

ORDINANCE NO. 976

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA, AMENDING CHAPTER 3.32 OF THE LANCASTER MUNICIPAL CODE RELATING TO A PURCHASING SYSTEM

WHEREAS, Chapter 3.32 of the Lancaster Municipal Code establishes and specifies procedures for the City's purchase of supplies, equipment, and services; and

WHEREAS, the City Council of the City has determined that it is in the public interest and welfare to amend Chapter 3.32 of the Lancaster Municipal Code, in its entirety, in order to establish a new purchasing system.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LANCASTER DOES ORDAIN AS FOLLOWS:

Section 1. Chapter 3.32 of the Lancaster Municipal Code ("Purchasing System") is hereby amended in its entirety to read as set forth in Exhibit "A" attached hereto and incorporated herein by reference.

Section 2. If any section, subsection, sentence, clause, phrase or portion of this Ordinance, including Exhibit "A", is held for any reason to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council of the City of Lancaster hereby declares that it would have adopted this Ordinance and each section, subsection, sentence, clause, phrase or portion thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases or portions be declared invalid or unconstitutional.

Section 3. The Mayor shall sign and the City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same to be published and posted pursuant to the provisions of law in that regard and this Ordinance shall take effect 30 days after its final passage.

I, Geri K. Bryan, CMC, City Clerk of the City of Lancaster, do hereby certify that the foregoing ordinance was regularly introduced and placed upon its first reading on the 14th day of February, 2012, and placed upon its second reading and adopted at a regular meeting of the City Council on the _____ day of _____, 2012 by the vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

GERI K. BRYAN, CMC
City Clerk
City of Lancaster

R. REX PARRIS
Mayor
City of Lancaster

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF LANCASTER)

CERTIFICATION OF ORDINANCE
CITY COUNCIL

I, _____, _____ City of Lancaster, California, do hereby certify that this is a true and correct copy of the original Ordinance No. 976, for which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this _____ day of _____, _____.

(seal)

EXHIBIT "A"
CHAPTER 3.32
PURCHASING SYSTEM

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ARTICLE I. IN GENERAL

3.32.010 Purpose.

The purposes of this Chapter are to define a uniform system for the Procurement of Materials and Services, to provide for the fair and equitable treatment of all persons involved in the Procurement process, to obtain the highest possible value in exchange for public funds and to safeguard the quality and integrity of the purchasing system.

3.32.020 General Procedural Requirements.

All Contracts shall conform to the procedural requirements set forth in this Section unless otherwise specified in this Chapter or Code, or in another provision of State or Federal law.

- A. All Contracts must be in writing and be signed in the name of the City.
- B. All Contracts must include appropriate insurance and indemnification provisions.
- C. All Contracts must be approved as to form by the City Attorney or other legal counsel representing the City.
- D. City Council approval is required for all Contracts unless otherwise specified in this Chapter or code, or in another provision of State or Federal law.
- E. A signed original of each Contract entered into must be filed with the City Clerk's office, except for a Contract for the Procurement of Materials or Services, which must be filed in the office of the Purchasing Officer.

3.32.030 Definitions.

For the purposes of this Chapter, the following definitions shall apply:

“Business” means any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture or any other private legal entity.

“Bid,” “Bid Document” and “Proposal” mean the documents, including the attachments and addenda, which set forth instruction to bidders or proposers and which are disseminated for the purpose of soliciting Bids or Proposals.

“City” means the municipal corporation and charter city now existing and known as the City of Lancaster.

“Construction Projects” and “Public Projects” mean those Public Projects as defined in California Public Contract Code Section 22002.

“Contract” is synonymous to “Agreement” and, regardless of which terms is used, it means an agreement between the City and one or more parties for the Procurement or disposition of Materials, Services, Professional Services, and/or Construction Projects.

“Contractor” includes vendor and means any person who has entered into a Contract with the City.

“Designee” means any person to whom the Purchasing Officer delegates authority under this Chapter.

“Emergency” means a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services.

“Formal Bidding Procedure” means the procedure described in Section 3.32.210.

“Informal Bidding Procedure” means the procedure described in Section 3.32.310.

“Invitation for Bids” means a Public Notice inviting bids for one or more specific Public Projects.

