



# PURCHASING DIVISION DOING BUSINESS WITH THE CITY OF BANNING

## **Does the City Buy What I Sell? Who Can Answer My Questions? How Does the Bid Process Work? Do I Need Insurance?**

These questions, and more, are answered here by the City of Banning Purchasing Division, 99 E. Ramsey St., Banning, CA 92220; (951) 922-3121.

**WELCOME!** We appreciate your interest in selling to the City of Banning and hope this brief guide will be beneficial. Our aim is to help your sales effort and to promote good business relationships with us. This outlines our purchasing policies and procedures. Whenever you need more information, please ask. We can be reached at 99 E. Ramsey St., Banning, CA 92220; (951) 922-3121.

## **MISSION STATEMENT**

To provide the best value and assure timely delivery of supplies and services to the City Council and staff.

## **Our Mission**

The objective of the Purchasing Division is to conduct all purchasing in accordance with the City of Banning Ordinance and Administrative Policy, State and Federal laws. We strive to follow this general rule of thumb:

Before making purchases of, or contracts for, supplies, materials, equipment, or letting contracts for services ample opportunity shall be given for competitive bidding, under such rules and regulations and with such exceptions as the Council may prescribe in the ordinance setting up such rules and regulations.

Essentially, we seek to obtain the necessary quantity and quality of products or services required at the lowest price.

## **Does the City Buy What I Sell?**

Maybe. The City purchases more than several million dollars' worth of products and services each year, ranging from street lights to asphalt to uniform rental to professional services. We are continuously looking for good suppliers to supply all of the items or supplies the City may need and new service providers for all aspects of professional service.

**How Can I Get My Foot In the Door?**

The first step is to go online and register through our online bid management system as a new vendor. **Registration Link:** [Vendor Portal](#) Watch for any advertised bids in the local papers or posted at City Hall.

**How Is Public Purchasing Different From Private Purchasing?**

The public procurement process, and the people involved, are subject to complete public accountability, regarding the proper expenditure of taxpayers’ money. Public purchasing must guarantee fair and open competition with equal opportunities for every supplier. A unique characteristic of public purchasing is the underlying principle that prices are not as critical as fairness and impartiality in obtaining them.

**Are All Purchases Made by the Purchasing Division?**

No. Some small dollar purchases under \$5,000 can be purchased by various departments with vendors that have blanket/open PO’s with the City. All other purchases for supplies or services shall be purchased through the Purchasing Division by a City of Banning purchase order.

**Purchasing Expenditure Thresholds**

The Banning Municipal Code, has established expenditure (dollar) limits that determine signature authority and which procedure is used for a specific type of purchase. Following is a summary of expenditure limits for each type of purchase, and the procedure that applies to the purchase.

CITY OF BANNING PURCHASING AUTHORIZATION TABLE				
Purchase Type	Purchase Amount	Procurement	Contract Type	Approval Level
Goods, Equipment and Services	\$0 - \$5,000	1 Written/Printed Quote	Purchase Requisition & Short Form Purchase Order	Department Head/Manager or Above
	\$5,001 - \$10,000	Open market Informal Bid Process To Obtain 3 Printed Quotes (RFQ)	Purchase Requisition, Purchase Order & (Contract Applicable for Services)	
	\$10,001 - \$25,000	Open market Informal Bid Process To Obtain 3 Printed Quotes (RFQ)	Purchase Requisition, Purchase Order & (Contract Applicable for Services)	Department Head & City Manager
	Over \$25,000	Formal Bid Process (IFB, RFP)		City Council
Public Works Projects	\$0 - \$5,000	1 Written/Printed Quote	Purchase Requisition & Short Form Purchase Order	Department Head/Manager or Above
		Open market Informal Bid Process To Obtain 3 Printed Quotes (RFQ)		
	\$5,001 - \$10,000	Formal Bid Process (IFB, RFP)	Purchase Requisition, Purchase Order & (Contract Applicable for Services) and 10% Security Bond	Department Head/Manager or Above
	\$10,001 - \$25,000			Department Head & City Manager
Over \$25,000	City Council			

Bids are awarded to the lowest responsive, responsible supplier: the bidder who meets the specifications, terms and conditions stated, and offers the lowest price. The only time we do not award to the lowest price is when a bid does not meet our specifications or the bidder is not responsible. Informal bids may be verbal or written. Anyone can see the bid results after the bid has been awarded.

Purchases for supplies over \$25,000, Professional Services over \$25,000 and Public Projects over \$5,000 follow a formal procedure. These Invitation for Bids (IFB) and Requests for Proposals (RFP) will be advertised in the local newspaper and posted at City Hall and through our [eBid System](#). The bids are opened publicly at a specified time and place and City Council approves the bid award at a public meeting.

### **May I bid If I Don't Carry the Brand Listed on the Bid?**

Yes, if the IFB specifies a brand name or equal, you may offer an alternative or equal brand. It is a good idea to discuss your alternative proposal with us before submitting it. Or equal products will be evaluated after bids are received.

### **What Should I Do If I'm Confused?**

You may find our procedures, or requests for bids and proposals, confusing. Give us a call; we will gladly answer any questions on specifications, bid or award procedures, and purchasing methods in general.

