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Gary Yep – Mayor
Doug Wilcox – Mayor Pro Tem
Raj Dhaliwal – Council Member
Nathan Fox – Council Member
Bill Nijjer – Council Member

AGENDA
KERMAN CITY COUNCIL
REGULAR MEETING
Kerman City Hall
850 S. Madera Avenue
Wednesday, October 15, 2014
6:30 PM

AGENDA PACKET AVAILABLE FOR
REVIEW 72 HOURS PRIOR TO
THE CITY COUNCIL MEETING AT
THE CITY CLERK'S OFFICE AND
ON THE CITY WEBSITE
ITEMS RECEIVED AT THE
MEETING WILL BE AVAILABLE
FOR REVIEW AT THE CITY
CLERK'S OFFICE

ALL MEETING ATTENDEES ARE ADVISED THAT ALL PAGERS, CELLULAR TELEPHONES AND ANY OTHER COMMUNICATION DEVICES SHOULD BE POWERED OFF UPON ENTERING THE COUNCIL CHAMBERS, AS THESE DEVICES INTERFERE WITH OUR AUDIO EQUIPMENT.

OPENING CEREMONIES

- Welcome – Mayor Gary Yep
- Call to Order
- Roll Call
- Invocation

At this time the Council wishes to provide anyone an opportunity to give a brief invocation or inspirational thought. In accordance with law, we would request this opportunity not be used to recruit converts, to advance anyone, or to disparage any other faith or belief. If no one steps forward, we will observe a moment of silence so that we may all focus our thoughts on how best to serve our community.

- Pledge of Allegiance – City Clerk

AGENDA APPROVAL/ADDITIONS/DELETIONS

To accommodate members of the public or convenience in the order of presentation, items on the agenda may not be presented or acted upon in the order listed.

1. PRESENTATIONS/CEREMONIAL MATTERS

None

REQUEST TO ADDRESS COUNCIL

This portion of the meeting is reserved for members of the public to address the Council on items of interest that are not on the Agenda and are within the subject matter jurisdiction of the Council. Speakers shall be limited to three minutes. It is requested that no comments be made during this period on items on the Agenda. Members of the public wishing to address the Council on items on the Agenda should notify the Mayor when that Agenda item is called, and the Mayor will recognize your discussion at that time. It should be noted that the Council is prohibited by law from taking any action on matters discussed that are not on the Agenda. Speakers are asked to please use the microphone, and provide their name and address.

2. CONSENT CALENDAR

Matters listed under the Consent Calendar are considered routine and will be enacted by one motion and one vote. There will be no separate discussion of these items. If discussion is desired, a member of the audience or a Council Member may request an item be removed from the Consent Calendar and it will be considered separately.

A. SUBJECT: Minutes

RECOMMENDATION: Council approve minutes as presented.

ATTACHMENTS: [October 1, 2014](#)

B. SUBJECT: Payroll

Payroll Report: September 14, 2014 - September 27, 2014: \$123,011.86; Retro Pay: \$100.84; Overtime: \$6,326.17; Standby: \$1,099.53; Comp Time Earned: 7.50

RECOMMENDATION: Council approve payroll as presented.

ATTACHMENTS: [Payroll/Overtime Report](#)

C. SUBJECT: Warrants

1. Nos. 5104-5199: \$294,820.37

2. Excepting: Valley Food Center: #5136 - \$118.03; #5196 - \$38.13
Kerman News: #5172 - \$50.00

RECOMMENDATION: Council approve warrants and electronic bank transfers as presented. (Pursuant to Government Code 37208)

ATTACHMENTS: [Accounts Payable](#)

3. PUBLIC HEARINGS

None

4. DEPARTMENT REPORTS

A. SUBJECT: Resolution Opposing Proposition 47 Safe Neighborhood Schools Act (JLB)

RECOMMENDATION:

ATTACHMENTS: [Staff Report - Proposition 47](#)

B. SUBJECT: Presentation of Hero Program (LP)

RECOMMENDATION: Council receive report on Hero Program and consider by motion adoption of resolution approving an Amendment to the Western Riverside Council of Governments (WRCOG) Joint Powers Agreement to add Kerman as an Associate Member in order to authorize the City's participation in the California HERO Program.

ATTACHMENTS: [Staff Report - HERO Program](#)

C. SUBJECT: Draft Amended Purchasing Policy (TJ)

RECOMMENDATION: Council to provide input on draft amended Purchasing Policy and direct staff to present policy for adoption at the November 15, 2014 meeting.

ATTACHMENTS: [Staff Report - Draft Purchasing Policy](#)

5. CITY MANAGER/STAFF COMMUNICATIONS

6. MAYOR/COUNCIL REPORTS

A. Kerman Ag Expo - Thursday, October 30, 7:30 a.m. Community Center/Kerkoff Park

7. CLOSED SESSION

COUNCIL RECONVENE FROM CLOSED SESSION & REPORT ANY ACTION TAKEN

8. ADJOURNMENT

In compliance with the American with Disabilities Act (ADA), if you need special assistance to participate at this meeting, please contact the City Clerk at (559) 846-9380. Notification of 48 hours prior to the meeting will enable the City Clerk to make reasonable arrangement to ensure accessibility to this meeting. Pursuant to the ADA, the meeting room is accessible to the physically handicapped.



MINUTES
KERMAN CITY COUNCIL
REGULAR MEETING
Kerman City Hall
850 S. Madera Avenue
Wednesday, October 1, 2014
6:30 PM

Gary Yep – Mayor
 Doug Wilcox – Mayor Pro Tem
 Raj Dhaliwal – Council Member
 Nathan Fox – Council Member
 Bill Nijjer – Council Member

Present: Mayor Yep (GY), Dhaliwal (RD), Fox (NF), Nijjer (BN), Wilcox (DW)
 Absent: None
 Also Present: City Manager/Planning & Development Director Patlan, City Attorney Blum, Chief of Police, Community Services Director, Finance Director, Public Works Director

Voting: Yes,
 No, Absent
 (Abstain if
 needed)

OPENING CEREMONIES

- Welcome – Mayor Gary Yep
- Call to Order

- Roll Call
- Invocation
- Pledge of Allegiance – City Clerk

6:34 p.m.
 All present
 except
 DW/BN

Performed

AGENDA APPROVAL/ADDITIONS/DELETIONS

1. PRESENTATIONS/CEREMONIAL MATTERS

None

REQUEST TO ADDRESS COUNCIL

2. CONSENT CALENDAR

Elena
 Bustamonte
 6:42 p.m. BN
 arrived

A. SUBJECT: Minutes

RECOMMENDATION: Council approve minutes as presented.

Approved
 excepting
 5048 BN/NF
 (4-0-1) DW

B. SUBJECT: Payroll

Payroll Report: August 31, 2014 - September 13, 2014: 120,712.67; Overtime: \$13,729.30; Standby: \$1,118.41; Comp Time Earned: 16.50

RECOMMENDATION: Council approve payroll as presented.

C. SUBJECT: Warrants

1. Nos. 5000-5103: \$335,631.74
2. Excepting: Kerwest Newspapers: #5029 - \$360.00; #5081 - \$165.00
 Valley Food Center: #5048 - \$60.17

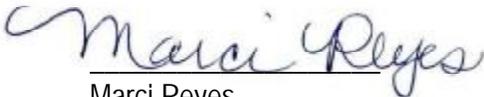
Approved
 5048 BN/RD
 (3-0-1-1)
 DW/GY

RECOMMENDATION: Council approve warrants and electronic bank transfers as presented. (Pursuant to Government Code 37208)

3. PUBLIC HEARINGS	None
4. DEPARTMENT REPORTS	
A. SUBJECT: Lucero Market - Determination of Public Convenience or Necessity for the Sale of Beer and Wine for Off-Site Consumption (Type 20 License) (LP) <u>RECOMMENDATION:</u> Council by motion adopts resolution determining that the granting of a Type 20 off-sale alcohol license for Lucero Market would (or would not) serve a public convenience or necessity and authorize the City Manager/Director of Planning and Development to complete and submit Form 245 to the Department of Alcoholic and Beverage Control. * <i>"If we are going to allow, it's because we don't see any impact in the crime or in the community because people can drink beer and wine responsibly, that's what we want; it's when it becomes irresponsible use of that, that's what we want to avoid."</i>	6:45 p.m. GY recused himself and left the mtg. 6:55 p.m. DW arrived. * NF for the record Approved NF/BN including additional findings (4-0-1) GY
B. SUBJECT: Final Rendering of Kerman Inn Mural (PG) <u>RECOMMENDATION:</u> City Council review and approve the final rendering of the Kerman Inn Mural Project.	7:10 p.m. GY returned.
C. SUBJECT: Update on Ongoing Projects (LP) <u>RECOMMENDATION:</u> Council receives update on ongoing projects.	
5. CITY MANAGER/STAFF COMMUNICATIONS	
6. MAYOR/COUNCIL REPORTS	
A. Candidate Meet and Greet - Wednesday, October 8, 7:00 p.m., Community Teen Center	
7. CLOSED SESSION	None
COUNCIL RECONVENE FROM CLOSED SESSION & REPORT ANY ACTION TAKEN	
8. ADJOURNMENT	Approved 7:40 p.m. DW/NF (5-0-0)

MINUTES CERTIFICATION

I, MARCI REYES, City Clerk for the City of Kerman, do hereby declare under penalty of perjury that the above Minutes are a true depiction of all actions taken at the City Council meeting held on the first date above written at Kerman City Hall, 850 S. Madera Ave, Kerman, CA.

Date:

Marci Reyes
City Clerk

CITY OF KERMAN PAYROLL REPORT

Agenda Item 4.B.1

PAY PERIOD: September 14, 2014 - September 27, 2014

EMPLOYEE	SALARY	RETRO PAY & Other	OVERTIME		STANDBY		GROSS SALARY	COMP TIME EARNED
			HOURS	AMOUNT	HOURS	AMOUNT		
<u>ADMINISTRATION</u>								
414 Patlan, Luis	\$ 4,664.77	\$ -	-	\$ -	-	\$ -	\$ 4,664.77	
15 Gonzalez, Diana	\$ 1,864.15	\$ -	-	\$ -	-	\$ -	\$ 1,864.15	1.50
332 Alvarez, Josefina	\$ 1,689.69	\$ -	-	\$ -	-	\$ -	\$ 1,689.69	
350 Jones, Toni	\$ 2,897.54	\$ -	-	\$ -	-	\$ -	\$ 2,897.54	
375 Reyes, Marcia	\$ 2,463.23	\$ -	-	\$ -	-	\$ -	\$ 2,463.23	
435 Nazaroff, Helen	\$ 1,846.62	\$ -	-	\$ -	-	\$ -	\$ 1,846.62	
518 Garza, Amy	\$ 360.00	\$ -	-	\$ -	-	\$ -	\$ 360.00	
TOTAL	\$ 15,786.00	\$ -	-	\$ -	-	\$ -	\$ 15,786.00	1.50
<u>REC/SOCIAL</u>								
11 Gallegos, Philip	\$ 3,734.77	\$ -	-	\$ -	-	\$ -	\$ 3,734.77	
35 Arredondo, Barbara	\$ 1,526.77	\$ -	-	\$ -	-	\$ -	\$ 1,526.77	
97 Gonzalez, Jose Felix	\$ 1,599.69	\$ -	-	\$ -	-	\$ -	\$ 1,599.69	
237 Salvador, Mark	\$ 1,883.08	\$ -	-	\$ -	-	\$ -	\$ 1,883.08	
292 Silva, Jessica	\$ 518.00	\$ -	-	\$ -	-	\$ -	\$ 518.00	
405 Sidhu, Nirmal	\$ 1,465.38	\$ -	-	\$ -	-	\$ -	\$ 1,465.38	
517 Johnson, Theresa	\$ 1,587.23	\$ -	-	\$ -	-	\$ -	\$ 1,587.23	
447 Gonzalez, Devonna	\$ 52.50	\$ -	-	\$ -	-	\$ -	\$ 52.50	
497 Arredondo, Raquel	\$ 250.00	\$ -	-	\$ -	-	\$ -	\$ 250.00	
498 Ayala, Adrien	\$ 36.00	\$ -	-	\$ -	-	\$ -	\$ 36.00	
502 Gallegos, Yenifer	\$ 245.25	\$ -	-	\$ -	-	\$ -	\$ 245.25	
506 Rangel, Jose A	\$ 249.75	\$ -	-	\$ -	-	\$ -	\$ 249.75	
513 Jeanna Burdine-Slave	\$ 1,511.54	\$ 100.84	-	\$ -	-	\$ -	\$ 1,612.38	
515 Figueroa, Rita	\$ 380.00	\$ -	-	\$ -	-	\$ -	\$ 380.00	
516 Villarreal, Arlene	\$ 452.50	\$ -	-	\$ -	-	\$ -	\$ 452.50	
TOTAL	\$ 15,492.46	\$ 100.84	-	\$ -	-	\$ -	\$ 15,593.30	0.00
<u>POLICE</u>								
29 Rodrigues, Mary	\$ 1,759.38	\$ -	-	\$ -	-	\$ -	\$ 1,759.38	
59 Madruga, Ron	\$ 3,114.46	\$ -	10.00	\$ 583.96	-	\$ -	\$ 3,698.42	
69 Chapman, Tom	\$ 2,413.38	\$ -	-	\$ -	-	\$ -	\$ 2,413.38	
101 Cubillos, Teresa	\$ 57.01	\$ -	-	\$ -	-	\$ -	\$ 57.01	
245 Barbosa, Isaias	\$ 2,311.85	\$ -	-	\$ -	-	\$ -	\$ 2,311.85	
291 Ramirez, Donald	\$ 1,493.54	\$ -	-	\$ -	-	\$ -	\$ 1,493.54	
343 Davis, Jeff	\$ 2,825.08	\$ -	6.50	\$ 344.31	-	\$ -	\$ 3,169.38	4.5
354 Ness, Lee	\$ 2,046.00	\$ -	-	\$ -	-	\$ -	\$ 2,046.00	
363 Barcoma, Wilbert	\$ 2,690.77	\$ -	6.00	\$ 302.71	-	\$ -	\$ 2,993.48	
369 Ramer, Joseph	\$ 1,493.54	\$ -	-	\$ -	-	\$ -	\$ 1,493.54	
402 Nevis, James	\$ 2,300.77	\$ -	6.00	\$ 258.84	-	\$ -	\$ 2,559.61	
423 Magallon, Peter	\$ 2,413.43	\$ -	9.50	\$ 429.89	-	\$ -	\$ 2,843.32	
425 Belding, Jeff	\$ 2,357.08	\$ -	13.00	\$ 574.54	-	\$ -	\$ 2,931.61	
442 Antuna, Eric	\$ 2,036.31	\$ -	21.50	\$ 820.89	16.00	\$ 101.82	\$ 2,959.01	
458 Nelson, Christopher J	\$ 3,114.46	\$ -	11.00	\$ 642.36	-	\$ -	\$ 3,756.82	
468 Tiwana, Manpreet	\$ 1,957.92	\$ -	4.00	\$ 146.84	-	\$ -	\$ 2,104.77	
474 Blohm, Joseph	\$ 4,047.23	\$ -	-	\$ -	-	\$ -	\$ 4,047.23	
476 Rodriguez, Erika	\$ 1,902.46	\$ -	-	\$ -	-	\$ -	\$ 1,902.46	
479 Attkisson, Joseph	\$ 1,767.23	\$ -	1.00	\$ 22.09	-	\$ -	\$ 1,789.33	

CITY OF KERMAN PAYROLL REPORT

Agenda Item 4.B.1

PAY PERIOD: September 14, 2014 - September 27, 2014

EMPLOYEE	SALARY	RETRO PAY & Other	OVERTIME		STANDBY		GROSS SALARY	COMP TIME EARNED
			HOURS	AMOUNT	HOURS	AMOUNT		
485 Lehman, Dustin	\$ 1,767.23	\$ -	-	\$ -	-	\$ -	\$ 1,767.23	
487 Antuna, Miguel	\$ 1,200.00	\$ -	3.50	\$ 78.75	-	\$ -	\$ 1,278.75	
501 Ledezma, Linda	\$ 1,199.54	\$ -	-	\$ -	-	\$ -	\$ 1,199.54	
504 Labetiaux, EJ Medina	\$ 1,767.23	\$ -	-	\$ -	-	\$ -	\$ 1,767.23	1.5
512 Seroka, Dylan	\$ 1,155.00	\$ -	-	\$ -	-	\$ -	\$ 1,155.00	
533 Dueck, Loren	\$ 948.00	\$ -	-	\$ -	-	\$ -	\$ 948.00	
536 Chacon, Anthony	\$ 960.00	\$ -	0.50	\$ 9.00	-	\$ -	\$ 969.00	
TOTAL:	\$ 51,098.90	\$ -	92.50	\$ 4,214.17	16.00	\$ 101.82	\$ 55,414.90	6.00

PUBLIC WORKS

8 Gonzales, Ruben	\$ 2,011.38	\$ -	3.00	\$ 150.85	-	\$ -	\$ 2,162.24	
20 Rodriguez, Joe	\$ 1,964.77	\$ -	4.00	\$ 184.20	-	\$ -	\$ 2,148.97	
25 Prieto, Ruben	\$ 1,762.15	\$ -	3.00	\$ 132.16	-	\$ -	\$ 1,894.32	
26 Gruce, Robert	\$ 2,478.00	\$ -	-	\$ -	-	\$ -	\$ 2,478.00	
27 Hearld, Douglas	\$ 542.94	\$ -	-	\$ -	-	\$ -	\$ 542.94	
87 Madruga, Lydia	\$ 1,964.77	\$ -	-	\$ -	-	\$ -	\$ 1,964.77	
134 Ramirez, Manuel	\$ 1,830.92	\$ -	13.00	\$ 514.95	23.00	\$ 526.39	\$ 2,872.26	
172 Chavez, Fernando M.	\$ 2,368.15	\$ -	-	\$ -	-	\$ -	\$ 2,368.15	
290 Gastelum, Humberto	\$ 1,924.15	\$ -	3.00	\$ 144.31	-	\$ -	\$ 2,068.47	
298 Barajas, Michael	\$ 1,871.08	\$ -	4.00	\$ 175.41	-	\$ -	\$ 2,046.49	
322 Castro, Joseph	\$ 1,785.69	\$ -	4.00	\$ 167.41	-	\$ -	\$ 1,953.10	
349 Arechiga, Pastor	\$ 1,639.38	\$ -	15.00	\$ 532.80	23.00	\$ 471.32	\$ 2,643.51	
378 Sanchez, Daniel	\$ 1,465.38	\$ -	3.00	\$ 109.90	-	\$ -	\$ 1,575.29	
389 Zapata, Domingo	\$ 1,945.85	\$ -	-	\$ -	-	\$ -	\$ 1,945.85	
329 Moore, Ken	\$ 3,853.85	\$ -	-	\$ -	-	\$ -	\$ 3,853.85	
460 Vallejo, Edward	\$ 1,992.55	\$ -	-	\$ -	-	\$ -	\$ 1,992.55	
486 Palacios, Jesus	\$ 580.00	\$ -	-	\$ -	-	\$ -	\$ 580.00	
522 Isaak, Denise	\$ 1,396.62	\$ -	-	\$ -	-	\$ -	\$ 1,396.62	
531 Duarte, Leonardo	\$ 580.00	\$ -	-	\$ -	-	\$ -	\$ 580.00	
534 Tinoco, Alfonso	\$ 580.00	\$ -	-	\$ -	-	\$ -	\$ 580.00	
535 Garcia, Carlos Jr	\$ 580.00	\$ -	-	\$ -	-	\$ -	\$ 580.00	
TOTAL	\$ 35,117.65	\$ -	\$ 52.00	\$ 2,112.00	\$ 46.00	\$ 997.71	\$ 38,227.36	\$ -

PLANNING

37 Pimentel, Olivia	\$ 2,199.23	\$ -	-	\$ -	-	\$ -	\$ 2,199.23	
234 Kufis, Chris	\$ 2,392.62	\$ -	-	\$ -	-	\$ -	\$ 2,392.62	
TOTAL	\$ 4,591.85	\$ -	-	\$ -	-	\$ -	\$ 4,591.85	0.00

PLANNING

Epperson, R	\$ -
Lopez, M	\$ -
Bandy, R	\$ 50.00
Harris, J	\$ 50.00
Melgoza, G	\$ 50.00
Nehring, K	\$ 50.00
Kehler, E	\$ 50.00
Wettlaufer, K	\$ 50.00
Total	\$ 300.00

COUNCIL

Dhaliwal	\$ 125.00
Wilcox	\$ 125.00
Yep	\$ 125.00
Fox	\$ 125.00
Nijjer	\$ 125.00
Total	\$ 625.00

GRAND TOTAL:	\$123,011.86	\$100.84	144.50	\$6,326.17	62.00	\$1,099.53	\$130,538.40	7.50
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CITY OF KERMAN
OVERTIME SUPPLEMENTAL PAYROLL REPORT
PAY PERIOD 09/14/2014-09/27/2014

POLICE DEPARTMENT

Overtime Categories - Number of Hours							
Regular Overtime	Court	Shift Coverage	SID	Detail	Avoid the 21 Grant	Special Events	Total
11	3	26	34		2.5	16	92.5
(see notes below for overtime description)							
DOUBLE TIME: (Sunday)							0
						Sub Total	92.5

PUBLIC WORKS DEPARTMENT

Overtime Categories - Number of Hours							
Water Service	Sewer Emergencies	Animal Control	Special Events	Other or Call Back	On Call Duties	Total	
5	1			8	4	18	
(see notes below for overtime description)							
DOUBLE TIME: (Sunday)							0
3	2		25		4	34	
						Sub Total	52.0

COMMUNITY SERVICES DEPARTMENT

Overtime Categories - Number of Hours			Total
Regular Overtime	After Hour Event		
			0
			Sub Total
			0

FINANCE / PLANNING DEPARTMENTS

Overtime Categories - Number of Hours					Total
Regular Overtime	Utility Billing	Payroll	Dog Clinic	Year End Audit	
					0
					Sub Total
					0
Total Hours (All Departments)					144.5

POLICE DEPARTMENT:

Regular Overtime – 3 hrs explorers function, 2 hrs range qualification, 4.5 hrs late calls and report writing, 1.5 hrs presentation for dv seminar.

Court – 3 hrs traffic court

Shift Coverage – 26 hrs. Due to officers calling in sick, on medical leave, or vacations.

Special Investigation Division (SID) – 34 hrs SID Search Warrant

Training – Officers instructing or attending classes. Overtime may occur when officers cover the shift of those in training.

Grant – 2.5 AVOID

Special Events - 16 hrs Harvest Festival

PUBLIC WORKS DEPARTMENT:

Water Service - Includes 5 hrs overtime and 3 hrs double time for shut-off and turn-on of service, all water related emergencies

Sewer Emergencies - 1 hr overtime & 2 hrs doubletime SCADA problems/Sewer emergencies (SCADA controls pumps, wells and sewer, lift stations, all sewer and storm drain related issues)

Animal Control - Vicious or dead animals (not normally used for stray animals)

Special Events - 25 hrs doubletime - Harvest Festival Clean Up

Other - 8 hrs overtime - pick up Cal Trans sign, alarms, checking concrete on 16th street

Call Back - Any emergencies where additional employees are called to assist.

On-Call Duties 4 hours overtime and 4 hours double time for reading and recording flow meters on wells and sewer plant, feed and clean kennels, verify WWTP running effectively, etc. OT is for two weekends and/or any holidays

COMMUNITY SERVICES DEPARTMENT

Regular Overtime – On occasion, but very rare due to the amount of part-time employees.

After Hour Event – Occurs only if a full-time employee would have to stay for clean-up or as a facility attendant.

FINANCE / PLANNING DEPARTMENTS

Regular Overtime - Only as needed.

Utility Billing - Completed on the 1st of each month.

Payroll - Completed bi-weekly

Dog Clinic - Once a year clinic held after business hours

Year-End Audit - Completed over a period of time at the end of each fiscal year.

