



PURCHASING HANDBOOK

**GENERAL SERVICES DEPARTMENT
PURCHASING DIVISION**

July 2025



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Welcome to the Fiscal Year 2026 Edition

The City of Fresno Purchasing Handbook has been comprehensively updated for fiscal year 2026 to align with the Fresno Municipal Code, Charter provisions, applicable Administrative Orders, and current best practices in public procurement.

This edition incorporates enhancements, including deployment of the Purchasing Central Teams Channel, clarified requirements for cooperative purchases and piggybacks, and strengthened contract and vendor management procedures.

The goal of this Handbook is to provide all City employees with a clear, consistent, and practical framework for conducting procurement activities that are compliant, transparent, efficient, and supportive of the City's operational needs.

All employees involved in purchasing activities are expected to familiarize themselves with this Handbook and follow the procedures outlined herein. Questions regarding procurement procedures should be directed to the Purchasing Division.

Purchasing Central

Purchasing Central is the City's centralized resource hub for procurement information, forms, templates, and tools.

Accessible through Microsoft Teams, Purchasing Central provides immediate access to:

Forms, Templates, & Guides:

- Sole Source and Uniquely Qualified Examples
- Conflict of Interest Disclosure Forms
- Cal Card Program Forms
- Reference Guides and Training Materials

DBE Directory

- A searchable directory of certified Disadvantaged Business Enterprises (DBEs) is available for departments to use when soliciting quotes and conducting outreach.
- Departments must consult the DBE Directory during the informal three quotes process whenever feasible.

Using the DBE Directory supports both local inclusion goals and federal funding compliance requirements.

Citywide and Requirements Contracts Listings

- Updated listings of all active Citywide Contracts and Requirements Contracts (RCs) are available on Purchasing Central.
- Departments must check these listings before initiating new procurements to determine if an existing contract can be used.
- Unauthorized purchases outside of the established Citywide or RC contracts are not permitted unless authorized in writing by the Purchasing Manager.

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 Capital Projects Department 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.

Section 1: 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. It 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

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 every July.





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 honesty 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.

Conflict of Interest

All City employees, evaluators, and approvers involved in the procurement process must maintain the highest ethical standards and avoid conflicts of interest.

Procurement decisions must be made fairly, impartially, and solely in the best interests of the City.

Conflict of Interest Rules

Under the Fresno Municipal Code, City Charter, and state law:

- Employees must not participate in any procurement decision if they, their immediate family, or their business associates have a financial or personal interest in a vendor, bidder, or proposer.
- Employees must disclose any potential conflicts to their supervisor or to Purchasing immediately.
- Employees must follow Administrative Order 6-7 Acceptance of Gifts and Rewards

Specific Situations

Employees must recuse themselves from participating in:

- Preparing specifications if they have a relationship with a prospective bidder.
- Evaluating proposals where a conflict or appearance of bias exists.
- Award recommendations where impartiality could be questioned.

Evaluator and Staff Certification

- Evaluators serving on RFP or RFQual committees may be required to sign a Conflict of Interest Disclosure form prior to participation.
- The Purchasing Division will provide guidance if a potential conflict arises.

Important Reminders

- Protecting procurement integrity safeguards the City's credibility and funding eligibility.
- Violations of the Conflict of Interest rules may result in disqualification of the procurement, disciplinary action, and other penalties under law.

Roles and Responsibilities

Purchasing Division

The Purchasing Division is responsible for managing and overseeing the City's procurement operations in accordance with the City Charter, the Fresno Municipal Code (FMC), applicable Administrative Orders, and funding agency requirements.

Key responsibilities include:

- Interpreting and applying procurement laws, regulations, and policies.
- Reviewing all procurements above delegated limits for compliance.
- Managing the issuance of purchase orders and formal solicitations (e.g., IFBs, RFPs, RFQs).
- Approving the use of piggybacks, CPAs, sole source, and uniquely qualified procurements.
- Issuing and maintaining Citywide and Requirements Contracts.
- Administering the DBE Program and vendor outreach efforts.
- Providing procurement training and support to departments.
- Ensuring all procurement records are audit-ready and properly documented, with the exception of professional services, which are decentralized.

Only the Purchasing Division has the authority to issue City of Fresno purchase orders and manage solicitations.

Roles and Responsibilities (Continued)

Departments and Divisions

Each City department is responsible for initiating and managing its own procurement needs while ensuring compliance with applicable rules and procedures.

Department responsibilities include:

- Planning purchases in alignment with operational needs and budget authority.
- Determining the procurement type and funding source early in the process.
- Submitting complete and accurate requisitions and supporting documentation.
- Obtaining competitive quotes as required.
- Coordinating with Purchasing early for all formal, complex, or federally funded procurements.
- Monitoring vendor and contractor performance during contract execution.
- Complying with DBE, insurance, and contract documentation requirements.
- For professional services, ensuring all procurement records are audit-ready and properly documented.

Departments may not initiate work or obligate City funds without a fully executed agreement, or a purchase order issued by Purchasing.

Roles and Responsibilities (Continued)

City Attorney's Office and Risk Management

- **City Attorney's Office (CAO):**
 - › Reviews and approves legal terms of contracts, professional service agreements, and change orders.
 - › Advises on sole source and protest issues.
 - › Manages Agreement Boilerplates/Templates
- **Risk Management:**
 - › Reviews and approves vendor insurance documentation.
 - › Provides insurance requirement language and risk mitigation recommendations.
 - › Assists in claims handling and contractor liability issues.

Departments must coordinate with Purchasing to ensure CAO and Risk reviews are completed.

Discretionary Purchasing Authority

Administrative Flexibility for Informal Procurements

The Purchasing Manager has discretionary authority to approve **informal** procurements under the formal bid threshold when strict adherence to standard procedures (such as obtaining three quotes or following bidding processes) is impractical or impossible. Flexibility is permitted, provided that:

- Reasonable efforts to obtain competitive pricing or alternatives were made and documented;
- The procurement remains fair, reasonable, cost-effective, and in the best interest of the City;
- A clear justification for any procedural deviation is recorded and maintained with the procurement file.

This discretionary authority ensures that City operations are not unduly delayed due to rigid procedural requirements when conditions do not allow full compliance, while maintaining transparency and oversight.

Examples of Discretionary Approvals

The Purchasing Manager may approve, for example:

- Acceptance of less than three quotes when vendors are unresponsive or unavailable;
- Proceeding without quotes when pricing is fixed by law or regulation;
- Waiving bidding requirements;
- Approving non-standard informal processes for public works of improvement;
- Allowing use of an Emergency Purchase Order in lieu of a formal contract when appropriate.

Important Reminders

- Discretionary approvals apply only to procurements below the Formal Bid Limit.
- All deviations must be documented in the procurement record (e.g., justification memo or email).
- The Purchasing Manager retains the right to require full compliance at any time depending on the nature and risk of the procurement, or if circumstances warrant it.

Training Requirement for Purchasing Access

In accordance with Administrative Order 3-1, all City employees who will make purchasing decisions, submit requisitions, or use the City's financial system to initiate or approve procurement transactions must complete mandatory procurement training.

No employee shall be granted access to the purchasing modules of the City's financial system or the Purchasing Division's electronic bidding system without completing the required training.

Training Overview

The Purchasing Division provides training sessions that cover:

- Overview of the City's purchasing policies and procedures.
- Competitive bidding requirements and thresholds.
- Use of requisitions, purchase orders, contracts, and Cal Cards.
- Roles and responsibilities of departments and Purchasing.
- Use of the City's designated procurement systems.
- Conflict of Interest and ethical considerations.
- Documentation and audit requirements.

Training Requirement (Continued)

Who Must Complete Training

Training is required for:

- Any City employee responsible for initiating, approving, or managing purchases.
- Any employee authorized to enter requisitions, approve requisitions, or approve purchase orders.
- Any Cal Card holder and approver.

Timing of Training

- Training must be completed **prior** to being granted access to purchasing systems.
- Refresher training may be required periodically as determined by the Purchasing Division or when policies are significantly updated.

Failure to Complete Training

- Employees who do not complete required training will not be given purchasing system access.
- Purchasing activities conducted without required training may be deemed non-compliant and subject to corrective action.

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, are 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](#)

Section 2: 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 procurement scope. This scope is crucial because it serves as the baseline and the foundation for the resulting agreement.

All procurements must start with a requisition in the financial system, which must be submitted and approved electronically by the requesting department before it becomes available to the Purchasing Division.