“Materials” means all property, including but not limited to, equipment and supplies, but does not include land, a permanent interest in land or leases of real property.

“Procurement” and “Procure” mean the acquisition of Materials or Services, Professional Services, or Construction Projects by the City, including but not limited to purchasing, renting or leasing, and all functions and procedures pertaining to such acquisitions, such as description of requirements, selection and Solicitation of sources, preparation and award of Contract, and all phases of Contract administration.

“Procurement Procedures Manual” means a policies and procedures manual explaining in more details how the principles detailed in the Chapter are to be implemented.

“Professional Services” means the procurement of Services that involve the exercise of professional discretion and independent judgment based on advanced or specialized knowledge, expertise or training gained by formal study or experience. Such Professional Services include, but are not limited to, Services provided by appraisers, architects, engineers, instructors, insurance advisors, physicians, or other specialized consultants. Professional Services include, but are not limited to, those professionals as defined in California Government Code Section 4526. Professional Services, for the purposes of this Chapter, does not include attorney/legal services.

“Public Notice” means the distribution or dissemination of information to interested parties using methods that are reasonably available. Such methods may include publication in a newspaper or trade journal in general circulation in the City, electronic mailing lists and/or posting on a website maintained for the purpose of providing public notices.

“Purchasing Officer” means the City Manager or Designee.

“Services” mean the furnishing of labor, time or effort by a Contractor.

“Solicitation” means an Invitation for Bids, a Request for Technical Offers, a Request for Proposals, a Request for Qualifications, a Request for Quotations, or any other invitation or request by which the City invites a person to participate in a procurement.

3.32.040 Supplementary General Principles of Law Applicable.

The provisions of this Chapter and general principles of law and equity, including the Uniform Commercial Code of this State and the Common Law of Contracts (as applied in this State) shall govern procurement and contracting for Public Projects in the City of Lancaster; provided, in the event of a conflict between such general legal and equitable principles and this Chapter, this Chapter shall control for purposes of transactions governed by this Chapter.

3.32.050 Requirement of Good Faith.

This Chapter requires all parties involved in the negotiation, performance, or administration of City Contracts to act in good faith.

3.32.060 Reporting of Anticompetitive Practices.

If for any reason collusion or other anticompetitive practices are suspected among any bidders or offerors, a notice of the relevant facts shall be transmitted to the Purchasing Officer and the City Attorney. This Section does not require a law enforcement agency conducting an investigation into such practices to convey such notice to the Purchasing Officer.

3.32.070 Purchasing Officer - Appointment.

The City Manager is hereby designated as the Purchasing Officer of the City. The Purchasing Officer may delegate Procurement authority to any Designee.

3.32.080 Purchasing Officer - Duties.

The Purchasing Officer or Designee shall supervise the Purchasing Division and shall have authority to do the following:

- A. Designate a Designee for the administration and enforcement of this Chapter.
- B. Procure or contract for Materials and Services required by a department of the City in accordance with the Procurement Procedures prescribed by this Chapter.
- C. Enter into any Contract permitted by law, including, but not limited to, equipment service contracts, lease purchase agreements, agreements for Services and Professional Services, and rental agreements subject to any restrictions set forth in this Chapter or specifically provided by law.
- D. Maintain, when feasible, full and open competition among bidders on all Procurements.
- E. Prepare, recommend and implement rules to be adopted by Resolution of the City Council governing the purchasing of Materials and Services for the City, which rules shall be consistent with this Chapter. Recommend revisions and amendments to such rules where applicable.

F. Prescribe and maintain such forms as are reasonably necessary to the operation of this Chapter and any rules adopted by the City Council to implement this Chapter.

G. Act as the City's agent in the transfer and disposal of surplus Materials.

H. Make Procurement award recommendations to the appropriate authority.

3.32.090 Purchasing Authority.

A. Subject to compliance with Section 3.32.200, procurements up to One Hundred Twenty-Five Thousand Dollars shall be made as follows: The Purchasing Officer may approve, without City Council approval, Procurement Contracts of One Hundred Twenty-Five Thousand Dollars or less.

B. Subject to compliance with Section 3.32.210, procurements in Excess of One Hundred Twenty-Five Thousand Dollars shall be made as follows: The City Council must approve Procurement Contracts in excess of One Hundred Twenty-Five Thousand Dollars, unless otherwise excepted in this Chapter.