Accounts Payable

Checks by Date - Detail by Check Date

User: dgonzalez
 Printed: 10/9/2014 9:35 AM



Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
5104	10377	U.S. POST OFFICE	09/30/2014	
	093014	VAR-ADVANCE PAYMENT/UTILITY BILLIN	VAR-ADVANCE PAYMENT	3,000.00
	093014	VAR-ADVANCE PAYMENT/UTILITY BILLIN	VAR-ADVANCE PAYMENT	500.00
Total for Check Number 5104:				3,500.00
Total for 9/30/2014:				3,500.00
5105	10010	ACCOMTEMPS	10/01/2014	
	41260141	FIN-TEMP AGENCY PERSONNEL 39 HOURS		33.15
	41260141	FIN-TEMP AGENCY PERSONNEL 39 HOURS		232.05
	41260141	FIN-TEMP AGENCY PERSONNEL 39 HOURS		198.90
	41260141	FIN-TEMP AGENCY PERSONNEL 39 HOURS		165.75
	41260141	FIN-TEMP AGENCY PERSONNEL 39 HOURS		33.15
	41260142	FIN-TEMP AGENCY PERSONNEL 39.5 HOURS		33.58
	41260142	FIN-TEMP AGENCY PERSONNEL 39.5 HOURS		235.03
	41260142	FIN-TEMP AGENCY PERSONNEL 39.5 HOURS		201.45
	41260142	FIN-TEMP AGENCY PERSONNEL 39.5 HOURS		167.86
	41260142	FIN-TEMP AGENCY PERSONNEL 39.5 HOURS		33.58
	41310934	FIN-TEMP AGENCY PERSONNEL 40 HOURS		34.00
	41310934	FIN-TEMP AGENCY PERSONNEL 40 HOURS		238.00
	41310934	FIN-TEMP AGENCY PERSONNEL 40 HOURS		204.00
	41310934	FIN-TEMP AGENCY PERSONNEL 40 HOURS		170.00
	41310934	FIN-TEMP AGENCY PERSONNEL 40 HOURS		34.00
	41310935	FIN-TEMP AGENCY PERSONNEL 40 HOURS		34.00
	41310935	FIN-TEMP AGENCY PERSONNEL 40 HOURS		34.00
	41310935	FIN-TEMP AGENCY PERSONNEL 40 HOURS		238.00
	41310935	FIN-TEMP AGENCY PERSONNEL 40 HOURS		204.00
	41310935	FIN-TEMP AGENCY PERSONNEL 40 HOURS		170.00
Total for Check Number 5105:				2,694.50
5106	10039	AT&T	10/01/2014	
	093014	PD-T-1 LINE 9/10-10-09		262.12
Total for Check Number 5106:				262.12
5107	10040	AT&T MOBILITY	10/01/2014	
	093014	PD-SEPTEMBER MIDT WIRELESS SERVICE		274.22
Total for Check Number 5107:				274.22
5108	10041	AVR INC.	10/01/2014	
	41510	VAR-UB ONLINE ACCESS SEPTEMBER 201		100.00
	41510	VAR-UB ONLINE ACCESS SEPTEMBER 201		100.00
	41510	VAR-UB ONLINE ACCESS SEPTEMBER 201		50.00
	41612	VAR-SOFTWARE MAINTENANCE AGREEM		177.20
	41612	VAR-SOFTWARE MAINTENANCE AGREEM		177.20
	41612	VAR-SOFTWARE MAINTENANCE AGREEM		88.60

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
			Total for Check Number 5108:	693.00
5109	10092 22678A 227678	CENTRAL VALLEY TOXICOLOGY PD-BLOOD TEST 14-1343 ADD TESTS ETHY PD-BLOOD TEST 13-1884 ABUSE SCREEN	10/01/2014	111.00 31.00
			Total for Check Number 5109:	142.00
5110	10452 k091714 k091714	CITY OF FRESNO WMD WTR-LAB ANALYSIS SWR-LAB ANALYSIS	10/01/2014	30.00 73.50
			Total for Check Number 5110:	103.50
5111	10103 3420205-1001813	COLONIAL LIFE HR-OCTOBER EMPLOYEE CONTRIBUTION	10/01/2014	637.90
			Total for Check Number 5111:	637.90
5112	10563 647631 647631	CWEA RENEWAL WTR-CWEA ASSOCIATION DUES FOR EDW SWR-CWEA ASSOCIATION DUES FOR EDW	10/01/2014	78.00 78.00
			Total for Check Number 5112:	156.00
5113	10124 441475	DELRAY TIRE & RETREADING V/E-4 TIRES-STOCK	10/01/2014	463.19
			Total for Check Number 5113:	463.19
5114	10571 Q09532	DITCH WITCH WTR-USED PACIFIC TECH VAC SYSTEM	10/01/2014	25,000.00
			Total for Check Number 5114:	25,000.00
5115	10458 092414	RAUL HERRERA ECN POLYGRAPH AN PD-PRE EMPLOYMENT POLYGRAPH (KAW	10/01/2014	300.00
			Total for Check Number 5115:	300.00
5116	10562 45028	EDITH BERBER FIN-CHARITABLE REPORT REFUND	10/01/2014	10.00
			Total for Check Number 5116:	10.00
5117	10570 45020	ELIZABETH MACIAS CTC-RENTAL DEPOSIT REFUND	10/01/2014	200.00
			Total for Check Number 5117:	200.00
5118	10154 CAFR248573 CAFR248573 CAFR248573	FASTENAL COMPANY VAR-MISC PARTS AND SUPPLIES <\$50 VAR-MISC SUPPLIES <\$50 VAR-MISC SUPPLIES <\$50	10/01/2014	47.63 6.70 8.71
			Total for Check Number 5118:	63.04
5119	10572 10774693	FRESNO CITY COLLEGE PD-REGISTRATION FOR FTO TRAINING (O	10/01/2014	97.00
			Total for Check Number 5119:	97.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
5120	10169 21203	FRESNO PET CEMETERY AAC-7 ANIMAL CARCASSES DISPOSED OF	10/01/2014	141.20
Total for Check Number 5120:				141.20
5121	10205 458684	INDEPENDENT STATIONERS CS-PENCIL SHARPENER	10/01/2014	26.46
Total for Check Number 5121:				26.46
5122	10208 156891	INDUSTRIAL CHEM LABS/SERVICES SWR-LIFT STATION DEGREASER	10/01/2014	251.41
Total for Check Number 5122:				251.41
5123	10568 44832	JOSE DELGADO CTC-RENTAL DEPOSIT REFUND	10/01/2014	100.00
Total for Check Number 5123:				100.00
5124	10238 15044 15044	KERMAN UNIFIED SCHOOL DIST CS-PGE BALLFIELD LIGHTS GOLDENROD CS-PGE BALLFIELD LIGHTS GOLDENROD	10/01/2014	1,003.80 741.47
Total for Check Number 5124:				1,745.27
5125	10565 44935	LIZ DUARTE CTC-FACILITY USE REFUND	10/01/2014	100.00
Total for Check Number 5125:				100.00
5126	10567 9414	MARCI REYES REC-REFUND FOR BABYSITTING CLASS	10/01/2014	90.00
Total for Check Number 5126:				90.00
5127	10569 43786	MARIA OLIVARES CTC-RENTAL DEPOSIT REFUND	10/01/2014	253.38
Total for Check Number 5127:				253.38
5128	10282 726755003001 726755003001 73100235001 73100235001 73100235001 73100235001	OFFICE DEPOT WTR-OFFICE SUPPLIES SWR-OFFICE SUPPLIES SWR-OFFICE SUPPLIES WTR-OFFICE SUPPLIES WTR-OFFICE SUPPLIES WTR-OFFICE SUPPLIES	10/01/2014	13.72 13.72 6.37 6.38 5.11 5.11
Total for Check Number 5128:				50.41
5129	10457 279651 464394 490073 490073 627952	OFFICEMAX INC. PD-OFFICE SUPPLIES PD-CREDIT MEMO WTR-COPY PAPER SWR-COPY PAPER PD-OFFICE SUPPLIES, COPY PAPER, COLO	10/01/2014	29.64 -58.18 85.88 85.88 161.40
Total for Check Number 5129:				304.62
5130	10289 62067886903	P.G.& E. CS-MONTHLY SERVICE 8/11-9/9	10/01/2014	1,230.67

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
	62067886903	CS-MONTHLY SERVICE 8/11-9/9		115.92
	62067886903	CS-MONTHLY SERVICE 8/11-9/9		3,018.26
	62067886903	CS-MONTHLY SERVICE 8/11-9/9		788.89
	62067886903	CS-MONTHLY SERVICE 8/11-9/9		100.00
Total for Check Number 5130:				5,253.74
5131	10561 206324	SOUTHERN COMPUTER WAREHOUSE FIN-DESKTOP COMPUTER REPLACEMENT	10/01/2014	569.84
Total for Check Number 5131:				569.84
5132	10346 LW1460052	STATE WATER RESOURCE CNTRL BRI WTR-(SYSTEM#1010018) LARGE WATER SY	10/01/2014	2,997.26
Total for Check Number 5132:				2,997.26
5133	10566 91914	SUSAN LUJANO REC-REFUND FOR BABYSITTING CLASS	10/01/2014	45.00
Total for Check Number 5133:				45.00
5134	10386 093014 093014 093014 093014 093014 093014 093014 093014 093014 093014 093014	US BANK CORPORATE PAYMENT VAR-CREDIT CARD CHARGES VAR-CREDIT CARD CHARGES	10/01/2014	479.99 141.72 42.38 24.51 150.00 993.70 650.92 50.24 34.99 25.13
Total for Check Number 5134:				2,593.58
5135	10389 25245 25246 25247	VALLEY AIR CONDITIONING CS-THERMOSTAT REPLACEMENT FOR PGI CS-THERMOSTAT REPLACEMENT FOR PGI CS-THERMOSTAT REPLACEMENT FOR PGI	10/01/2014	380.00 760.00 475.00
Total for Check Number 5135:				1,615.00
5136	10392 091614 091714 091814 091814 091914	VALLEY FOOD CENTER CS-SENIOR CENTER EVENT SUPPLIES-ME REC-SUPPLIES FOR HACIENDA HEIGHTS REC-CPRS MEMBERSHIP LUNCH ORDER REC-OVERPAYMENT FOR LUNCH ORDER REC-TEEN SCENE CONCESSION SUPPLIES	10/01/2014	27.55 8.61 95.00 -25.00 11.87
Total for Check Number 5136:				118.03
5137	10399 209538	VETERINARY MEDICAL CENTER AAC-6 EUTHANASIA OF ANIMALS	10/01/2014	112.40
Total for Check Number 5137:				112.40
5138	10406 44754	WEST HILLS OIL, INC V/E-FUEL SEPTEMBER 1-15, 1270.616 GALL	10/01/2014	4,777.88
Total for Check Number 5138:				4,777.88

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
			Total for 10/1/2014:	52,241.95
ACH	10147 10032014 10032014	Employment Development Department HR-C PR TAX DEPOSIT 10/3/14 SIT PAYABL HR-C PR TAX DEPOSIT 10/3/14 SDI PAYABL	10/03/2014	3,985.99 1,231.58
			Total for this ACH Check for Vendor 10147:	5,217.57
ACH	10517 10032014 10032014 10032014	Federal Taxes-Payroll HR-C PAYROLL TAX DEPOSIT 10/3/14 FIT P HR-C PAYROLL TAX DEPOSIT 10/3/14 FICA HR-C PAYROLL TAX DEPOSIT 10/3/14 FICA	10/03/2014	14,517.42 15,956.88 3,731.76
			Total for this ACH Check for Vendor 10517:	34,206.06
ACH	10518 100314	Kerman Police Officers Assn. HR- C MEMBERSHIP DUES 10/3/14	10/03/2014	588.12
			Total for this ACH Check for Vendor 10518:	588.12
ACH	10519 100314	Kerman Municipal Employees Assn. HR-C MEMBERSHIP DUES 10/3/14	10/03/2014	180.00
			Total for this ACH Check for Vendor 10519:	180.00
ACH	10520 10032014	ICMA-RC HR-C DEFERRED COMP 10/3/14	10/03/2014	1,735.33
			Total for this ACH Check for Vendor 10520:	1,735.33
ACH	10522 100314 100314	CalPERS HR-C EMPLOYEE CONTRIBUTION HR-C EMPLOYER CONTRIBUTION	10/03/2014	11,718.36 7,843.46
			Total for this ACH Check for Vendor 10522:	19,561.82
5139	10078 10032014	CALIFORNIA STATE DISBURSEMENT HR-C WAGE ASSIGNMENT P/R DATE 10/3/1	10/03/2014	257.80
			Total for Check Number 5139:	257.80
5140	10345 10032014	STATE OF CALIFORNIA HR-C FTB TAX-WAGE GARNISHMENT P/R	10/03/2014	115.00
			Total for Check Number 5140:	115.00
			Total for 10/3/2014:	61,861.70
5141	10580 100714	AARON & ANGIE GALVAN C-UTILITY DEPOSIT REFUND	10/08/2014	76.82
			Total for Check Number 5141:	76.82
5142	10010 41362505 41362505 41362505 41362505 41362505	ACCONTEMPS FIN-TEMP AGENCY PERSONNEL 39.75 HOU FIN-TEMP AGENCY PERSONNEL 39.75 HOU FIN-TEMP AGENCY PERSONNEL 39.75 HOU FIN-TEMP AGENCY PERSONNEL 39.75 HOU FIN-TEMP AGENCY PERSONNEL 39.75 HOU	10/08/2014	33.78 236.51 202.73 168.94 33.79

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
	41362506	FIN-TEMP AGENCY PERSONNEL 38.5 HOU		32.72
	41362506	FIN-TEMP AGENCY PERSONNEL 38.5 HOU		229.08
	41362506	FIN-TEMP AGENCY PERSONNEL 38.5 HOU		196.35
	41362506	FIN-TEMP AGENCY PERSONNEL 38.5 HOU		163.63
	41362506	FIN-TEMP AGENCY PERSONNEL 38.5 HOU		32.72
			Total for Check Number 5142:	1,330.25
5143	10574 606	AGRONATURAL CS-QUANTUM LIGHTS TREE FERTILIZER	10/08/2014	272.73
			Total for Check Number 5143:	272.73
5144	10067 093014	CALIFORNIA BUILDING STANDARDS FIN-BUILDING STANDARDS ADMIN FEE 3I	10/08/2014	58.50
			Total for Check Number 5144:	58.50
5145	10085 PQ08647	CDW GOVERNMENT WTR-REPLACEMENT BATTERY/UPS @ WE	10/08/2014	143.49
			Total for Check Number 5145:	143.49
5146	10589 100714	CHARLOTTE SALWASSER C-UTILITY PREPAYMENT REFUND	10/08/2014	24.20
			Total for Check Number 5146:	24.20
5147	10095 5327523 5327534	CHEM QUIP INC WTR-DEPOSIT REFUND/PALLETS/CARBO WTR-CHLORINE FOR WELL SITES	10/08/2014	-440.00 2,965.22
			Total for Check Number 5147:	2,525.22
5148	10098 75672	CLEANSTREET STRT-STREET CLEANING SPECIAL RATE, C	10/08/2014	794.25
			Total for Check Number 5148:	794.25
5149	10108 121388	COOKS COMMUNICATIONS V/E-COMPUTER CHARGES FOR 1454 & 145	10/08/2014	361.47
			Total for Check Number 5149:	361.47
5150	10577 239	COOMBS SERVICE GROUP SWR-20% CLEAN AND REPAIR DIFFUSERS	10/08/2014	2,570.00
			Total for Check Number 5150:	2,570.00
5151	10595 100714	DAN MOROZOFF C-UTILITY PREPAYMENT REFUND	10/08/2014	11.25
			Total for Check Number 5151:	11.25
5152	10124 441723 441724	DELRAY TIRE & RETREADING V/E-4 TIRES FOR STOCK V/E-4 TIRES FOR STOCK	10/08/2014	463.19 406.61
			Total for Check Number 5152:	869.80
5153	10135 SO-2104 SO-2115	DISCOVERY DOOR, INC BPO-KEY FOR P.D. (6PIN KEYWAY CORE) BPO-KEY FOR CITY HALL (6PIN KEYWAY C	10/08/2014	48.05 99.57

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
			Total for Check Number 5153:	147.62
5154	10136 100614	DIVISION OF THE STATE ARCHITCT FIN-REMIT STATE FEE ON BUSINESS LICE	10/08/2014	13.80
			Total for Check Number 5154:	13.80
5155	10546 092314 092314	DOMINGO ZAPATA WTR-MILEAGE TO TRAINING/GRADE III SWR-MILEAGE TO TRAINING/GRADE III	10/08/2014	155.12 156.80
			Total for Check Number 5155:	311.92
5156	10583 100714	EBK CO BOUTIQUE OR ERIKA BARAJ. C-UTILITY DEPOSIT REFUND	10/08/2014	142.16
			Total for Check Number 5156:	142.16
5157	10575 43551	ERIKA HERNANDEZ CTC-FACILITY USE REFUND - 10/4/14	10/08/2014	400.00
			Total for Check Number 5157:	400.00
5158	10576 163541 163541	ERNEST PACKAGING SOLUTIONS BPO-GRAFFITI REMOVER STRT-GRAFFITI REMOVER	10/08/2014	157.08 157.07
			Total for Check Number 5158:	314.15
5159	10157 1030492	FERGUSON ENTERPRISES INC. WTR-HYDRANT PARTS/MADERA AVE REP,	10/08/2014	111.68
			Total for Check Number 5159:	111.68
5160	10159 100114	FRESNO COUNCIL OF GOVERNMENT; ADM-MEMBERSHIP DUES 2014/15	10/08/2014	595.00
			Total for Check Number 5160:	595.00
5161	10166 1034 1034	FRESNO/MADERA AGENCY ON AGINC NUT-MEALS NUT-SITE SUPPLIES	10/08/2014	72.03 186.35
			Total for Check Number 5161:	258.38
5162	10582 100714	GERMAN RODRIGUEZ C-UTILITY DEPOSIT REFUND	10/08/2014	44.21
			Total for Check Number 5162:	44.21
5163	10588 100714	GLORIA ZAVALA C-UTILITY PREPAYMENT REFUND	10/08/2014	20.55
			Total for Check Number 5163:	20.55
5164	10191 169381 17167 17176	H & J CHEVROLET INC V/E-LABEL, CLUTCH FOR #1374 &1373 V/E-PUMP, HARNESS FOR #1373 & 1461 V/E-BELTS FOR #1373	10/08/2014	200.96 221.65 85.82
			Total for Check Number 5164:	508.43

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
5165	10194 D054999 D054999	HD SUPPLY WATERWORKS, LTD WTR-7 G-5 LIDS MARKED WATER WTR-3 G-5 LIDS MARKED WATER	10/08/2014	153.41 65.75
Total for Check Number 5165:				219.16
5166	10196 69478473 69478473	HELENA CHEMICAL COMPANY SWR-HERBICIDE FOR WWTP-ROUND UP 3 SWR-HERBICIDE FOR WWTP-FINALE 85 G	10/08/2014	162.34 459.96
Total for Check Number 5166:				622.30
5167	10198 22085 22086 22087 22089 22090 22091 22092	HENRY, LOGOLUSO, & BLUM PROF CC-SEPTEMBER LEGAL FEES-MONTHLY M CC-SEPTEMBER LEGAL FEES-PACIFIC MO CC-SEPTEMBER LEGAL FEES-WALMART CC-SEPTEMBER LEGAL FEES-GENERAL O CC-SEPTEMBER LEGAL FEES-PERSONNEL CC-SEPTEMBER LEGAL FEES-POLICE ONC CC-SEPTEMBER LEGAL FEES-PITCHESS M	10/08/2014	500.00 30.00 648.00 492.00 1,320.00 120.00 1,188.00
Total for Check Number 5167:				4,298.00
5168	10203 43786	HUB INTERNATIONAL OF CA CTC-EVENT INSURANCE-M. OLIVARES 09/	10/08/2014	146.62
Total for Check Number 5168:				146.62
5169	10514 11247 11247	ICAD INC. WTR-UPGRADE SCADA/WINDOWS 7/WINS WTR-UPGRADE SCADA/WINDOWS 7/WINS	10/08/2014	358.50 358.50
Total for Check Number 5169:				717.00
5170	10205 461432 461777 462187	INDEPENDENT STATIONERS CS-ENVELOPES & STIR STICKS CS-FLYERS, PAPER/PEN REFILL CS-TONER, RECHARGEABLE BATTERY	10/08/2014	39.06 116.87 177.31
Total for Check Number 5170:				333.24
5171	10578 100714	JOSE CUEVAS C-UTILITY DEPOSIT REFUND	10/08/2014	149.36
Total for Check Number 5171:				149.36
5172	10453 119	KERMAN NEWS CS-KERMAN NEWS 2 YR SUBSCRIPTION-S	10/08/2014	50.00
Total for Check Number 5172:				50.00
5173	10459 119705 119816	KERMAN PARTS SALES V/E-ALUMINUM JACK #1426 V/E-LIFT SUPPORT FOR #1397	10/08/2014	258.66 40.87
Total for Check Number 5173:				299.53
5174	10586 100714	LINDA CAMPA C-UTILITY DEPOSIT REFUND	10/08/2014	45.10
Total for Check Number 5174:				45.10

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
5175	10579 100714	MANUEL DE JESUS OSEGUEDA C-UTILITY DEPOSIT REFUND	10/08/2014	60.64
Total for Check Number 5175:				60.64
5176	10593 100714	MARIA & ROBERTO LEON MENDOZA C-UTILITY PREPAYMENT REFUND	10/08/2014	25.10
Total for Check Number 5176:				25.10
5177	10587 100714 100714	MARTHA & ROBERTO AGUILAR VIVA C-UTILITY DEPOSIT REFUND C-UTILITY PREPAYMENT REFUND	10/08/2014	129.10 56.31
Total for Check Number 5177:				185.41
5178	10590 100714	MARTY APODACA C-UTILITY DEPOSIT REFUND	10/08/2014	114.41
Total for Check Number 5178:				114.41
5179	10592 100714	MIGUEL PEREZ C-UTILITY DEPOSIT REFUND	10/08/2014	51.91
Total for Check Number 5179:				51.91
5180	10487 VARIOUS	LORA NEHRING REC-INSTRUCTOR FEE ZUMBA 9/14	10/08/2014	94.50
Total for Check Number 5180:				94.50
5181	10282 730528621001	OFFICE DEPOT BPO-OFFICE SUPPLIES	10/08/2014	99.59
Total for Check Number 5181:				99.59
5182	10289 546777383090 546777383090 546777383090 546777383090 90812037183	P.G.& E. WTR/SWR/SD-MONTHLY SERVICE 8/29-9/2' WTR/SWR/SD-MONTHLY SERVICE 8/29-9/2' WTR/SWR/SD-MONTHLY SERVICE 8/29-9/2' WTR/SWR/SD-MONTHLY SERVICE 8/29-9/2' BPO-MONTHLY SERVICE-KATIES PARK	10/08/2014	30,064.04 162.76 86,008.39 51.22 70.07
Total for Check Number 5182:				116,356.48
5183	10591 100714	PAUL & SHAWNA GREEN C-UTILITY PREPAYMENT REFUND	10/08/2014	18.06
Total for Check Number 5183:				18.06
5184	10573 170242	PILOT ROCK CS-REPLACEMENT BBQ GRILL LIONS PAR	10/08/2014	293.80
Total for Check Number 5184:				293.80
5185	10310 215932	PROFORCE LAW ENFORCEMENT PD-TASER CARTRIDGES AND POWER MAC	10/08/2014	1,031.06
Total for Check Number 5185:				1,031.06
5186	10319 060614 061714	RENO'S HARDWARE LLD-SUPPLIES <\$50 BPO-SUPPLIES <\$50	10/08/2014	47.55 146.60

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
	061714	WTR-SUPPLIES <\$50		13.32
	090914	LLD-SUPPLIES <\$50		41.07
	090914	BPO-SUPPLIES <\$50		107.82
	091214	V/E-SUPPLIES <\$50		42.14
	444020	STRT-SUPPLIES		52.64
	44640	V/E-SUPPLIES		6.46
	47144	BPO-RAKES FOR HARVEST FESTIVAL		56.11
	47324	STRT-SUPPLIES		9.58
			Total for Check Number 5186:	523.29
5187	10581 100714	ROSE ANN BOGDANOV C-UTILITY PREPAYMENT REFUND	10/08/2014	3.39
			Total for Check Number 5187:	3.39
5188	10329 223611	SAN JOAQUIN VALLEY AIR POLL SWR-BURN PERMIT #140159 WWTP/WEED	10/08/2014	26.00
			Total for Check Number 5188:	26.00
5189	10585 100714 100714	SANDRA B MARTINEZ C-UTILITY DEPOSIT REFUND C-UTILITY PREPAYMENT REFUND	10/08/2014	150.00 34.00
			Total for Check Number 5189:	184.00
5190	10584 100714	SCOTT AND JANELLE DARLING C-UTILITY DEPOSIT REFUND	10/08/2014	134.64
			Total for Check Number 5190:	134.64
5191	10332	SEBASTIAN	10/08/2014	
	10273840	VAR-MONTHLY PHONE SERVICE 9/21-10/20		541.53
	10273840	VAR-MONTHLY PHONE SERVICE 9/21-10/20		16.66
	10273840	VAR-MONTHLY PHONE SERVICE 9/21-10/20		24.99
	10273840	VAR-MONTHLY PHONE SERVICE 9/21-10/20		208.29
	10273840	VAR-MONTHLY PHONE SERVICE 9/21-10/20		2.08
	10273840	VAR-MONTHLY PHONE SERVICE 9/21-10/20		7.50
	10273840	VAR-MONTHLY PHONE SERVICE 9/21-10/20		191.63
	10273840	VAR-MONTHLY PHONE SERVICE 9/21-10/20		291.60
	10273840	VAR-MONTHLY PHONE SERVICE 9/21-10/20		62.49
	10273840	VAR-MONTHLY PHONE SERVICE 9/21-10/20		208.29
	10273840	VAR-MONTHLY PHONE SERVICE 9/21-10/20		312.43
	10273840	VAR-MONTHLY PHONE SERVICE 9/21-10/20		47.91
	10273840	VAR-MONTHLY PHONE SERVICE 9/21-10/20		208.29
	10273840	VAR-MONTHLY PHONE SERVICE 9/21-10/20		104.00
	10273840	VAR-MONTHLY PHONE SERVICE 9/21-10/20		70.82
	10273840	VAR-MONTHLY PHONE SERVICE 9/21-10/20		133.30
	10273840	VAR-MONTHLY PHONE SERVICE 9/21-10/20		79.15
	10277952	ADM-MONTHLY BURGULAR ALARM SERV		49.88
	10277953	ADM-MONTHLY FIRE ALARM SERVICE 9/2		49.88
			Total for Check Number 5191:	2,610.72
5192	10594 100714	STEPHEN & JANA DAVIES C-UTILITY DEPOSIT REFUND	10/08/2014	81.52
			Total for Check Number 5192:	81.52
5193	10354 2014826	T & T PAVEMENT MARKINGS STRT-TYPE I GLASS BEADS-500 LBS	10/08/2014	227.27

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
			Total for Check Number 5193:	227.27
5194	10441 686780700	TURF STAR INC. V/E-PARTS TO FIX MOWER	10/08/2014	311.56
			Total for Check Number 5194:	311.56
5195	10389 28273 28273 28291 28292	VALLEY AIR CONDITIONING CS-CITY PREVENTATIVE MAINTENANCE- CS-CITY PREVENTATIVE MAINTENANCE- CS-CITY PREVENTATIVE MAINTENANCE- CS-CITY PREVENTATIVE MAINTENANCE-	10/08/2014	575.00 375.00 580.00 312.50
			Total for Check Number 5195:	1,842.50
5196	10392 092314 092414	VALLEY FOOD CENTER CS-SENIOR CENTER SODAS CS-SENIOR CENTER COFFEE SUPPLIES	10/08/2014	18.15 19.98
			Total for Check Number 5196:	38.13
5197	10406 226581	WEST HILLS OIL, INC V/E-MOTOR OIL-55(5/20) AND 55(5W30)	10/08/2014	1,454.76
			Total for Check Number 5197:	1,454.76
5198	10412 101303691 101303691	XEROX CORPORATION ADM-COPIER LEASE ADM-PRINT CHARGES @ .006400	10/08/2014	299.31 112.83
			Total for Check Number 5198:	412.14
5199	10413 32279 3228 32280 32281 32282 32284 32285 32286 32287 32288 32289 32290 32291 32292 32293 32294 32295 32296 32297 32298 32299	YAMABE & HORN ENGINEERING ENG-ROUDABOUT AT JENSEN & MADERA ENG-GENERAL ENGINEERING ENG-GOLDENROD RAILROAD CROSSING ENG-WHITESBRIDGE & VINELAND TRAFF ENG-GIS MAPPING ENG-WALMART ONSITE REVIEW ENG-SEWER SYSTEM MANAGEMENT PLA ENG-MID VALLEY DISPOSAL EXPANSION ENG-STANISLAUS AVE & 16TH SIDEWALK ENG-VINELAND AVE WIDENING ENG-UPRR PEDESTRIAN AND BICYCLE TR ENG-GENERAL PLAN UPDATE ENG-PROP 84 WATER METER PROJECT ENG-2014 STANDARDS UPDATE ENG-2014 STREET REPAIR PROJECT ENG-PAVEMENT MANAGEMENT SYSTEM ENG-KERMAN CROSSINGS-PARCEL C SPR ENG-2014 ATP APPLICATION ENG-CDBG FY 15/16 APPLICATION ENG-CALIFORNIA AVENUE RECONSTRUC ENG-CALTRANS PLANNING GRANT APPLI	10/08/2014	285.00 445.00 2,145.00 1,250.00 1,442.50 660.00 142.50 127.50 3,080.00 1,258.75 1,710.00 275.00 1,780.00 1,506.25 888.90 11,138.75 85.00 85.00 1,142.00 2,505.00 297.50
			Total for Check Number 5199:	32,249.65
			Total for 10/8/2014:	177,216.72

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
			Report Total (102 checks):	294,820.37

US BANK

Date	Vendor	Description	Internal Acct Code	Amount	
Joseph Blohm					
09/03/14	EIG HOMESTEAD	2 YEAR SUBSCRIPTION FOR KPD WEBSITE	100.3011.555.02.00	\$ 479.99	
09/11/14	LITTLE CEASARS	PIZZA FOR HARVEST FESTIVAL	100.3011.521.02.00	\$ 16.23	
09/13/14	WALMART	PAPER PRODUCTS FOR HARVEST FESTIVAL	100.3011.521.02.00	\$ 17.61	
09/11/14	MCDONALDS	FOOD FOR HARVEST FESTIVAL	100.3011.521.02.00	\$ 41.88	
				\$ 555.71	Blohm
Terri Cubillos					
09/04/14	OFFICE DEPOT	RULERS FOR T/C COURSE	100.3011.554.05.00	\$ 42.38	
08/28/14	POSTAL ANNEX	SHIPPING FOR TASERS	100.3011.521.07.00	\$ 23.38	
09/09/14	WALMART	DOG FOOD 3 50LB BAGS	100.3041.521.02.00	\$ 64.87	
09/10/14	USPS	POSTAGE DUE FOR TRAINING CD	100.3011.521.07.00	\$ 1.13	
09/17/14	USPS	POSTAGE DUE FOR TRAINING CD	100.3011.521.02.00	\$ 1.13	
				\$ 132.89	Cubillos
Toni Jones					
09/09/14	CSMFO	BUDGET AWARD SUBMISSION	100.5005.510.01.00	\$ 150.00	
				\$ 150.00	Jones
Ken Moore					
09/09/14	QUALITY INN	DOMINGO ZAPATA	420.4042.554.01.00	\$ 293.70	
09/11/14	WQI	DOMINGO ZAPATA-CLASS	420.4042.554.01.00	\$ 700.00	
09/05/14	KERMAN U SAVE	PROPANE FOR FORKLIFT	500.4050.521.03.00	\$ 45.50	
09/19/14	AMAZON	MKTPLACE PAYMENTS	100.4010.521.05.00	\$ 11.90	
09/16/14	FUTURE FORD	ABS MODULE FOR VEH #1455	500.4050.521.03.00	\$ 605.42	
				\$ 1,656.52	Moore
Phillip Gallegos					
08/22/14	AMAZON	PRINTER INK FOR SR COORDINATOR	860.2049.521.01.00	\$ 34.99	
09/11/14	WALMART	PAINT FOR TRANSIT BUS PARADE	860.2049.521.02.00	\$ 25.13	
09/12/14	ROSENBALM ROCKERY	PARK ROCK DRAIN FILTER	100.4010.521.05.00	\$ 38.34	
				\$ 98.46	Gallegos
Marci Reyes					
				\$ -	Reyes
TOTAL				\$ 2,593.58	



City of Kerman

"Where Community Comes First"

MAYOR
Gary Yep

MAYOR PRO-TEM
Doug Wilcox

COUNCIL MEMBER
Raj Dhaliwal

COUNCIL MEMBER
Nathan Fox

COUNCIL MEMBER
Bill Nijjer

DEPARTMENT: POLICE
STAFF REPORT

CITY COUNCIL MEETING

COUNCIL MEETING DATE: OCTOBER 15, 2014

To: Mayor and City Council
From: Joseph Blohm, Chief of Police
Subject: Resolution Opposing Proposition 47

RECOMMENDATION

Council adopts resolution opposing Proposition 47 "Reduced Penalties for Some Crimes".