Procurement Overview

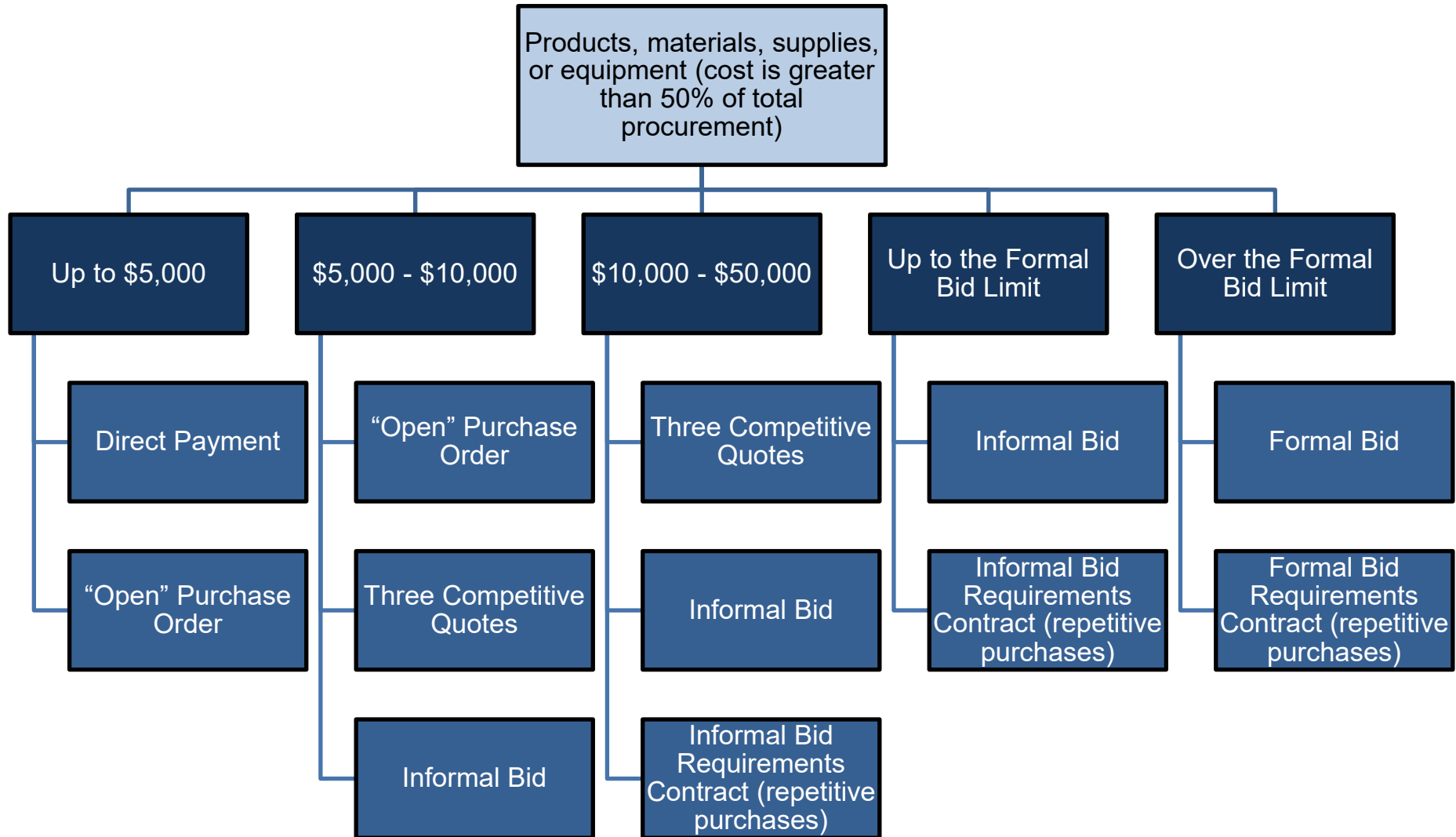
Limits	Process	Notes
\$2,500	Cal Card (Visa)	Cardholder makes purchase with Visa
Up to \$5,000	Direct Invoice	Purchasing not involved
Up to \$10,000	Open Purchase Order	Department may request an "Open" PO, which expires at the end of the fiscal year, for multiple small purchases. Only one "Open" PO per 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, and 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, and 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 \$100,000	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 \$100,000	Formal RFP	Once Purchasing receives RFP documents, 2-3 months from bidding to award by Council, Includes: Purchasing, CAO, Risk review, Committee meeting/recommendation, and Council award
Services – Professional		
All contract amounts	Follow AO 6-19	Department manages

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

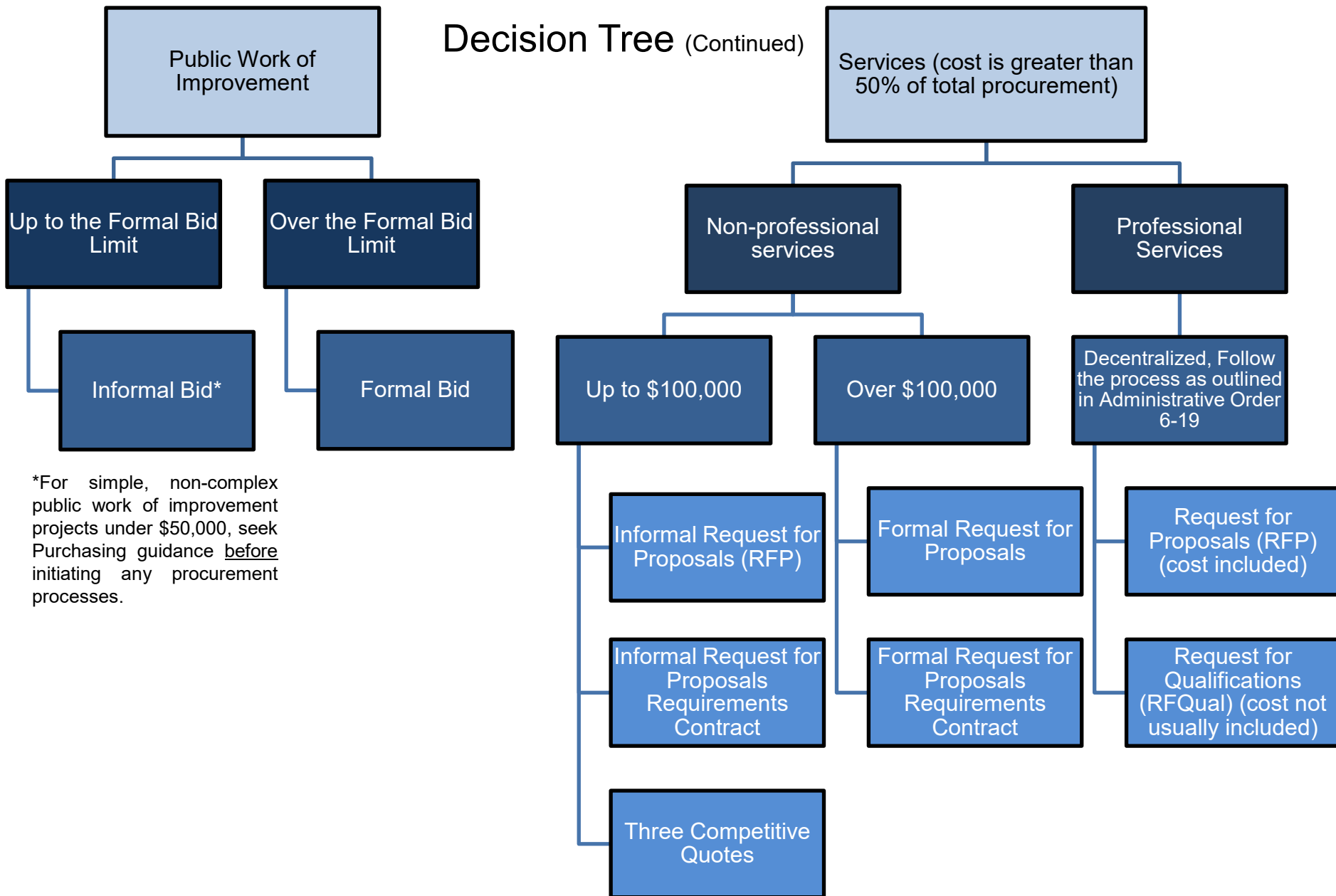
Procurement Overview (Continued)

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 \$100,000	Uniquely Qualified Memo	Department may request Uniquely Qualified finding – memo to City Manager required
Over \$100,000	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.

Requisitions and Required Attachments

A requisition is the formal request submitted by a department to initiate a purchase. Requisitions are required for all purchases exceeding \$5,000.

All requisitions must be submitted in the City's financial system and include complete and accurate information to avoid delays in processing.

The requisition does not authorize a vendor to begin work or provide goods. Only an approved Purchase Order or Contract issued by the Purchasing Division serves as authorization.

Required Information for All Requisitions

Every requisition must include the following:

- Detailed Description of Goods or Services - Clearly describe the goods or services being requested, including specifications, part numbers, or scope of work.
- Estimated Cost - Include accurate pricing, based on quotes, prior invoices, or contracts.
- Vendor Information - Include the vendor's name, address, and vendor number. If the vendor is new, a completed Vendor Update Authorization Form must be submitted to VendorManagement@fresno.gov for processing. The requisition must not be submitted until the vendor is fully approved and setup in the system.
- Accounting Information - Indicate the proper funding source and ensure budget availability by entering the GL and Project strings.
- Delivery or Service Location – Ensure the correct Ship-To address (physical location) where goods should be delivered or services rendered is selected.
- Review Code – Ensure the appropriate Review Code is selected to specify the type of procurement.

