually have a 5% retention rate. This can be built into the Tyler contract to automatically withhold the appropriate funds.
- A variety of date fields are available for tracking on contracts:
 - › **Estimated start** – Date the contract is expected to start
 - › **Estimated completion** – Date the contract is expected to be completed
 - › **Bid awarded** – Date of Council or Purchasing award
 - › **Approved** – Date contract was finalized
 - › **Initial expiration** – Used for Requirements Contracts, the date of the expiration of the initial term
 - › **Renewal action** – Used for Requirements Contracts, the date Purchasing will begin the renewal/rebid process
 - › **Extended through** – Date the contract currently expires

Contracts (Continued)

Contract Change Orders

When an agreement has been amended, the contract in Tyler Munis needs to be adjusted as well (i.e., dates, amounts, accounts, etc.). Modifications of a contract must be submitted with supporting documentation by the requesting department through the financial system. Once the Change Order has been made electronically available to the Purchasing Division, the designated Procurement Specialist will review the changes and, if approved, will post the Change Order.

For agreement amendments, departments are responsible for processing amendments outside of the financial system, such as executing amendment documents provided by the City Attorney's office, obtaining Council approval (if necessary) and obtaining approval for any additional insurance documents. Once the agreement amendment has been executed, the department must submit the changes in the Contract Change Order module within Tyler Munis. All supporting documents must be attached to the electronic change request.

The Purchasing Division will manage and process all change orders for citywide contracts.

Contract Change Order Resolutions

There are two Resolutions which dictate the process for contract change orders.

- Resolution 2017-158 is used for Public Work of Improvement contracts
- Resolution 2018-075 establishes procedures for contracts for materials, supplies, equipment, and services

Contracts (Continued)

Resolution 2017-158

This Resolution establishes procedures for the approval of certain contract change orders and applies to all Public Work of Improvement contracts. Refer to Resolution 2017-158 for detailed information and thresholds on the following change order items:

- *For Contracts Other Than Requirements Contracts:*
 - › Additional Work
 - › Additional Bid Quantities
 - › Total Contract Price For Segmented Projects
 - › Availability of Funds
 - › Authority to Approve on Contracts Under \$10 Million
 - › Authority to Approve on Contracts Exceeding \$10 Million
- *For Requirements Contracts:*
 - › Requirements Contract Defined
 - › Additional Work
 - › Variations in Bid Quantities
 - › Extension of Time for Performance
 - › Availability of Funds
 - › Authority to Approve

Contracts (Continued)

Resolution 2018-075

This Resolution establishes procedures for the approval of certain amendments to contract for the purchase of materials, supplies, equipment, and services. Below is a summary of threshold approval requirements, for detailed information, refer to Resolution 2018-075.

- For materials, supplies, equipment, or services (excluding professional services):
 - › The Department Director or Purchasing Manager is authorized to approve amendments subject to the following restrictions:
 - › City Manager written consent is required when:
 - › Individual amendments exceed \$50,000; and
 - › Multiple amendments which aggregate more than 5% of the total agreement price or \$50,000, whichever is greater.
 - › Council authorization is required when:
 - › Individual amendments exceed 1% of the total agreement price or \$100,000, whichever is greater; and
 - › Multiple amendments which aggregate more than 10% of the total agreement price or \$100,000, whichever is greater.



Supplier/Contractor Performance

Once an agreement has been fully executed, a copy of the document is provided to the department for contract administration.

A great effort is put into the development of specifications to represent the City's interest. Therefore, departments shall carefully study the contract documents provided by the Purchasing Division, ask for clarification from Purchasing, where necessary, and monitor that the contractor's performance in all respects meets specifications.

Should departments experience problems with any supplier/contractor to whom Purchasing has recommended award, please alert the Purchasing Division. Departments should always document performance issues. If the performance of a supplier/contractor consistently does not meet contract provisions, the City will consider notification of breach of contract and allow the supplier/contractor to correct problems within a certain time frame. If the problems are not corrected by the indicated time frame or are so severe that they are deemed to be uncorrectable by Purchasing, the contract will be terminated. Please consult with the Purchasing Division regarding notification for breach of contract. Purchasing will notify the City Attorney's Office of the breach of contract.

The Purchasing Division is committed to using only suppliers/contractors who perform satisfactorily and in accordance with specifications and, therefore, appreciates feedback on performance from departments.

The procedures governing contractor debarment are outlined in the Fresno Municipal Code, Article 1 Section 4-104. The section delineates the formal steps and criteria involved in the process of debaring contractors from participation in municipal projects or contracts.

Surplus & Junk Material

Surplus

All City owned equipment which is no longer of use to a City Division, shall be declared surplus by the Purchasing Manager if the item has an estimated value less than the current Formal Bid Limit. Any item with a value over the Formal Bid Limit must be declared surplus by the City Council.