EXECUTIVE SUMMARY

On June 26, 2014 Proposition 47 "Reduced Penalties for Some Crimes" was certified for the November 4, 2014 ballot after supporters for the proposition obtained the required amount of signatures. This initiative, if it is approved by the state voters, would reduce the classification of most "non-serious and nonviolent property and drug crimes" from a felony to a misdemeanor. In essence this proposition would require misdemeanor sentencing instead of felony for petty theft where the value of property stolen does not exceed \$950; grand theft, where the value of the stolen property does not exceed \$950; receiving stolen property, where the value of the property does not exceed \$950; forgery, where the value of forged check, bond or bill does not exceed \$950; writing a bad check, where the value of the check does not exceed \$950; and personal use of most illegal drugs.

DISCUSSION

Although, the title "The Safe Neighborhoods and Schools Act" seems to benefit our communities, the title is misleading. Reducing the listed felony crimes to misdemeanors will do nothing to protect our communities, but will in turn decriminalize certain crimes and will not be a solution to California's overcrowded criminal justice system. This proposition is poorly drafted and opens the door for the early release of up to 10,000 felons from state prisons, all of whom have committed serious and/or violent crimes.

This proposition not only reduces the penalty for personal drug possession, it also decreases the penalty for the possession of predatory "date rape" drugs such as rohypnol, ketamine, and GHB. This will give sexual predators in possession of date rape drugs with a "get out of jail free" card regardless of how many times a predator is caught with date rape drugs. However, when it comes to simple drug possession, California is already committed to rehabilitation, including treatment and not incarceration as a result of Proposition 36 passed in 2010.

Proposition 47 would redefine grand theft in such a way that any theft, including the theft of a firearm, would only be considered a felony if the value of the object is \$950 or more. This would basically eliminate the automatic felony prosecution for stealing a gun. This proposition would deteriorate years of California policymaking aimed at reducing gun violence.

Specifically the initiative would:

- Mandate misdemeanors instead of felonies for “non-serious, nonviolent crimes,” unless the defendant has prior convictions for murder, rape, certain sex offenses or certain gun crimes. A list of crimes that would be affected by the penalty reduction is listed below.
- Permit re-sentencing for anyone currently serving a prison sentence for any of the offenses that the initiative reduces to misdemeanors. About 10,000 inmates would be eligible for resentencing, according to Lenore Anderson of Californians for Safety and Justice.
- Require a “thorough review” of criminal history and risk assessment of any individuals before re-sentencing to ensure that they do not pose a risk to the public.
- Create a Safe Neighborhoods and Schools Fund. The fund would receive appropriations based on savings accrued by the state during the fiscal year, as compared to the previous fiscal year, due to the initiative’s implementation. Estimates range from \$150 million to \$250 million per year.
- Distribute funds from the Safe Neighborhoods and Schools Fund as follows: 25 percent to the Department of Education, 10 percent to the Victim Compensation and Government Claims Board and 65 percent to the Board of State and Community Correction

Law Enforcement leaders and crime victim advocates overwhelmingly oppose Proposition 47. Those in opposition include the California District Attorneys Association, California Coalition Against Sexual Assault, California Police Chiefs Association, California State Sheriff’s Association, Crime Victims United, California Police Officers Association, and the California Retailers Association.

Staff recommends that Council adopt a resolution formally opposing Proposition 47 to make clear to the Kerman Community that Kerman leaders want to remain tough on crime.

FISCAL IMPACT

None

PUBLIC HEARING

None

Attachments:

- A. Resolution
- B. Frequently Asked Questions
- C. Reasons to Oppose Proposition 47
- D. Letter from California District Attorneys Association

Attachment 'A'

RESOLUTION NO. 14-__

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KERMAN
OPPOSING PROPOSITION 47

WHEREAS, Proposition 47 has qualified for the November 4, 2014 Statewide General Election; and,

WHEREAS, the proponents of this measure concede that Proposition 47 will make up to 10,000 felons eligible for early release; and,

WHEREAS, with the implementation of Public Safety Realignment in 2011, which altered sentencing policy by shifting all newly convicted non-violent, non-serious, non-sex offenders to county supervision, there is currently a significantly diminished population of non-violent offenders in California's prisons, and there is a legitimate question as to how many of the 10,000 inmates eligible for early release could be classified as high-risk for committing subsequent violent offenses; and,

WHEREAS, Proposition 47 contains provisions re-classifying a host of felony offenses or felony/misdemeanor offenses as simple misdemeanors, representing sweeping sentencing reform that would be better accomplished through the state legislative process; and,

WHEREAS, Proposition 47 would redefine grand theft in such a way that theft of a firearm would be considered a misdemeanor unless the value of the gun was greater than \$950, and the overwhelming majority of new handguns sold in California retail for significantly less than that amount; and,

WHEREAS, Proposition 47 would reduce the penalty for possession of illicit drugs, including drugs used to facilitate date-rape, to a simple misdemeanor; and,

WHEREAS, Proposition 47 may further burden our local criminal justice systems by shifting responsibility for additional categories of offenders to already overcrowded county jails; and,

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of Kerman by the adoption of this resolution hereby opposes Proposition 47 on the November 4, 2014 ballot.

The forgoing resolution is hereby approved and adopted on this 23th day of September 2014, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

The foregoing resolution is hereby approved.

Marci Reyes
City Clerk

Gary Yep
Mayor

Attachment 'B'

Proposition 47: FAQs

Frequently Asked Questions (Anticipated)

Question 1: The bill's proponents claim that this initiative is supported by law enforcement, why is CPCA opposed?

Answer 1: The entire law enforcement community opposes Proposition 47. In fact, CPCA is part of an all-encompassing coalition that also includes; The California District Attorneys Association, The California State Sheriffs Association, The California Peace Officers Association, The California Narcotics Officers Association, and the California Fraternal Order of Police. In addition to law enforcement opposition, Proposition 47 is also being actively opposed by victim's rights groups, most notably by Crime Victim Alliance Action, Crime Victims United of California and the California Coalition Against Sexual Assault (CalCASA).

Proponents of Proposition 47 falsely claim broad law enforcement support. They use the District Attorney of San Francisco and a Former Police Chief, who abruptly resigned from his last position, as the faces of Proposition 47. Sadly, the real supporters of Proposition 47 are monied interests that have already put over a million dollars into Proposition 47. These organizations have a long history of supporting programs that provide for the early release of felons (Atlantic Advocacy Group, Open Society Policy Center, Committee for Three Strikes Reform).

Question 2: California's prisons are overcrowded and face mounting pressure to comply with the recent three-judge federal court panel order. Wouldn't this initiative help reduce California's current prison population by allowing non-dangerous offenders to petition to lower their sentence?

Answer 2: The 10,000 felons who will be eligible for early release are decidedly not so-called non-dangerous felons. In fact, an estimated 8,000 of those 10,000 felons include inmates with prior convictions for armed robbery, kidnapping, carjacking, child abuse, residential burglary, arson, assault with a deadly weapon and many other serious crimes will be eligible for early release under Proposition 47 (Legislative Analyst's Office). Proposition 47 supporters claim that 10,000 inmates will be eligible for early release. This is neither a sustainable nor responsible method of reducing California's prison population. While Proposition 47's backers say judges will be able to keep dangerous offenders from being released early, Proposition 47 actually prevents judges from blocking the early release of prisoners except in very rare cases. For example, even if the judge finds that the inmate poses a risk of committing crimes like kidnapping, robbery, assault, spousal abuse, torture of small animals, carjacking or felonies committed on behalf of a criminal street gang, Proposition 47 requires their release.

Question 3: Why does law enforcement send someone convicted of drug possession to prison or county jail?

Answer 3: This is a common misconception. There are no "petty" criminals in our prisons anymore, nor is anyone incarcerated for drug possession. In 2000 California voters passed Proposition 36. Under Proposition 36, defendants convicted of non-violent drug possession receive a probationary sentence in lieu of incarceration. As a condition of probation, defendants are required to participate in and complete a licensed and/or certified community drug treatment program. If the defendant fails to complete this program or violates any other term or condition of their probation, then the defendant is sent to additional treatment programs. As a practical matter, virtually no one is incarcerated in California for simple drug possession.

Question 4: Proposition 47 purports to create "safe neighborhoods and schools". How does the proposition propose to accomplish this financially?

Answer 4: Beginning in July 2016, the Department of Finance would be required to calculate annually how much money was saved by the implementation of this act and transfer that amount of money from the General Fund to the Safe Neighborhoods and Schools Fund, which will be a continuously appropriated Special Fund. Money from the Safe Neighborhoods and Schools Fund will be allocated as follows: 65% to the Board of State and Community Corrections (BSCC) for grant programs to public agencies aimed at supporting mental health and substance abuse treatment, as well as diversion programs; 25% to the California Department of Education (CDE) for grants targeted at reducing truancy, drop-outs, and crime victims among K-12 students; 10% to the Victims Compensation and Government Claims Board (VCGCB) for victim services grants.

Note: The "savings" can come from anywhere in the State budget. It is entirely possible that "savings" could be identified in the funds that the state now sends to counties pursuant to realignment. For example, since the seven categories of crimes reclassified by Proposition 47 would no longer be felonies (currently they are all non-non-non felonies) they would be outside the scope of county realignment responsibilities. This could give rise to a take-away from counties of a portion of realignment funding. Since the decision of the Department of Finance is final, this closed door decision could have severe implications for current realignment funding.

Question 5: Is anyone excluded from the provisions of Proposition 47?

Answer 5: Hardly. Anyone who has a prior conviction for one of the "super strike" offenses in PC 667(e)(2)(C)(iv) or an offense that requires registration under PC 290 would be subject to an 1170(h) wobbler for any of the crimes covered by the initiative rather than just a misdemeanor, and would not be eligible to petition for resentencing or reclassification of their conviction. The "super strike" offenses in PC 667(e)(2)(C)(iv) are sexually violent offenses, child molestation, homicide or attempted homicide, solicitation to commit murder, assault with a machine gun on a peace officer or firefighter, possession of a weapon of mass destruction, and any serious or violent felony punishable by life imprisonment or death.

Attachment 'C'

Reasons to Oppose Proposition 47

- a. Proponents of Proposition 47 admit that the proposition will open the door for the release of up to 10,000 California State Prisoners. The vast majority of these felons have serious or violent criminal histories. Under Proposition 47, these prisoners must be released unless the court finds that they are likely to commit a very narrow range of crimes. Under Proposition 47, persons with prior convictions for carjacking, felonies committed on behalf of organized criminal enterprises, armed robbery, felony assault and battery, arson, stalking, and holding a victim in sexual slavery all must be given early release.
- b. Proposition 47 would eliminate automatic felony prosecution for stealing a gun. People steal handguns for violent, predatory purposes, not to add to their own gun collection. Under current law, regardless of the value of the gun, stealing a gun is a felony, *as it should be*. Proposition 47 would redefine grand theft in such a way that theft of a firearm would only be considered a felony if the value of the gun is \$950 or more. The average Glock 17 costs between \$300 and \$425. Handguns do not retail for more than \$950. In fact, under Proposition 47, a defendant accused of stealing multiple firearms would only face misdemeanor charges so long as the aggregate value is below \$950. Prop 47 also allows more dangerous criminals to legally own guns. Felony convictions carry a lifetime prohibition on owning guns. This measure takes many of those felonies and reduces them to misdemeanors, allowing people convicted of these offenses to escape restrictions on gun ownership.
- c. Under Proposition 47, sexual predators found in possession of date rape drugs would only face misdemeanor charges; regardless of how many times the individual was found in possession of date-rape drugs. This comes at a time when reports of forcible sex offenses on college campuses nationwide are on the rise. In 2012, there were more than 3,900 reports of forcible sex offenses on college campuses, up 50 percent over three years (source: Washington post). This number is incredibly high, considering that according to the US Department of Justice, less than 5% of rape victims attending college report their attack to law enforcement (source: Senator Claire McCaskill). This provision essentially provides sexual predators in possession of date-rape drugs with a "get out of jail free" card.
- d. Proposition 47 provides that forgery is a straight misdemeanor if the person is forging a financial instrument that does not exceed \$ 950.00. Under current law, forgery is a wobbler. The language of the measure suggests that even where a person had forged multiple documents whose aggregate value exceeded \$ 950.00, the person could only be charged with a misdemeanor. This has enormous implications for small businesses.
- e. Under Proposition 47, all drug possession cases, such as possession of heroin, cocaine, or methamphetamines, would be reduced to straight misdemeanors, regardless of if the drug is intended for personal or predatory purposes. It is unclear how much "savings" is achieved by this measure. Proposition 36, enacted in 2000, requires multiple treatment opportunities before an individual can be incarcerated for felony drug possession. The likely impact of this provision will be to disincentivize the population impacted by Proposition 36 from seeking treatment at all. Effectively this provision increases the prospects of addicts continuing their addiction and continuing to commit crimes to feed their habit.

Attachment 'D'



CALIFORNIA DISTRICT ATTORNEYS ASSOCIATION

921 11th Street, Suite 300 • Sacramento, CA 95814 • (916) 443-2017 • www.cdaa.org

MEMORANDUM

TO: Jennifer Jacobs

FROM: Sean Hoffinan, Director of Legislation, California District Attorneys Association

SUBJECT: Impact of Proposition 47 on California Retailers

DATE: 9/16/14

Summary

Proposition 47 is deemed by its proponents as the "Safe Neighborhoods and Schools Act", though a more accurate title may be the "Professional Retail Thieves Empowerment Act". While we believe the notion of reducing criminal penalties for property crimes is misguided on its face, it is particularly harmful to California retailers, their employees, and their customers.

Proposition 47 ignores the fact that there are criminals whose very business is to steal. It does nothing to discourage that conduct, and in fact, encourages it by providing for virtually unlimited misdemeanor convictions for shoplifting, petty theft, and other crimes, the primary targets of which are California retailers.

Commercial Burglary

Section Five of Proposition 47 adds Penal Code Section 459a, which creates the new misdemeanor of "shoplifting," defined as entering a commercial establishment with intent to commit larceny while that establishment is open during regular business hours, where the value of the property that is taken does not exceed \$950. Subdivision (b) further clarifies that any act of shoplifting, as defined, shall be charged as shoplifting, and may not be charged as burglary or theft.

Presently, prosecutors have some discretion on how to charge an individual who steals property from a store. Generally, a first time offender who is stealing low-value items is already likely to be charged with simple misdemeanor petty theft. However, for individuals with prior petty theft convictions, the prosecutor may charge the individual with felony burglary (essentially defined as entering any building with the intent to commit larceny). Proposition 47 eliminates commercial burglary as a charging option, as long as it is committed during store hours.

By creating this new crime of "shoplifting" and stating that such activity may only be charged as a misdemeanor, the authors of Prop 47 have invited professional retail thieves to take aim at

California retailers. No matter how many times a person shoplifts merchandise, as long as it doesn't exceed \$950 in a single trip, he or she can only be charged with a misdemeanor, which will result in little, if any, meaningful jail time. In most counties, a person convicted of misdemeanor shoplifting will not serve any actual time in custody. The authors of Proposition 47 are taking most of the risk to the perpetrator out of this criminal enterprise. This will lead to increased property crimes and costs to businesses that will be passed on to consumers.

Even worse, by making "during regular business hours" an element of the new crime, the authors have encouraged these thieves to commit their offenses while shoppers and employees are present in the store -- putting them squarely in harm's way. Make no mistake; these thieves can have heinous prior offenses on their records. Proposition 47 is drafted in such a way that even people with prior convictions for violent crimes like carjacking, kidnapping, and armed robbery would still be subject to these lower penalties, and judges would have no choice but to sentence them every time as if it was a first offense.

Forgery

Section Six amends Penal Code Section 473, which deals with the crime of forgery. Under existing law, forgery is a wobbler, meaning it can be charged as a misdemeanor or a felony, depending on the circumstances. Proposition 47 would make forgery of a financial instrument (check, bank note, cashier's check, travelers check, etc) a misdemeanor if the value of the instrument does not exceed \$950. Again, the effective decriminalization of this activity further encourages professional criminals to defraud California retailers through the use of forged checks.

Bad Checks

Section Seven amends Penal Code Section 476a, as it relates to the crime of writing bad checks. Under current law, writing bad checks totaling \$450 or less is a straight misdemeanor, unless the person has a prior conviction for a theft-related offense, in which case it is a wobbler. Proposition 47 changes both the dollar threshold and the prior conviction requirements.

Under the lenient policies of Proposition 47, an individual can write bad checks up to \$950 and face only a straight misdemeanor. Further, instead of making it a wobbler for anyone with a theft-related prior, it would only become a wobbler if the person had THREE theft-related priors. This is sending a message to criminals -- it's okay to write bad checks more frequently and for higher amounts, because the only real "victim" is a business. Sadly, this ignores the real implications of how the costs associated with that increased fraud risk will affect a business's ability to hire and retain employees, and will drive up the cost of goods.

Grand Theft/Credit Card Fraud

Section Eight adds Penal Code Section 490.2, which redefines petty theft as "obtaining any property by theft where the value of the money, labor, real or personal property taken does not exceed \$950," and makes it a misdemeanor. On its face, this doesn't seem like a huge change.

Under current law, it is already generally considered felony grand theft if a person steals property valued at more than \$950. There are, however, other statutes that define particular acts or theft of particular kinds of property as grand theft at much lower values, or in some cases, regardless of the value. For example, theft of crops becomes grand theft when the value exceeds \$250, and stealing a gun is always grand theft. Proposition 47, however, is drafted in such a way that its new definition of petty theft supersedes any grand theft definition already in statute. In the above examples, it would require the stolen crops or guns to be valued at more than \$950 to be considered grand theft.

This becomes incredibly problematic for retailers (especially those who offer store credit cards) in the context of credit card fraud. Under existing Penal Code Section 484g, it is grand theft for a person to obtain goods by falsely representing that he or she is the cardholder, if the value of goods furnished exceeds \$950 in any consecutive six-month period. We read Proposition 47 to hold that such conduct would only be grand theft if the value of goods furnished exceeds \$950 *in any single transaction*.

Imagine a scenario in which a person steals six credit cards. Once a month, they use a different stolen credit card to obtain \$200 in goods. Under existing law, the total value (\$1,200) within that six month period is enough to trigger felony prosecution for grand theft.

Now consider a similar scenario under Proposition 47. A person steals six credit cards on Sunday. On each of the next six days, they use a different credit card to obtain \$950 worth of goods. Despite having stolen \$5,700 worth of goods in a week, that person could only be charged with misdemeanor petty theft for each transaction because none of them individually exceeded \$950. Taken to the extreme, over a six month period (180 days), a person could conceivably steal \$171,000 worth of goods through the use of stolen credit cards and never face more than a misdemeanor as long as they limited each transaction to \$950.

Receiving Stolen Property

Section Nine amends Penal Code Section 496, which currently provides that the knowing receipt of stolen property is a wobbler. Under Proposition 47, as long as the value of the stolen property does not exceed \$950, the person who received, concealed, or sold that property could only be charged with a misdemeanor, regardless of how many times they committed the offense.

Again, this serves only to benefit professional retail theft organizations, and the professional "fences" they employ. One guy goes into the store and steals the merchandise, hands it off to another individual who sells it on the street, and they funnel the cash back into their criminal enterprise. Under Proposition 47, the maximum criminal exposure for either of those individuals is a misdemeanor, which, given the early release programs in place in a number of county jails, acts as an insignificant deterrent.

Conclusion

Proposition 47 is predicated on the idea that most property crimes are minor, and that the impact on victims is insignificant. Accordingly, it seeks to ensure that people who commit these crimes

spend far less time incarcerated than they do now. This is misguided. Beyond the retributive justification for incarceration, it also serves as a deterrent to those who might be enticed to commit similar crimes in the future. California retailers, in particular, benefit from this inasmuch as individuals with prior theft convictions are deterred from further criminal activity because they may face felony charges. Proposition 47 does away with that charging option and declares open season on California retailers.

The timing of these proposed changes could not be worse. According to a December 2013 study by the Public Policy Institute of California, which focused on crime rates in the first two years after the implementation of Public Safety Realignment, property crime was up 7.6 percent. The authors of the PPIC study noted that they “estimate an additional one to two property crimes per year on average for each offender who is not incarcerated as a result of realignment.” This is common sense – when these individuals are on the street, property crime rates rise. Proposition 47 exacerbates this problem by granting early release to even more individuals (as many as 10,000 by the proponents’ own admission) and making it more difficult to put serial thieves behind bars.

So, it becomes a numbers game where thieves see how many times they can steal from California retailers before they are caught. If they happen to get caught, they might serve a couple of weeks in county jail, and then they’re back out on the street, ready to play the odds again. Over and over and over, without ever facing more than a misdemeanor. Meanwhile, the employees and customers of California retailers are put squarely in harm’s way – both physically, and economically.

While there are plenty of things to dislike about Proposition 47, the changes regarding commercial burglary, forgery, bad checks, grand theft, and receiving stolen property are likely to have the most negative direct impact on California retailers.



City of Kerman

"Where Community Comes First"

MAYOR Gary Yep
MAYOR PRO-TEM Doug Wilcox
COUNCIL MEMBER Raj Dhaliwal
COUNCIL MEMBER Nathan Fox
COUNCIL MEMBER Bill Nijjer

DEPARTMENT: CITY MANAGER
STAFF REPORT
CITY COUNCIL MEETING
COUNCIL MEETING DATE: OCTOBER 15, 2014

To: Mayor and City Council
From: Luis Patlan City Manager/Director of Planning & Development
Subject: Presentation of California HERO Program

RECOMMENDATION

Council receive report on Hero Program and consider by motion adoption of resolution approving an Amendment to the Western Riverside Council of Governments (WRCOG) Joint Powers Agreement to add Kerman as an Associate Member in order to authorize the City's participation in the California HERO Program.

EXECUTIVE SUMMARY

In July 2008, the State of California approved Assembly Bill 811, authorizing cities and counties to establish voluntary contractual assessment programs as a new financing mechanism used to pay for energy efficiency, renewable energy products and/or water conservation improvements which are permanently attached to real property. The financing for these improvements has come to be known as PACE, which stands for Property Assessed Clean Energy.

The HERO (Home Energy Renovation Opportunity) Program is a private financing tool offered to public entities that enables any city or county to offer Property Assessed Clean Energy (PACE) financing to assist property owners who want to improve the energy and/or water usage of their home or building while lowering utility bills. The program is privately funded and requires no cost outlays by the participating communities. The Western Riverside County Council of Governments (WRCOG) established the HERO Program in 2009. As a Joint Powers Authority, WRCOG offered membership to all cities and counties in the state. Interested cities must adopt a resolution requesting participation as an associate member. HERO has been adopted by more than 120 cities in California, funded more than \$165 million in energy and water efficiency projects, and created more than 2100 jobs to date. Kerman must be an associate member in WRCOG in order for residents to be eligible for HERO Program Financing.

OUTSTANDING ISSUES

None.

DISCUSSION

The California HERO Program has been very successful in Western Riverside County. Because of its success, the HERO Program is offered to provide additional California cities and counties with a turnkey program that saves significant time, cost and local resources that would otherwise be needed to develop a new local program.

The HERO Program offers residents another option to finance renewable water and energy efficient improvements on their property. Participation in the program is 100% voluntary. Property owners who wish to participate in the Program agree to repay the amount borrowed through the voluntary contractual assessment collected together with their property taxes. This financing is available for eligible improvements on both residential and non-residential properties.

HERO finances 100% of the cost to purchase and install eligible energy efficient, water efficient and renewable energy products. HERO offers low-fixed interest rates, flexible payment terms including 5/10/15/20 years for most products, and repayments are made through annual property taxes. Additionally, if the property is sold before the HERO Financing is paid in full, the remaining payments can be passed on to a new property owner.

Some of the eligible energy efficient, water efficient and renewable energy improvements include:

- Roofing
- Solar PV Panels
- Solar Water Heaters
- Efficient Windows
- Heating
- Air Conditioning
- Insulation
- Pool Pumps
- Charging Stations
- Sprinklers
- Artificial Turf
- Water Savings

The repayment of HERO Financing is included in a homeowner's property tax bill, which is delivered and collected by the County. Homeowner's will see a line item titled HERO Financing on their property tax bill. If a homeowner makes property tax payments through an impound escrow account, their lender will adjust their monthly payment to include the amount due for HERO Financing. HERO is different from traditional consumer financing because it is based primarily on the equity a property owner has and because HERO does not base decisions on household income or FICO scores.

Cities looking to offer HERO merely need to pass a resolution approving a PACE program and authorizing HERO as a lending provider. The following resolution approves an Amendment to the WRCOG Joint Powers Agreement to add the City of Kerman as an Associate Member in order to enable the California HERO Program to be offered to the owners of property located within the City who wish to participate in the California HERO Program.