Requisitions and Required Attachments (Continued)

Review Type	When to Use:	Required Attachments:
(QUOT) THREE COMPETITIVE QUOTES	When buying directly from competitive quotes, for purchases under \$50,000.	3 Quotes must be attached (unless the use of fewer quotes was approved by the Purchasing Manager), Quotes must be competitive (for same quantities and same items), Total requisition amount must match total quote amount
(OPEN) OPEN PO: \$10,000 LIMIT	For one-time purchases under \$10,000, Purchasing can approve only one Open PO per Fiscal Year, per Department, per Vendor (not to exceed \$10,000 annually).	Vendor quote or cost estimate
(EMER) EMERGENCY	For unforeseen emergency purchases, Must be justified and documented, must be approved by the Purchasing Division before work is completed or materials are procured, (Refer to page 35 for additional details)	Emergency justification form with detailed information about the situation causing it to be an emergency or urgent need, must meet requirements outlined on page 35.
(RC) REQUIREMENTS CONTRACT	For purchases related to a previously awarded Requirements Contract.	Vendor quote, signed agreement, requisition must reference the contract number on each line.
(FOR) FORMAL BID	For purchase related to a previously awarded Formal Bid, awarded by the City Council.	Signed agreement and Council approval
(INF) INFORMAL BID	For purchases related to a previously awarded Informal Bid.	Signed Bid Evaluation, Bidder's Proposal

Requisitions and Required Attachments (Continued)

Review Type	When to Use:	Required Attachments:
(PB) PIGGYBACK	When “Piggybacking” on another agency’s competitively awarded contract.	Original government contract, Original RFP/Bid/ITB, Other award documents or advertisements, Permission to piggyback (from the Purchasing Manager), Vendor quote
(COOP) COOPERATIVE PURCHASE	When purchasing through a competitively awarded contract from another public agency or cooperative (e.g., Sourcewell, OMNIA).	Original government contract, Original RFP/Bid/ITB, Other award documents or advertisements, Permission to piggyback (from the Purchasing Manager), Vendor quote
(PROF) PROFESSIONAL SERVICES	When procuring services requiring specialized knowledge (e.g., RFQ/SOQ for legal, engineering, consulting, etc.)	Executed agreement, Vendor's proposal, City Manager's written approval
(SOLE) SOLE SOURCE	When only one vendor is capable of providing the needed materials. For product purchases only.	Sole Source justification if under \$50,000, Sole Source Memo if above \$50,000, Signed Resolution if above Formal Bid Limit, Council approval if above Formal Bid Limit, Vendor quote
(UNQF) UNIQUELY QUALIFIED	When vendor has qualifications or expertise that make them uniquely suited for the needed services.	Uniquely Qualified Memo approved by the City Manager, Vendor quote, signed agreement. If agreement is signed by anyone other than the City Manager, proof of delegation of authority must also be attached.
(JOC) JOB ORDER CONTRACTING	For purchases related to a previously awarded JOC contract for construction, repairs, or renovations.	Task order or work order, if converting to PO - must reference JOC Contract number on each line.
(EASE) EASEMENT ACQUISITION	When acquiring easements for public infrastructure, utilities, or access purposes.	City Manager approval, Appraisal information, Agreement or deed, Supporting correspondence, Property map or legal description of property.

Purchases Under \$5,000

One-time purchases under \$5,000 may be made directly by departments using good business judgment. These purchases may be processed in one of two ways:

- Direct Payment request, or
- By requesting a Purchase Order from the Purchasing Division.

Only the Purchasing Division has the authority to issue Purchase Orders on behalf of the City. Departments may not issue their own POs under any circumstances.

Restrictions and Additional Approvals

Purchases under \$5,000 that involve the following categories must be reviewed and authorized by the respective Internal Service Fund (ISF) department before proceeding:

- Software or cloud-based services
- Computers and related hardware
- Remodeling, facility repairs, or alterations
- Welding, fabrication, or specialized trades
- Vehicle purchases, equipment, or modifications
- Printing and reproduction services

Internal Service Funds are City departments that provide centralized services to other City departments and maintain control over certain types of purchases to ensure standardization, compliance, and cost efficiency.

Repetitive Purchases

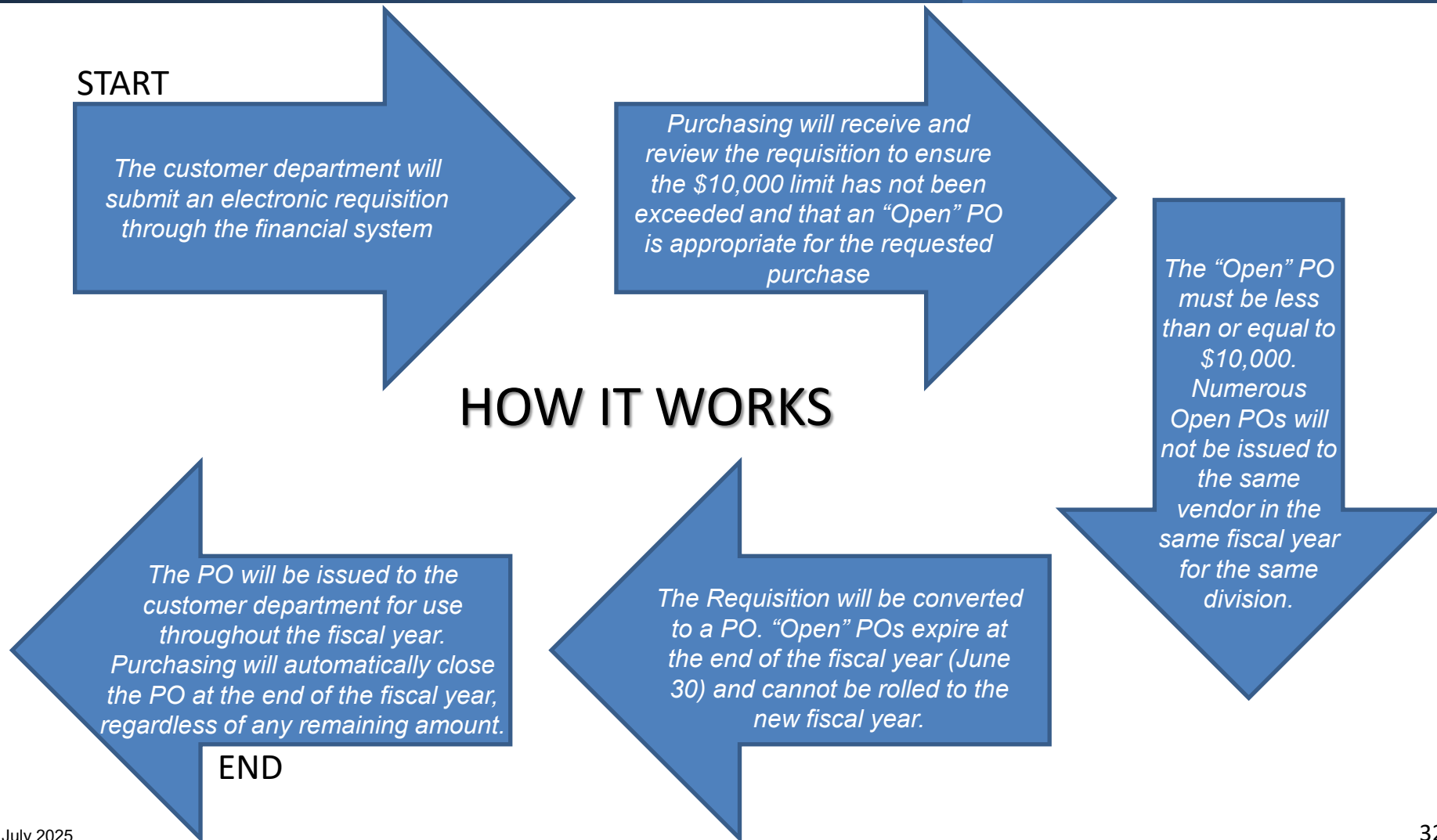
This process is not intended for recurring or repetitive purchases. Repetitive purchases should be acquired through a Requirements Contract or an Open PO.

“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).



Competitive Quotes

“Competitive Quotes” applies to purchases exceeding \$5,000 and below \$50,000, unless exempt under the Fresno Municipal Code or applicable Administrative Orders.

If using quotes to procure goods or services, Departments are responsible for **obtaining** three (3) written competitive quotes prior to submitting a requisition to the Purchasing Division. Three quotes must be obtained, not just requested. The purchase must be awarded to the lowest quote.

Quote Requirements

- Quotes must be in writing (email, PDF, formal letter, or vendor-generated estimate).
- Quotes must be current and based on identical specifications, quantities, and terms.
- Quotes must include all fees, shipping, freight, tax, etc.
- All quotes must be attached to the requisition in the financial system.
- The requisition amount must match the amount of the quote.
- Vendors must be independent and qualified to provide the goods or services.

Departments should make a good faith effort to source quotes from diverse and competitive vendors.

If Three Quotes Cannot Be Obtained

If three quotes cannot be obtained despite reasonable efforts, the department must provide a Justification Memo and attach it to the requisition. The memo must include:

- A description of the outreach conducted (e.g., vendor names and contact attempts)
- A summary of why fewer than three quotes were received (e.g., vendors declined, item is proprietary, no response)
- A statement affirming that pricing has been reviewed and determined to be fair and reasonable

The Purchasing Division may request additional market research or require a competitive solicitation if the justification is insufficient.

Informal Public Work of Improvement Projects

Public work of improvement (PWI) projects below \$50,000 may be awarded using informal procurement methods including:

Competitive Quotes	Cooperative Purchase Agreements
Informal Bidding	Piggyback Agreements
Sole Source Justification	Job Order Contracting

However, prior approval must be obtained from the Purchasing Manager before pursuing these methods, aside from the informal bid. Departments are not permitted to solicit quotes, execute agreements, or otherwise commit to a procurement method without this approval. Refer to page 33 for competitive quote requirements.

Prevailing Wage Requirements

All PWI projects exceeding \$1,000 are subject to California prevailing wage requirements under California Labor Code Section 1720. Departments must ensure the Contractor and all listed subcontractors are registered with the California Department of Industrial Relations (DIR) prior to award.

Certified payrolls must be collected and monitored in accordance with DIR regulations. The Purchasing Division does not monitor certified payroll compliance. This responsibility lies with the awarding department.