3.32.100 Purchase Orders.

Except as stated in this Chapter, or if Procurements are made pursuant to previously adopted alternative procedures (such as Procurement Card purchases), no Procurement of Materials or Services of Two Thousand Dollars or more shall be made without a purchase order.

3.32.110 Encumbrance of Funds.

Except for cases of Emergency, the Purchasing Officer shall not issue any purchase order nor shall any Contract be approved for Materials or Services unless there exists an unencumbered appropriation in the fund account against which said Procurement or Contract is to be charged.

3.32.120 Multi-Year Contracts.

Unless otherwise provided by law, a Contract for Materials or Services may be entered into for any period of time deemed to be in the best interest of this City, if the term of the Contract and conditions of renewal or extension, if any, are included in the Solicitation and monies are available for the first fiscal period at the time of contracting. Payment and performance obligations for succeeding fiscal periods are subject to the availability and appropriation of monies.

A. Prior to use of a Multi-Year Contract, it shall be determined that: (1) estimated requirements cover the period of the Contract and are reasonably firm and continuing; (2) the Contract will serve the best interests of the City by encouraging effective competition or otherwise promoting economies in City procurement.

B. When funds are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal year, the Contract shall be cancelled and the Contractor shall be reimbursed for the reasonable value of any nonrecurring costs

incurred but not amortized in the price of the Materials or Services delivered under the Contract.

3.32.130 Appeals.

The Purchasing Officer shall have the authority to resolve protests. Appeals from the decisions of the Purchasing Officer may be made pursuant to the Uniform Appeals Procedure set forth in Chapter 2.44 of this code.

3.32.140 Violations of Purchasing Policy and Unauthorized Acts.

A. The Purchasing Officer is responsible for the City's compliance with applicable laws.

B. Employees are required to make all Procurements of goods and Services in accordance with this Chapter and with the rules prescribed by the City Council from time to time pursuant to Section 3.32.080.

C. Procurements of goods or Services, including construction Services, by any means other than approved Procurement procedures are a violation of City Policy and are unlawful.

D. The Purchasing Officer shall review Procurement practices and activities for adherence to this Chapter. Any violations shall be addressed pursuant to the City's Procurement Procedures Manual or State law, if applicable.

E. The Purchasing Officer is under no obligation to authorize payment for expenditures not made in compliance with the applicable policies, and financial responsibility may become the personal liability of the employee who effected the improper Procurement or transaction.

F. Deliberate violations in order to circumvent the requirements of this Chapter shall be subject to Section 1.12.010 of the City's Municipal Code.

ARTICLE II. PROCUREMENT PROCEDURES FOR MATERIALS AND SERVICES

3.32.200 Procurement of Materials and Services of Thirty Thousand Dollars to One Hundred Twenty-Five Thousand Dollars.

A. Quotation Requirement. The Procurement of Materials and Services of Thirty Thousand Dollars up to One Hundred Twenty-Five Thousand Dollars may be made by the Purchasing Officer in the open market, following the procedure described in this Section.

(1) Minimum Number of Quotations. Open market Procurements shall, whenever possible, be based on at least three quotations.

(2) Inviting Quotations. The Purchasing Officer shall solicit quotations by written request (including facsimile and electronic mail) or telephone to prospective vendors.

(3) Quotations. Quotations shall be submitted to the Purchasing Officer, who shall keep a record of all open market orders and quotes for a period of one year after the order is placed. These records shall be made available for public inspection for up to one year following award of the Contract.

(4) No Responsive Quotation. If no quotation, or no responsive quotation, is received after inviting quotations under this Section, the Purchasing Officer may proceed to hire or have Services performed or Procure the Materials or Services in the open market.

B. Exceptions. The quotation procedure under this Section may be dispensed with in the following instances:

(1) Emergency. In an Emergency, when time is of the essence and in accordance with the Procurement Procedures Manual for one of the following reasons:

- (a) To preserve or protect life, health or property;
- (b) Upon natural disaster;
- (c) To forestall a shutdown of essential public Services.

