



GUIDE FOR DOING BUSINESS

We invite you to come

Feel the Momentum

Address all correspondence and inquiries to:

City of Delano
Finance Department
1015 Eleventh Avenue
Delano, CA 93215
(661)721-3310

City of Delano

Vendor's Guide

Welcome and thank you for your interest in doing business with the City of Delano. All of our suppliers make a valuable contribution to the health, safety and welfare of the community and taxpayers we serve and we appreciate the effort you make to provide the City with quality products and services. We have compiled this guide to educate suppliers of the City's purchasing policies and procedures used when conducting business with the City of Delano and to further explain how a supplier is able to participate in City's business. We hope that this guide will serve to existing or new suppliers in their sales efforts and help promote good business practice within the City. The Purchasing division within the Finance Department strives to make sure each supplier's transaction has been satisfactorily concluded in a respectful, fair and professional manner.

ORGANIZATION

Procurement services for all of the City's departments are centralized in the Finance Department under the direction of the Finance Director. Capital Projects are generally managed by the City's Engineer/Public Work's Director.

CITY CODE RELATED TO PROCUREMENT

The City of Delano Municipal Code, Section 3.08 governs the policies and practices of the City's Purchasing Procedure. Municipal Code Section 3.08.010 states:

"The finance department shall oversee the purchasing function that is administered by each department."

It is the City of Delano's policy to perform procurement activities in conformance with all applicable laws and with the highest ethical standards. We believe that the preservation of the City's reputation for the fair, honest and consistent treatment of suppliers can best be preserved if the procurement is done solely on the merits of the transaction. As such all City personnel and suppliers are expected to conduct themselves in such a manner as to foster and promote confidence in the integrity of the City's procurement activities.

GIFTS AND GRATUITIES

The City regards the practice of accepting gifts and/or gratuities as unnecessary, undesirable and contrary to the mission of the City. We recognize our responsibility to maintain good relationship with all members of the supplier community and believe this can be accomplished in a professional manner without gifts or gratuities interfering with and/or influencing staff.

SUPPLIER REGISTRATION

The Finance Department maintains a bidders' list; vendor's catalog file for the various products and services the City requires.

INSURANCE

In instances where suppliers, contractors and consultants, or their representatives, will be entering City property to conduct business, the City does require that a certificate of Insurance, with coverage at the minimum limits required by the City, for Commercial General Liability Insurance and Business Automobile Liability Insurance, be approved by, and on file with, the City's Risk Management. A separate endorsement, naming the City as Additional Insured, including primary wording, is required for Commercial General Liability Insurance to be accepted. In addition, Workers' Compensation Insurance with a Waiver of Subrogation must also be provided.

SPECIFICATIONS

As needed, each department shall develop standards specifications for repetitively procured items and services. Every specification shall be prepared to assure the broadest possible bidder participation, consistent with the needs of the using department or agency.

BASIS FOR AWARD

It is the City's desire to develop maximum competition for all purchases and to make an award based on the lowest, responsive, responsible bid or quotation received. When determining the lowest responsible bidder, the city may take into account additional costs such as shipping, travel expenses to pick up or have an item(s) delivered and/or sales taxes to be received by the City.

BID RESULTS

Bid awards are a matter of public record. Negotiated procurements based upon formal written proposals are confidential and are made public upon execution of a signed contract. However, Trade Secrets or other information deemed proprietary or confidential shall not be available for public inspection.

CHANGE ORDERS

Any changes to contracts or purchase orders must be in writing and authorized by the City. We understand that during the course of capital improvement projects, modifications to the scope of work may be required that was not anticipated in advance. The City Council must approve capital improvement change orders where the cumulative total exceeds ten percent of the original contract amount, or the individual change order is more than twenty-five thousand dollars prior to initiating the work when possible in all cases, prior to the payment of additional cost. Change orders equating to less than 10% of the original contract and under \$25,000 dollars may be approved by the City Manager upon recommendation by the department head and finance director.

DELIVERY AND INSPECTIONS

Upon receipt of goods and/or completion of services, the user Department receiving items will review supplies or material received and initial for acceptance of product. Department will provide proof of receipt of goods or services and provide invoices to the finance department. Please note that variations from specifications make a shipment subject to rejection.

BILLING AND PAYMENT

Finance requires the purchase order appear on all invoices, shipping tags and all correspondence relevant to the order. Payment is made after receipt of invoice and delivery and acceptance of the material. The Finance Department shall proceed with processing payment to the vendor. The City tries to pay all invoices within thirty days of receipt of invoice and acceptance of the order.

OPEN PURCHASE ORDERS

The City administers an open purchase orders arrangements, to facilitate small dollar purchases which allows for suppliers to sell goods to City departments on an “as-needed basis”; they will set a limit on the total amount by indicating the words “Not to Exceed”. All open purchase orders exceeding the thirty-five thousand dollars shall be included as consent agenda for council approval.

PURCHASES GREATER THAN \$1,000

Purchases greater than \$1,001 and up to \$35,000 qualify for the City’s informal procurement process and generally requires that three quotations be obtained. Individual departments may obtain quotations for purchases valued at \$1,000 or less. Quotations should be submitted to the requesting department and they will submit to the purchasing division in finance upon warrant request. Purchases greater than \$35,000 must be accomplished via a formal bid process and approved by Council.

FORMAL BIDS

City projects over \$35,000 must be accomplished through a formal bid process. The City will use either a competitive sealed bid process or a competitive sealed proposal process. In either process, bids must be submitted in person or by mail.

ACTING WITHOUT A PURCHASE ORDER

A Purchase Order or contract is vital in doing business with the City of Delano; it is your guarantee that you will be paid. Purchases of supplies and materials in an amount greater than \$1,000 require quotations be obtained by the department and a purchase order issued prior to placing the order. Purchases of services of any amount require that a signed contract be in place due to insurance requirements.

EMERGENCY PURCHASES

We understand that at times during an emergency when an order must be placed after hours or on weekends (times when finance department is closed). Be assured that a true emergency purchase at such times without a purchase order or contract will be approved. However, you are required to obtain the individual’s name and department, and if the order is placed in person, be sure to request the employee’s identification such as a California Driver’s License. The employee who placed the order or a finance staff will contact you the following workday or soon thereafter and provide you with the Purchase Order number. Emergency purchases in excess of \$5,000 require written approval by the City Manager or his/her designee.

CITY BUSINESS LICENSE

In accordance with the City’s Business License Tax Ordinance (Municipal Code Chapter 5.04), suppliers shall be required, at their own expense, to have a valid and current City of Delano Business Tax certificate prior to commencing work under a contract or providing supplies, equipment and services to the City. Note: a Business Tax Certificate is not required to submit a bid. For further information please contact Susana Valenzuela, at 661-720-2203.

CITY OF DELANO PURCHASING GUIDELINES CONDENSED

IMMEDIATE PROCUREMENT	UP TO \$1,000
VERBAL QUOTATION (DEPARTMENT)	\$1,001 TO \$2,000
WRITTEN QUOTATION (DEPARTMENT)	\$2,001 TO \$35,000
FORMAL BID LIMIT	Greater than \$35,000
DEPARTMENT CONTRACTS	\$25,000 or Less
COUNCIL APPROVAL	Greater than \$35,000