Bonding Requirements

For all PWI projects a Payment Bond equal to 100% of the contract amount is required for contracts over \$25,000. A Performance Bond may also be required depending on project complexity and risk. Consult with the Purchasing Division for determination.

Notice to Proceed (NTP) and Contract Execution

A Notice to Proceed must not be issued until the contract/agreement is fully executed, all required insurance certificates are received and approved by Risk Management, required payment and/or performance bonds are received and approved.

Departments must **not** authorize work to begin prior to receiving formal notice from Purchasing that all requirements have been satisfied.

Debarred Contractors: Departments must verify that contractors are not debarred or ineligible to perform public work of improvement projects.

Emergency Purchases

Emergency procurement is permitted when immediate action is necessary to preserve life, health, safety, or City property, and competitive procurement procedures would cause unacceptable delay.

Definition of an Emergency

An emergency is defined as:

- A situation that creates an immediate threat to public health, safety, or welfare;
- A repair for a downed piece of equipment;
- A condition that endangers City property;
- A failure of essential public infrastructure requiring immediate repair;
- An urgent need for goods or services to prevent significant operational disruption.

Emergencies **do not** include circumstances caused by lack of planning.

Emergency Procurement Process

- Department Action: Immediately contact the Purchasing Division upon discovery of the emergency.
- Verbal Authorization: Purchasing may issue verbal authorization for necessary emergency actions.
- Written Documentation: Departments must submit a written Emergency Justification Memo within 3 business days of the emergency purchase.

Important Reminders

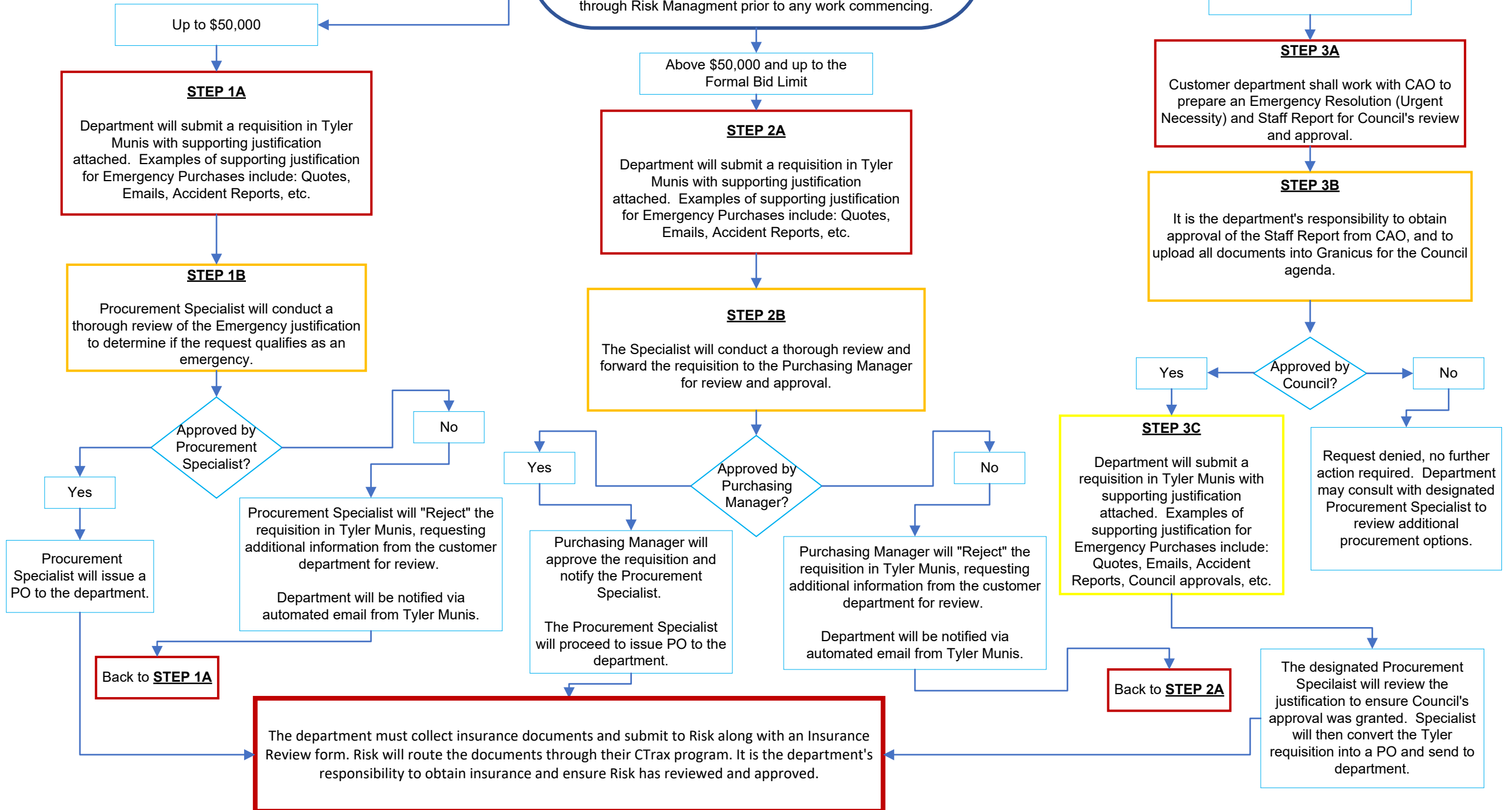
- Departments must not delay contacting Purchasing. Emergency purchases must still comply with applicable insurance, prevailing wage, and bond requirements when possible.
- Unauthorized use of the emergency process will be treated as a policy violation.

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.

EMERGENCY PURCHASES
Reference AO 3-1 and the Purchasing Handbook
Revised 07/2025

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.



Section 3: Citywide Contracts

Citywide Contracts

The Purchasing Division establishes and administers Citywide Contracts for goods and services that are used by multiple departments across the City.

Citywide Contracts are created to:

- Provide consistent pricing and terms.
- Leverage volume discounts and economies of scale.
- Minimize administrative burden on individual departments.

Contract benefits:

- Citywide Contracts are competitively awarded and provide best value to the City as a whole.
- Citywide Contract lists are updated regularly and made available to all departments through Purchasing Central.

Citywide Contract List

Tyler Contract#	Contract Description	Vendor	Tyler Munis Vendor #
9621	Citywide Office Supplies	Office Depot	10314
9667	Citywide Grainger Piggyback	Grainger	10430
9668	Citywide Shredding & Storage Services	Pacific Shredding	13287
9669	Citywide Custodial Services	ScrubCan, Inc.	13095
9670	Citywide Toilet & Handwashing Station Rentals	Knight's Site Services	12700
9678	Citywide Home Depot	Home Depot	10293
9680	Citywide Graybar Requirements Contract	Graybar Electric Company Inc	10395
9686	Citywide Security Services	Universal Protection Service dba Allied Universal	24714
9694	Citywide Uniforms, Laundry Service, Linen, and Dust	Vestis	11334
10444	Citywide PG&E Payments	PG&E	10444
9666-1	Citywide Furniture Contract	Tangram	12239
9666-2	Citywide Furniture Contract	Core Business Interiors	12065
9666-3	Citywide Furniture Contract	Facility Designs	22393
9675-1	Citywide Radio Purchases	Vincent Communications Inc	10077
9675-2	Citywide Radio Purchases	Cook's Communication Corp	10307
9675-3	Citywide Radio Purchases	J's Communication Inc.	10297
9675-5	Citywide Radio Purchases	Fresno Mobile Radio Inc.	23993
9678-1	Citywide Home Depot Pro, HD Supply, SupplyWorks	Home Depot Pro Institutional, The	12575
32300235	Professional Translation & Interpretation Services	Lazar Translating & Interpreting	21194
32300242	Professional Translation & Interpretation Services	Hanna Interpreting Services	21193
32300243	Professional Translation & Interpretation Services	Focus Language International	21192
32300361	Professional Translation & Interpretation Services	Deaf & Hard of Hearing Serv Ctr	10983
32400140-1	Professional Translation & Interpretation Services	Voyce, Inc.	21197
Future	Citywide Gordian JOC Services	Future Citywide	N/A
Future	Citywide Amazon Purchases	Future Citywide	N/A
Future	Citywide Pest Control	Future Citywide	N/A
Future	Citywide Elevator Maintenance Services	Future Citywide	N/A

Section 4: Requirements Contracts

Requirements Contracts

A Requirements Contract (RC) is a pre-established agreement with a vendor to provide specific commodities or services on an as-needed basis for a fixed period at firm pricing. RCs are ideal for repetitive purchases where anticipated annual expenditures make centralized procurement efficient and cost-effective.

Examples of items commonly acquired through RCs include tools, parts, chemicals, paint, tree trimming, and janitorial services.

How RCs Are Established

- Departments identify the need for a Requirements Contract and submit a requisition with specifications, a proposed list of items or services, and the estimated annual usage for each item.
- Purchasing issues the solicitation, using:
 - › The Informal Bid process if the total contract value is anticipated to remain below the Formal Bid Limit;
 - › The Formal Bid process if the total contract value is anticipated to exceed the Formal Bid Limit;
 - › A Request for Proposals (RFP) process if the contract is for services.

Awarded vendors are obligated to honor the contracted pricing as outlined in the Special Conditions of the procurement specifications.

Key Benefits

- Decreases procurement turnaround time.
- Provides price stability over the contract term.
- Ensures a ready, vetted source of supply or services.
- Reduces administrative burden on departments.