(2) Sole Source. Where the Purchasing Officer determines that the Materials or Services are unique and available only from one source, so that the quotation procedure required by this Section would be meaningless. Sole source Procurements may include proprietary items sold directly from the manufacturer, items that have only one distributor authorized to sell in this area, or a specified product that the Purchasing Officer determines to be the only product that is acceptable. The basis upon which this determination is made shall be supported by written documentation signed by the requesting Department Head and provided to the Purchasing Officer.

(3) Cooperative Purchasing Program. Where Materials or Services are Procured through a Cooperative Purchasing Program maintained by any public agency, if the underlying Procurement was made using quotation or bid procedures at least as restrictive as the City's. In all such cases, the Materials and Services must be the same and be offered at the same price as the Materials and Services subject to the agreement or program, allowing for variation in customizing the order or for desirable options.

C. Local Preference. Local Businesses shall be given a preference in the procurement process by allowing for a local vendor to submit within 48 hours a new quotation if they are within 5% of the lowest offer. This provision only applies to quotations and Proposals below the bidding threshold and only for Materials and Services, excluding construction Services. A "Local Vendor" is a Business that meets the following criteria:

- (1) Has its headquarters, distribution point or locally-owned franchise located in or having a street address within the City for at least six (6) months immediately prior to the request for quotations;
- (2) Holds all required Business Licenses by the City of Lancaster; and
- (3) Employs at least one (1) full-time employee or two (2) part-time employees whose primary residence(s) is located within the City of Lancaster, or if the

Business has no employees, shall be at least fifty percent (50%) owned by one or more persons whose primary residence(s) is located within the City of Lancaster.

3.32.210 Procurements of Materials and Services in Excess of One Hundred Twenty-Five Thousand Dollars; Formal Bidding Procedure.

The Purchasing Officer shall Procure Materials and Services in excess of One Hundred Twenty-Five Thousand Dollars pursuant to the Formal Bidding Procedure described in this Section, subject to the exceptions set forth in Subsection B of Section 3.32.200 above.

A. Invitation for Bids. An Invitation for Bids shall be issued and shall include the specifications, the Contract to be used, and shall state where bid forms and specifications may be secured, and the final time and place for submitting bids.

(1) Public Notice. Invitation for Bids shall be given by Public Notice in the manner directed by the Purchasing Officer.

(2) Bidder's List. The Purchasing Officer may also solicit sealed bids from prospective suppliers whose names are on a Bidder's List.

B. Bidder's Security. When deemed necessary by the Purchasing Officer, required bidder's security may be prescribed in the Invitation for Bids. Bidders shall be entitled to the return of their bidder's security; provided, however, that a successful bidder shall forfeit his bid security upon his refusal or failure to execute the Contract within ten days after the notice of Award of Contract has been mailed, unless in the latter event the City is solely responsible for the delay in executing the Contract. The City Council may, on refusal or failure of the successful bidder to execute the Contract, award it to the next lowest responsible bidder. If the City Council awards the Contract to the next lowest bidder, the amount of the lowest bidder's security shall be applied by the City to the Contract price differential between the lowest bid and the second lowest bid, and the surplus, if any, shall be returned to the lowest bidder. If the City Council rejects all remaining bids presented and re-solicits, the amount of the lowest Bidder's Security may be used to offset the cost of soliciting and receiving new bids. The surplus, if any, shall be returned to the lowest bidder.

C. Performance Bonds. The Purchasing Officer shall have the authority to require a Performance Bond before entering into a Contract in such amount as it shall find reasonably necessary to protect the best interest of the City. If the Purchasing Officer requires a Performance Bond, the form and amount of the bond shall be described in the Invitation for Bids.

D. Insurance and Indemnity. Bid Solicitations for contractual Services or specialized equipment shall include required insurance and indemnity clauses.

E. Bid Opening. Sealed bids shall be submitted to the Purchasing Officer and shall be identified on the envelope as a bid. Bids shall be opened in public at the time and place stated in the Invitation for Bids. A tabulation of all bids received shall be open for public inspection in the Purchasing Officer's office during regular business hours for a period of not less than thirty calendar days after the bid opening.

F. Bid Evaluation. Bids shall be evaluated based on the requirements set forth in the Invitation for Bids, which may include criteria to determine acceptability such as inspection, testing, quality, workmanship, delivery, and suitability for a particular purpose. Those criteria that will affect the bid price and be considered in evaluation for award shall be objectively measurable. The Invitation for Bids shall set forth the evaluation criteria to be used. The Contract will be awarded to the lowest responsible and qualified bidder whose bid meets the requirements and criteria set forth in the Invitation for Bids.