Currently, the cities of Fresno, Clovis, Kingsburg, Reedley, Sanger and the County of Fresno are participating in the program. Representatives from the cities of Clovis and Fresno said that the HERO Program has been an excellent resource by giving homeowners an additional option to finance energy efficient upgrades to their homes. Over \$3.0 million in energy upgrades have been finance in Fresno through the program.

As the state continues to grapple with the drought, the HERO Program could be an excellent source of financing for a variety of water efficient projects to reduce water consumption such as installation of water-sensed labels faucets, water efficient landscape irrigation systems and synthetic turf. Retrofitting faucets can reduce a sink's water use by 30% and replacing live turf with synthetic lawn can save homeowners about 50% on their water bills.

FISCAL IMPACT

There is no fiscal impact to the City of Kerman. By participating in the HERO Program, residents in Kerman are given an additional option to finance energy and water efficient upgrades to their homes. Participating homeowners are responsible for all HERO Program costs.

PUBLIC HEARING

None.

Attachments:

- A. HERO Program Fact Sheet
- B. Resolution w/Exhibit 'A'

Attachment 'A'

HERO Program Fact Sheet

General Information

- Ø What does the name "HERO" stand for?
HERO is an acronym that stands for: Home Energy Renovation Opportunity.
- Ø What is the HERO Financing Program?
HERO is the No. 1 energy efficiency financing program in the United States. HERO partners with local governments to make energy efficient, water efficient and renewable energy products more affordable for homeowners.
- Ø How is HERO Financing different than other forms of financing?
HERO is unique in that it provides financing for approved energy efficient, water efficient and renewable energy products. HERO finances 100% of the cost to purchase and install eligible products. HERO offers low-fixed interest rates, flexible payment terms including 5/10/15/20 years for most products, and repayments are made through your property taxes. Additionally, if the property is sold before the HERO Financing is paid in full, the remaining payments can be passed on to a new property owner.
- Ø How is HERO Financing paid through my property taxes?
The repayment of HERO Financing is included in your property tax bill, which is delivered and collected by the County. You will see a line item titled HERO Financing on your property tax bill. If you make property tax payments through an impound escrow account, your lender will adjust your monthly payment to include the amount due for HERO Financing.
- Ø Who can apply for HERO Financing?
HERO Financing is available to commercial and residential property owners in many cities and counties across the State of California.
- Ø Are all contractors qualified to install eligible HERO products?
No. Contractors must be registered with the HERO Program in order to be qualified to install HERO eligible upgrades. To register with the HERO Program contractors must be properly licensed and bonded with the Contractors State License Board. To find a registered HERO Contractor please enter your zip code at www.heroprogram.com to explore the contractors in your community. Property owners are responsible for the selection of the contractor(s) and product(s) necessary to complete their project.
- Ø What happens if a property is sold?
Property taxes typically stay with the property when it is sold. Under the HERO Program, when you sell or refinance your property, your remaining payments may stay with the property. However, your lender may require you to pay off the remaining balance when you refinance or sell your home.

Eligibility

- Ø What are the eligibility criteria for HERO Financing?
Homeowners who meet the minimum criteria below are eligible for HERO Financing. Specific eligibility requirements for residential properties include the following:
 1. *All mortgage-related debt must not exceed 90% of the value of the property.*

2. *Mortgage payments must be current at the time of application, and property owner(s) must not have had more than (1) 30-day mortgage late payment over the past twelve months.*
 3. *Property taxes must be current and there must be no more than one late payment in the past three years.*
 4. *No outstanding involuntary liens, such as tax liens or mechanic's liens.*
 5. *Property owner(s) must not have had any active bankruptcies within the last seven years, and the Property must not be an asset in an active bankruptcy. However, if a bankruptcy was discharged between two and seven years prior, and the property owner(s) have not had any additional late payments more than 60 days past due in the last 24 months, the property owner may be approved.*
 6. *Mobile homes must be permanently attached to the property and the owner of the underlying property must be the applicant and be subject to real property taxes.*
- Ø What products are eligible for HERO Financing?
There are more than 900,000 products that are eligible for HERO Financing. Generally, energy and water efficient products and renewable energy systems are eligible.
- Ø If I owe more on my house than its market value, am I still eligible for HERO Financing?
No. Total mortgage liens on the property cannot exceed 90% of the value of the property.
- Ø Can a mobile home/manufactured home qualify for HERO Financing?
Mobile homes (and manufactured homes) are eligible if they are permanently attached to the real property and pay real property taxes (not DMV fees). The mobile home owner must also be the owner of the underlying land. Since an AVM value is often not available for mobile or manufactured homes, the tax assessed value or recent appraisal value may need to be used for the debt-to-value and Eligible Product costs calculations.
- Ø Are commercial properties eligible for HERO Financing?
Yes. Commercial properties are eligible for HERO Financing. Please go to wrcog.herocommercial.com for more information about commercial financing.

Costs + Rebates

- Ø Are there application fees?
There are no fees to apply for HERO Financing.
- Ø What interest rates does HERO offer?
The interest rate for HERO Financing varies depending upon the term. Terms can range from 5 - 20 years and will affect your rate. HERO payments may be tax deductible, which can lower the effective interest rate.
- Ø Can rebates be used with HERO Financing?
Yes, homeowners can still receive any rebate that is offered by their local utility, city, county, etc. HERO Financing does not affect the rebate process in any way.

Program Details

Ø How do I get HERO Financing?

HERO Financing is a simple 4 step process:

1. *Apply - Find out how much your home is approved for.*
2. *Select - Choose the eligible products and select the contractor for your job.*
3. *Sign - Sign your financing documents.*
4. *Complete – Finish the installation.*

Ø Am I required to get an energy audit for my property?

While a residential energy/water audit is not required to participate in the HERO Program, it is recommended in certain cases particularly when you are looking to do whole home improvements for the purpose of maximizing your energy and water cost savings. An energy audit by a certified auditor may be the best way for you to determine which Eligible Products are needed in a home. In addition, the cost of the audit is eligible for HERO Financing along with the Eligible Products themselves.

Ø Can HERO Financing be used for more than one project?

Yes, a property owner can finance multiple projects. However, all projects must be approved in order to make sure.

Ø Who may install HERO Financed products?

Only contractors registered with the HERO Program or a property owner who has signed a Self-Install Agreement may install HERO Financed Eligible Products.

Ø Can a property owner install their own Eligible Products?

Yes, however, the property owner will not be paid for their own labor and must sign a Self-Install Agreement. If the property owner is also a contractor who has registered with the Program and are installing products on their own house, they may be reimbursed for the labor costs of their work crew, but not for their own personal time and labor.

Attachment 'B'

RESOLUTION NO. 14-__

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KERMAN, CALIFORNIA, CONSENTING TO THE INCLUSION OF PROPERTIES WITHIN THE CITY'S JURISDICTION IN THE CALIFORNIA HERO PROGRAM TO FINANCE DISTRIBUTED GENERATION RENEWABLE ENERGY SOURCES, ENERGY AND WATER EFFICIENCY IMPROVEMENTS AND ELECTRIC VEHICLE CHARGING INFRASTRUCTURE AND APPROVING THE AMENDMENT TO A CERTAIN JOINT POWERS AGREEMENT RELATED THERETO

WHEREAS, the Western Riverside Council of Governments ('Authority') is a joint exercise of powers authority established pursuant to Chapter 5 of Division 7, Title 1 of the Government Code of the State of California (Section 6500 and following) (the "Act") and the Joint Power Agreement entered into on April 1, 1991, as amended from time to time (the "Authority JPA"); and

WHEREAS, Authority has established the California HERO Program to provide for the financing of renewable energy distributed generation sources, energy and water efficiency improvements and electric vehicle charging infrastructure (the 'Improvements') pursuant to Chapter 29 of the Improvement Bond Act of 1911, being Division 7 of the California Streets and Highways Code (Chapter 29) within counties and cities throughout the State of California that elect to participate in such program; and

WHEREAS, City of Kerman (the 'City') is committed to development of renewable energy sources and energy efficiency improvements, reduction of greenhouse gases, protection of our environment, and reversal of climate change; and

WHEREAS, in Chapter 29, the Legislature has authorized cities and counties to assist property owners in financing the cost of installing Improvements through a voluntary contractual assessment program; and

WHEREAS, installation of such Improvements by property owners within the jurisdictional boundaries of the counties and cities that are participating in the California HERO Program would promote the purposes cited above; and

WHEREAS, the City wishes to provide innovative solutions to its property owners to achieve energy and water efficiency and independence, and in doing so cooperate with Authority in order to efficiently and economically assist property owners within the City in financing such Improvements; and

WHEREAS, Authority has authorization to establish the California HERO Program, which is a voluntary contractual assessment program, as permitted by the Act, the Authority JPA, originally made and entered into April 1, 1991, as amended to date, and the Amendment to Joint Powers Agreement adding the City of Kerman as an Associate Member of the Western Riverside Council of Governments to Permit the Provision of Property Assessed Clean Energy (PACE) Program Services within the City (the 'JPA Amendment'), by and between Authority and the City, a copy of which is attached as Exhibit 'A' hereto, to assist property owners within the incorporated area of the City in financing the cost of installing Improvements; and

WHEREAS, the City will not be responsible for the conduct of any assessment proceedings; the levy and collection of assessments or any required remedial action in the case of delinquencies in the payment of any assessments or the issuance, sale or administration of any bonds issued in connection with the California HERO Program.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. This City Council finds and declares that properties in the City's incorporated area will be benefited by the availability of the California HERO Program to finance the installation of Improvements.
2. This City Council consents to inclusion in the California HERO Program of all of the properties in the incorporated area within the City and to the Improvements, upon the request by and voluntary agreement of owners of such properties, in compliance with the laws, rules and regulations applicable to such program; and to the assumption of jurisdiction thereover by Authority for the purposes thereof.
3. The consent of this City Council constitutes assent to the assumption of jurisdiction by Authority for all purposes of the California HERO Program and authorizes Authority, upon satisfaction of the conditions imposed in this resolution, to take each and every step required for or suitable for financing the Improvements, including the levying, collecting and enforcement of the contractual assessments to finance the Improvements and the issuance and enforcement of bonds to represent and be secured by such contractual assessments.
4. This City Council hereby approves the JPA Amendment and authorizes the execution thereof by appropriate City officials.
5. City staff is authorized and directed to coordinate with Authority staff to facilitate operation of the California HERO Program within the City, and report back periodically to this City Council on the success of such program.
6. This Resolution shall take effect immediately upon its adoption. The City Clerk is directed to send a certified copy of this resolution to the Secretary of the Authority Executive Committee.

The foregoing resolution as introduced at a regular meeting of the City Council of the City of Kerman held on the 15th day of October, 2014 and passed at said meeting by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

The foregoing resolution is hereby approved.

ATTEST:

Gary Yep
Mayor

Marci Reyes
City Clerk

Exhibit 'A'

Updated through June 4, 2013
Revised

JOINT POWERS AGREEMENT OF
THE WESTERN RIVERSIDE
COUNCIL OF GOVERNMENTS

This Agreement is made and entered into on the 1st day of April, 1991, pursuant to Government Code Section 6500 et. seq. and other pertinent provisions of law, by and between six or more of the cities located within Western Riverside County and the County of Riverside.

RECITALS

A. Each member and party to this Agreement is a governmental entity established by law with full powers of government in legislative, administrative, financial, and other related fields.

B. The purpose of the formation is to provide an agency to conduct studies and projects designed to improve and coordinate the common governmental responsibilities and services on an area-wide and regional basis through the establishment of an association of governments. The Council will explore areas of inter-governmental cooperation and coordination of government programs and provide recommendations and solutions to problems of common and general concern.

C. When authorized pursuant to an Implementation Agreement, the Council shall manage and administer thereunder.

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained, the parties hereto agree as follows:

I.

PURPOSE AND POWERS

1.1 Agency Created.

There is hereby created a public entity to be known as the "Western Riverside Council of Governments" ("WRCOG"). WRCOG is formed by this Agreement pursuant to the provision of Government Code Section 6500 et. seq. and other pertinent provision of law. WRCOG shall be a public entity separate from the parties hereto.

1.2 Powers.

1.2.1. WRCOG established hereunder shall perform all necessary functions to fulfill the purposes of this Agreement. Among other functions, WRCOG shall:

- a. Serve as a forum for consideration, study and recommendation on area-wide and regional problems;
- b. Assemble information helpful in the consideration of problems peculiar to Western Riverside County;
- c. Explore practical avenues for intergovernmental cooperation, coordination and action in the interest of local public welfare and means of improvements in the administration of governmental services; and
- d. Serve as the clearinghouse review body for Federally-funded projects in accordance with Circular A-95 in conjunction with the Southern California Association of Governments.

1.2.2. The Council shall have the power in its own name to do any of the following;

a. When necessary for the day to day operation of the Council, to make and enter into contracts;

b. To contract for the services of engineers, attorneys, planners, financial consultants and separate and apart therefrom to employ such other persons, as it deems necessary;

c. To apply for an appropriate grant or grants under any federal, state, or local programs.

d. To receive gifts, contributions and donations of property, funds, services and other forms of financial assistance from persons, firms, corporations and any governmental entity;

e. To lease, acquire, construct, manage, maintain, and operate any buildings, works, or improvements;

f. To delegate some or all of its powers to the Executive Committee and the Executive Director of the Council as hereinafter provided.

1.2.3 The association shall have the power in its own name, only with the approval of all affected member agencies to;

a. Acquire, hold and dispose of property by eminent domain, lease, lease purchase or sale.

b. To incur debts, liabilities, obligations, and issue bonds;

II.

ORGANIZATION OF COUNCIL

2.1 Parties.

The parties to WRCOG shall be the County of Riverside and each city located within Western Riverside County which has executed or hereafter executes this Agreement, or any addenda, amendment, or supplement thereto and agrees to such become a member upon such terms and conditions as established by the general council or executive committee, and which has not, pursuant to provisions hereof, withdrawn therefrom. Only the parties identified in this section and Associate Members approved under section 8.2 of this Agreement, if any, shall be considered contracting parties to this Agreement under Government Code section 6502, provided that the rights of any Associate Member under this Agreement shall be limited solely those rights expressly set forth in a PACE Agreement authorized in section 8.2 of this Agreement.

2.2 Names.

The names, particular capacities and addresses of the parties at any time shall be shown on Exhibit "A" attached hereto, as amended or supplemented from time to time.

2.3 Duties.

WRCOG shall do whatever is necessary and required to carry out the purposes of this agreement and when authorized by an Implementation Agreement pursuant to section 1.2.3 as appropriate, to make and enter into such contracts, incur such debts and obligations, assess contributions from the members, and perform such other acts as are necessary to the accomplishment of the purposes of such agreement,

within the provisions of Government Code Section 6500 et seq. and as prescribed by the laws of the State of California.

2.4 Governing Body.

2.4.1. WRCOG shall be governed by a General Assembly with membership consisting of the appropriate representatives from the County of Riverside, each city which is a signatory to this Agreement, Western Municipal Water District, and Eastern Municipal Water District, the number of which shall be determined as hereinafter set forth. The General Assembly shall meet at least once annually, preferably scheduled in the evening. Each member agency of the General Assembly shall have one vote for each mayor, council member, county supervisor, and water district board member present at the General Assembly. The General Assembly shall act only upon a majority of a quorum. A quorum shall consist of a majority of the total authorized representatives, provided that members representing a majority of the member agencies are present. The General Assembly shall adopt and amend by-laws for the administration and management of this Agreement, which when adopted and approved shall be an integral part of this Agreement. Such by-laws may provide for the management and administration of this Agreement.

2.4.2. There shall be an Executive Committee which exercises the powers of this Agreement between sessions of the General Assembly. Members of the Executive Committee shall be the Mayor from each of the member cities, four members of the Riverside County Board of Supervisors and the President of each Water District, the remaining member of the Board of Supervisors shall serve as an alternate, except any City Council, at its discretion, can appoint a Mayor Pro Tem or other city council

member in place of the Mayor, and each water district board, at its discretion, can appoint another board member in place of the President. The Executive Committee shall act only upon a majority of a quorum. A quorum shall consist of a majority of the member agencies. Membership of the Water Districts on the General Assembly and Executive Committee of WRCOG shall be conditioned on the Water Districts entering into a separate Memorandums of Understanding with WRCOG.

2.4.3. Each member of the General Assembly and the Executive Committee shall be a current member of the legislative body such member represents.

2.4.4. Each participating member on the Executive Committee shall also have an alternate, who must also be a current member of the legislative body of the party such alternate represents. The name of the alternate members shall be on file with the Executive Committee. In the absence of the regular member from an agency, the alternate member from such agency shall assume all rights and duties of the absent regular member.

2.5 Executive Director.

The Executive Director shall be the chief administrative officer of the Council. He shall receive such compensation as may be fixed by the Executive Committee. The powers and duties of the Executive Director shall be subject to the authority of the Executive Committee and include the following:

- a. To appoint, direct and remove employees of the Council.
- b. Annually to prepare and present a proposed budget to the Executive Committee and General Assembly.
- c. Serve as Secretary of the Council and of the Executive Committee.

- d. To attend meetings of the Executive Committee.
- e. To perform such other and additional duties as the Executive Committee

may require.

2.6 Principal Office.

The principal office of WRCOG shall be established by the Executive Committee and shall be located within Western Riverside County. The Executive Committee is hereby granted full power and authority to change said principal office from one location to another within Western Riverside County. Any change shall be noted by the Secretary under this section but shall not be considered an amendment to this Agreement.

2.7 Meetings.

The Executive Committee shall meet at the principal office of the agency or at such other place as may be designated by the Executive Committee. The time and place of regular meetings of the Executive Committee shall be determined by resolution adopted by the Executive Committee; a copy of such resolution shall be furnished to each party hereto. Regular, adjourned and special meetings shall be called and conducted in accordance with the provisions of the Ralph M. Brown Act, Government Code Section 54950 et. seq., as it may be amended.

2.8 Powers and Limitations of the Executive Committee.

Unless otherwise provided herein, each member or participating alternate of the Executive Committee shall be entitled to one vote, and a vote of the majority of those present and qualified to vote constituting a quorum may adopt any motion,

resolution, or order and take any other action they deem appropriate to carry forward the objectives of the Council.

2.9 Minutes.

The secretary of the Council shall cause to be kept minutes of regular adjourned regular and special meetings of the General Assembly and Executive Committee, and shall cause a copy of the minutes to be forwarded to each member and to each of the members hereto.

2.10 Rules.

The Executive Committee may adopt from time to time such rules and regulations for the conduct of its affairs consistent with this agreement or any Implementation Agreement.

2.11 Vote or Assent of Members.

The vote, assent or approval of the members in any manner as may be required, hereunder shall be evidenced by a certified copy of the action of the governing body of such party filed with the Council. It shall be the responsibility of the Executive Director to obtain certified copies of said actions.

2.12 Officers.

There shall be selected from the membership of the Executive Committee, a chairperson and a vice chairperson. The Executive Director shall be the secretary. The Treasurer of the County of Riverside shall be the Treasurer of the Council and the Controller or Auditor of the County of Riverside shall be the Auditor of the Council. Such persons shall possess the powers of, and shall perform the treasurer and auditor functions respectively, for WRCOG and perform those functions required of them by

Government Code Sections 6505, 6505.5 and 6505.6, and by all other applicable laws and regulations, including any subsequent amendments thereto.

The chairperson and vice chairperson, shall hold office for a period of one year commencing July 1st of each and every fiscal year; provided, however, the first chairperson and vice chairperson appointed shall hold office from the date of appointment to June 30th of the ensuing fiscal year. Except for the Executive Director, any officer, employee, or agent of the Executive Committee may also be an officer, employee, or agent of any of the members. The appointment by the Executive Committee of such a person shall be evidence that the two positions are compatible.

2.13 Committees.

The Executive Committee may, as it deems appropriate, appoint committees to accomplish the purposes set forth herein. All committee meetings of WRCOG, including those of the Executive Committee, shall be open to all members.

2.14 Additional Officers and Employees.

The Executive Committee shall have the power to authorize such additional officers and assistants as may be appropriate. Such officers and employees may also be, but are not required to be, officers and employees of the individual members.

2.15 Bonding Requirement.

The officers or persons who have charge of, handle, or have access to any property of WRCOG shall be the members of the Executive Committee, the treasurer, the Executive Director, and any other officers or persons to be designated or empowered by the Executive Committee. Each such officer or person shall be required

to file an official bond with the Executive Committee in an amount which shall be established by the Executive Committee. Should the existing bond or bonds of any such officer be extended to cover the obligations provided herein, said bond shall be the official bond required herein. The premiums on any such bonds attributable to the coverage required herein shall be appropriate expenses of WRCOG.

2.16 Status of Officers and Employees.

All of the privileges and immunities from liability, exemption from laws, ordinances and rules, all pension, relief, disability, worker's compensation, and other benefits which apply to the activity of officers, agents, or employees of any of the members when performing their respective functions shall apply to them to the same degree and extent while engaged in the performance of any of the functions and other duties under this Agreement. None of the officers, agents, or employees appointed by the Executive Committee shall be deemed, by reason of their employment by the Executive Committee, to be employed by any of the members or, by reason of their employment by the Executive Committee, to be subject to any of the requirements of such members.

2.17 Restrictions.

Pursuant to Government Code Section 6509, for the purposes of determining the restrictions to be imposed by the Council in its exercise of the above-described joint powers, reference shall be made to, and the Council shall observe, the restrictions imposed upon the County of Riverside.

2.18 Water Districts and TUMF Matters.

Pursuant to this Joint Powers Agreement, WRCOG administers the Transportation Mitigation Fee ("TUMF") for cities in western Riverside County. The fee was established prior to the Water District's involvement with WRCOG and will fund transportation improvements for the benefit of the County of Riverside and the cities in western Riverside County. As such, the Western Municipal Water District and the Eastern Municipal Water District General Assembly and Executive Committee Members shall not vote on any matter related to the administration of the TUMF program or the expenditure of TUMF revenues.

III

FUNDS AND PROPERTY

3.1 Treasurer.

The Treasury of the member agency whose Treasurer is the Treasurer for WRCOG shall be the depository for WRCOG. The Treasurer of the Council shall have custody of all funds and shall provide for strict accountability thereof in accordance with Government Code Section 6505.5 and other applicable laws of the State of California. He or she shall perform all of the duties required in Government Code Section 6505 and following, such other duties as may be prescribed by the Executive Committee.

3.2 Expenditure of Funds.

The funds under this Agreement shall be expended only in furtherance of the purposes hereof and in accordance with the laws of the State of California and standard accounting practices shall be used to account for all funds received and disbursed.

3.3 Fiscal Year.

WRCOG shall be operated on a fiscal year basis, beginning on July 1 of each year and continuing until June 30 of the succeeding year. Prior to July 1 of each year, the General Assembly shall adopt a final budget for the expenditures of WRCOG during the following fiscal Year.

3.4. Contributions/Public Funds.

In preparing the budget, the General Assembly by majority vote of a quorum shall determine the amount of funds which will be required from its members for the purposes of this Agreement. The funds required from its members after approval of the final budget shall be raised by contributions 50% of which will be assessed on a per capita basis and 50% on an assessed valuation basis, each city paying on the basis of its population and assessed valuation and the County paying on the basis of the population and assessed valuation within the unincorporated area of Western Riverside County as defined in the by-laws. The parties, when informed of their respective contributions, shall pay the same before August 1st of the fiscal year for which they are assessed or within sixty days of being informed of the assessment, whichever occurs later. In addition to the contributions provided, advances of public funds from the parties may be made for the purposes of this Agreement. When such advances are made, they shall be repaid from the first available funds of WRCOG.

The General Assembly shall have the power to determine that personnel, equipment or property of one or more of the parties to the Agreement may be used in lieu of fund contributions or advances.

All contributions and funds shall be paid to WRCOG and shall be disbursed by a majority vote of a quorum of the Executive Committee, as authorized by the approved budget.

3.5 Contribution from Water Districts.

The provision of section 3.4 above shall be inapplicable to the Western Municipal Water District and the Eastern Municipal Water District. The amount of contributions from these water districts shall be through the WRCOG budget process.

IV

BUDGETS AND DISBURSEMENTS

4.1 Annual Budget.

The Executive Committee may at any time amend the budget to incorporate additional income and disbursements that might become available to WRCOG for its purposes during a fiscal year.

4.2 Disbursements.

The Executive Director shall request warrants from the Auditor in accordance with budgets approved by the General Assembly or Executive Committee subject to quarterly review by the Executive Committee. The Treasurer shall pay such claims or disbursements and such requisitions for payment in accordance with rules, regulations, policies, procedures and bylaws adopted by the Executive Committee.

4.3 Accounts.

All funds will be placed in appropriate accounts and the receipt, transfer, or disbursement of such funds during the term of this Agreement shall be accounted for in accordance with generally accepted accounting principles applicable to governmental

entities and pursuant to Government Code Sections 6505 et seq. and any other applicable laws of the State of California. There shall be strict accountability of all funds. All revenues and expenditures shall be reported to the Executive Committee.

4.4 Expenditures Within Approved Annual Budget.

All expenditures shall be made within the approved annual budget. No expenditures in excess of those budgeted shall be made without the approval of a majority of a quorum of the Executive Committee.

4.5 Audit.

The records and accounts of WRCOG shall be audited annually by an independent certified public accountant and copies of such audit report shall be filed with the County Auditor, State Controller and each party to WRCOG no later than fifteen (15) days after receipt of said audit by the Executive Committee.

4.6 Reimbursement of Funds.

Grant funds received by WRCOG from any federal, state, or local agency to pay for budgeted expenditures for which WRCOG has received all or a portion of said funds from the parties hereto shall be used as determined by WRCOG's Executive Committee.

V

LIABILITIES

5.1 Liabilities.

The debts, liabilities, and obligation of WRCOG shall be the debts, liabilities, or obligations of WRCOG alone and not of the parties to this Agreement.

5.2 Hold Harmless and Indemnity.

Each party hereto agrees to indemnify and hold the other parties harmless from all liability for damage, actual or alleged, to persons or property arising out of or resulting from negligent acts or omissions of the indemnifying party or its employees. Where the General Assembly or Executive Committee itself or its agents or employees are held liable for injuries to persons or property, each party's liability for contribution or indemnity for such injuries shall be based proportionately upon the contributions (less voluntary contributions) of each member. In the event of liability imposed upon any of the parties to this Agreement, or upon the General Assembly or Executive Committee created by this Agreement, for injury which is caused by the negligent or wrongful act or omission of any of the parties in the performance of this Agreement, the contribution of the party or parties not directly responsible for the negligent or wrongful act or omission shall be limited to One Hundred Dollars (\$100.00). The party or parties directly responsible for the negligent or wrongful acts or omissions shall indemnify, defend, and hold all other parties harmless from any liability for personal injury or property damage arising out of the performance of this Agreement. The voting for or against a matter being considered by the General Assembly or executive or other committee or WRCOG, or abstention from voting on such matter, shall not be construed to constitute a wrongful act or omission within the meaning of this Subsection.

VI

ADMISSION AND WITHDRAWAL OF PARTIES

6.1 Admission of New Parties.

It is recognized that additional cities other than the original parties, may wish to participate in WRCOG. Any Western Riverside County city may become a party

to WRCOG upon such terms and conditions as established by the General Assembly or Executive Committee. Any Western Riverside County city shall become a party to WRCOG by the adoption by the city council of this agreement and the execution of a written addendum thereto agreeing to the terms of this Agreement and agreeing to any additional terms and conditions that may be established by the general assembly or Executive Committee. Special districts which are significantly involved in regional problems and the boundaries of which include territory within the collective area of the membership shall be eligible for advisory membership in the Council. The representative of any such advisory member may participate in the work of committees of the Council.