- If an item is no longer of use to a Division or has become unfit or unsuitable for further use due to age, wear, damage or obsolescence, it may be declared as surplus.
- The Division is to complete a Fixed Asset Inventory Input Document (F/A 91) and submit it to Purchasing and Finance.
- All surplus items are posted on Purchasing's intranet site. If any Division is interested in any surplus item, the Division must make arrangements to have the item picked up and inform Purchasing so that the item will be removed from the site. This step does not apply to Fleet vehicles.

Surplus may also be disposed of through individual solicitations prepared by the Purchasing Division. Solicitations including items over the current Formal Bid Limit will be submitted to Council for declaration of surplus and for approval of sale. Proceeds from all individual sales can only be deposited into a client's fund if there are established accounting procedures which require such proceeds be deposited into a special fund of the City.

Per the Fresno Municipal Code, Section 4-202, the City Manager and/or Purchasing Manager may declare as surplus to the City's needs any item of personal property owned by the city free of liens and encumbrances whenever he or she finds that such item has an estimated value equal to or less than the Formal Bid Limit of the Charter, and that such item is no longer needed for use by any department or office of the city or has become unfit or unsuitable for further use by any such department or office because of age, wear, damage, or obsolescence.

The Purchasing Manager may sell any property declared surplus, at public or private sale with or without notice or bids, for the highest price the Purchasing Manager can obtain, and may contract, in the name of and on behalf of the city, with a licensed auctioneer for the purpose of effecting any such sale. However, prior to disposal of surplus vehicles to the public, the Purchasing Manager, upon request and in accordance with the policies and procedures established by the Purchasing Manager, may offer surplus vehicles to tax exempt charitable nonprofit corporations for sale at fair market value, less any savings realized by direct sale.

Unless otherwise restricted by the funding source, the Purchasing Manager may transfer any surplus property to another government agency or to a quasi-public agency by negotiated sale, exchange, loan or gift; provided that gifts to any agency shall not exceed a total of \$100 in estimated value during any twelve-month period.

Junk Material and Scrap Metal

Items that may be considered scrap metal or junk material include, but are not limited to:

Aluminum, Brass, Copper, Cylinders, Expanded Metal, Galvanized Pipe, Machinery, Office Furniture, Refrigerators, Recyclables (paper, bottles, cans, cardboard), & Stainless Steel

Disposal of scrap metal will be coordinated through each Department and arranged for periodic disposal by the appropriate vendor. The originating department should work with Purchasing to notice the availability of junk material and scrap metal. The two methods traditionally used to dispose of junk material and scrap metal have been:

- Department employees take material to a scrap/recycling vendor or a certified non-profit or
- The Department allows a “junk hauler” to pick up/dispose the material to minimize the opportunity for fraud and misappropriation of funds

To ensure adequate accountability for disposed equipment and monies secured from such disposal, as well as protection of employees handling such funds, the following controls shall be exercised:

- Any scrap metal disposed of to outside vendors shall require documentation.
- All cash or check sales shall be supported by an acceptable sales slip, indicating the employee's name, item sold, amount of the sale, date, employee's signature handling the transaction, the serial number, method of payment, and vendor's name, address and phone number.
 - › Checks shall be made payable to the City of Fresno.
 - › Checks and/or cash, along with a copy of the sales slip will be submitted to the Finance Department/Utilities Billing & Collection Division/License Section.

Monies received from the sale or disposition of materials are subject to State of California sales taxes and must be collected and deposited to the City's state tax revenue account. If California sales taxes have not been collected or are not shown as a separate line item on the remittance, the appropriate tax amount must be calculated.

Once sales tax has been assessed against the sale proceeds, the remaining funds from the sale will be deposited in accounts specified by the Finance department, except in those cases where the department selling the property receives Federal grants. Departments that receive Federal Grants and have made assurances associated with those grants will receive the proceeds of the sale (after sales tax has been assessed) to deposit in accounts of their choosing.

CAL-Card Program



CAL-Card Program

The CAL-Card is a Visa purchase card provided by the State of California. It is a purchase card issued in the name of the cardholder and billed to the agency. It does not affect the Cardholder's credit. Cardholders have the ability to purchase goods up to \$2,500 per transaction along with a monthly spending limit of up to \$10,000.

See Administrative Order 3-9

CITY OF FRESNO
CAL-CARD PURCHASING CARD AGREEMENT
Check all applicable boxes
☐ NEW ☐ RENEWAL ☐ REPLACEMENT

Please initial the box next to each statement if you agree.

☐ I, _____ hereby acknowledge receipt of a City of Fresno CAL-Card Visa Purchasing Card, No. _____, Expiration Date, _____. As a cardholder, I agree to comply with the terms and conditions of this Agreement, the Purchasing Card Program Policies and Procedures, and Administrative Order – Purchasing Card AO # 3-9.