G. Rejection of Bids. The Purchasing Officer or the requesting department may recommend rejection of any or all bids if it is determined to be in the best interests of the City. Reasons for rejection may include, but are not limited to, the following: a bid is determined to be non-responsive, the number of bids received is inadequate, bids received are not reasonably uniform in price, or the lowest bid received is deemed to be too high. The Purchasing Officer may, in any given case, reject all bids with or without cause and submit the material or Services involved to a new bidding process. If all bids are rejected, the Purchasing Officer may be authorized to re-solicit bids, negotiate a Contract for the Procurement, or abandon the Procurement.

H. Tie Bids. If two or more bids are received which are in all respects equal, the award will go to the bidder with local preference. If both bidders or neither have local preference, the Purchasing Officer will select by means of random selection, such as a coin toss.

I. Award of Contracts. Procurements or Contracts shall be awarded to the lowest responsive and qualified bidder. In determining the lowest responsive and qualified bidder, the following will be taken into consideration:

(1) Bids shall be awarded to the “responsive” and “qualified” bidder who submits the lowest bid.

(2) In determining the lowest “responsive” bid, the following elements shall be considered in addition to price:

(a) A responsive bid is one which is in substantial conformance with the requirements of the Invitation for Bids, including specifications and the City’s contractual terms and conditions. Bidders who substitute terms and conditions or who qualify bids in such a manner as to nullify or limit their liability shall be considered non-responsive.

(b) Conformance with the requirements of the Invitation for Bids may also include providing proof of insurance, completing all forms, including references, and all other information required in the Bid Document.

(c) The successful bidder must demonstrate the ability to successfully fulfill a Contract, including rendering of subsequent and continued service. Staff may request proof of a prospective bidder’s reliability. Prospective bidders may be requested to furnish proof of financial resources, a list of current or previous customers, and other pertinent data. Such action may also be taken after receipt of bids.

(d) A bidder may be determined to be non-responsive if a prospective bidder fails to furnish proof of qualifications when required.

(3) In determining the lowest “qualified” bidder, the following elements shall be considered in addition to price:

(a) Products offered provide the quality, fitness, and capacity for the required usage.

(b) Bidder has the ability, capacity and skill to perform the Contract satisfactorily and within the time required.

(c) Bidder’s experience(s) regarding past Procurements or Contracts by the City or other public agencies demonstrates the reliability of the bidder to perform the Contract.

(d) When a bid is recommended to be awarded to other than the low bidder, written justification is required. The written statement, signed by the appropriate Department Head, shall be attached to the Procurement requisition, delivered to the Purchasing Officer, and maintained in the files of the appropriate Department.

3.32.220 Procurements of Professional Services in an Amount in Excess of One Hundred Twenty-Five Thousand Dollars.

A. Competitive Sealed Proposals. Procurements of Professional Services in an amount in excess of One Hundred Twenty-Five Thousand Dollars shall be solicited by competitive sealed Proposal.

B. Request for Proposal. Proposals shall be solicited through a Request for Proposal.

C. Public Notice. Public Notice of the Request for Proposal shall be given in the manner directed by the Purchasing Officer.

D. Receipt of Proposals. Sealed Proposals shall be submitted to the Purchasing Officer by the date and time specified in the Request for Proposal.

E. Proposal Evaluation. The Request for Proposal shall state the criteria for evaluation and the relative importance of price and other factors.

F. Negotiation. The most qualified and responsive offer will be selected for Contract negotiation. If agreement cannot be negotiated with the first choice offer, the second choice offer will be contacted with first choice offer being dismissed from further consideration on that particular project. The negotiation process shall be documented by the Purchasing Officer.

G. Award. Award shall be made to the responsible offeror whose Proposal is determined to be the most advantageous to the City, taking into consideration price and the criteria established for evaluation set forth in the Request for Proposal. The Contract file shall contain documentation of the basis on which the award is made.