6.2 Withdrawal from WRCOG.

It is fully anticipated that each party hereto shall participate in WRCOG until the purposes set forth in this Agreement are accomplished. The withdrawal of any party, either voluntary or involuntary, unless otherwise provided by the General Assembly or Executive Committee, shall be conditioned as follows:

- a. In the case of a voluntary withdrawal following a properly noticed public hearing, written notice shall be given to WRCOG, six months prior to the effective date of withdrawal;
- b. Withdrawal shall not relieve the party of its proportionate share of any debts or other liabilities incurred by WRCOG prior to the effective date of the parties' notice of withdrawal;
- c. Unless otherwise provided by a unanimous vote of the Executive Committee, withdrawal shall result in the forfeiture of that party's rights and claims

relating to distribution of property and funds upon termination of WRCOG as set forth in Section VII below;

d. Withdrawal from any Implementation Agreement shall not be deemed withdrawal from membership in WRCOG.

VII

TERMINATION AND DISPOSITION OF ASSETS

7.1 Termination of this Agreement.

WRCOG shall continue to exercise the joint powers herein until the termination of this Agreement and any extension thereof or until the parties shall have mutually rescinded this Agreement; providing, however, that WRCOG and this Agreement shall continue to exist for the purposes of disposing of all claims, distribution of assets and all other functions necessary to conclude the affairs of WRCOG.

Termination shall be accomplished by written consent of all of the parties, or shall occur upon the withdrawal from WRCOG of a sufficient number of the agencies enumerated herein so as to leave less than five of the enumerated agencies remaining in WRCOG.

7.2 Distribution of Property and Funds.

In the event of the termination of this Agreement, any property interest remaining in WRCOG following the discharge of all obligations shall be disposed of as the Executive Committee shall determine with the objective of distributing to each remaining party a proportionate return on the contributions made to such properties by such parties, less previous returns, if any.

VIII

PACE IMPLEMENTATION AND PARTICIPATION AGREEMENTS:

ASSOCIATE MEMBERSHIP

8.1 Execution of Agreement.

When authorized by the Executive Committee, any affected member agency or agencies enumerated herein, may execute an Implementation Agreement for the purpose of authorizing WRCOG to implement, manage and administer area-wide and regional programs in the interest of the local public welfare. The costs incurred by WRCOG in implementing a program including indirect costs, shall be assessed only to those public agencies who are parties to that Implementation Agreement.

8.2 PACE Agreements; Associate Membership.

WRCOG shall be empowered to establish and operate one or more Property Assessed Clean Energy ("PACE") programs pursuant to Chapter 29 of the Improvement Bond Act of 1911, being Division 7 of the California Streets and Highways Code, and to enter into one or more agreements, including without limitation, participation agreements, implementation agreements and joint powers agreements and amendments thereto to fulfill such programs both within and outside the jurisdictional boundaries of WRCOG.

WRCOG, acting through its Executive Committee, shall be empowered to establish an "Associate Member" status that provides membership in WRCOG to local jurisdictions that are outside WRCOG's jurisdictional boundaries but within whose boundaries a PACE program will be established and implemented by WRCOG. Said local jurisdictions shall become Associate Members of WRCOG by adopting one or more agreements (the "PACE Agreement") on the terms and conditions established by

the Executive Committee and consistent with the requirements of the Joint Exercise of Powers Act, being 5 of Division 7, Title 1 of the California Government Code (Sections 6500 et seq.). The rights of Associate Members shall be limited solely to those terms and conditions expressly set forth in the PACE Agreement for the purposes of implementing the PACE program within their jurisdictional boundaries. Except as expressly provided for by the PACE Agreement, Associate Members shall not have any rights otherwise granted to WRCOG's members by this Agreement, including but not limited to the right to vote, right to amend this Agreement, and right to sit on committees or boards established under this Agreement or by action of the Executive Committee or the General Assembly, including, without limitation, the General Assembly and the Executive Committee.

IX

MISCELLANEOUS

9.1 Amendments.

This Agreement may be amended with the approval of not less than two-thirds (2/3) of all member agencies.

9.2 Notice.

Any notice or instrument required to be given or delivered by depositing the same in any United States Post Office, registered or certified, postage prepaid, addressed to the addresses of the parties as shown on Exhibit "A", shall be deemed to have been received by the party to whom the same is addressed at the expiration of seventy-two (72) hours after deposit of the same in the United States Post Office for transmission by registered or certified mail as aforesaid.

9.3 Effective Date.

This Agreement shall be effective and WRCOG shall exist from and after such date as this Agreement has been executed by any seven or more of the public agencies, including the County of Riverside, as listed on page 1 hereof.

9.4 Arbitration.

Any controversy or claim between any two or more parties to this Agreement, or between any such party or parties and WRCOG, with respect to disputes, demands, differences, controversies, or misunderstandings arising in relation to interpretation of this Agreement, or any breach thereof, shall be submitted to and determined by arbitration. The party desiring to initiate arbitration shall give notice of its intention to arbitrate to every other party to this Agreement and to the Executive Director of the Council. Such notice shall designate as "respondents" such other parties as the initiating party intends to have bound by any award made therein. Any party not so designated but which desires to join in the arbitration may, within ten (10) days of service upon it of such notice, file with all other parties and with the Executive Director of the Council a response indicating its intention to join in and to be bound by the results of the arbitration, and further designating any other parties it wishes to name as a respondent. Within twenty (20) days of the service of the initial demand for arbitration, the initiating party and the respondent or respondents shall each designate a person to act as an arbitrator. The designated arbitrators shall mutually designate the minimal number of additional persons as arbitrators as may be necessary to create an odd total number of arbitrators but not less than three to serve as arbitrator(s).

The arbitrators shall proceed to arbitrate the matter in accordance with the provisions of Title 9 of Part 3 of the Code of Civil Procedure, Section 1280 et. seq. The parties to this Agreement agree that the decision of the arbitrators will be binding and will not be subject to judicial review except on the ground that the arbitrators have exceeded the scope of their authority.

9.5 Partial Invalidity.

If any one or more of the terms, provisions, sections, promises, covenants or conditions of this Agreement shall to any extent be adjudged invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, each and all of the remaining terms, provisions, sections, promises, covenants and conditions of this Agreement shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

9.6 Successors.

This Agreement shall be binding upon and shall inure to the benefit of the successors of the parties hereto.

9.7 Assignment.

The parties hereto shall not assign any rights or obligations under this Agreement without written consent of all other parties.

9.8 Execution.

The Board of Supervisors of the County of Riverside and the city councils of the cities enumerated herein have each authorized execution of this Agreement as evidenced by the authorized signatures below, respectively.

Original Members Agencies

1. City of Banning
2. City of Beaumont (withdrawn)
3. City of Calimesa
4. City of Canyon Lake
5. City of Corona
6. City of Hemet
7. City of Lake Elsinore
8. City of Moreno Valley
9. City of Murrieta
10. City of Norco
11. City of Perris
12. City of Riverside
13. City of San Jacinto
14. City of Temecula
15. County of Riverside

Additional City Members

1. City of Eastvale (added on 08/02/2010, Resolution 01-11)
2. City of Jurupa Valley (added on 07/29/2011, Resolution 02-12)
3. City of Menifee (added on 10/06/2008, Resolution 03-09)
4. City of Wildomar (added on 08/04/2008, Resolution 01-09)

**THE WESTERN RIVERSIDE
COUNCIL OF GOVERNMENTS**

Participating Agencies

5. Eastern Municipal Water District (membership on the Governing Board of WRCOG, 05/11/2009)
6. Western Municipal Water District (membership on the Governing Board of WRCOG, 05/11/2009)
7. Riverside County Superintendent of Schools (membership as an ex-officio, advisory member of WRCOG, 11/07/2011)
8. Morongo Band of Mission Indians (membership as an ex-officio, advisory member of WRCOG, 6/4/2013)

**SIGNATURE PAGE TO THE
AMENDMENT TO THE JOINT POWERS AGREEMENT OF
THE WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS
TO PERMIT THE PROVISION OF THE PACE SERVICES**

ATTEST:

City Clerk
City of Kerman

City of Kerman

By: _____
 Marci Reyes

By: _____
 Gary Yep, Mayor

Dated: _____

APPROVAL AS TO FORM:

City Attorney
City of Kerman

By: _____

Dated: _____



City of Kerman

"Where Community Comes First"

MAYOR Gary Yep
MAYOR PRO-TEM Doug Wilcox
COUNCIL MEMBER Raj Dhalwal
COUNCIL MEMBER Nathan Fox
COUNCIL MEMBER Bill Nijjer

DEPARTMENT: FINANCE
STAFF REPORT
CITY COUNCIL MEETING
COUNCIL MEETING DATE: OCTOBER 15, 2014

To: Mayor and City Council
From: Toni Jones, Finance Director
Subject: Draft Amended Purchasing Policy

RECOMMENDATION

Council to provide input on draft amended Purchasing Policy and direct staff to present policy for adoption at the November 15, 2014 meeting.

EXECUTIVE SUMMARY

The City of Kerman's current Purchasing Policy was adopted in January of 1997. Staff has completed a comprehensive update of the City's Purchasing Policy to include procedures for all types of purchases in one document. The goal is to give management and staff a clear understanding of the policies and procedures to be used when making purchases and to ensure that purchases are made consistent with applicable laws and regulations. The draft Purchasing Policy includes procedures for purchasing goods, services and equipment, procuring professional consulting services, bidding public works contracts, handling travel expenses and disposing of surplus property. The basic standard that should always prevail is to exercise good judgment in the use and stewardship of City resources, including keeping within the budget authorized by the City Council and encouraging open competition.

OUTSTANDING ISSUES

None.

DISCUSSION

The purpose of revising the Purchasing Policy and procurement procedures are intended to ensure fairness, objectivity, accountability and transparency in an efficient procurement process. The revised policy is intended as a guideline to ensure the City obtains high quality equipment, goods and services at a cost that provides the best value to the City and encourage competition among bidders.

The enclosed draft Purchasing Policy is a comprehensive document that contains policies and procedures for purchasing of equipment, goods and services; procurement of professional consulting services; and bidding public works contracts; including disposing of surplus equipment. The Purchasing Policy also includes several new policies related to code of ethical conduct, conflicts of interest, sanctions for ethical violations and unauthorized purchases. These policies are to help guide management and staff responsible for making purchases and to provide clear expectations of their responsibilities.

The draft Purchasing Policy is divided into three primary category of purchases: Equipment, Goods, and Services; Professional Consulting Services; and Public Works Contracts. The acquisition process for each category is further delineated by the dollar amount of the purchase, as follows:

Equipment, Goods and Services

Small Purchases	Less than \$1,000	No bid needed, comparative pricing whenever practical
Informal Bid	\$1,000.01 - \$10,000	Minimum of three (3) quotes required, Purchase Order approved before purchase by Purchasing Officer
Formal Bid	\$10,000.01 or Greater	Formal Bid Process, Awarded to lowest, responsible bidder. City Council Awards Contract.

The purchase of equipment, goods and services includes maintenance or nonstructural repair of City buildings, structures or improvements that do not require engineering plans, specifications or design.

Professional Services

Less than \$25,000	Issue an RFQ (Request for Qualifications), Council awards contract
\$25,000.01 or Greater	Prepare and Release RFP (Request for Proposal), Council awards contract

Professional Services generally include engineering, architectural, legal services, financing, auditing, planning, etc. Professional services that cost less than \$25,000 will be awarded by the City Council once a Request for Qualifications (RFQ) has been issued. Professional services greater than \$25,000 will be awarded by the City Council once a Request for Proposal (RFP) has been issued.

Service Contracts

Service contracts generally include services such as street sweeping, refuse, janitorial, landscape maintenance, and contract building inspection services. Service contracts will be awarded by the City Council.

Public Works Contract

Small Contract	Less than \$45,000	Work may be performed by employees of the City by force account, negotiated contract, or by Purchase Order
Informal Contract	\$45,001 - \$175,000	May be let to contract by following the UPCCAA informal bid procedures
Formal Contract	\$175,000 or Greater	Shall be let to contract pursuant to the formal bid procedures set forth in the UPCCAA

FISCAL IMPACT

No fiscal impact.

PUBLIC HEARING

None required.

ATTACHMENT

A. Draft Purchasing Policy under separate cover

Attachment 'A'



PURCHASING POLICY

ADOPTED: _____, 2014

UPDATED 10/7/2014

PURCHASING SYSTEM OVERVIEW

EQUIPMENT, GOODS AND SERVICES

Including maintenance or nonstructural repair of City buildings, structures or improvements which does not require engineering plans, specifications or design (i.e., unscheduled replacement of broken window panes, fire extinguisher maintenance, minor roof repairs, plumbing, electrical, mechanical, custodial services, pest control, installation, repair, modification and maintenance of City equipment, repair, demolition or other work required to abate nuisances and leasing or rental of equipment)

Less than \$1,000 (Small Purchase)

\$1,000.01 - \$10,000 (Open Market)

\$10,000.01 or Greater (Formal Bid)

- No bid needed; comparative pricing whenever practical
- Award by department head via warrant request/purchase order

- Department solicits at least 3 quotes
- Award by purchase order or contract signed by City Manager

- Formal bidding required
- City Council award contract
- City Manager to execute contract

PROFESSIONAL SERVICES

Professional services would generally include engineering, architectural, legal services, financing, auditing, planning, etc.

Less than \$25,000 (RFQ)

Greater than \$25,000.01 (RFP)

- Prepare and release RFQ
- City Council Award

- Prepare and release RFP
- City Council Award

SERVICE CONTRACT

Contracting of governmental services such as street sweeping, refuse, janitorial, landscape maintenance, contract building inspection services, architectural, etc.

General Services (RFP or RFQ)

- Prepare and release RFP or RFQ
- City Council approval required to release RFP/RFQ and for award of contract required

EQUIPMENT MAINTENANCE CONTRACTS

Maintenance contracts provide ongoing maintenance and supply such as copiers, HVAC, etc.

On-Call/ Maintenance Services (Eligibility List)

- Prepare and release RFP or RFQ depending on cost
- Establish eligibility list
- Rotate contracts as needed

PUBLIC WORKS CONTRACTS

Public Works contracts of \$45,000 are subject to informal and formal bidding and other requirements as set forth by public contract codes. Public works projects over \$1,000 are subject to prevailing wage law. Public works project is "the erection, improvement, painting, or repair of public buildings and works" and also includes the "furnishing of supplies or other materials for any such project."

Less than \$45,000 (Small Contract)

\$45,001 - \$175,000 (Informal Contract)

Greater than \$175,000 (Formal Contract)

- May be performed by the employees of the City by force account, negotiated contract, or by purchase order

- May be let to contract by following the UPCCAA informal bid procedures

- Shall be let to contract pursuant to the formal bid procedures set forth in the UPCCAA

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Purpose

The purpose of this policy is to implement the City's purchasing ordinance and to provide guidance to City departments to instruct them in the procedures that are to be followed in obtaining materials, equipment and services that comply with applicable Federal, State and local laws and regulations and promote the cost-effective procurement of supplies, services, and equipment.

It is intended that the information contained in this policy will help staff in both understanding the laws and regulations that govern the procurement activity of the City, as well as assist staff in following the proper procedures necessary in completing the purchasing process in a timely manner.

These policies are not intended to address every issue, exception, or contingency that may arise in the course of purchasing activities. The basic standard that should always prevail is to exercise good judgment in the use and stewardship of City resources, including keeping within the budget authorized by the City Council and encouraging open competition.

Policy

The policy contained herein was developed under the authority of Chapter 3.20 of the City of Kerman Municipal Code. The City Manager is designated as the Purchasing Officer for the City and may delegate the administration of the program. The Purchasing Officer/Designee is charged with the responsibility and authority for coordinating and managing the procurement of the City's supplies, services, and equipment according to this policy.

The policy outlined herein is to be adhered to by the Purchasing Officer and all City Departments when procuring supplies, services, and equipment. This policy strives to define decision making with prudent review and internal control procedures and to maintain departmental responsibility and flexibility in evaluating, selecting, and purchasing supplies, equipment, and services.

Purchasing Authority and Responsibilities

The City Manager has assigned the responsibility for administering purchasing policies and procedures to individual departments through the Director of Finance ("Purchasing Officer"). This decentralized system of purchasing provides the Departments with the ability to contact vendors directly. It is the City's policy to establish efficient procedures for the purchase of goods and general services at the lowest possible cost commensurate with quality needed, to exercise positive financial control over purchases, to clearly define authority for the purchasing function, and to assure the quality of purchases.

The Purchasing Officer is responsible for 1) the procurement of general supplies, services and equipment; 2) the administration of the purchasing policy; and 3) the management of surplus City property. To perform these functions efficiently and assist Departments, the Purchasing Officer shall:

- A. Be charged with the responsibility and authority for coordinating and managing the procurement of the City's general supplies, services, and equipment from the lowest responsive and responsible bidder when required by this policy and as may be prescribed by the City Council.
- B. Ensure full and open competition on purchases as required by this policy.
- C. Identify, evaluate, and utilize purchasing methods, which best meet, the needs of the City (i.e., cooperative purchases, blanket purchase orders, contractual agreements, etc.).

- D. Verify the availability of funds and budgetary approval for requested purchases.
- E. Assist all departments with research and recommendations in developing specifications; review specifications for completeness of information to ensure specifications are not unnecessarily restrictive.
- F. Negotiate and recommend the execution of contracts for the purchase of supplies, materials, equipment, and services.
- G. Recommend to the City council revisions to the rules governing the purchase of supplies, materials, equipment, and services when necessary and keep informed of current developments in the field of public purchasing.
- H. Prescribe and maintain forms appropriate for the operations of the purchasing function.
- I. Apply the principles of total cost and life cycle cost analyses in the evaluation of equipment purchases.
- J. Supervise the inspection of all supplies, materials, equipment, and services purchased to ensure conformance with specifications.
- K. Recommend the transfer of surplus or unused supplies, materials, and equipment between departments as needed, and dispose of, through sale or other means, surplus property and scrap materials.
- L. Establish standard specifications, with department input, for items commonly used by City departments.
- M. Coordinate with City departments to track terms, extensions and other aspects of Lease-Purchase agreements and Consultant Agreements.
- N. Act as the City's agent in the transfer and disposal of surplus equipment and materials.
- O. Be charged with the responsibility and authority for coordinating and managing the City's Property and Inventory Control Program.
- P. Have authority to operate a central store for commonly used supplies and materials in order to take advantage of quantity purchases.
- Q. Apply the principles of total cost and life cycle cost analyses in the evaluation of equipment purchases.
- R. Head the IT Computer Maintenance and Replacement Committee as well as the Vehicle Maintenance and Replacement Committee.

Responsibilities of City Departments

City Departments are charged with the following responsibilities in the purchasing process:

- A. To provide the Purchasing Officer/Designee at the beginning of each fiscal year, an updated authorized signature list designating those individuals who are delegated the authority to make purchases per the policies and procedures as described herein.
- B. To anticipate requirements sufficiently in advance to allow adequate time to obtain goods in accordance with the best purchasing practices.
- C. To communicate and coordinate purchases with the Purchasing Officer/Designee, as necessary.

- D. To provide detailed, accurate specifications to ensure goods obtained are consistent with requirements and expectations.
- E. To prepare requisitions in accordance with instructions so as to minimize the processing effort.
- F. To inform the Purchasing Division of any vendor relations problems, shipping problems (i.e., damaged goods, late delivery, wrong items delivered, incorrect quantity delivered, etc.) and any situations that could affect the purchasing function.
- G. To minimize urgent and sole source purchases and to provide written documentation when such purchases may be necessary.
- H. To assist the Purchasing Division with the review of all bids received for compliance with specifications, and provide the Purchasing Division with written documentation regarding their findings.
- I. To notify bidders or vendors of purchase award when authorized by Purchasing Officer or City Council depending on the appropriate Purchasing System Classification for approval.
- J. To refrain from “splitting” orders for the purpose of circumventing procurement requirements.

Vendor Relations

Division and department staff shall conduct their dealings with vendors in a professional manner and shall promote equal opportunity and demonstrate fairness, integrity, and courtesy in all vendor relations. When feasible to do so, vendors within the City of Kerman should be utilized for supplies, services, and equipment. However, good vendor relations must also be balanced with fair and equitable selection to avoid possible conflicts of interest or the appearance as such.

Code of Ethical Conduct

The primary mission of city government is to serve the citizens of the City of Kerman. To perform its mission effectively, the City must have the trust and confidence of the public it serves. That trust is dependent upon City employees discharging their duties honestly, forthrightly, objectively and with personal integrity.

To secure and maintain the trust and confidence of the public, the City of Kerman is committed to upholding the highest standards of ethical conduct. Of key importance in determining whether a particular action is proper or improper, is how the action is perceived. The full measure of ethical review is not limited to the narrow confines of a specific job, task, or department. The review must also determine whether the action gives the appearance of wrongdoing, inequity, impropriety or the perception of misconduct when viewed by the public.

The City of Kerman subscribes to the following Principles and Standards of Purchasing Practice:

- A. Avoid the intent and appearance of unethical or compromising practice in relationships, actions, and communications.
- B. Demonstrate loyalty to the employer by diligently following the lawful instructions of the employer, using reasonable care, and only authority granted.
- C. Refrain from any private business or professional activity that would create a conflict between personal interests and the interests of the employer. Refrain from soliciting or accepting money, loans, credits or prejudicial discounts and the acceptance of gifts, entertainment, favors or services from present or potential suppliers that might influence or appear to influence, purchasing decisions.

- D. Handle confidential or proprietary information belonging to employers or suppliers with due care and proper consideration of ethical and legal ramifications and governmental regulations.
- E. Promote positive supplier relationships through courtesy and impartiality in all phases of the purchasing cycle.
- F. Refrain from reciprocal agreements that restrain competition.
- G. Know and obey the letter and spirit of laws governing the purchasing function and remain alert to the legal ramifications of purchasing decisions.
- H. To regard public service as a sacred trust, giving primary consideration to the interests of the governmental unit by whom we are employed.
- I. To purchase the best value obtainable, securing the maximum benefit for each tax dollar expended.
- J. To avoid preference practices, giving all qualified vendors an equal opportunity.
- K. To accord vendor representatives the same treatment we should like to receive, remembering that they are important sources of information and assistance in our buying process.
- L. To strive constantly for greater knowledge of purchasing methods and of the materials we buy.
- M. To conduct ourselves with fairness and dignity and to demand honesty and truth in buying and selling.
- N. To cooperate with all engaged in purchasing process.
- O. To remember that everything we do reflects on the entire purchasing profession and to govern our every action accordingly.

Conflict of Interest

Conflicts of interest occur when a conflict exists between the public interest and the private monetary interest of a public official or employee. Conflicts of interest can also occur with regards to individuals who have left government employment, when former public officials are able to exert undue influence over the purchasing process because of their past personal connections inside government.

No City employee or official of the City shall be or become interested in any contract for which bids are or may be required for the furnishing of labor or materials to or for the City, nor shall any of them receive any gratuity or advantage from any contract or from the contractor furnishing any labor or material under any contract, the cost or consideration of which is payable from the City treasury. Any such contract with the City in which any such officer or employee is or becomes interested shall be declared void by the Council.

Generally speaking, an employee or official should not participate directly or indirectly when the following conditions apply:

- The employee, official or any member of the employee's or officials' immediate family has a direct or indirect interest in the purchase.
- A business or organization, in which the employee, official or any member of the employee's or officials' immediate family has a direct or indirect interest, is involved in the purchase.

- Any other person, business or organization, with which the employee, official or any member of the employee's or official's immediate family is negotiating or has an arrangement concerning prospective employment, is involved in the purchase.

No City employee or official of the City shall aid or assist a bidder in securing a contract to furnish labor or materials or supplies at a higher price or rate than that proposed by any other responsible bidder, or shall favor one bidder over another, giving or withholding information, or shall willfully mislead any bidder in regard to the character of the materials or supplies of a quality inferior to that called for by contract, or shall knowingly certify to a greater amount of labor performed than has actually been performed or to the receipt of a greater amount of material or supplies than has actually been received.

Prohibition of Gifts, Gratuities, and Kickbacks

City employees or officials of the City are prohibited from accepting any gratuity or advantage from any contract or contractor. This section is designed to prohibit actions that may tend to unduly and improperly influence officers and employees in the discharge of their duties, or grant, in the discharge of their duties, any improper favor, service, or thing of value.

The City of Kerman regards the practice of accepting gifts or gratuities as unnecessary, undesirable and contrary to the mission of the City. The City recognizes the responsibility of its employees to maintain good relations with all members of the community and believes this can be accomplished in a professional manner without gifts or gratuities interfering with and/or influencing employees. The City prohibits an employee from accepting personal gifts or gratuities in his/her capacity as a City employee from business or individuals who either do business with, or are served by the City. As opposed to gratuities, which up to a financial point are not illegal, kickbacks are always illegal. Kickbacks are "financial payment for receiving a contract."

It shall be illegal for any payment, gratuity, or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor or any person associated therewith, as an inducement for the award of a subcontract or order.

Sanctions for Ethical Violations

Any employee who violates ethical standards may be disciplined in accordance with this policy, the City of Kerman Personnel Rules and Regulations, and/or applicable Memorandum of Understanding up to and including, termination, civil or criminal prosecution.

Unauthorized Purchases

Except for urgencies or other authorized exemptions stated in these guidelines, no purchase of supplies, services, or equipment shall be made without authorization as described within the manual or in Chapter 3.20 of the Kerman Municipal Code. Under no circumstances shall a purchase be considered approved or final until approved by the City Council or City Manager as required by the appropriate purchasing classification. No representative of the City shall enter into a verbal agreement or make any arrangements until the final approval is granted.

In the event that an unauthorized purchase is made the following may apply:

- A. Such purchases are void and not considered an obligation of the City.
- B. Invoices without an authorization may be returned to the vendor unpaid.

- C. The person ordering the unauthorized purchase may be held personally liable for the costs of the purchase or contract.

Retroactive Contracts

No City contract shall be valid prior to approval by the City Council or their designated representative. Contractors and vendors shall be advised by the responsible department head that performance under the contract may not commence prior to such approval. The City shall not be obligated to pay for any work or service started before the contract is approved by the City Council.

The submission of a contract for approval after the date of service has begun or after the date of service has been completed, is counter to the City's best interest and prescribed approval process.

Types of Purchasing Transactions

There are many types of purchasing transactions in the City, summarized as follows:

Equipment, Goods and Services

Equipment, goods and services include tangible goods, supplies, equipment, vehicles, materials, printing and insurance including maintenance or nonstructural repair of City buildings, structures or improvements which does not require engineering plans, specifications or design (i.e., unscheduled replacement of broken window panes, fire extinguisher maintenance, minor roof repairs, plumbing, electrical, mechanical, custodial services, pest control, installation, repair, modification and maintenance of City equipment, repair, demolition or other work required to abate nuisances and leasing or rental of equipment).

Professional Consulting Services

Professional consulting services are those activities performed by a consultant who possesses a high degree or expertise in a particular profession such as, but not limited, to auditor, attorney, architect, engineer, land use consultant, financial advisor, appraiser, or expert.