### **Do Good Service and Quality Products Matter or Are Decisions Made Solely on the Basis of Price?**

Our mandate is to obtain the necessary quantity and quality at the lowest price possible for every purchase. We attempt to develop specifications which clearly define the quality required.

Awarding to the lowest responsive, responsible bidder limits our ability to develop business relationships with suppliers. Because of this, we maintain an arm's length association with suppliers. This is one of the many ways we try to minimize corruption in public procurement. Our goal is to treat all suppliers the same.

You may expend considerable time and money in presenting your product to an individual department in the hopes of making a sale. If you do this, remember the purchase may eventually be made by competitive bid and be awarded to the lowest responsive, responsible bidder.

### **When Does the City Require Insurance Coverage?**

When your personnel enter City property to repair, install, service, construct, or perform similar work, General Liability, Auto Liability, and Workers' Compensation insurance are generally required. If your firm provides professional services, such as architectural or engineering, professional errors and omissions insurance is generally required. We must have proof of insurance meeting our criteria before you start work. Contact us for further information regarding this condition.

**Are Bid, Payment and/or Performance Bonds Required?**

Bid, payment and performance bonds are required when it is necessary to protect the interests of the City. All contracts for Capital Improvement projects require bid, payment and performance bonds. Bids for supplies do not require bonding.

**What Are the City's Delivery Requirements?**

Deliveries in almost all cases are required to be made to us F.O.B. Destination, freight prepaid. Failure to meet specified delivery dates may cause cancellation of the order, liquidated damages, and removal from bid list.

**NEVER SHIP MATERIALS OR INITIATE ANY SERVICES,  
WITHOUT A PURCHASE ORDER NUMBER!****When Are Change Orders Allowed?**

A purchase order is our contract with you. Any change to that contract must be in writing.

**Does the City Buy Recycled Products?**

Yes, we prefer to use products with recycled content and/or products that are recyclable, if fitness, quality, purpose, and price are equal.

**Does the City Require Suppliers to Pay Prevailing Wage?**

Yes. Contractor must comply with the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, title 8, Section 1600, et seq., ("Prevailing wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" or "maintenance" projects, as defined by the Prevailing Wage Laws, and if the Project is a "public works" or "maintenance" project with a total cost of \$1,000 or more.

**Does the City Have a Program for Disadvantaged Businesses?**

We are happy to work with any business to help you with the bid process. However, we do not have preference programs for small businesses or businesses owned by socially or economically disadvantaged individuals.

**Do Local Suppliers Receive Preference From the City?**

Yes. In order to promote the economic health of the City and to encourage local participation in the procurement process, the City Council shall give a preference to local businesses, to the extent that such preference does not give an unlawful advantage to such local business over its foreign competition, and is otherwise permitted by law. In the assessment of any responsive bid submitted by a local business the bid shall be deemed to be five percent (5%) lower, for purposes of award, than the amount actually bid.

**How Does the City Make Payments?**

We issue payment to suppliers approximately thirty days after acceptance of the merchandise and/or service, and the correct original invoice, whichever arrives last. To expedite payment, put purchase order numbers on all invoices, shipping tags, and other correspondence relevant to the order.

**Are There Standard Performance Expectations?**

Yes, performance and delivery requirements are outlined in written specifications. Once a contract is in place, failure to fulfill any of the conditions may result in termination of your contract.

**May I Give Gifts to City Employees?**

No, we maintain a policy prohibiting our employees from accepting gifts and/or gratuities from any supplier. We discourage even the appearance of favoritism. You are encouraged to develop professional and ethical relationships with all City employees.

**How Are the City's Emergency Purchases Handled?**

There are times during emergencies when an order must be placed by City personnel after hours or on weekends when the Purchasing Division is normally closed. Emergency purchases may be made for items which are immediately necessary for the continued operation of the division involved or which are immediately necessary for the preservation of life or property. Rest assured, you will be paid for anything you sell to City employees under these conditions.

**Does the City Issue Blanket or Open Purchase Orders?**

Yes, a blanket or open purchase order allows you to sell goods to us on an as-needed basis, sometimes at specific prices or under a specific pricing formula, for a stipulated period of time.

**Do I Need a Business License?**

Yes, if you are located in, or perform services within, city limits or if you deliver products in company owned vehicles. Call the Business License Division at (951) 922-3126 if you want more information.

**When are Sales Calls Allowed?**

We are open for business from 8:00 AM to 5:00 PM, Monday through Friday. We will try to see you on the first visit even if you have not called for an appointment. However, we urge you to make a definite appointment before coming to the Purchasing Division.

**Who Can Answer My Questions?**

The following is a list of Purchasing Division personnel who may assist you:

Purchasing Manager (951) 922-3121

Purchasing Staff (951) 922-3129

Accounts Payable (951) 922-3117

Or email your questions to the [Purchasing Manager](#).

### **Purchasing Code of Ethics**

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

### **Disclaimer**

The guidelines presented here have been prepared and provided to you, the supplier, for information purposes only. They do not supplant the laws, regulations, and procedures governing procurement by the City of Banning. In the event of changes in those laws, regulations, or procedures, the laws, regulations, and procedures are binding and take precedence.