Requirements Contracts (Continued)

Requirements Contract Listing & Department Use

Purchasing maintains a monthly Requirements Contract Listing, distributed Citywide, that includes:

- Bid File Number
- Contract Number
- Description of goods/services
- Department/Division authorized to use the contract
- Procurement Specialist Initials
- Approved Annual Amount
- Total Approved Not to Exceed Amount
- Approved Contingency Amount
- Approved Additional Authority Amount
- Tyler Munis Vendor Number
- Vendor Name
- Relevant Dates: Renewal Action, Extended Through, Estimated Start, Term, Extensions Remaining

Departments are responsible for reviewing this list to ensure that purchases align with existing RCs. Departments must not bypass an active RC to purchase from another vendor without prior approval from Purchasing.

Spend Authority & Monitoring

Each Requirements Contract is established with a not-to-exceed (NTE) amount based on estimated usage. Departments must:

- Monitor spending to ensure they do not exceed the authorized NTE amount.
- Submit a Contract Change Order (CCO) with appropriate approvals if additional funds are required.
- Not split purchases to avoid exceeding the spend limit.
- NTE contracts do **not** encumber funds. Departments may request to issue POs against NTE contracts to encumber funds.

Requirements Contracts (Continued)

Contract Change Orders

Contract Change Orders may be used to:

- Increase or decrease funding;
- Modify or update the scope of work (if permitted under original bid terms);
- Extend the contract term (if previously allowed in the specifications).

However, a Requirements Contract awarded informally may not be amended through a Change Order to exceed the Formal Bid Limit. This action is prohibited and may invalidate the contract and violate procurement regulations. If spending is expected to exceed the Formal Bid Limit, a formal bid must be issued.

Extensions

Requirements Contracts are typically awarded for 1 to 3 years, with the potential to extend for up to four (4) one-year periods, based on:

1. Department confirmation that the vendor is performing satisfactorily and extension is desired.
2. Vendor agreement to hold pricing or follow a pre-established price adjustment methodology.

Upcoming Expirations & Renewals

Three months prior to a contract's current expiration (if additional extensions are available), Purchasing will send the department a memo requesting to extend the contract. The department is expected to respond promptly. Once the department confirms an extension is desired, the Procurement Specialist will send an extension letter to the vendor.

Approximately eight months prior to a contract's final expiration, Purchasing will notify the department and request:

- Updated commodity items or scope of services;
- Revised annual usage estimates;
- Any necessary specification changes.

This information is required to initiate the rebid or RFP process. Departments are responsible for responding promptly to avoid service disruptions or lapses in contract coverage.

Section 5: Cooperative Purchases & Piggybacks

Cooperative Purchases & Piggybacks

The Fresno Municipal Code allows the **Purchasing Manager** to engage in cooperative purchasing agreements and piggyback purchases.

All Cooperative Purchase Agreements and Piggyback procurements must be reviewed and approved by the Purchasing Manager prior to submitting a Staff Report to Council for approval, issuing a purchase order, or executing any agreement. All Cooperative Purchase Agreements must be executed by the Purchasing Division and signed by the Purchasing Manager.

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 contracts which exceed the Formal Bid Limit must be approved by 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
 - › Sourcewell
 - › And more! Contact your department's designated Procurement Specialist for assistance.

Cooperative Purchase vs. Piggyback

The City of Fresno uses two related but distinct procurement tools to streamline purchasing and leverage competitive pricing: Cooperative Purchases and Piggybacks.

Cooperative Purchases

A Cooperative Purchase is when the City purchases through a purchasing cooperative or consortium that conducted a competitive solicitation specifically for use by multiple public agencies.

Key characteristics:

- The City becomes a participating agency through an established cooperative.
- Examples of cooperatives include Sourcewell, OMNIA Partners, NASPO, and CMAS.
- The City follows the pricing, terms, and conditions established by the cooperative.

Example: OMNIA Partners competitively bids a contract for vehicles. The City accesses the OMNIA agreement to purchase trucks at negotiated prices.

Piggybacks

A piggyback is when the City uses another public agency's existing competitively awarded contract directly to purchase goods or services.

Key characteristics:

- The City is not a named party to the original solicitation.
- The original contract must allow piggybacking or assignment to other agencies.
- The City must adhere to the original terms, conditions, and pricing.

Example: A school district competitively bids a contract for modular buildings. The City piggybacks off their award to purchase similar modular units at the same pricing.

Cooperative Purchase vs. Piggyback (Continued)

Similarities

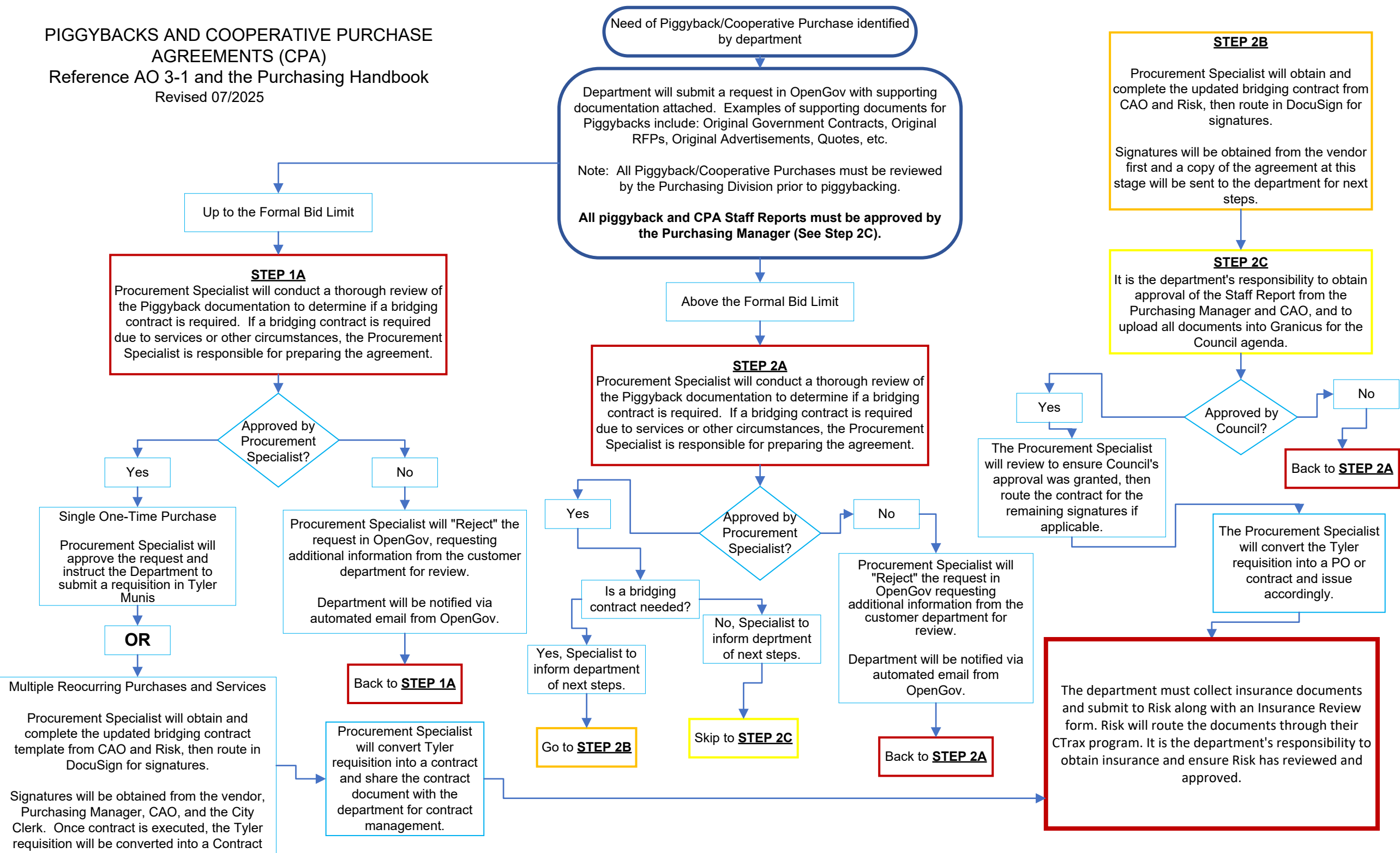
- Both require an original competitive procurement.
- Both must be reviewed and approved by Purchasing.
- Both require Council approval based on dollar thresholds.
- Both save time and administrative costs compared to issuing new bids.

Differences

Feature	Cooperative Purchase Agreement (CPA)	Piggyback
Original Contract	Awarded by a purchasing cooperative for multi-agency use.	Awarded by another agency for their use.
Participation	Automatically available to eligible public agencies.	Typically optional per agency permission.
Structure	Uses a centralized contract through a cooperative entity.	Directly uses another agency's contract.

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

PIGGYBACKS AND COOPERATIVE PURCHASE AGREEMENTS (CPA)
Reference AO 3-1 and the Purchasing Handbook
Revised 07/2025



Section 6: 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 Microsoft Teams Channel (Purchasing Central).

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.

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 awarded bidder must also submit insurance and payment/performance bonds 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.