Public Works Contracts

Public works projects contracts of \$45,000 are subject to informal and formal bidding and other requirements as set forth by public contract codes. Public works projects over \$1,000 are subject to prevailing wage law. Public works project as defined in the State of California Public Contract Code is:

- A. A project for the erection, improvement, painting, or repair of public buildings and works.
- B. Work in or about streams, bays, waterfronts, embankments, or other work for protection against overflow.
- C. Street or sewer work except maintenance repair.
- D. Furnishings supplies or materials for any such project, including maintenance or repair of streets, sewers, or water systems.

Acquisition Process

The City has several separate methods for acquiring goods, materials, services, and labor. The method used is determined by the dollar value of the final award, as follows:

Small Purchases

Less Than or Equal To \$1,000.00

All departments may purchase equipment, goods and services of less than \$1,000.00 (“small purchases”) without competitive bidding provided that an unencumbered appropriation for the item exists in the current approved budget. Every effort to utilize a local vendor shall be exercised. For small purchases, the authority to award a purchase contract is the Department Head or his/her authorized designee. Comparative pricing is not required but shall be used when practical. Prudent judgment shall be used at all times.

Informal Bid

Purchases Greater Than \$1,000.01 but less than \$10,000.00

All departments purchasing equipment, good and services of a value of one thousand and 01/100ths (\$1,000.01) dollars to ten thousand (\$10,000.00) dollars inclusive of taxes, shipping and other charges shall be purchased following the informal bid procedures prescribed below:

- A. Quotations. Informal bids shall, whenever possible and practicable, be based on at least three (3) written quotations and shall be awarded to the lowest responsible quotation. The requesting department shall use the Informal Bid Request form provided by the Purchasing Officer to provide specifications for the item to be purchased including a general description of the articles or general services to be purchased, and shall state the deadline for submittal of bid. All bids/quotes shall be in writing (including facsimile and email).
- B. Purchase Order. The requesting department shall submit a purchase order, which includes the recommended vendor, with all supporting documentation to the Finance Department. The City Manager or designee shall review and sign the purchase order and supporting documentation prior to making the purchase by the requesting department. Supporting documentation shall include competitive price quotes obtained, names of vendors contacted, description of the items required, and certificates of insurance as applicable on a form provided by the Finance Department. The Purchase Officer or the City Manager may contact additional sources for quotations as deemed necessary.
- C. Award of Contract. The City Manager or designee is authorized to award a purchase to the lowest responsive and responsible vendor whose quote fulfills the intended purpose, quality, and delivery needs of the solicitation, provided that the City Council has budgeted funds for the item(s) and the amount of the award is not more than the budgeted amount. In lieu of awarding the purchase, the City Manager or Designee may reject quotes or may negotiate further to obtain terms more acceptable to the City. The City Manager or Designee may also determine that the interest of the City is best served to require the Formal Contract Procedures for purchases within this range.
- D. Tie bids. If two (2) or more bids received are for the same total amount or unit price and quality, service and delivery being equal, and if the public interest will not permit the delay of re-bidding, the City Manager may accept the one it chooses, or accept the lowest good faith offer by negotiating with the tie bidders.

Note: *Non-emergency repairs to equipment shall be diagnosed to determine repairs needed for bidding purposes.*

Exceptions. The informal bid procedure may be dispensed with:

- A. In an emergency;
- B. When the goods can be obtained from only one source that has been reviewed and approved in writing by the City Manager or designee;
- C. When processed through a cooperative purchasing agreement with another public agency whose procurement process is consistent with the provision of this policy.

Formal Bid

Purchases Greater Than \$10,000.01

The City shall purchase commodities, equipment, and general services of a value equal to or greater than \$10,000.01 dollars inclusive of taxes, shipping and other charges following the formal bid procedures prescribed below:

- A. Specifications. The requesting department shall provide specifications for the item to be purchased with as much detail as possible so that the prospective bidders understand the nature of the purchase.
- B. Notice Inviting Bids. The notice inviting bids shall include a general description of the articles or general services to be purchased, and shall state where bid forms and specifications may be secured and the time and place for opening bids.
- C. Published notice. The notice inviting bids shall be published at least ten (10) days before the date of the opening of the bids. Notice shall be published at least once in a newspaper of general circulation. The requesting department shall also cause the notice inviting bids to be posted on the City's website.
- D. Bidder's list. The City shall also solicit sealed bids from responsible prospective suppliers whose names are on the bidder's list.
- E. Bidder's security. When deemed necessary, the City shall require bidder's security. Bidders' security shall be in accordance with the provisions of the California Public Contract Code.
- F. Bid opening procedures. Bidders shall submit sealed bids to the City Clerk and shall provide the project number or other reference and identify them as bids on the envelope. Bids shall be opened in public at the time and place stated in the public notice. A tabulation of all bids received shall be open for public inspection during regular business hours for a period of not less than thirty (30) calendar days after the bid opening.
- G. Rejection of bids. At its discretion, the City Council may reject any and all bids presented and may re-advertise for bids.
- H. Award of Contracts. The City Council shall award a contract for the purchase of commodities or equipment or general services with a value of ten thousand and 01/100ths (\$10,000.01) dollars or more. A contract shall be awarded to the responsible bidder with the lowest responsive bid, except as otherwise provided here. A contract may be awarded to the next lowest bidder if the successful bidder refuses or fails to execute the contract.

- I. Tie bids. If two (2) or more bids received are for the same total amount or unit price and quality, service and delivery being equal, and if the public interest will not permit the delay of re-advertising for bids, the City Council may accept the one it chooses, or accept the lowest good faith offer by negotiating with the tie bidders.
- J. Performance bonds. The City has the authority to require a performance bond before entering a contract, in such amount as is reasonably necessary to protect the best interest of the City. If a performance bond is required, the form and amount of the bond shall be described in the notice inviting bids.

Exceptions. The open-market procedure may be dispensed with:

- A. In an emergency;
- B. When the goods can be obtained from only one source that has been reviewed and approved in writing by the City Manager or designee;
- C. When processed through a cooperative purchasing agreement with another public agency whose procurement process is consistent with the provision of this policy.

Professional Consulting Services

The need for assistance in the performance and delivery of City services will periodically necessitate the utilization of outside service providers. Outside service providers are individuals or companies that provide a service to the City for remuneration such as, but not limited to, architects, engineers, attorneys, auditors, financial advisors, and land use consultants.

Criteria and Guidelines for Utilization

Outside service providers are utilized when:

- Staff resources are not sufficient to perform these services and when the services are not of an on-going nature that would require a full-time employee, or;
- Staff does not possess the required expertise, or;
- The nature of the services requires third party objectivity, or;
- State or Federal law prohibits assigning such services to staff, or;
- The required services cannot be provided more economically by staff, or;
- There exists an emergency or urgent need for services to preserve public health and safety.

Criteria and Guidelines for Selection

The selection of consultant or professional services is provided for in Section 4526 of the California Government Code and based on the Kerman Municipal Code Chapter 3.22.

Competitive bidding for specialized services is not in the best public interest because it may lead to employment of the least qualified, rather than the best qualified, as should be the objective. The objective of competitive bidding is low cost. Only when services or a product can be described in sufficient detail, where all parties can bid on the same basis for comparison, should bidding be considered. Professional services in engineering, law, architecture, land surveying, and planning, to name a few, are not recognized as being amenable to detailed specifications.

The selection of consultants will be on the basis of demonstrated competence and professional qualifications necessary for the satisfactory performance of the services required, by assuring engagement of services on the basis of demonstrated competence and professional qualification for the type of services to be performed and at a fair and reasonable price to the city.

The following guidelines have been developed to establish the City's policy for selection of consultants. Separate guidelines are established for two levels of anticipated fee:

- Informal Selection Process (Request for Qualifications) – Contracts less \$25,000.00
- Formal Selection Process (Request for Proposals) – Contracts greater than \$25,000.01

Informal Request for Qualifications (RFQ) – Contracts less \$25,000.00

For projects where the estimated consultant fees will be less than twenty-five thousand (\$25,000.00) dollars, the requesting department, with the approval of the City Manager or designee, shall prepare a qualified list by having interested professional consultants respond to a request for qualifications (RFQ). The purpose of the RFQ is to obtain all pertinent information required of consultants for placement in a pool of consultant candidates with demonstrated competence and professional qualifications necessary for the types of services to be performed. Additional interested firms may be added to the list at any time by submitting a statement of qualifications.

The procurement of services with a value of less than twenty-five thousand (\$25,000.00) dollars shall be made following the procedure prescribed below:

- A. Request for qualifications. The requesting department may solicit proposals by written request for qualification (including facsimile or e-mail) or verbal request to prospective consultants. Informal requests for qualifications shall, whenever possible and practicable, be based on at least three (3) proposals and shall be awarded to the best qualified and most responsible proposer. The dollar amount of the proposal shall be considered but the award need not be made to the lowest dollar proposal.
- B. Retention of proposal. The requesting department shall retain all proposals in accordance with the City Council approved retention schedule.
- C. Award of contracts. The City Council shall award a contract in accordance with this policy.

Formal Request for Proposals – Contract exceeding \$25,000.01

The City shall procure services with a value of twenty-five thousand and 01/100ths (\$25,000.01) dollars or more following the procedure prescribed below:

- A. Request for proposals. The requesting department, with the approval of the City Manager or designee, shall prepare a request for proposal (RFP) providing a scope of work providing with a general description of the services to be procured including the time and place for submission of proposals. A notice requesting proposals shall be distributed to at least three (3) consultant firms and shall be posted on the City website at least ten (10) days prior to the deadline for submission of proposals. Proposers shall submit sealed proposals to the City Clerk and shall identify them as proposals on the envelope.

- B. Selection review committee. A Selection Review Committee should be established by the requesting department to evaluate qualifications, interview candidates and rank the firms for selection. The group should include at a minimum one representative from the department responsible for the administration of the consulting contract, the Purchasing Officer or designee, as well as one such other qualified professional individuals who have knowledge or capabilities that are valuable in interviewing the prospective consultants including experts from surrounding public agencies or private consultants with expertise on projects with similar scope to that required for the anticipated project.
- C. Evaluation of proposals. All responsive proposals shall be reviewed and evaluated by the City in order to determine which proposer best meets the City's needs by demonstrating the competence and professional qualifications necessary for the satisfactory performance of the required service. The City reserves the right to reject any and all proposals or waive any irregularities in any proposal or the proposal process. The criteria by which the City shall evaluate proposals will be set forth in the request for proposals, and shall generally be based upon the following considerations:
1. Professional experience of the firm in performing services of similar nature;
 2. Quality and relevance of recently completed or ongoing work;
 3. Reliability, continuity, and location of firm to the project site;
 4. Staffing capability; ability to meet schedules;
 5. Education and experience of key personnel to be assigned; knowledge of applicable regulations (including but not limited to regulations applicable to federally funded activities and projects) and technology associated with the services required; specialized experience of the firm in the services to be performed;
 6. Demonstrated record of success
 7. Proposed method of addressing the work
 8. Ability to make public presentations
 9. Adequate knowledge of local conditions
 10. Demonstrated record of keeping costs within project budgets
 11. Current workload and relationship to proposed project
 12. Participation as a small business firm; and other factors the executive deems relevant to the specific task to be performed.
- D. Establishing short list of firms to be interviewed. Based on evaluation of qualifications submittals and reference checks, the City can establish a short list of three to five firms to be interviewed. The Selection Review Committee will interview and evaluate the short-listed firms. Firms selected for interviews should immediately be sent information regarding interview date and place.
- E. Ranking the Firms in Contention for Selection. The Selection Review Committee will evaluate the firms interviewed using an evaluation form that includes a weight and a score for each criteria or question is useful for evaluating, ranking, and, finally, selecting the most qualified firm. Each firm should be evaluated separately by each interviewer during the presentation and interview. When all interviews have been concluded, the head of the selection committee should compile the individual score sheets. This system provides a documented selection process as support for the committee's actions. It is recommended that committee members take the time to achieve consensus rather than just ranking and selecting by majority vote.
- F. Negotiating an agreement with the selected firm. As soon as possible after the selection, the requesting department should begin negotiations with the firm deemed most qualified. Normally it is not difficult to reach an agreement on fee, since the RFP process facilitates an early understanding of the project scope and requirements. If agreement on the scope of services and compensation cannot

be reached, negotiations with the first-ranked firm should be terminated, and the City should open negotiations with the second-ranked firm.

- G. Selection of firm. After the finalists have been identified, the Selection Review Committee will recommend to the City Council selection of the preferred consultant(s) among the finalists who shall provide the services upon terms and conditions most advantageous to the city. Upon direction by the City Council, the executive will enter into negotiation with the selected consultant over the final terms and conditions for the engagement of such services.
- H. Award of contract. The City Council shall award a final contract for the services and authorize the City Manager or designee to execute the agreement.

Extension of Existing Contract or Multiphase Contracts

It may be more efficient or economical in certain cases to extend an existing contract or to enter into a multiphase or multiyear contract. Extension of an existing contract is limited to cases where services are logically connected to an ongoing contract and should be constructed as a single project. A multiphase contract is negotiated under the RFP procedure but may not include feasibility studies, master plans, or programming services. Negotiation for such services may be required at the end of each phase and prior to proceeding to the next phase. A multiyear contract is negotiated at the time of the original agreement to permit the City the option to extend the contract into future years.

Agreements for these services are to be negotiated by the executive when appropriate and to be submitted to the City Council for approval.

On-Call (Ongoing) Professional Services

In some instances it is in the best interest of the City to have on-call contracts with multiple consultants for the same or very similar services (i.e. services that can be defined as to scope of work but not as to required events such as contract building inspection services, building plan check services, planning consultants, etc.) These services would best be handled by establishing an eligibility list and by entering into annual on-call professional service contracts.

The process for selecting firms for annual ongoing professional service contracts shall be generally the same as for other professional services contracts. However, multiple firms may be awarded an on-call contract based on the RFQ/RFP process and may be placed on the eligibility list. Additional firms/individuals may also be awarded contracts and placed on the eligibility list at a later date, using the RFQ/RFP process without impacting contracts currently in place.

As events occur and need arises, work may be assigned to the consultants on the eligibility list. The Department Head shall make a reasonable attempt to rotate work between consultants subject to availability and special needs or by soliciting proposals from the consultants on the eligibility list.

Professional firms providing engineering, plan checking, planning, legal, auditing, or other services may be retained on a continuing basis to provide professional services. The City Department Head, with the approval of the City Manager, may contract on a project-by-project or on a retainer basis for additional work/services without going through the RFP and selection process. At least every five (5) years these arrangements shall be reviewed by the Purchasing Officer or designee. This is to ensure the City is receiving the best professional services and there is no stoppage in the provision of these services. The City Council shall determine if an RFQ/RFP is warranted for such services.

Public Works Projects

Purpose

Provide guidelines for “Public Project” procurement. Public Project means construction, reconstruction, erection, alteration, restoration, improvement, demolition, and repair work involving any facility owned, leased, or operated by the City. The definition also includes painting or repainting any facility owned, leased or operated by the City.

A public project does not include maintenance work, consisting of routine, recurring, and usual work for the preservation or protection of facilities owned or operated by the City, including minor repainting. Street and highways resurfacing at less than one inch (1”) deep, landscape maintenance (mowing, watering, trimming, pruning, planting, replacement of plants, and servicing of irrigation and sprinkler systems) are not a public project.

Policies

It is the City of Kerman’s policy to follow the uniform Construction Cost Accounting Procedures for all Public Projects, as set forth in the Public Contract Code (Article 2, commencing with Section 22010). It is also the City of Kerman’s policy to adopt the purchasing limits and policies as set forth in Public Contract Code Sections 22030 to 22045 attached hereto in Appendix A.

Bidding, Contracting and Purchasing Procedures

- A. Small Contract Procedures. Public projects, maintenance work, and the purchase of any supplies, equipment and services, which are (under \$45,000 or as revised annually) in accordance with the limits established in Public Contract Code Section 22032(a), may be performed by the employees of the City by force account, negotiated contract, or by purchase order.
- B. Informal Contract Procedures. Public projects, maintenance work, and any purchase of supplies, equipment and services which are (between \$45,000.01 and up to \$175,000 or as revised annually) in accordance with the limits in Public Contract Code Section 22032(b), may be let to contract by following the Act’s informal procedures. The informal procedures include the following:
 - 1. Contractors List. A list of contractors, identified according to categories of work, shall be developed and maintained in accordance with the requirements of Public Contract Code Section 22034, together with any criteria promulgated by the Commission from time to time.
 - 2. Notice Inviting Bids. At least ten calendar days before bids are due, a notice inviting informal bids shall be mailed to all contractors on the list for the category of work being bid, and to all construction trade journals specified pursuant to the requirements of Public Contract Code Section 22036; provided however:
 - i. Additional contractors and trade journals may be notified at the discretion of the purchasing agent.
 - ii. For public projects, if there is no list of qualified contractors maintained by the City for the particular category of work to be performed, the notice inviting bids shall be sent to the construction trade journals specified by the Commission.
 - iii. For circumstances not involving public projects, where there is no list of qualified contractors maintained by the City for the supplies, equipment, services or

maintenance work to be procured, the notice inviting bids shall be made in conformity with the procedures established by the Purchasing Agent from time to time. Whenever possible, bids should be solicited from at least three qualified bidders.

- iv. If the product or service is proprietary in nature, such that it can be obtained only from a certain contractor or contractors, the notice inviting informal bids may be sent exclusively to those contractor(s).
 3. In situations where a contract was originally presumed to fall within the informal bid limits in Public Contracts Code Section 22032(b), but where all bids received are in excess of those limits, the City Council may still award the contract if the requirements of Public Contract Code Section 22034(f) have been met.
- C. Formal Contract Procedures. Public projects which are in accordance with the limits (over \$175,000.01 or as revised annually) established in Public Contract Code Section 22032(c), shall be let to contract pursuant to the formal procedures set forth in the UPCCAA and as described in this Article. Except as provided in this code or under law to the contrary, contracts for maintenance work, and any purchase of supplies, equipment and services in accordance with the limits established in Public Contract Code Section 22032(c) may also be let to contract pursuant to the formal procedures in this section.
1. Notice Inviting Bids (NIB).
 - i. Formal bids shall state the time and place for the receiving and opening of sealed bids and distinctly describe the project. The notice shall be published at least fourteen calendar days before the date of opening the bids in a newspaper of general circulation pursuant to the requirements of Public Contract Code Section 22037.
 - ii. The notice inviting formal bids shall also be sent electronically, if available, by either facsimile or electronic mail, and mailed to all construction trade journals specified in Public Contract Code Section 22036. For circumstances not involving a public project, where there is no construction trade journal for the supplies, equipment, services or maintenance work to be procured, the notice inviting bids shall instead be made in conformity with established procedures. All notices under this paragraph shall be sent at least fifteen calendar days before the date of opening the bids.
 - iii. In addition to notice required by this Article, the City may give such other notice as it deems proper.
 2. The City Council shall adopt plans, specifications, and working details for all public projects requiring the formal bid procedure, pursuant to Public Contract Code Section 22039.
 3. All public projects shall be awarded as provided in the UPCCAA.
 4. Contract Approval.
 - i. All contracts for public works project shall be presented to the City Council for review and approval.

Bid Acceptance or Rejection

- A. Processing bids. Sealed bids shall be submitted to the City Clerk and shall be identified as bids on the envelope. It is the responsibility of the bidder to ensure receipt of the bid document by the City Clerk by the designated hour. Bids shall be opened in public at the time and place stated in the public notice.

A tabulation of all bids received shall be open for public inspection during regular business hours for a period of not less than thirty calendar days after the bid opening.

B. Bid acceptance or rejection.

1. Rejection of All bids. In its discretion the City Council may reject all bids presented, if City, prior to rejecting all bids and declaring that the project can be more economically performed by City employees, furnishes a written notice to the apparent low bidder. The notice shall inform the bidder of the City's intention to reject the bid, and shall be mailed at least two business days prior to the hearing where the bid will be rejected. If after the first invitation of bids all bids are rejected, after reevaluating its cost estimates of the project, the City may:
 - i. Abandon the project or re-advertise for bids; or
 - ii. Following passage of a resolution of the City Council by a four-fifths vote stating the project can be performed more economically by the employees of the City, the City may have the project done by force account without further complying with the requirements of the Act.
 - iii. All contracts for public project shall be awarded to the lowest responsible bidder as provided in the UPCCAA. All other informally or formally bid contracts shall be awarded to the lowest responsible bidder, unless otherwise provided in this code. If two or more bids are the same and the lowest, the City may accept the one it chooses.
 - iv. If no bids are received through the formal or informal procedure, the project may be performed by the employees of the City by force account or negotiated contract without further complying with this article.

Exceptions to bidding requirements.

- A. Except as otherwise provided by law, the following purchases of services, supplies, and equipment shall be negotiated contract without requiring a bidding process:
 1. Contracts for professional services, including but not necessarily limited to contracts with accountants, auditors, attorneys, plan checkers, inspectors, surveyors, architects, engineers, CEQA consultants, information system consultants, financial consultants, election services consultants, public relations consultants and related activities, negotiation for or acquisition of land, insurance, bonds, and other similar contracts, subject to the requirements in Sections 4526 through 4529.5 and Section 37103 of the Government Code.
 2. Contracts where a commodity or service is offered by only one vendor, or when only one vendor is able to supply a commodity within the time frame or under terms and conditions that reasonably meet the needs of the City (sole source).
 3. Contracts where the purchase is procured pursuant to a competitively bid contract awarded by another public entity.
 4. Where the services, supplies, and equipment are procured under a contract set forth on the California multiple award schedules (CMAS). Contracts under this exemption must be approved by the City Council upon a finding that the proposed contract offers the best pricing. Whenever possible, the proposed contract should be based on at least three bids. City's agents shall attempt to negotiate a lower price from the CMAS contractor(s) whenever possible.

5. The day-to-day operation of the City's self-insurance, or insurance retention programs are exempt from these requirements, when performed in cooperation with the City's risk manager.
6. Other exceptions authorized by law.

Emergency contracting and purchases.

- A. In cases of emergency when repair or replacements are necessary, the City Council may proceed at once to replace or repair any public facility without adopting plans, specifications, strain sheets, or working details, or giving notice for bids to let contracts. The work may be done by day labor under the direction of the City Council, by contractor, or by a combination of the two.
- B. In case of emergency, if notice for bids to let contracts will not be given, the City shall comply with Chapter 2.5 of the Public Contract Code, commencing with Section 22050.
- C. In emergency situations to preserve life, health, or property, the appropriate requesting department may dispense with obtaining quotes/bids/proposals to obtain materials/services necessary in dealing with the emergency. The requesting department shall submit a written request to the Purchasing Officer and City Manager for review and approval. If the purchase exceeds \$10,000.01, the requesting department head shall prepare an agenda report to the City Council explaining the emergency and the items purchased at the next regularly scheduled City Council meeting. Emergency procurements should be made only to preserve life, health, or property:
 - Upon a natural disaster
 - To correct or forestall a shutdown
 - To maintain essential public services
 - Other unforeseeable events
- D. When one known supplier is available, the requesting department may do a sole source purchase. A sole source is the only possible source, not a preferred source. Purchases by sole source must be approved by the City Manager or designee. If the purchase is under \$10,000 the City Manager or designee must also approve the sole source. If the purchase exceeds \$10,000.01, an agenda report for City Council approval requesting an exception from the solicitation process and requesting awarding the purchase to the "Sole Source Vendor" must be prepared. The requesting department shall submit a completed "Sole Source Vendor Form" along with purchase order/warrant request.

Purchasing and Payment Procedures

Purchase Order

Purchase Orders represent a commitment related to unperformed contracts for equipment, goods or services between a City department and a vendor. Purchase Orders are created using the Springbrook Accounting Software program by choosing Purchase Orders on the drop down module. Once a Purchase Order "batch" has been approved by the Department Head, Finance Director and City Manager the initiating department will receive notice that the Purchase Order has been approved. Upon notification of approval the requesting department can notify the vendor and proceed with the purchase. The Purchase Order will then encumber the budgeted funds and will remain pending until the purchase is finalized and a warrant request is processed through the Finance Department. The use of encumbrance accounting is a critical element of budgetary control in governmental accounting systems and serves three distinct purposes:

- A. Provides a written contract between the City of Kerman and a vendor.
- B. Decreases the available budget by an amount equal to the purchase order. This procedure lessens the chance of overspending a line-item budget.
- C. At the end of the fiscal year, unexpended encumbrances are added to the next fiscal year's line item budget so that sufficient budget is available to meet the prior fiscal year's commitments. Encumbrances without any activity for a period of one year will be released at the end of the fiscal year (with prior departmental notification).

All purchases for equipment, goods and services with an estimated cost of \$1,000.01 or more shall be requested through the Purchase Order request module in Springbrook along with scanned in copies of the bids/quotes obtained. The PO will identify the equipment, material, services or supplies required along with details of vendor selection and budgeted account number. The Purchase Order will be routed for approval to the requesting department head, then the Finance Director and final approval or denial by the City Manager. Once the City Manager has approved or denied the Purchase Order the requesting department will be notified. The Department Head or Finance Director can reject the Purchase Order if the request is incomplete or if funds are not budgeted.

Purchases or contracts shall not be made until the Purchase Order is authorized by all department levels.

Processing Payments Against a Purchase Order

A warrant request is required to pay the vendor even though a PO has been issued. When an invoice is received against a PO, the requesting department shall indicate the PO number on the Warrant Requisition. This action will ensure that the invoice payment will be deducted from the outstanding encumbrance associated with the PO. You should track the payments against a PO on your department's copy to know how much is remaining on the PO.

Purchase Order Exemptions

Certain purchases are not readily adaptable to the open market and formal bidding process. These purchases are generally for items where the competitive bid process or obtaining quotes is not applicable or where a check is required to accompany the order. Following is a list of allowable exemptions:

- Advertisements and Notices
- Courier/Delivery/Messenger
- Dept. Purchases under \$1,000.00
- Insurance Claims and Premiums
- Medical Payments (Physicians, lab)
- Membership dues
- Payments to Other Governmental units
- Petty Cash Replenishment
- Utility Payments
- Real-property/easement acquisition
- Subscriptions
- Trade circulars or books
- Travel Expense/Advances

Exemptions are limited to those items listed above. Departments may submit written requests for additional exemptions to the Purchasing Officer. If warranted, additional exemptions will be added to this list.

If a vendor requires a Purchase Order to process an order, the department shall submit a purchase order requisition to the Finance Department to initiate a purchase order.

Open Purchase Order

An Open Purchase Order is an agreement whereby the City contracts with a vendor to provide equipment or supplies on an as-needed or ongoing over-the-counter basis. These items would typically be less than \$1,000.00 per order and therefore would be exempt from Centralized Purchasing. Open Purchase Orders provide a mechanism whereby items that are uneconomical to stock may be purchased in a manner that allows timely access to necessary materials.

An open account may be requested by a department by contacting the Purchasing Officer and/or designee. The Purchasing Officer shall review Open Purchase Orders annually, before the beginning of the fiscal year.

Once an Open Purchase Order is issued to a vendor, any authorized City employee may contact the vendor directly to place orders per the terms and conditions specified in the Open Purchase Order. City Departments shall develop a list of eligible employees that may purchase through the Open Purchase Order and submit the list to the Purchasing Officer or designee. The City Department shall limit the list of authorized employees in order to control and track purchases. The list of authorized city employees shall be provided to the vendors for verification purposes.

When an employee purchases an item on an open account, he/she should sign the receipt (legibly) and show a City photo identification card. Examples of open accounts include: Slumburger Lumber, Reno's Hardware, Napa Auto Parts, Smith Auto, O'Reilly Auto Parts, Kerman Farm Supply, etc.