☐ I acknowledge receipt of said Agreement and confirm that I have reviewed the power point training on how to use the purchasing card and have read and understand all terms and conditions. I understand that the City of Fresno is liable for all Purchasing CAL- Card charges.

☐ I agree to use this card for City of Fresno "Official Business Only" and agree not to charge personal purchases. I understand that the card will only be used by the cardholder identified on the card and the City of Fresno will audit the use of this card and report any discrepancies to the Department Director. I further understand and agree to take all reasonable precautions to protect it and to guard against its misuse. Failure to comply with program guidelines may result in the permanent revocation of the card; charge-back of an improper or unsupported transaction to the card holder for reimbursement to the City, notification of the situation to management, and further disciplinary measures, which may include termination.

☐ I understand that the City of Fresno may terminate my right to use this card at any time for any reason. I understand that this card is valid only while I am employed by the City of Fresno in my current department. I agree to return the card to the City of Fresno, Agency Program Administrator (Purchasing Manager) immediately upon transfer to another department or departure of employment. Legibly sign your full name below.

Cardholder: Signature: _____ Date: _____

Print Name: _____ Division: _____

Approver: Signature: _____ Date: _____

Print Name: _____ Department: _____

Department Director: Signature: _____ Date: _____

Print Name: _____ Department: _____

Agency Program Administrator:

Signature: _____ Date: _____

Print Name: Melissa Perales, Purchasing Manager

PUR (Rev 01/19)

CAL-Card Program (Continued)

Cardholder Responsibilities:

- Cardholders must attend mandatory annual training to maintain an account.
- All charges must be for Official business only.
- Cardholders are responsible for reconciling receipts to the monthly Cardholder statement.
 - › The billing cycle ends on the 22nd of each month.
 - › Transactions are imported into the financial system on the 1st of each month. Cardholders must reconcile their monthly statement promptly.
 - › Three or more past due statements will result in the account being closed.
 - › Transaction details must be entered on individual lines with descriptions.
- Security of the card and all charges appearing on monthly statement.
- File disputes, if needed, and ensure the appropriate credit is issued.
- In the event that a card is lost or stolen, the cardholder must immediately notify US Bank, then notify the approver and the COF Program Administrators (Purchasing Manager and Purchasing's Staff Assistant)
- Upon separation, job transfer, or promotion to a position which no longer necessitates the use of the card, the department Manager or Director shall immediately notify and then return the card to the COF Purchasing Manager.
- Approvers are responsible for reviewing and approving Cardholder statements each billing cycle. Approvers must ensure all transactions were made in accordance with the terms of the CAL-Card agreement.

CAL-Card Program (Continued)

Authorized Uses:

- The purchasing card may be used only by the person whose name is on the card.
- Miscellaneous items needed after normal office hours, or during an emergency
- Subscriptions, memberships, books, and publications
- Maintenance, repair, and operational type of equipment and supplies
- Office supply orders

Prohibited Uses:

- Any item or service centrally managed by another City agency, such as:
 - › Graphic Communications: printing, copying, binding, and related capabilities
 - › Information Technology Services: managed automated equipment and software
 - › Communications: managed fax machines and telephone related equipment
- Goods and services on contract (for example: Office Depot Office Supplies)
- Food
- Public Work of Improvement – Any service or onsite work that requires an appropriate contract, license and would require insurance indemnification or approval from Risk Management.
- Travel or travel related expenses – Fuel for travel. Cards shall not be used to reserve or hold hotel rooms or other deposits. Includes conference/training registration, seminars.
- Recurrent requirements such as making several purchases for items that should be put on a multi-year contract.
- Personal use items or Cash advances
- Fixed Assets
- Firearms, ammunition, tobacco, and alcohol products

Disadvantaged Business Enterprise (DBE) Program

DBE Program

The Disadvantaged Business Enterprise (DBE) Program is a government initiative aimed at promoting the participation of small businesses owned and controlled by socially and economically disadvantaged individuals in federally funded transportation-related projects (FHWA, FAA, and FTA). All U.S. DOT recipients of federal funds are required to maintain a DBE Program.

- The City is part of CUCP (California Unified Certification Program), and we are one of 10 certifying agencies in California
- Firms apply for DBE certification through the B2Gnow program
- If they meet requirements, they are certified, receive a DBE firm number, and are activated in the Caltrans database through B2Gnow
- DBE goals are set for each procurement when federal funds are used
 - › Public Works/Capital Projects goal percentages vary based on project and available DBEs in our Caltrans District
 - › Primes are required to at least meet the goal or provide Good Faith Effort documentation
 - › FAX & Airports do not have project-specific goals

DBE/Small Business Coordinator

The DBE/Small Business Coordinator is the position within the Purchasing Division responsible for all aspects of the City's DBE Program. This includes, but is not limited to:

- Certifying firms, if they qualify, based on their applications
- Conducting site visits
- Processing certification renewals
- Setting and verifying goals for each procurement
- Evaluating bids received for DBE compliance
- Attending CUCP (California Unified Certification Program) meetings
- Attending workshops to network and assist with training
- Conducting outreach to gain more DBE participation
- Monitoring the DBE Program, ensuring regulations are followed and requirements are met for Federal Highway Administration (FHWA), Federal Aviation Administration (FAA), and Federal Transportation Administration (FTA).
- Maintaining the three DBE Program Plans (FHWA, FAA, and FTA) for the City.