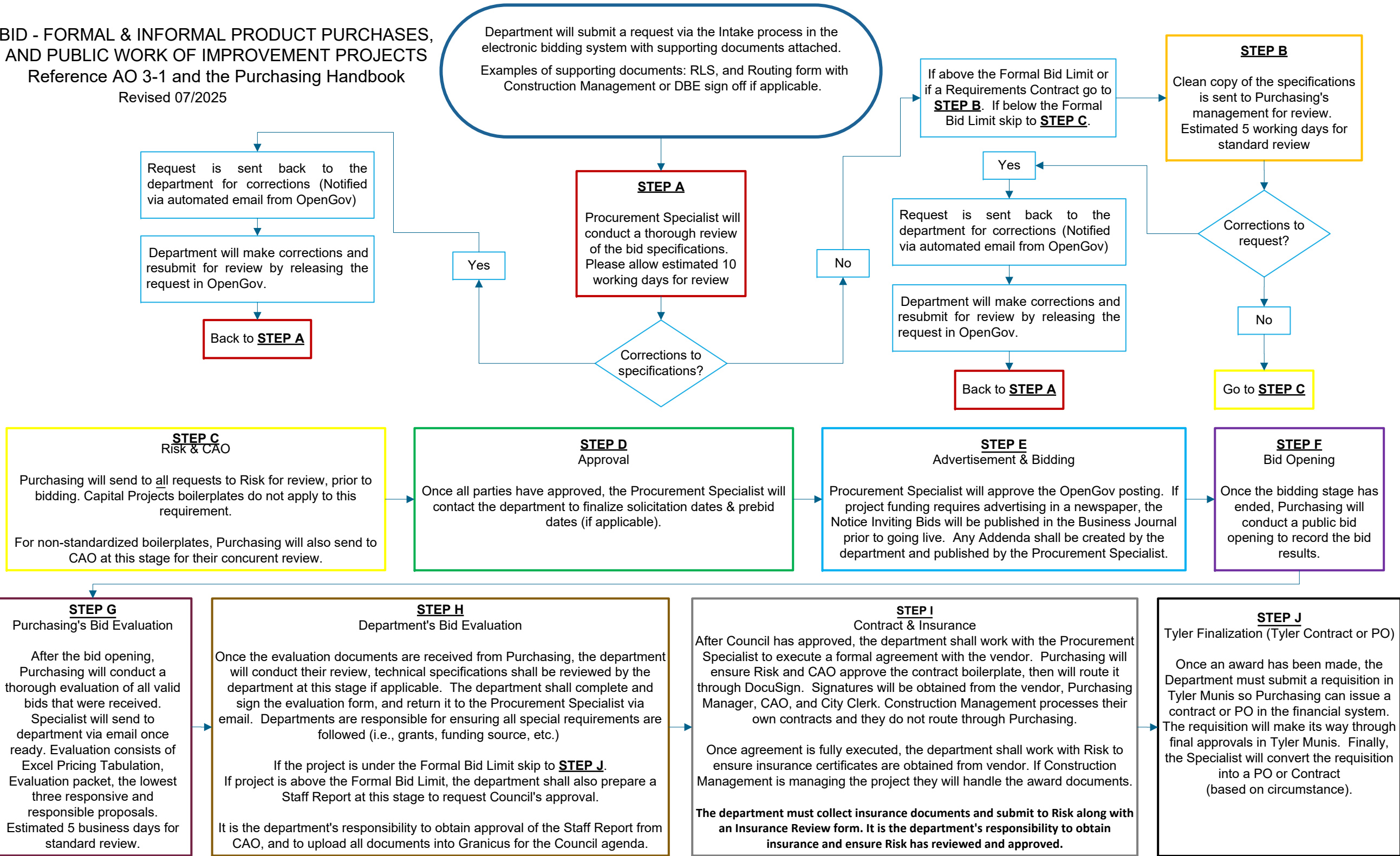
- If Construction Management is managing the project, they will handle all agreement and Notice to Proceed processes.
- If not, Purchasing will route the agreement for execution and issue the Notice to Proceed or purchase order.

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 07/2025



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.

Section 7: 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 exceeding \$100,000 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 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

Definition:

Non-professional services include services of a nonprofessional character such as waste removal and recycling, tree trimming, janitorial services, office machine and equipment repairs, and vehicle repairs. This does **not** include public works, professional, or legal services.

Contracts Under \$100,000:

- Departments may obtain competitive quotes for simple, one-time services under \$50,000 as an alternative to conducting an RFP. The lowest quote must be accepted for award. Refer to page 33.
- A formal RFP is not required, but departments are encouraged to consult with the Purchasing Division to ensure best value and compliance.
- For complex or multi-year contracts, it is recommended that departments consider using an RFP process even if the value is below the threshold.
- The Purchasing Division is available to assist with quote documentation, insurance requirements, and contract preparation.

Contracts Exceeding \$100,000:

- A formal Request for Proposals (RFP) process is required unless exempt under the FMC, Charter, or Administrative Order (e.g., emergency, sole source, intergovernmental contracts).
- RFPs for non-professional services are developed and issued by the Purchasing Division, unless otherwise directed by the City Manager.

Non-Professional Services (Continued)

Evaluation Committee Requirements:

- A Selection Committee must be formed prior to publication of the RFP.
- The committee must include:
 - › At least one employee from the requesting department, and
 - › At least two other employees and/or members of the public.
 - › A representative from ISD if the procurement is software or technology related.
 - › For Citywide or multiple department contracts, at least one member from each affected department.
 - › Purchasing as a facilitator
- The committee is responsible for:
 - › Reviewing all proposals,
 - › Interviewing proposers,
 - › Ranking proposals using criteria identified in the RFP,
 - › Recommending an award based on best value to the City.

Evaluation and Communication:

- The Purchasing Division will facilitate all meetings, interviews, and proposer communications.
- All proposer contact must go through the Purchasing Division; direct communication with departments or elected officials may result in proposer disqualification.
- Purchasing will compile evaluation documentation and submit it to the department for review.
- A committee report and Purchasing's evaluation documentation must be routed for:
 - › Department Director review,
 - › General Services Department approval (Purchasing Manager and Director),
 - › City Manager approval prior to Council submission.

Non-Professional Services (Continued)

Council Approval and Award:

- Contracts subject to this process are not effective until approved by:
 - › City Council,
 - › City Attorney (as to form).
- The Council may:
 - › Award the contract,
 - › Reject all proposals,
 - › Continue the matter to request additional information.
- RFPs are awarded based on best value, which may include:
 - › Price, qualifications, experience, local tax contribution, community benefits, credit history, and other factors deemed relevant.

Exceptions:

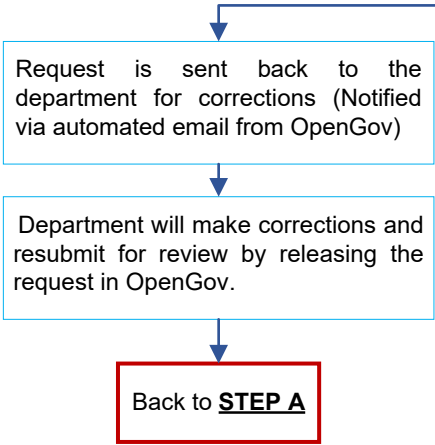
- This process does not apply to:
 - › Emergency or exigent procurements,
 - › Sole source procurements under FMC § 4-107(h),
 - › Contracts with other governmental agencies.
- Technology software and hardware support/maintenance may be procured through cooperative contracts (e.g., CMAS, Sourcewell) if determined to be best value.

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)

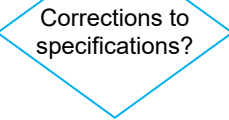
RFP - FORMAL & INFORMAL
NON-PROFESSIONAL SERVICES
Reference AO 6-28 and the Purchasing Handbook
Revised 07/2025



Department will submit a request via the Intake process in the electronic bidding system with supporting documents attached.

Examples of supporting documents: RLS, and Routing form with Construction Management or DBE sign off if applicable. Committee Members must be selected at the time the Intake request is submitted.

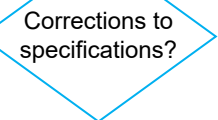
STEP A
Procurement Specialist will conduct a thorough review of the RFP specifications. Please allow estimated 10 working days for review



Yes

No

STEP B
Clean copy of the specifications is sent to Purchasing's management for review. Estimated 5 working days for standard review



Yes

No

Requisition is sent back to the department for corrections (Notified via automated email from OpenGov)

Department will make corrections and resubmit for review by releasing the request in OpenGov.

Go to **STEP C**

Back to **STEP A**

STEP C
Risk & CAO

Purchasing will send the RFP non-standardized specifications to Risk and CAO at this stage for their review and approval.

STEP D
Approval

Once all parties have approved, the Procurement Specialist will contact the department to finalize solicitation dates & pre-proposal dates (if applicable).

STEP E
Advertisement & Bidding
Procurement Specialist will approve the OpenGov posting. If project is above \$50,000, the Notice Inviting Proposals will be published in the Business Journal prior to going live. Any Addenda shall be created by the department and published by the Procurement Specialist.

STEP F
Bid Opening

Once the bidding stage has ended, Purchasing will conduct a public bid opening to record the RFP results.

STEP G
Purchasing's RFP Evaluation
After the bid opening, Purchasing will conduct a thorough evaluation of all proposals that were received. The Specialist will send the RFP evaluation documents to the department via email once ready. Evaluation documents consists of Excel Pricing Tabulation, RFP Matrix, Evaluation Packet, and all proposals. Estimated 5 business days for standard evaluations.

STEP H
Negotiations
Once the evaluation documents are received from Purchasing, the department will conduct a review. Proposals and technical specifications shall be reviewed by a selection committee. If the department would like to negotiate with a proposer, all negotiations must be conducted through the Purchasing Division. The department may also choose to conduct a Last, Best, and Final Offer where the procurement is posted on OpenGov as an invite-only and proposers are given the opportunity to provide one final offer. **At this stage, direct communication is still not allowed, and must route through Purchasing.**

STEP I
Department's RFP Evaluation
After negotiations and evaluations are complete, the department may then complete and sign the evaluation form and return it to the Procurement Specialist along with a committee report, and the anticipated Council date. Departments are responsible for ensuring all special requirements are followed (i.e., grants, funding source, etc.)