H. Rejection of Proposals. The City reserves the right to reject any or all Proposals in whole and may waive any irregularities or informalities in the Proposals when such action is considered to be in the best interest of the City. The Purchasing

Officer shall have the authority to reject Proposals and waive irregularities and informalities on behalf of the City. All Proposals received after the designated closing date and time shall be considered non-responsive and shall be rejected.

I. Exceptions. The Purchasing Officer may waive the requirement of this Chapter when it may be shown that that the competitive selection process will fail to produce an advantage to the City.

ARTICLE III. PUBLIC PROJECTS

3.32.300 Construction Projects.

A. Except where specifically exempted from such laws by Ordinance of the City Council, Contracts for Construction Projects in the City shall be governed by applicable state laws including the California Public Contract Code, Division 2, Part 1 and Division 2, Part 3, the Local Agency Public Construction Act, including the Alternate Provisions of the Uniform Public Construction Cost Accounting Act, which are hereby adopted for use in the City. Contracts for construction shall also be governed by the current edition of the Standard Specifications for Public Works Construction and the latest supplement thereto, adopted by the Greenbook Committee of the Public Works Standards, Inc., except as otherwise provided by the City Council or the Purchasing Officer if the Contract is within his/her authority.

(1) Construction Projects less than the amount specified in Section 22032(a) of the California Public Contract Code may be performed by City employees by force account, by negotiated Contract or by purchase order.

(2) Construction Projects less than the amount specified in Section 22032(b) of the Public Contract Code may be let to Contract by Informal Bidding Procedures.

(3) Construction Projects of more than the amount specified in Section 22032(c) of the California Public Contract Code shall be let by Formal Bidding Procedure.

(4) It shall be unlawful to split projects into smaller work orders or projects for the purpose of evading the provisions of this Chapter or applicable State laws.

3.32.310 Informal Bidding Procedure.

A. Informal Bidding Procedures. Notwithstanding any other provision of this Chapter, Public Projects, as defined by Section 22002 of the California Public Contract Code and in accordance with the limits listed in Section 22032 of the Public Contract Code, may be let to Contract by Informal Bidding Procedures as set forth in Section 22032, *et seq.*, of the California Public Contract Code.

B. Contractors Lists. A list of Contractors shall be developed and maintained in accordance with the provisions of Section 22034 of the California Public Contract Code and criteria promulgated from time to time by the California Uniform Construction Cost Accounting Commission.

C. Public Notice Inviting Informal Bids. Where a Public Project is to be performed which is subject to the provisions of this Section, a Notice Inviting Informal Bids shall be mailed to all Contractors for the category of work to be bid, as shown on the list developed in accordance with Subsection B of this Section, and to all construction trade journals as specified by the California Uniform Construction Cost Accounting Commission in accordance with Section 22036 of the California Public Contract Code. Additional Contractors and/or construction trade journals may be notified at the discretion of the Purchasing Officer, provided however:

(1) If there is no list of qualified Contractors maintained by the City for the particular category of work to be performed, the Public Notice Inviting Informal Bids shall be sent only to the construction trade journals specified by the California Uniform Construction Cost Accounting Commission.

(2) If the product or service is proprietary in nature such that it can be obtained only from a certain Contractor or Contractors, the Public Notice Inviting Informal Bids may be sent exclusively to such Contractors.

D. Award of Contracts. The Purchasing Officer is authorized to award informal Contracts pursuant to this Section. The City Council may delegate the authority to award informal Contracts to a different appropriate person when necessary.

ARTICLE IV. DISPOSAL OF SURPLUS PROPERTY

3.32.400 Disposition of Surplus Property.

A. The Purchasing Officer will operate a Surplus Property Program for the purpose of receiving, storing, transferring, or selling surplus property no longer needed by using agencies.

B. Unless otherwise provided for, Surplus Property no longer needed by any department of the City or the Lancaster Redevelopment Agency shall be offered for sale through competitive bids or public auction. Sales by competitive bid will be conducted in accordance with Section 3.32.210, except that sale shall be made to the highest responsible bidder. Public auctions may be conducted on-site or electronically or through an auction company hired by the City.

C. Unless otherwise provided, all proceeds from sale or auction of Surplus Property will be deposited into the City's General Fund. Proceeds from sale of Enterprise, Federal, Grant or other special designation property will be reimbursed, less prorated selling expenses, to the appropriate Fund, after completion of each sale.