Change Orders

Purchase Orders represent a contract between the City and the Vendor. Any substantial change to a Purchase Order shall be documented as a change order. Change orders shall be reviewed by the Purchasing Officer and shall be approved by the City Manager. A Purchase Order may not be increased by more than 10% or \$1,000, whichever is less, without a change order, excluding taxes, shipping and handling. Change orders exceeding \$1,000 shall be presented to the City Council for approval.

Taxes, shipping and handling may cause the Purchase Order to exceed the authorized purchase order amount. These items do not require a change order, even if they exceed 10% of the original order amount.

Warrant Request

The Warrant Request is a multi-purpose document serving the ordering, receiving and payment functions. The Warrant Request is intended to facilitate the economical, timely and limited procurement of specified materials by the City departments that are less than \$1,000. The Warrant Request can be used to issue advance payments such as for lodging, per diem, car rental, etc.

Warrant requests shall be completed, signed by the authorized signer and the original invoice and a copy of the invoice shall be attached to substantiate payment. (If the request is for a partial payment on a Purchase Order, the purchase order number must be written on the "P.O. No." line on the Warrant Request.)

Emergency Purchases

Only the following situations will constitute an emergency:

- A. A purchase that requires immediate procurement for the preservation of life or safety of the public or City employees, its officers and agents.
- B. Procurement of materials or supplies to complete a maintenance project already in progress that was unforeseeable prior to starting the project.
- C. To forestall a shutdown of essential public services.

Since emergency purchases do not normally provide the City an opportunity to obtain competitive quotes or properly encumber funds committed, sound judgment shall be used in keeping such orders to an absolute minimum. In addition, the following requirements shall apply:

- A. The Purchasing Officer shall be contacted as soon as possible for an advance purchase order number, which may be given verbally, to cover the urgent transaction. If unable to contact the Purchasing Officer, place the order and contact the Purchasing Officer the next workday.
- B. A completed Purchase Order shall be submitted to the Purchasing Officer within two working days, or as soon as the information is available. All purchase requisitions for urgent purchases shall be signed by the appropriate department head.
- C. Documentation explaining the circumstances and nature of the urgency purchase shall be submitted by the appropriate department head as follows:
 1. Purchases less than \$1,000.01: use standard purchasing procedures.
 2. Purchases greater than \$1,000.01 but less than \$10,000.01: Report to the City Manager for review and approval.
 3. Purchases greater than \$10,000.01: Report to the City Manager for review and approval and an informational report providing details of the emergency expenditure must be made to the City Council at the next Council meeting following the emergency expenditure.

Local Vendor Preferences

Purchasing goods and services from local vendors is desired because it stimulates the local economy and recognizes that our local vendors are valued members of our community. If factors such as quality, previous performance, and availability are equal among vendors, a vendor whose business is located in Kerman shall be awarded a contract if their quote or bid is within 5% of the low bid.

Sole Source Purchases

Commodities and services that can be obtained from only one vendor are exempt from competitive bidding. Sole source purchases may include proprietary items sold directly from the manufacturer, items that have only one distributor authorized to sell in this area or a certain product has proven to be acceptable. All sole source purchases shall be supported by written documentation signed by the appropriate department head and forwarded to the Purchasing Officer. Final determination of whether or not an item is a valid sole source purchase will be made by the Purchasing Officer or designee. The requesting department shall submit a completed "Sole Vendor Form" to the Purchasing Officer or designee along with PO/Warrant Request.

Cooperative Purchases

The Purchasing Officer is authorized to join with other public and private entities for the purpose of collectively preparing specifications; requesting and receiving bids, quotations or proposals; and making award to the lowest responsive responsible bidder, provided that the source selection method used is substantially in compliance with the requirements of this chapter.

The City may use State of California Cooperative Purchasing Contracts if the item on the state contract meets the City's needs and if it is unlikely that a separate City bid would result in more favorable prices, terms and/or conditions. Contracted buying groups are considered to take the place of competition if, in the opinion of the Purchasing Officer, it is in the best interest of the City. Notwithstanding all other provisions of this article, in the purchase of necessary goods and/or services the City may, in lieu of other City competitive bidding procedures, accept a competitive bid which has been secured by or on behalf of any federal, state, county or municipal government or from any other governmental entity, state funded institution and not-for-profit organization, subject to a determination by the Purchasing Agent that the contract was entered into pursuant to a competitive process in compliance with City laws, policies and procedures.

Purchasing is authorized to “piggyback” contracts for products and equipment entered into by other governmental agencies through a competitive bid providing the contract contains an assignability clause that provides for the assignment of all or a portion of the specified deliverables as originally advertised, competed, evaluated and awarded.

Purchasing will obtain documentation to verify the contract and bid process. 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. However, minor modifications, which result in a price differential of 5 percent or less, are authorized.

Credit Card Purchases

City credit cards are issued by the Finance Department on as-needed basis to authorized staff at the sole discretion of the Purchasing Officer or designee.

Credit card purchases are limited to Small Purchases only not to exceed \$1,000. Guidelines and conditions for Small Purchases are set forth in this policy and will be followed. Credit cards shall be used for City business only – no cash withdrawals are allowed.

Under certain circumstances, the use of a City issued credit card may be the most appropriate method for certain purchases. The use of a City credit card should not be used as a shortcut of the Accounts Payable cycle. In other words their use should be the last resort. The following policies and procedures are established to insure internal control and timely payment of charges.

Credit cards are issued to individual employees and are to be used for official City business only. City employees issued a city credit card shall be responsible for any purchases made from their authorized credit card. Credit cards belong to the City and can be cancelled or revoked at any time at the discretion of the City Manager. No personal items shall be charged on any City credit card. Under no circumstances shall a single personal charge be made on a City credit card.

City credit cards may be available to the City Council and City Employees for the conduct of official City business, included, but not limited to the following purposes:

- A. Gasoline purchases
- B. Telephone charges
- C. Authorized travel expenses and hotel charges which shall subsequently be documented on the travel reconciliation report.
- D. To charge the cost of meals when required in the conduct of official business, except when an employee is traveling on a per diem basis.
- E. Other circumstances where the use of a credit card best meets the City's purchasing needs as determined by the Purchasing Agency or the appointed designee.

Only the City Manager, City Department Heads and designated management city staff are authorized to carry a city credit card. City gasoline and other credit cards may be signed out by the Purchasing Officer or designee to an employee authorized to purchase items. Once the purchase is complete the credit card shall be returned. The following items shall be adhered to when making a purchase using a City credit card:

- A. All purchases and payments made by City credit card must be properly budgeted.
- B. All purchase and payments made by City credit card must result in a receipt or other sales acknowledgement. These must be signed legibly by the purchaser and approved by the appropriate Department Head.
- C. Signed receipts and sales acknowledgements must be attached to a Warrant Request for payment.
- D. Payment for purchases without receipts may become the responsibility of the employee.
- E. Should any employee lose or have his/her credit card stolen, it is their responsibility to contact the Purchasing Officer immediately.

Petty Cash

Petty cash is available to reimburse purchases which were originally paid out-of-pocket by a City staff or as an advance for City purchases without the need to use personal funds. A petty cash fund is maintained in the Finance Department. Petty Cash reimbursements will be paid either in cash or by check, depending on the amount. Reimbursement requests less than \$50 will be paid in cash. Reimbursement requests greater than \$50 will be paid by check on the next accounts payable check processing date.

For reimbursement of personal funds already spent:

- A. Complete the petty cash form including the date, amount, account code, and description. (A copy of this form appears in the forms section of this manual).
- B. Attach the receipt to the form.
- C. Write the name of the person being reimbursed on the "Received By" line.
- D. If someone other than that person collects the funds, they must initial the form.
- E. Have an authorized signer for that department sign.

For a petty cash advance:

- A. Follow steps a, c, and d above. The description should be "Advance for..." with a clear description of how the advance will be used.
- B. After all purchases are complete, return the store receipt and any change to the Finance Cashier.

Insurance and Bond Requirements

Insurance is required in connection with a purchase or contract: which involves service performed on City property; is a professional services contract; or whenever there is an inherent risk of personal injury in the activity involved. When insurance and indemnity are required, the contractor should hold the City harmless, agree to defend, and maintain insurance for commercial general liability, automobile liability and workers' compensation (if there are any employees) in the form and amounts determined by the City Attorney. The City Attorney has prepared standard insurance requirements which should be attached to any vendor-provided contract whenever insurance and indemnification are required. It is the responsibility of the department staff preparing the contract to obtain insurance certificates from the contractor evidencing the required insurance and naming the City of Kerman as a certificate holder.

General Liability Insurance

Each contractor engaged in service on City property is required to maintain commercial general liability insurance in an amount not less than \$1,000,000 per occurrence for bodily injury, personal injury and property damage. The City of Kerman shall be named as an additional insured. Certain high-risk activities may require higher limits.

Automobile Liability Insurance

Each contractor engaged in service on City property is required to maintain automobile liability insurance in an amount not less than \$1,000,000 covering bodily injury and property damage. The City of Kerman shall be named as an additional insured. Certain high-risk activities may require higher limits.

Worker's Compensation Insurance

Each contractor engaged in service on behalf of the City is required to maintain workers' compensation insurance and employer's liability insurance for his/her employees in accordance with the laws of the State of California. If contractor has no employees, he/she shall sign or initial an Exemption from Workers' Compensation Insurance statement. An exemption form is attached to the City's standard Professional Services Agreement form.

Professional Liability Insurance

Each professional retained under a professional services agreement shall maintain professional liability insurance in an amount not less than \$1,000,000 unless this requirement is waived by the City Attorney.

Policy Endorsements

Each general liability and automobile liability insurance policy shall be with insurers possessing a Best's rating of no less than A and shall be endorsed with the following specific language:

- A. The City of Kerman, its elected or appointed officers, officials, employees, agents and volunteers are to be covered as additional insured with respect to liability arising out of work performed by or on behalf of the Consultant, including materials, parts or equipment furnished in connection with such work or operations.

- B. This policy shall be considered primary insurance as respects to the City, its elected or appointed officers, officials, employees, agents and volunteers. Any insurance maintained by the City, including any self-insured retention the City may have shall be considered excess insurance only and shall not contribute with it.
- C. This insurance shall act for each insured and additional insured as though a separate policy had been written for each, except with respect to the limits of liability of the insuring company.
- D. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its elected or appointed officers, officials, employees, agents or volunteers.
- E. The insurance provided by this policy shall not be suspended, voided, canceled, or reduced in coverage or in limits except after 30 days written notice has been received by the City.

Insurance Certificates

Insurance certificates providing evidence of coverage must be provided by the following categories of persons:

- A. Any individual or non-City organization using a City facility.
- B. Any individual performing a service or delivering a product under contract to the City.
- C. Any individual or organization constructing something for the City.
- D. Any agency required to provide such evidence as a condition of participating with the City in any endeavor, such as a joint powers authority.

The department designated as contract administrator for each agreement is responsible for obtaining insurance certificates and maintaining current insurance certificates.

Indemnification Clauses

Defense and indemnification clauses require the contractor to reimburse the City for any costs the City may incur to defend and/or pay damages to a third party because of the contractor's actions. The City is not permitted to require the contractor to assume the responsibility for the City's actions, but the City can require the contractor to defend it and reimburse it for any loss arising out of the contractor's performance of the contract.

Occasionally, a contractor will demand that the City defend and indemnify the contractor against losses arising from the City's acts. Risk Management and the City Attorney must be consulted in these instances.

Bonds

Bonds are policies issued by surety companies which guarantee that the contractor will meet the stated obligation. Except as stated below in the payment bond section, the requesting department must advise Purchasing of the need to include bonds in the bid requirements or not.

Types of Bonds

The surety bonds which are most likely to be used by the City are:

- Fidelity Bond: Reimburses an employer for loss sustained because of dishonest acts of employees covered by the bond.

- Bid Bond: Guarantees that a contractor will enter into the contract under consideration if it is awarded to him/her and that he/she will comply with all terms and conditions of the bid or proposal.
- Payment or Labor and Materials Bond: Guarantees that contractors will pay their subcontractors, employees and suppliers for labor, services and goods provided in performance of contracts for "public projects".
- Performance Bond: Guarantees performance by the contractor of all work under the contract, including replacement or repair of any defective materials or faulty workmanship and compliance with all the terms and conditions of the contract.

Receiving of Goods and Services

Inspections and Testing

The ordering Department shall inspect and/or test all goods upon receipt (or services upon completion), to assure conformance with the specifications set forth in the order. If a product is determined to be unusable, or not what was ordered, the Department shall reject it and return it to the vendor as the vendor directs, and at the vendor's expense, for credit or replacement.

Acceptance

When goods have been received or a project has been completed to the satisfaction of the ordering Department and the specifications, the packing slip and/or other completion documentation shall be signed-off by the employee receiving or inspecting. Information to be noted on the documents must include, at a minimum, the employee's signature and a legible rendering of their name and the date of receipt/completion. The employee signing must note on the receiving documents any deviation from the exact ordering specifications.

Contracts

Filing with City Clerk

A signed original of each contract entered into under this policy shall be filed with the City Clerk's office, except for transactions involving the purchase of commodities, equipment or general services documented with a purchase order, which is filed with the Finance Department. Contracts shall be retained in accordance with City Council adopted retention schedule.

Travel and Expense Reimbursements

Purpose

The City of Kerman travel policy prescribes procedures for Elected Officials and Employees to report and be reimbursed for official travel and business expenses. The following guidelines and procedures are set forth to minimize costs, improve accountability and ease management review of reimbursement claims.

This policy applies to elected and appointed Officials of the City and all Employees of the City. Department Heads may adopt more restrictive policies due to budget limitations or requirements of other government agencies. Compensation to Employees for travel time shall be consistent with the requirements of the Fair Labors Standards Act.

This policy assumes a mutual trust between the City and its Officials and Employees. The City shall reimburse Officials and Employees for all reasonable costs incurred on behalf of the City. Officials and Employees are expected to use good judgment in spending public funds which have been entrusted to them. Misuse or misappropriation of City funds and equipment not in conformance with this policy may result in disciplinary action, which for Employees may include termination of employment.

Policies

Travel shall be authorized only when necessary and in the best interest of the City. The City shall reimburse actual, reasonable and necessary expenses incurred while on City business, not to exceed established guidelines. Expenses incurred in connection with the following types of activities are hereby deemed authorized expenses, as long as the other requirements of this policy are met:

- A. Communicating with representatives of regional, state and national government on the City's adopted policy positions; and
- B. Attending educational seminars designed to improve an Elected Official's or Employee's skill and/or knowledge; and
- C. Participating in regional, state and national organizations whose activities affect the City's interests; and
- D. Implementing a City-approved strategy for attracting or retaining businesses to the City, which shall typically involve at least one staff member; and
- E. For any Employee, any other general City business authorized by that Employee's Department Head.

Expenditures for any other type of activity require prior approval by the City Council for Officials and City Manager for Employees.

The City shall NOT reimburse personal expenses, including but not limited to:

- A. The personal portion of any trip;
- B. Political or charitable contributions or events;
- C. Family expenses, including a partner's expenses when accompanying an Elected Official or Employee on agency-related business, as well as children- or pet-related expenses;
- D. Entertainment expenses, including theater, movies (either in-room or at the theater), sporting events (including gym, massage and/or golf-related expenses), or other cultural events;
- E. Non-mileage personal automobile expenses, including repairs, traffic citations, insurance or gasoline;
- F. Personal losses incurred while on City business.

City Officials and Employees should neither enrich themselves nor be required to use their own funds while traveling on City business.

The City Manager or his/her designee must approve all proposed travel out of the Fresno County area for City Employees. References in this policy to out-of-area travel shall mean travel outside the Fresno County area.

Travel and expense funded by the Commission of Peace Officer Standards and Training (POST) Commission shall be subject to restrictions currently in effect from POST. POST shall govern expenditure limitations for

meals and lodging, superseding this policy. When preparing reimbursements for POST, a copy of the reimbursement request shall be forwarded to the Administrative Services Department to track the receivable.

Authorization for Travel at City Expense

Authorization Levels

- A. Within the Fresno County Area: Employees must obtain department head approval prior to official same-day travel within Fresno County.
- B. Outside the Fresno County Area (Within California): Employees must obtain Department Head and City Manager or the Director of Administrative Services approval prior to travel and overnight stay outside the Fresno County area on City business.
- C. Out of State: Employees must obtain the City Manager's prior written approval for any out-of-state travel. The City Manager may present this request to the City Council for approval.

Employees or Elected Officials should use City vehicles for any travel within the City, County, or state.

Format for Request

The information to be submitted with all requests for out-of-area travel is as follows:

- A. Requests must be submitted in advance of the actual travel.
- B. Department Head or his/her designee shall confirm by means of their authorization that the appropriate budget is available for the travel.
- C. Total cost of the proposed travel shall be itemized, including all costs for registration fees, lodging, meals, transportation, etc.
- D. City vehicle to be assigned by Department Head or his/her designee. A City vehicle should be used for any travel within the City, County, or state.

Lodging

Lodging expenses consist of charges for out-of-area overnight accommodations as required for conduct of official City business. Lodging expenses shall be reimbursed or paid for when travel on official City business reasonably requires an overnight stay.

Stay Reasonably Required

An overnight stay is reasonably required when the traveler would otherwise have to leave his or her residence before 6:00 a.m. on the day of the event to arrive at the destination at the designated time. Lodging expense is allowable for the evening after an out-of-town meeting or business event when the traveler would otherwise arrive at his/her residence after 9:00 p.m.

Lodging Rates

If possible, Employees and Officials should make hotel/motel reservations well in advance and take other actions to incur the lowest possible lodging expenses (e.g. compare rates, request occupancy tax exemptions, etc.):

- A. Government Rates Employees and Official must request government rates when making reservations or registering at hotels/motels. If possible, Employees and Official should make hotel/motel reservations well in advance and take other actions to incur the lowest possible lodging expenses (e.g. compare rates, request occupancy tax exemptions). Lodging rates that are equal to or less than government rates are presumed to be reasonable and hence reimbursable for purposes of this policy.
- B. Group Rates: If such lodging is in connection with a conference, lodging expenses must not exceed the group rate published by the conference sponsor for the meeting in question if such rates are available at the time of booking. If the group rate is not available, see next section.
- C. Alternatives: In the event that government rates or group rates are not available at a given time or in a given area, there are three options available to Employees and Officials.
 - 1. Option #1 (Median Hotel Cost). Lodging rates that do not exceed the median retail price for moderate lodging for that area listed on websites like www.priceline.com or an equivalent service shall be considered reasonable and hence reimbursable.
 - 2. Option #2 (Flat Cap). Lodging rates that do not exceed one hundred twenty-five dollars (\$125) per night are presumed reasonable and hence reimbursable.
 - 3. Option #3 (IRS Rates). Lodging rates that do not exceed the Internal Revenue Service per diem rates for a given area are presumed reasonable and hence reimbursable.
- D. Reservations for lodging shall be scheduled in advance. Employees shall submit a warrant request for lodging and registration for issuance of a check prior to the event.

Meals

Allowable meal expenses include food and beverages purchased and consumed while on official City business, provided these items are not covered by other expenses, i.e., conference fees, airline fares, lodging, etc. AB1234 prohibits per diem reimbursements for Officials; therefore the per diem method of reimbursements is for City Employees only.

Rate of Reimbursement

Officials may be reimbursed for eligible meal expenses, while Employees may either receive a per diem or be reimbursed for eligible meal expenses.

- A. Per Diem Method: A per diem of \$38.00 shall be paid to Employees for meals associated with each day of travel as follows:
 - 1. Breakfast \$7.00
 - 2. Lunch \$12.00
 - 3. Dinner \$19.00
- B. Reimbursement Method: Each meal, including gratuity, shall be reimbursed to Official or Employee up to the Domestic Per Diem Rates per US General Services Administration per-meal guideline and must be accounted for separately on a reimbursement claim. Under special circumstances, the City Manager may approve individual meal expenses (for Employees only) above the guideline with written justification, copies of restaurant bills, and evidence of department head approval. If an individual

claims meal expenses for more than one Employee, she/he must list all Employees on the expense reimbursement form.

C. Normally, meals are reimbursable under the following time criteria:

Meal	Travel Begins Before &	Travel Ends After
Breakfast	7:00 a.m.	8:00 a.m.
Lunch	11:00 a.m.	1:00 p.m.
Dinner	5:00 p.m.	6:00 p.m.

Meals Purchased on Travel That Do Not Include an Overnight Stay

The City will NOT reimburse employees for meals purchased within the City of Kerman or surrounding areas, while they are engaged in day-to-day job duties, or engaged in any one-day travel that does not include an overnight stay.

Transportation

Transportation expenses are the direct costs of transporting Employees from authorized points of departure, to travel destinations and authorized points of return. These expenses normally include, but are not limited to, common carrier tickets, private vehicle mileage and car rental charges.

Other transportation expenses include taxi, bus, and streetcar fares; road, bridge, and ferry tolls; parking fees; and other costs directly related to transporting Employees to and from temporary work locations.

Transportation expenses not covered include: personal travel, traffic and parking violations and emergency repairs on private vehicles.

NOTE: City gas cards and Cal-Cards should not be used for fuel purchases on personal vehicles.

Mode of Transportation

When traveling on City business, Officials and Employees should use the least expensive modes of transportation consistent with time requirements and work schedules. The City shall reimburse travelers for the most cost-effective transportation means, considering both direct costs and Employee time management.

City Vehicles:

Officials and Employees shall use City vehicles in lieu of private vehicles when available. Use of privately owned vehicles shall be approved by the Purchasing Officer or designee in advance.

Rate of Reimbursement:

Officials and Employees shall be reimbursed for travel mileage incident to the authorized use of privately owned vehicles on City business. Reimbursement shall be at the IRS rate currently prescribed and necessary. The City shall not reimburse individuals for gasoline purchases when they claim the per-mile reimbursement rate for private vehicles. This amount does not include bridge and road tolls which are also reimbursable.

Commercial Auto Rental

The City shall reimburse Officials and Employees for actual and necessary costs of rental when substantiated by invoice. Rental of an automobile should be limited to those situations where it is determined that it the most economical method of transportation or with Department Head approval, in those situations where a City vehicle is not available or if it would create a hardship for the Employee to use a personal vehicle. The size of an auto rented shall be the least expensive size appropriate to the use required by the Employee. Rental rates that are equal or less than those available through the State of California's website (www.catravelsmart.com/default.htm) shall be considered the most economical and reasonable for the purpose of reimbursement under this policy. If possible, travelers should refuel rental vehicles before returning them to rental agencies. Employees may use City credit cards to pay for rental vehicles.

Air Travel

When an Employee claims commercial airline expenses, the cost shall be limited to the least expensive class available, unless prior approval of City Manager for upgrade. Travelers shall attempt to use the lowest airline rates available. Airfares that are equal or less than those available through the Enhanced Local Government Airfare Program offered through the League of California Cities (www.cacities.org/travel), the California State Association of Counties (www.csac.counties.org/default.asp?id=635) and the State of California are presumed to be the most economical and reasonable for purposes of reimbursement under this policy. Reservations should be made as far in advance as possible to take advantage of available discounts. Frequent flier mileage and bonus points or premiums, such as discounts on future fares, received, as a result of travel on Official City business shall accrue to the City.

Taxis and Other Local Transportation

The City shall reimburse the cost of taxi fare to and from places of business, hotels, airports, or railroad stations in connection with official activities and meals. Taxis are permitted only when suitable and more economical services are not reasonably available. Whenever available, Employees must attempt to use complimentary hotel/motel shuttle services.

Business Expenses

Business expenses are those incidentals to official travel other than transportation, lodging, and meals. Receipts shall be required for all business expenses.

General

The City shall reimburse Employees for business expenses, provided they do not include the costs of discretionary items intended for personal benefit or pleasure, such as entertainment, or barber and beauty shop charges. Business expenses normally include, but are not limited to, the following:

- Conference registration fees (if not paid by separate claims)
- Officials and Employees shall be reimbursed for actual telephone and fax expenses incurred doing City business. Telephone bills should identify which calls were made doing City business. For cellular telephone calls when the Official or Employee has a particular number of minutes included in his or her plan, the Official or Employee can identify the percentage of calls made doing public business. Employees shall be reimbursed for one personal telephone call per day. All other personal telephone calls are the Employee's responsibility. More calls per day may be authorized by the Department Head in special circumstances.

- Reasonable amounts paid to baggage handlers, porters, and other service personnel.

Reimbursement Claims

General

- A. Officials and Employees must submit expense claims upon return.
- B. Officials and Employees should submit approved travel claims (along with supporting vouchers and receipts) the next regular work day or no longer than one week after completion of travel. All claims must have travelers' signatures and, for Employees, Department Head approval.
- C. Receipts documenting each expense must be submitted with the appropriate paperwork to accounts payable. Inability to provide documentation in a timely fashion may result in the expense being borne by the Official or the Employee.
- D. All expenses are subject to verification that they comply with this policy.

Claim Forms

Claim forms shall include:

- Consistent with this Policy, the City business involved.
- Dates of travel.
- Travelers' names.
- Travel destinations.
- Expense identification, i.e., seminars, meals, plane fare, etc.
- Dollar amounts of all expenses.
- Personal expenses only if part of City credit card charges. These must be subsequently subtracted from claim totals.
- Additional explanations as needed to substantiate claims.

Registration/ Expense Advances

Minimum

City Employees may request advances for reimbursable travel expenses. The minimum advance shall be \$50. City Officials may not receive cash advances from the City. If advances exceed actual expenses, Employees must remit the difference when they file their claims. If a trip is canceled, the advance must be remitted within one week of the cancellation.

Reservation and Registration

Officials and Employees may use City credit cards for reservations and registration if time does not permit for normal warrant processing. Regardless of the method of payment the traveler must request a receipt and submit to the Finance Department for documentation.

Reports to Governing Boards

At the City Council meeting following the conference or other business for which any reimbursable expenses were incurred by an Elected Official, each Elected Official shall briefly report on meetings or other business attended at the City's expense. If multiple Elected Officials attend, a joint report may be made.

Responsibility and Accountability

Administration

Each Department Head shall be held responsible and accountable for the administration of this policy within his/her department. Department heads should consult with the Administrative Services Director and/or City Manager on questions related to this policy. The City Manager shall annually review the practices and reports of the various departments in regard to the administration of this policy.

Each City Official shall be held responsible and accountable for the administration of this policy for his/her own travel. City Officials should consult with the Administrative Services Director and/or City Manager on questions related to this policy.

Compliance with Laws

Officials and Employees should keep in mind that some expenditure may be subject to reporting under the Political Reform Act and other laws. All agency expenditures are public records subject to disclosure under the Public Records Act and other laws.

Violation of This Policy

- A. Loss of reimbursement privileges;
- B. A demand for restitution to the City;
- C. The agency's reporting the expenses as income to the elected Official to state and federal tax authorities;
- D. Civil penalties of up to one thousand dollars (\$1,000) per day and three times the value of the resources used; and
- E. Prosecution for misuse of public resources.

Surplus Property

Purpose

This policy shall govern the sale by the City of any and all vehicles, tools, equipment, or other personal property which has been deemed excess or unnecessary for City operation. For the purpose of this policy, "property" or "personal property" shall mean any time, object, and thing or right which is not real property. Sale of real property shall be governed by the applicable requirements of the California Government Code, California Redevelop Law or other applicable rule or regulation, and not by this policy.