If the project is above \$100,000, the department shall also prepare a Staff Report to request Council's approval. Staff Report must also be sent with the evaluation documents for Purchasing's review.

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.

STEP J
Contract & Insurance
After Council has approved, the department shall work with the Procurement Specialist to execute a formal agreement with the vendor. The Procurement Specialist will ensure Risk and CAO approve the contract boilerplate, then will route it through DocuSign. Signatures will be obtained from the vendor, Purchasing Manager, CAO, and City Clerk.

Once agreement is fully executed, the department shall work with Risk to ensure insurance certificates are obtained from vendor. If Construction Management is managing the project they will handle the award documents.

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

STEP K
Tyler Finalization (Tyler Contract)

Once an award has been made, the Department must submit by releasing a requisition in Tyler Munis so Purchasing can issue a contract in the financial system. The requisition will make its way through final approvals in Tyler Munis. Finally, the Procurement Specialist will convert the requisition into Contract. Purchasing will share the Contract with vendor.

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 the City’s electronic bidding website, but qualifications and proposals are submitted directly to the project manager.

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 07/2025

**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 request via the Intake process in the electronic bidding system for review.

Please be sure to include any and all exhibits, attachments, and other related documents.

Note: Departments 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 request in OpenGov, requesting additional information from the customer department for review.

Department will be notified via automated email from OpenGov.

Back to **STEP A**

STEP B

Procurement Specialist will approve the posting in OpenGov.

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 OpenGov 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 \$100,000 skip to **STEP G**.

If the contract is above \$100,000 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 department will submit a 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.

Section 8: Solicitation Guidelines

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.

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.

Bid Opening

A Public Bid Opening is a formal event where sealed bids and proposals are opened and publicly read aloud after the submission deadline. This ensures transparency and fairness in the City's competitive bidding process.

Key Points:

- Held immediately after the bid deadline (i.e., Tuesdays at 3 p.m.)
- Open to the public – vendors, staff, and community members may attend.
- Held via Zoom and in-person.
- Only the bidder's name, bid amount, and *apparent* low bidder are read aloud. For RFPs, only the proposer's name is read aloud. No evaluations or awards are made at this stage.
- Ensures accountability and prevents manipulation of bids after submission.

Where and When:

- Bid Openings are held at:
Municipal Services Center
2101 G Street, Bldg A
Fresno, CA 93706

Zoom: <https://fresno.zoomgov.com/j/1619517892>
or call 1 (669) 254-5252 Meeting ID 161 951 7892
- Bid Openings are typically held on Tuesdays at 2 p.m. for informal procurements, and 3 p.m. for formal procurements.
 - Any deviations must be approved by the Purchasing Manager.

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 the financial system.

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.

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 procurements of \$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:

<u>BIDDERS</u>	<u>TOTAL NET BID AMOUNT</u>
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.

Appeals

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

NOTE: Resolution 2003-129 only applies to procurements for products, equipment, and materials exceeding the Formal Bid Limit. It does not apply to procurements for services.

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, General Services, Purchasing, and click Anticipated Formal Bid Award.

<https://www.fresno.gov/generalservices/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.

Section 9: Sole Source & Uniquely Qualified

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 Specialists. 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.

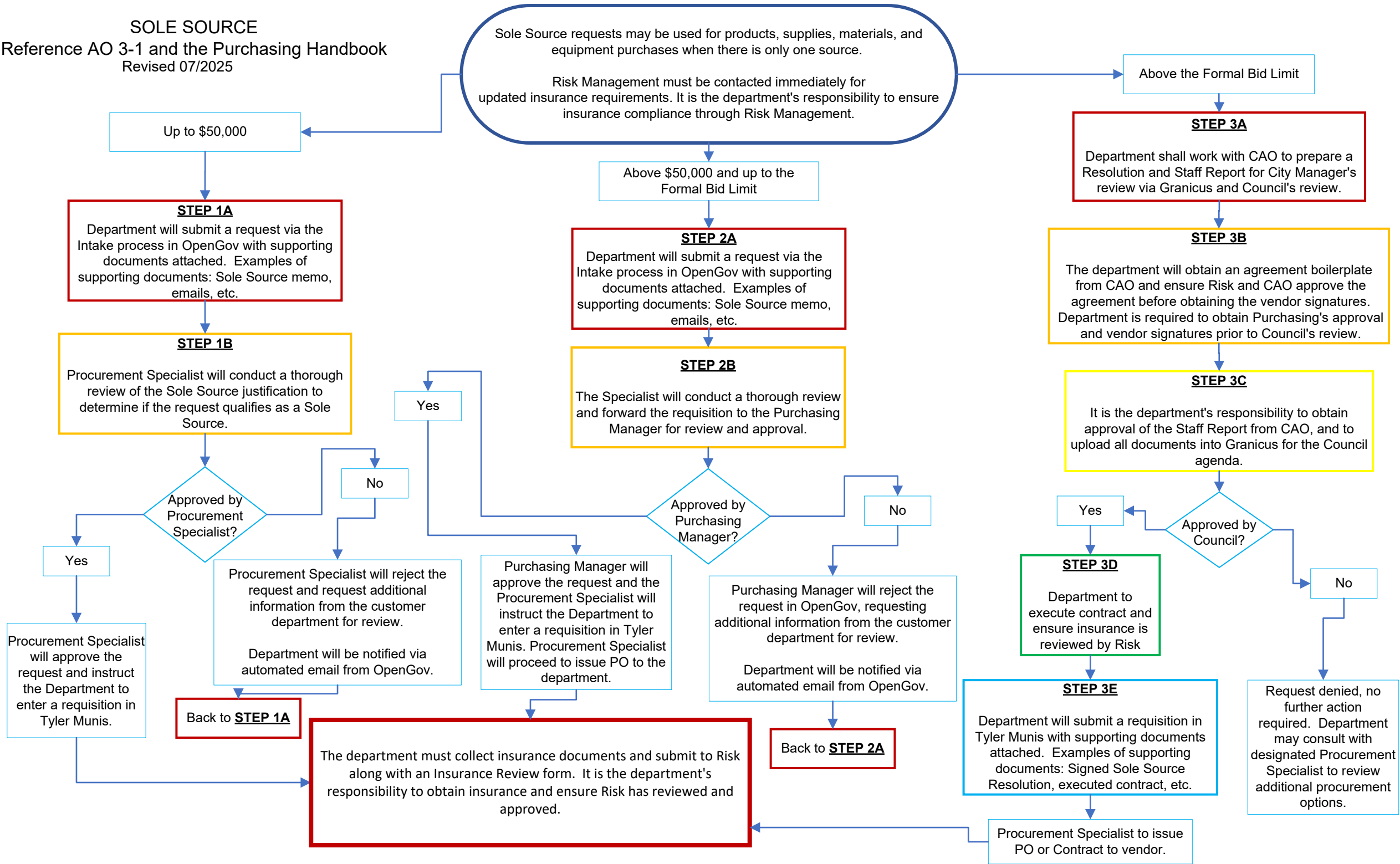
For Sole Source requests above the Formal Bid Limit, the department must work with the City Attorney's Office to prepare a Resolution and Staff Report. **Both documents must be reviewed and approved by the Purchasing Division prior to entry into Granicus.** The City Manager will review and approve the 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 07/2025



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 \$100,000 subsequent Council approval is also required.

After all necessary approvals are received, the department is required to draft and execute a professional service agreement. Once executed, departments must submit a requisition in the financial system, with all supporting documents attached, to create a contract for payment and tracking purposes.

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 Central.

UNIQUELY QUALIFIED
Reference AO 3-1 and the Purchasing Handbook
Revised 07/2025

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 \$100,000

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 \$100,000

Approved by the City Manager?

No

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

Approved by Council?

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.

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

Section 10: Staff Reports

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 it is sent to the City Attorney's Office or 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
2025 Schedule

Council Meeting	Purchasing	City Attorney / Budget(AARs)	Completed and Final Report In Granicus	Directors Pre-Agenda Meeting
January 9, 2025	12/6/2024	12/11/2024	12/24/2024	12/31/2024
January 30, 2025	12/27/2024	12/31/2024	1/15/2025	1/22/2025
February 13, 2025	1/10/2025	1/15/2025	1/29/2025	2/5/2025
February 27, 2025	1/24/2025	1/29/2025	2/12/2025	2/19/2025
March 13, 2025	2/7/2025	2/12/2025	2/26/2025	3/5/2025
March 27, 2025	2/21/2025	2/26/2025	3/12/2025	3/19/2025
April 10, 2025	3/7/2025	3/12/2025	3/26/2025	4/2/2025
April 24, 2025	3/21/2025	3/26/2025	4/9/2025	4/16/2025
May 1, 2025	3/28/2025	4/2/2025	4/16/2025	4/23/2025
May 22, 2025	4/18/2025	4/23/2025	5/7/2025	5/14/2025
June 12, 2025	5/9/2025	5/14/2025	5/28/2025	6/4/2025
June 19, 2025	5/16/2025	5/21/2025	6/4/2025	6/11/2025
June 26, 2025	5/23/2025	5/28/2025	6/11/2025	6/18/2025
July 17, 2025	6/13/2025	6/18/2025	7/2/2025	7/9/2025
August 14, 2025	7/1/2025	7/16/2025	7/30/2025	8/6/2025
August 28, 2025	7/25/2025	7/30/2025	8/13/2025	8/20/2025
September 11, 2025	8/8/2025	8/13/2025	8/27/2025	9/3/2025
September 25, 2025	8/22/2025	8/27/2025	9/10/2025	9/17/2025
October 16, 2025	9/12/2025	9/17/2025	10/1/2025	10/8/2025
October 30, 2025	9/26/2025	10/1/2025	10/15/2025	10/22/2025
November 6, 2025	10/3/2025	10/8/2025	10/22/2025	10/29/2025
November 20, 2025	10/17/2025	10/22/2025	11/5/2025	11/12/2025
December 4, 2025	10/31/2025	11/5/2025	11/19/2025	11/24/2025
December 18, 2025	11/14/2025	11/19/2025	12/3/2025	12/10/2025
January 15, 2026	12/12/2025	12/17/2025	12/31/2025	1/7/2026

Subject to Change

Adjusted dates due to holiday/office closures.