Reference Material

Helpful Links

Referenced Administrative Orders

[AO 2-1 Risk Allocation Policy for City Contracts](#)

[AO 3-1 Citywide Purchasing](#)

[AO 3-9 Purchasing Card \(CAL-Card\) Use Policy](#)

[AO 6-19 Contracts for Consultant Services](#)

[AO 6-28 Non-Professional Service Contracts](#)

[AO 8-8 City-Owned Leased Vehicles – Acquisition, Assignment and Usage Policy](#)

[AO 8-11 Use of Electronic Systems & Tools](#)

[AO 8-20 Accessible Information and Communication Technology](#)

[AO 8-21 Cloud Policy](#)

Fresno Municipal Code

[Chapter 4 – City Purchasing, Contracts, and Sales](#)

City Charter

[Article XII, Sec. 1208 – Procurement and Competitive Bidding](#)

Purchasing's Intranet Site

[Purchasing Division – Home](#)

(<http://sp-finance.fresno.gov/Purchasing/SitePages/Home.aspx>)



Frequently Asked Questions

Can I choose if I want to do an RFP or a bid?

RFP's can only be used when the expected cost of services exceeds the expected cost of products. Otherwise, the project is considered a product purchase and must be awarded via the bid process.

What is the Formal Bid Limit?

The Formal Bid Limit is the threshold that determines whether a project must be awarded by Council or can be awarded by the Purchasing Division. As of August 2022, the Formal Bid Limit for purchases of product, equipment, and public work of improvement projects is \$158,000. It is adjusted every August based on the changes in the Consumer Pricing Index. The limit requiring Council approval for professional and nonprofessional services is \$50,000.

What is the difference between a bid and a proposal?

The term “bid” is used to describe a response to a Notice Inviting Bids (NIB). These types of solicitations are typically used to secure products, equipment, or construction (Public Works projects). The term “proposal” is used to describe a response to an RFP (Request for Proposals). RFPs are used primarily to secure services or a combination of products and services.

I have a good relationship with a vendor, can they assist us in scope development?

Yes, they can so long as it is understood that by assisting in scope or specifications development, they are precluded from submitting a proposal. This vendor would typically be considered a consultant, whose contract is regulated by Administrative Order 6-19.

Why does the RFP take so long?

Complexity of the procurement and the evaluation component. RFPs are usually complex procurements that take more time to develop. With a complex request, prospective proposers need more time to develop their response to the City. Additionally, the time needed to evaluate these responses can take weeks, given the coordination that needs to occur. Our best piece of advice to our customers is to plan ahead.



Frequently Asked Questions (Continued)

When are bid openings?

Generally, bid openings for formal projects will take place on Tuesdays at 3pm in the General Services Department conference room located at 2101 G Street, Building A, Fresno, CA 93706. Any other day, time, or location for formal bid openings shall be approved by the Purchasing Manager or their designee. Bid openings for informal projects take place in the same day and location as the formal projects, but typically occur at 2pm.

How is a vendor selected for award?

Bids are awarded to the lowest responsive and responsible bidder, with the exception of RFP's (Request for Proposals). RFPs are awarded to the firm that best fits the criteria as set out in the specifications and is determined to be the best overall value for the City.

If a project is federally funded, do I follow the local or federal solicitation requirements?

If there is conflict between local and federal guidelines, the more strenuous requirement will take precedence.

Why can't I use the RFP process for the purchase of products, supplies, materials, and Public Work of Improvement projects?

The Fresno Municipal Code (Chapter 4) and the City Charter (Article XII, Sec. 1208) specifically require that these types of purchases be awarded to the lowest responsive and responsible bidder. This is to prevent actual or perceived favoritism, fraud, and corruption in the awarding of public contracts.



Supplemental Procedures

There are various supplemental procedures that apply when the City enters into third party agreements utilizing special funds (i.e., Federal Transit Administration (FTA), Federal Highway Administration (FHWA), Federal Aviation Administration (FAA), State, etc.). When the City of Fresno (City) Municipal Code or Charter occupies the same subject area of guidance provided in the supplemental procedures, the more restrictive requirements shall apply.

General Services Department

Purchasing Division



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Building A
Fresno, California 93706
559-621-1332
Purchasing@fresno.gov

April 2024