Responsible Authority

The Purchasing Officer is responsible for the transfer and disposition of surplus City property. "Surplus property" is used generically to describe any City property that is no longer needed or useable by a Using or

Holding Department of the City. The Purchasing Officer or designee shall request City Council approval to declare item(s) surplus.

Each department shall periodically review its equipment, material, and inventory, and shall promptly notify the Purchasing Officer of any surplus property which is no longer used or which have become obsolete or worn out. A Surplus Property Form shall be completed and submitted to the Purchasing Officer for each surplus property item. Surplus property shall be disposed of at such times as the Purchasing Officer prescribes, but no less than once per year.

Determination of Value

In determining the fair market value, each department shall document the methods used to make such determination including tools such as Kelly Blue Book, classified advertisements, and local vendors with similar products available.

Method of Disposition

The Purchasing Officer or designee shall determine or approve one of the following methods of disposition that is most appropriate and in the best interests of the City.

- A. Transfer to another Department: Surplus property may be transferred between City Departments. Departments wishing to transfer surplus property to or from another department shall complete the Surplus Property Form and submit it to the Finance Department for review. All transfers of items with an estimated value of \$1,000 or more require approval of the Department Heads from each department affected by the transfer.
- B. Trade-In: Property declared as surplus may be offered as a trade-in for credit toward the acquisition of new property. All trade-in offers will be submitted for the review and approval of the Purchasing Division. If surplus property is to be applied to a purchase order, the trade-in value shall be itemized on the Purchase Order. The amount charged against the expenditure account will be the value of the purchase before application of the trade-in credit.
- C. Return to Manufacturer: Surplus property may, when possible, be returned to the manufacturer for buy-back or credit toward the purchase of new property.
- D. Disposal: Surplus property may be offered for sale by the Purchasing Officer. All surplus property is for sale “as is” and “where is”, with no warranty, guarantee, or representation of any kind, expressed or implied, as to the condition, utility or usability or the property offered for sale. Appropriate methods of sale are as follows:
 - 1. Negotiated Sale: Value less than \$100.00 – Any surplus property with an estimated value of less than one hundred dollars (\$100.00) may be sold without any public bidding to any eligible party paying a fair price. Notice of such proposed sale shall be posted at City Hall listing the item and sale price for at least one week prior to such sale being approved by the City Council. Prior to Council approval of the sale, any eligible person may offer to pay a higher price for the item to be sold. If a higher price than the one posted is offered, the item may be sold at the highest price offered without further posting. If more than one eligible party has offered only the posted price for the item, then the City Clerk shall determine by drawing lots or other random method which of those offering the posted price shall purchase. If no bids are received, the Purchasing Officer shall have discretion to re-post the item for sale.

2. Selling for Scrap - Surplus property may be sold as scrap if the Purchasing Officer deems that the value of the raw material exceeds the value of the property as a whole.
3. Sealed Bids: Value between \$100.01 and \$500.00 – Any surplus property with an estimated value of between one hundred dollars and .01/100ths (\$100.01) and five hundred dollars (\$500.00) shall be sold to the highest responsible bidder by sealed bids in the following manner:
 - i. Notice of such sale describing the items to be sold along with notice of where the item may be inspected shall be posted in three public places at least four (4) weeks prior to the bid opening.
 - ii. Notice of invitation for sealed bids shall also be published at least twice in a paper of local circulation. Such publication shall occur between the twenty-eighth to the twelfth day prior to the bid openings. The Purchasing Officer or designee may wish to also publish notice of such sale in appropriate trade or other publications.
 - iii. If no sealed bids or no acceptable sealed bids are received, the process set forth in this section shall be repeated. If a second bid period does not obtain any acceptable sealed bids then the property may be sold under the procedures outlined in in D (1) above

For purpose of this policy, “acceptable sealed bid” means a bid of not less than 50% of the estimated value of the item, and which has been delivered to the City Clerk in a sealed envelope which identifies the item being bid upon, but the envelope does not bear any indication of the identity of the bidder or the amount of the bid.

4. Notice Inviting Bids: Value over \$500.01 – Any property to be sold with an estimated value of over five hundred dollars and .01/100ths (\$500.01) shall be sold by inviting public bids in the following manner: Notice of such sale describing the items to be sold along with where the item may be inspected shall be posted in three public places at least four weeks prior to the bid opening. Notice of inviting bids shall be published at least twice in a paper of local circulation. Such publication shall occur between the twenty-eighth to the twelfth day prior to the opening of bids. The Purchasing Officer or designee may also publish notice of such sale in appropriate trade or other publications. If no bids or no acceptable bids are received, the process set forth in this section shall be repeated. If a second bid period does not obtain any acceptable bids then the property may sold under the procedures outlined in Section 3(iii) above.
5. Donation: The Purchasing Officer with the approval of the City Council may donate surplus property to public bodies, charitable, civic or non-profit organizations and may include property which has no commercial value or for which the estimated cost of continued care, handling, maintenance or storage would exceed the estimated proceeds of sale.
6. Eligible Persons: A person shall be eligible to offer to purchase and to purchase surplus property pursuant to this policy, if the person is:
 - i. A member of the public unless that member is related as a parent, sibling, spouse, child or grandchild to, or is owned in part, or controlled or influenced by, an ineligible City Employee or Officer of the City; or

- ii. A City employee or Officer of the City, but only if the property is offered for sale through the process of a sealed bid, or offered for sale through an auctioneer, where the auction is to be appropriately announced as being open to the general public.

When an employee submits a sealed bid or takes title to surplus property, the employee shall sign a disclaimer under penalty of perjury stating he/she is eligible to complete such purchase because the officer or employee did not participate in the decision that the City property involved was surplus or could be sold, or in the valuation process, or in the advertising or posting process, and that such sale is not prohibited by other applicable law or regulation.

A City employee or Officer shall be ineligible to purchase the property when the employee or officer participated in the decision that the City property involved was surpluses or could be sold, or in the valuation process, or in the advertising of posting process, or if such sale is prohibited by other applicable law or regulation.

These prohibitions shall be construed to prohibit an employee or officer from purchasing or coming into ownership of said property, either directly or through intermediaries or persons or entities related as a parent, sibling, spouse, child or grandchild to, or is owned in part, or controlled or influenced by, an eligible City employee or officer.

Any violation of this policy may result in disciplinary action, including termination of the employee or office, and civil or criminal prosecution.

Mailing Notice of Proposed Sale

The Purchasing Officer or designee may in his discretion mail notice to dealers or other individuals that might be interested in any surplus property to be sold by the City. Additionally, any individual may file a request with the City to receive notice of any property of the City to be sold. Any person requesting notice of the sale of surplus property must pay an annual fee of twenty-five dollars (\$25.00) to cover the cost of handling and mailing notices.

Sale or Auction of Certain Police Items

Sale and/or auction of standard items such as office furniture and computers, etc. will be handled as delineated in this policy. However, disposal of excess weapons, ammunition, bullet resistant vests and vehicle light bars and similar equipment used for law enforcement must be handled separately by the police department. These and similar items are very sensitive and should not be sold or auctioned to the general public. Disposition of these and similar items shall be governed by Police Department Policy and Procedures.

Approval by Council

No sale of any City-owned property will be final until presented to and approved by the City Council at a regular meeting. All sales made will be subject to such approval. Approval by the Council shall be deemed conclusive proof of reasonableness and fairness of the price paid, and that such sale was for common good of the City and its residents.

Definitions

TERM	DEFINITION
AGREEMENT	An understanding or arrangement between two or more parties. Also see “Contract” and “Purchase Order”.
AMENDMENT OR CHANGE ORDER	“Amendment” or “Change Order” means change, or modification, or addendum to a contract after it has been executed.
APPROPRIATION	City Council authorization to expend public funds for a specific purpose.
AS IS	A term indicating that goods offered for sale in existing condition are without Warranty or Guarantee.
AWARD	The acceptance of a Bid, Quote, or Proposal.
BID	A written offer, more formal than a quote, to furnish supplies, equipment, vehicles, services in conformity with the specifications, delivery terms, and conditions required at a guaranteed maximum cost Submitted by a Bidder in response to a Notice Inviting Bids (NIB), a Proposal, or a Request for Proposal.
BIDDER	A person or legal entity who submits a bid in response to a solicitation. Proposer. See Bid or Proposal.
BID SECURITY	Financial security provided to guarantee that a bidder will enter into a contract with the City if a bid is awarded. It may be in the form of cash, cashier's check, certified check, or surety bond, in an amount not to exceed 10% of the aggregate amount of the bid.
COMMODITIES	Means any tangible goods or items such as supplies, parts and materials. Generally, they are consumable in City operations, become part or a component of the City equipment or City facilities and/or have a useful life of one year or more les.
OPEN PURCHASE ORDER	An Agreement of no more than one year between the City and a Vendor allowing authorized City employees to charge repetitive Purchases of supplies, equipment or services at pre-arranged prices, dollar limits and/or other terms and conditions.
CHANGE ORDER	Written modification or addition to a Purchase Order or Contract/Agreement authorized by the appropriate authority.
CITY	City shall mean the City of Kerman, and other such districts, authorities, or agencies as may be governed by the members of the City of Kerman City Council.
CITY ATTORNEY	Shall mean and include the City Attorney of the City of Kerman.
COLLUSION	Any secret agreement to purposefully be fraudulent or deceitful for purposes of influencing the outcome of a bid process or quote process. Collusion may occur between an agent, employee, or representative of the City with a prospective bidder or vendor or in some cases one or more bidders or vendors may collude to manipulate a purchase award.
COMPETITIVE BID	The submission of prices by individuals or firms competing for a Contract, privilege, or right to supply merchandise or services.

TERM	DEFINITION
CONFLICT OF INTEREST	The City's Conflict of Interest Code applies to each and every transaction entered into pursuant to the provisions of the Purchasing System and this manual. The Conflict of Interest Code adopted by the City of Kerman has adopted the State of California Administrative Code Section 18730 which contains a standard model and is adopted by reference by the City.
CONSULTANT OR PROFESSIONAL SERVICE	The services of an architect, attorney, landscape architect, engineer, doctor, financial consultant, planning or environmental consultant, investment advisor, banking and trustee services, or other similar professional services as defined in California Government Code section 37103, as may be amended from time to time.
CONTRACT	Any agreement to do or not do a certain thing.
COST	When used in this chapter, shall mean the amount charged, exclusive of sales tax, use tax, delivery charge, shipping and/or handling, and which will be incurred on a fiscal year basis.
DESIGNEE	A duly authorized and appointed representative of an employee that holds a superior position to the person appointed to represent him or her.
EMERGENCY PURCHASE	A purchase which may be done without competitive bidding or obtaining quotes when time is of the essence and is made only for the following reasons: (1) To preserve or protect life, health or property; or (2) Upon natural disaster; or (3) To forestall a shutdown of essential public services.
EMPLOYEE:	When used in section, an Employee shall refer to anyone who volunteers on behalf of the City or anyone who holds a paid position with the City. For purposes of section, an independent contractor shall not be considered an Employee.
ENCUMBRANCE	Committing budgeted funds prior to receiving supplies, equipment or services; funds are shown as an encumbrance until supplies, equipment or services are received, at which time funds are actually expended.
EQUIPMENT	Tangible personal property with a useful life of more than one year. It may be mobile, portable or fixed; and is independent functioning unit, as opposed to parts which are components. Examples include, but are not limited to, office equipment, furniture, field equipment, shop, lab, and plant equipment, vehicles and rolling stock.
FORMAL BID	A Bid which must be submitted in a sealed envelope and in conformance with a prescribed format, to be opened and announced at a specified time at a public opening.
GENERAL SERVICES	Any work performed or services rendered by an independent contractor, with or without furnishing of materials, excluding any work defined as a "public project" under Public Contract Code section 20161 and including, but not limited to, the following: a) Maintenance or nonstructural repair of City buildings, structures or improvements which does not require engineering plans, specifications or design, including, but not limited to, unscheduled replacement of broken window panes, fire extinguisher maintenance, minor roof repairs, plumbing, electrical, mechanical, elevator maintenance, custodial services, and pest control;

TERM	DEFINITION
GENERAL SERVICES	<p>b) Installation, repair, modification, and maintenance of City equipment;</p> <p>c) Cleaning, analysis, testing, moving, removal or disposal (other than by sale) of City supplies, equipment, and waste products;</p> <p>d) Providing other technical services to facilitate City operations such as communications, transportation, utilities;</p> <p>e) Performing repair, demolition or other work required to abate nuisances under the Kerman Municipal Code;</p> <p>f) Leasing and rental of equipment (personal property) for use by the City;</p> <p>g) Maintenance agreement for equipment owned or leased by the City.</p> <p>“General services” does not include work defined as a public project under the Public Contract Code or services that are established as professional services under this policy.</p>
GUARANTEE	A pledge or assurance that something is as represented and will be replaced or repaired if it fails to meet the stated Specifications.
INFORMAL BID	Written or verbal Quotations for supplies, equipment and services which pursuant to this policy are not required to meet the formal bidding requirements. Informal Bids include unsealed written quotes, verbal quotes and quotes received via fax.
LOWEST BIDDER	The Bidder submitting the lowest price and capable of performing the proposed Contract. See also “Responsive Bidder” and “Responsible Bidder”.
LOCAL VENDOR	Any individual, partnership, or corporation which regularly maintains a place of business within the incorporated City Limits of the City of Kerman and has obtained a business license issued by the City of Kerman.
MALFEASANCE	An act which is, in itself, unlawful or unauthorized; acting in a manner wholly beyond one's jurisdiction.
MISFEASANCE	Performance of a lawful action (an action in one's jurisdiction) in an illegal or improper manner.
OFFICIAL	When used in section, an Official shall refer to any individual elected to a City office (e.g., a City Council member, City Clerk, or City Treasurer) or any individual appointed to an office by the City Council (e.g., a member of the Planning Commission). For purposes of section, an Official is never considered to be an Employee.
NON-FEASANCE	Failure to act when one has the affirmative duty or authority to do so.
NON-LOCAL VENDOR	Any individual, partnership, or corporation which does not have a place of business within the incorporated City Limits of the City of Kerman.
NON-RESPONSIVE BID	A Bid that does not conform to the essential requirements of the Notice Inviting Bids. Non-Conforming Bid. Unresponsive Bid
NOTICE INVITING BIDS	A formal notice published in the newspaper or elsewhere or sent directly to potential Bidders, notifying them that the City is accepting bids for a specific purpose.

TERM	DEFINITION
PROFESSIONAL SERVICES OR CONSULTANT	The services of an architect, attorney, landscape architect, engineer, doctor, financial consultant, planning or environmental consultant, investment advisor, banking and trustee services, or other similar professional services as defined in California Government Code section 37103, as may be amended from time to time.
PROPOSAL	The executed document submitted by an offer or in response to a Request for Proposals (and the basis for subsequent negotiation).
PUBLIC CONTRACT CODE	Shall mean the Public Contract Code of the State of California.
PUBLIC PROJECT	(1) construction, reconstruction, erection, alteration, renovation, improvement, demolition or repair work involving any publicly owned, leased, or operated facility; or (2) painting or repainting of any publicly owned, leased or operated facility. Public project does not include maintenance work: (1) routine, recurring, and usual work for the preservation or protection of any publicly owned or operated facility for its intended purposes; (2) minor repainting; (3) resurfacing of streets and highways at less than one inch thickness; or (4) landscape maintenance. (Public Contract Code 22002.)
PURCHASE	Renting, leasing, licensing, trading or in any other way acquiring Equipment or Supplies or Services is determined to be a purchase on behalf of the City of Kerman.
PURCHASE OFFICER	The Finance Director or his/her designated representative.
PURCHASE ORDER	A document generated to formalize a purchase transaction with a vendor or to assure the proper set-aside of funds for a purchase. The purchase order should contain sufficient information to fill the order in an accurate and timely fashion. The vendor's acceptance of a purchase order constitutes a contract.
QUOTE	A verbal or written promise from the vendor/contractor guaranteeing that the cost of specific goods, supplies, or services will not be exceeded.
REQUEST FOR PROPOSAL	All documents used for soliciting competitive proposals. The RFP defines, in detail, the terms, conditions, and specifications of goods or services required by the City. An RFP is primarily intended for large, complex, projects where cost and performance are equally important. The RFP procedure permits negotiation of Proposals and prices as distinguished from Competitive Bidding and a Notice Inviting Bids. The procedure allows changes to be made after Proposals are opened and contemplates that the nature of the Proposals and/or prices offered will be negotiated prior to Award.
REQUEST FOR QUALIFICATIONS	A request seeking a written presentation of the professional qualifications and experience of a proposed contractor.
RESPONSIVE BIDDER/VENDOR	A person who has the capability in all respects to perform in full the Contract requirements, and the integrity and reliability which will assure good faith performance.

TERM	DEFINITION
RESPONSIVE BIDDER	(1) A person who has submitted a Bid which conforms in all material respects to the Notice Inviting Bids (NIB) or (2) One whose Bid conforms in all material respects to the terms and conditions, Specifications and other requirements of the NIB.
SEALED BID	A Bid which has been submitted in a sealed envelope to prevent its contents from being revealed or known before the deadline for the submission of all Bids; required on Formal Bids.
SOUL SOURCE	An Award for a commodity or service to the only reasonably known capable supplier due to the unique nature of the requirement, the supplier, or market conditions.
SPECIFICATIONS	A description of what the Purchaser seeks to buy or accomplish, and consequently, what a Bidder must be responsive to in order to be considered for Award of a Contract. A Specification may be a description of the physical or functional characteristics, or the nature of a supply or service. It may include a description of any requirements for inspecting, testing, or preparing a supply or service item for delivery.
SPLIT.	<p>To divide a Purchase into two or more parts in order to avoid the requirements of the Purchasing Policy. This action is prohibited by the Policy.</p> <p>Examples:</p> <p>Split: If a department knows it will use \$16,000 of a particular supply in one fiscal year and they place two orders six months apart to keep each order below the \$15,000 limit, the action is considered Splitting and is not allowed under the policy</p> <p>Not Split: If a department hires ABC Engineering to prepare a fee study for \$8,000 and also hires the same company to oversee a capital improvement project for \$9,000, the action is not considered splitting.</p>
SURPLUS PROPERTY	Any city personal property that is no longer needed or usable by the holding department.
SUPPLIES	Office Supplies, janitorial Supplies, materials, goods, tools, or other commodities used in the general conduct of the City’s business, excepting Supplies or materials for a Public Work which is regulated under the Public Contract Code section 20160, et seq.
VENDOR	A supplier of goods or services.
WARRANTY	The representation that something is true. Not to be confused with “Guarantee”. A representation of utility, condition, and durability made by a Bidder or Vendor of a product offered.

APPENDIX A

PUBLIC CONTRACT CODE SECTION 22030-22045

22030. This article applies only to a public agency whose governing board has by resolution elected to become subject to the uniform construction cost accounting procedures set forth in Article 2 (commencing with Section 22010) and which has notified the Controller of that election. In the event of a conflict with any other provision of law relative to bidding procedures, this article shall apply to any public agency which has adopted a resolution and so notified the Controller.

22031. (b) On or after January 1, 2013, this article shall not prohibit a board of supervisors or a county road commissioner from utilizing, as an alternative to the procedures set forth in this article, the procedures set forth in Article 25 (commencing with Section 20390) of Chapter 1 for both of the following:

(1) Maintenance and emergency work.

(2) New road construction and road reconstruction as long as the total annual value of the new road construction and the road reconstruction performed under the procedures set forth in subdivision (c) of Section 20395 does not exceed 30 percent of the total value of all work performed by force account other than maintenance as reported in the Controller's Streets and Roads Annual Report as of January 1 of each year.

(c) On or after January 1, 2013, for a county with a population of less than 50,000, this article shall not prohibit a board of supervisors or a county road commissioner from utilizing, as an alternative to the procedures set forth in this article, the procedures set forth in Article 25 (commencing with Section 20390) of Chapter 1.

(d) The requirements set forth in Section 22038 shall apply to any county subject to this section.

(e) Any county board of supervisors or county road commissioner acting pursuant to the authority granted in paragraph (2) of subdivision (b) shall declare its intention to use this authority prior to commencing work.

22032. (a) Public projects of forty-five thousand dollars (\$45,000) or less may be performed by the employees of a public agency by force account, by negotiated contract, or by purchase order.

(b) Public projects of one hundred seventy-five thousand dollars (\$175,000) or less may be let to contract by informal procedures as set forth in this article.

(c) Public projects of more than one hundred seventy-five thousand dollars (\$175,000) shall, except as otherwise provided in this article, be let to contract by formal bidding procedure.

22033. It shall be unlawful to split or separate into smaller work orders or projects any project for the purpose of evading the provisions of this article requiring work to be done by contract after competitive bidding.

22034. Each public agency that elects to become subject to the uniform construction accounting procedures set forth in Article 2 (commencing with Section 22010) shall enact an informal bidding ordinance to govern the selection of contractors to perform public projects pursuant to subdivision (b) of Section 22032. The ordinance shall include all of the following:

(a) The public agency shall maintain a list of qualified contractors, identified according to categories of work. Minimum criteria for development and maintenance of the contractors list shall be determined by the commission.

(b) All contractors on the list for the category of work being bid or all construction trade journals specified in Section 22036, or both all contractors on the list for the category of work being bid and all construction trade journals specified in Section 22036, shall be mailed a notice inviting informal bids unless the product or service is proprietary.

(c) All mailing of notices to contractors and construction trade journals pursuant to subdivision (b) shall be completed not less than 10 calendar days before bids are due.

(d) The notice inviting informal bids shall describe the project in general terms and how to obtain more detailed information about the project, and state the time and place for the submission of bids.

(e) The governing body of the public agency may delegate the authority to award informal contracts to the public works director, general manager, purchasing agent, or other appropriate person.

(f) If all bids received are in excess of one hundred seventy-five thousand dollars (\$175,000), the governing body of the public agency may, by adoption of a resolution by a four-fifths vote, award the contract, at one hundred eighty-seven thousand five hundred dollars (\$187,500) or less, to the lowest responsible bidder, if it determines the cost estimate of the public agency was reasonable.

22035. (a) In cases of emergency when repair or replacements are necessary, the governing body may proceed at once to replace or repair any public facility without adopting plans, specifications, strain sheets, or working details, or giving notice for bids to let contracts. The work may be done by day labor under the direction of the governing body, by contractor, or by a combination of the two.

(b) In case of an emergency, if notice for bids to let contracts will not be given, the public agency shall comply with Chapter 2.5 (commencing with Section 22050).

22035.5. In counties that are under court order to relieve justice facility overcrowding, the procedures and restrictions specified in Section 20134 shall apply to all contracts issued under this chapter.

22036. The commission shall determine, on a county-by-county basis, the appropriate construction trade journals which shall receive mailed notice of all informal and formal construction contracts being bid for work within the specified county.

22037. Notice inviting formal bids shall state the time and place for the receiving and opening of sealed bids and distinctly describe the project. The notice shall be published at least 14 calendar days before the date of opening the bids in a newspaper of general circulation, printed and published in the jurisdiction of the public agency; or, if there is no newspaper printed and published within the jurisdiction of the public agency, in a newspaper of general circulation which is circulated within the jurisdiction of the public agency, or, if there is no newspaper which is circulated within the jurisdiction of the public agency, publication shall be by posting the notice in at least three places within the jurisdiction of the public agency as have been designated by ordinance or regulation of the public agency as places for the posting of its notices. The notice inviting formal bids shall also be sent electronically, if available, by either facsimile or electronic mail and mailed to all construction trade journals specified in Section 22036. The notice shall be sent at least 15 calendar days before

the date of opening the bids. In addition to notice required by this section, the public agency may give such other notice as it deems proper.

22038. (a) In its discretion, the public agency may reject any bids presented, if the agency, prior to rejecting all bids and declaring that the project can be more economically performed by employees of the agency, furnishes a written notice to an apparent low bidder. The notice shall inform the bidder of the agency's intention to reject the bid and shall be mailed at least two business days prior to the hearing at which the agency intends to reject the bid. If after the first invitation of bids all bids are rejected, after reevaluating its cost estimates of the project, the public agency shall have the option of either of the following:

(1) Abandoning the project or re-advertising for bids in the manner described by this article.

(2) By passage of a resolution by a four-fifths vote of its governing body declaring that the project can be performed more economically by the employees of the public agency, may have the project done by force account without further complying with this article.

(b) If a contract is awarded, it shall be awarded to the lowest responsible bidder. If two or more bids are the same and the lowest, the public agency may accept the one it chooses.

(c) If no bids are received through the formal or informal procedure, the project may be performed by the employees of the public agency by force account, or negotiated contract without further complying with this article.

22039. The governing body of the public agency shall adopt plans, specifications, and working details for all public projects exceeding the amount specified in subdivision (c) of Section 22032.

22040. Any person may examine the plans, specifications, or working details, or all of these, adopted by the public agency for any project.

22041. This article does not apply to the construction of any public building used for facilities of juvenile forestry camps or juvenile homes, ranches, or camps established under Article 15 (commencing with Section 880) of Chapter 2 of Part 1 of Division 2 of the Welfare and Institutions Code, if a major portion of the construction work is to be performed by wards of the juvenile court assigned to those camps, ranches, or homes.

22042. The commission shall review the accounting procedures of any participating public agency where an interested party presents evidence that the work undertaken by the public agency falls within any of the following categories:

(a) Is to be performed by a public agency after rejection of all bids, claiming work can be done less expensively by the public agency.

(b) Exceeded the force account limits.

(c) Has been improperly classified as maintenance.

22043. (a) In those circumstances set forth in subdivision (a) of Section 22042, a request for commission review shall be in writing, sent by certified or registered mail received by the commission postmarked not later than eight business days from the date the public agency has rejected all bids.

(b) In those circumstances set forth in subdivision (b) or (c) of Section 22042, a request for commission review shall be by letter received by the commission not later than eight days from the date an interested party formally complains to the public agency.

(c) The commission review shall commence immediately and conclude within the following number of days from the receipt of the request for commission review:

(1) Forty-five days for a review that falls within subdivision (a) of Section 22042.

(2) Ninety days for a review that falls within subdivision (b) or (c) of Section 22042.

(d) During the review of a project that falls within subdivision (a) of Section 22042, the agency shall not proceed on the project until a final decision is received by the commission.

22044. The commission shall prepare written findings. Should the commission find that the provisions of this chapter or of the uniform cost accounting procedures provided for in this chapter were not complied with by the public agency, the following steps shall be implemented by that agency:

(a) On those projects set forth in subdivision (a) of Section 22042, the public agency has the option of either (1) abandoning the project, or (2) awarding the project to the lowest responsible bidder.

(b) On those projects set forth in subdivision (b) or (c) of Section 22042, the public agency shall present the commission's findings to its governing body and that governing body shall conduct a public hearing with regard to the commission's findings within 30 days of receipt of the findings.

22044.5. If the commission makes a finding, in accordance with Section 22043, on three separate occasions within a 10-year period, that the work undertaken by a public agency falls within any of the categories described in Section 22042, the commission shall notify the public agency of that finding in writing by certified mail and the public agency shall not use the bidding procedures provided by this article for five years from the date of the commission's findings.

22045. (a) No later than January 1, 1985, the commission shall recommend, for adoption by the Controller, written procedures implementing the accounting procedures review provided for in this article.

(b) The Controller shall, upon receipt of the commission's recommendation, review and evaluate the recommended procedures and either formally adopt or reject the recommended procedures within 90 days of submission of the commission.