Last Revised: 12/12/2024

Staff Reports (Continued)

For all procurement-related items being awarded by Council, the following supporting documents must be attached based on the procurement type:

Bids (PWI, Product, Equipment, etc.):

- Signed bid evaluation
- Standardized contract

Cooperative Purchase Agreements/Piggybacks:

- Agreement signed by the vendor and City Attorney's Office
- Original Contract
- Original Procurement (RFP, Bid, etc.)

Emergency/Urgent Necessity:

- Emergency/Urgent Necessity Resolution
- Agreement (if applicable)

Requests For Proposals (Non-Professional Services):

- Signed evaluation (including committee report)
- Agreement signed by the recommended proposer and City Attorney's Office

Sole Source:

- Sole Source Resolution

Uniquely Qualified:

- Uniquely Qualified justification memo signed by the City Manager
- Agreement signed by the recommended provider and City Attorney's Office

All Staff Reports involving Sole Source Requests, Piggyback/Cooperative Purchase Agreements, Bids, and Requests for Proposals must be reviewed and approved by the Purchasing Division prior to submission to the City Attorney's Office (CAO) and Granicus. Additionally, the bid or RFP file number must be included in the "Subject" section of the Staff Report to ensure proper tracking and reference.

Section 11: Bonds & Insurance

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

Section 12: 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. **Only the Purchasing Division is authorized to issue Purchase Orders on behalf of the City, regardless of the amount.**

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.



Section 13: 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.

Contract Change Orders & Amendments

What's the Difference?

Contract Change Order	Amendment to an Agreement
Used for minor changes to a contract, typically related to scope, quantity, or pricing.	Used for substantive changes to the terms or conditions of a previously signed agreement.
Common with Requirements Contracts or construction contracts.	Common in agreements for professional services.
Does not require a full re-signing of the original agreement.	Requires formal documentation and a re-signing of the agreement by both parties.
Processed through a Change Order Form, the Purchasing Division can assist.	Requires a written Amendment that references the original agreement, City Attorney's Office can assist.
Must attach to Tyler the Contract Change Order Form with a thorough description, include the quote or scope as an attachment.	Must attach to Tyler the executed Amendment which includes the noted changes to the agreement.

Section 14: Vendor Management

Vendor Management

The City of Fresno has established a centralized Vendor Management Process, overseen by the Purchasing Division. As the central authority, the Purchasing Division is responsible for all aspects of vendor management, including the review, approval, activation, maintenance, and deactivation of vendor records within the City's financial system.

Vendor Onboarding

- Departments must verify a vendor does not already exist in the City's financial system prior to requesting setup.
- A completed Vendor Update Authorization Form and signed W9 are mandatory for new vendor setups.
- All new vendor setups must be processed by the Purchasing Division in accordance with the current Vendor Management Guidelines.
- Timely Requests:
Departments must verify whether vendor exists in the City's financial system and, if not, submit a vendor setup request **prior to** initiating any purchase or contractual engagement.
Vendor setup requests **after** goods or services have been received, or after an invoice has been issued, are considered retroactive and may result in delayed payments, procurement violations, and possible rejection. Repeated noncompliance may result in corrective action.

Vendor Maintenance

- All changes to vendor address, contact information, or banking details must be submitted using the City's Vendor Update Authorization Form.
- Supporting documentation, including W-9s and voided checks (for banking setups/updates), must be submitted to the Purchasing Division.
- No vendor update shall be made without proper documentation and verification.

Electronic Funds Transfer (EFT) Setup

- EFT is the City's preferred payment method for all vendors.
- Vendors must submit a completed Vendor Update Authorization Form and a physical voided check to enroll.
- The Finance Department will initiate a prenote process before EFT payments are activated.
- The Purchasing Division and Finance Department must follow dual verification procedures.

Vendor Management (Continued)

Internal Controls

- All vendor changes must be reviewed and approved by an individual not directly involved in the original request, to ensure proper separation of duties.
- Verification process must be documented and retained on the vendor record within the City's financial system.
- Monthly reporting of vendor record activity shall be prepared by the Purchasing Division and submitted to the Purchasing Manager and Assistant Controller.
- Departments should not create or update vendors directly in the financial system.

Fraud Prevention and Reporting

To ensure the integrity of the City's vendor records and protect public funds, all employees involved in vendor setup and maintenance must exercise due diligence and promptly report any suspected or confirmed fraudulent activity. This includes, but is not limited to:

- Falsified or altered W-9s, voided checks, or banking information
- Duplicate or suspicious vendor entries
- Unexplained changes to vendor profiles
- Conflicts of interest or undisclosed relationships

Reports must be submitted to the Purchasing Manager and Assistant Controller immediately. The Purchasing Division, in coordination with the Finance Department and the City Attorney's Office, will investigate and take appropriate corrective and legal action.

Audit and Compliance

All vendor-related records are subject to internal and external audit. The Purchasing Division reserves the right to audit vendor files at any time to ensure compliance. Any discrepancies must be addressed and resolved according to City procedures.

The Purchasing Division may reject requests that are incomplete or do not meet City policy. Non-compliance may result in delays in processing payments.



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.

Section 15: 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 (FA 91) and submit it to Purchasing and Finance.
- All surplus items are posted on Purchasing's Microsoft Teams Channel (Purchasing Central). 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.

Surplus (Continued)

Employee Participation in Surplus Auctions

City employees may purchase surplus property, including vehicles, through public auctions conducted by the City of Fresno, as long as the process is open to the general public and conducted in a transparent, competitive manner.

Employees may not participate in a surplus sale if they:

- Were involved in the surplus determination or sale process;
- Work in the division responsible for surplus disposition;
- Have access to non-public information about the item being sold.

All employees must disclose their intent to bid in writing to their Department Director and the Purchasing Division prior to participating. Failure to follow these requirements may result in disciplinary action and disqualification from the sale.

Auction Authority

The Purchasing Manager shall have sole authority over the auction process for all City-owned items deemed surplus or no longer needed. Departments or divisions that wish to conduct an independent auction or engage the services of an external auctioneer must first obtain written authorization from the Purchasing Manager. This ensures compliance with City policies, accountability in asset disposition, and coordination of public sales.

Unauthorized auctions or third-party agreements conducted without prior approval are not permitted.

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.

Section 16: 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 are authorized to make purchases up to \$2,500 per transaction, with a monthly spending limit of up to \$10,000. For further details refer to Administrative Order 3-9



CITY OF FRESNO CAL-CARD PURCHASING CARD AGREEMENT

Check applicable box

☐ NEW ☐ RENEWAL ☐ REPLACEMENT

I AGREE TO THE FOLLOWING REGARDING THE USE OF THE
CITY OF FRESNO CAL- CARD VISA PURCHASING CARD ASSIGNED TO ME FOR
OFFICIAL CITY OF FRESNO BUSINESS ONLY:

1. I hereby acknowledge receipt of a City of Fresno CAL-Card Visa Purchasing Card, number and expiration date indicated below. As a cardholder, I agree to comply with the terms and conditions of this Agreement, Purchasing Card Program Policies and Procedures, and Administrative Order 3-9 Purchasing Card.
2. I acknowledge receipt of said Agreement and confirm that I have reviewed the 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 CAL-Card charges.
3. 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 card holder 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.
4. 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 and current role. I agree to return the card to the City of Fresno, Purchasing Division immediately upon transfer to another department or departure of employment. Legibly sign your full name below.

Cardholder:

Signature: _____ Date: _____

Print Name: _____ Department/Division: _____

Approver:

Signature: _____ Date: _____

Print Name: _____

Department Director:

Signature: _____ Date: _____

Print Name: _____

TO BE COMPLETED BY THE PURCHASING DIVISION:

Program Coordinator:

Signature: _____ Date: _____

CARD NUMBER: _____ EXPIRATION DATE: _____

CAL-Card Program (Continued)

Cardholder Responsibilities:

- Cardholders must attend mandatory annual training to maintain an account.
- All charges must be for Official business purpose 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 next business after the billing cycle ends. 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 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 Coordinator (Purchasing's Senior Management Analyst).
- 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 Program Coordinator.
- 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

Section 17: The 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.

Section 18: 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 6-7 Acceptance of Gifts and Rewards](#)

[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 July 2025, the Formal Bid Limit for purchases of product, equipment, and public work of improvement projects is \$177,000. It is adjusted every July based on the changes in the Consumer Pricing Index. The limit requiring Council approval for professional and nonprofessional services is \$100,000.

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 and on Zoom. 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

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