


REQUEST FOR COUNCIL ACTION

Date: October 18, 2021
Item No.: 7.c

Department Approval



City Manager Approval



Item Description: Review and adopt a Purchasing Policy

BACKGROUND

Best practices require that a City have various financial policies and periodically review and update those policies. City Code section 103.05 states that the City Manager has the authority to approve purchases and contracts of \$5,000 or less. The City has a professional services policy which was adopted August 17, 2009. The City has an environmentally preferable purchasing policy which was adopted May 6, 2019. The draft purchasing policy outlines the parameters for the procurement process for the City of Roseville and incorporates the prior professional services policy into this document. The draft purchasing policy also incorporates the environmentally preferable purchasing policy into this document so the City has one comprehensive Purchasing Policy as shown in Attachment A.

The Uniform Municipal Contracting Law, Minnesota State Statute Section 471.345 and the Federal OMB 2CFR200 (Uniform Guidance) rules were used to insure that the City policy is in conformance with State and Federal requirements. Chapter 103.05 of the City Code authorizes the City Manager to approve purchases and contracts of \$5,000 or less. Purchases greater than \$5,000 require council approval. That limit was set almost 20 years ago and accounting for inflation, is now closer to \$10,000. Under State Statute 412.691, the City Manager purchasing authority level maximum is \$20,000. If the City Council finds the change in City Manager purchasing authority acceptable and approves the Purchasing Policy, City Code will need to be approved. A draft ordinance is included as Attachment D and has been posted on the City website in accordance with state law.

The City has a professional service policy which has been incorporated into the draft purchasing policy with one change. The current term of professional service contracts is three years and best practices usually allow a one-time extension, so that has been proposed to be incorporated into the policy.

The Finance Commission reviewed the policy in March and April meeting and approved forwarding the draft purchasing policy to the City Council with the increased level of purchasing authority for the City Manager. Attachment B contains excerpts of the minutes from these meetings.

Before submitting the policy to the City Council, the purchasing policy went through an equity review was conducted by the Equity and Inclusion Manager and the Assistant City Manager. This was done to insure that the City's policies provide fair and equitable treatment and access to participate in city procurement, for those businesses that are owned and controlled by socially and economically disadvantaged individuals. As a result, additions to the purchasing policy were included, specifically under the Purpose section on page 1, the Definitions section on page 2, the Policy section on page 3, and the Disadvantaged Businesses section on page 4 of the proposed Purchasing Policy.

37 The purchasing policy includes both state and federal dollar thresholds that govern when purchases can
38 be made on the open market, under quotes, or when sealed bids must be obtained. The City is required
39 to have a formal purchasing policy that incorporates federal guidelines as a recipient for federal grants.

40 **POLICY OBJECTIVE**

41 The City's financial policies are consistent with governmental finance best practices as well as State and
42 Federal requirements.

43 **FINANCIAL IMPACTS**

44 Not applicable.

45 **STAFF RECOMMENDATION**

46 Staff Recommends the Council adopt the purchasing policy as submitted.

47 **REQUESTED COUNCIL ACTION**

48 Motion to approve the attached resolution adopting the attached purchasing policy.

49

Prepared by: Michelle Pietrick, Finance Director

Attachments: A: Resolution adopting Purchasing Policy
B: Draft Purchasing Policy.
C: Excerpt of Finance Commission minutes from March 9 and April 13, 2021
D: Draft Ordinance amending Chapter 103.05 – City Manager Purchasing Authority

50

**EXTRACT OF MINUTES OF MEETING OF THE
CITY COUNCIL OF THE CITY OF ROSEVILLE**

* * * * *

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Roseville, County of Ramsey, Minnesota was duly held on the 18th day of October 2021 at 6:00 p.m.

The following members were present:
and the following were absent:

Member introduced the following resolution and moved its adoption:

RESOLUTION _____

**RESOLUTION ADOPTING THE PURCHASING POLICY
FOR THE CITY OF ROSEVILLE**

WHEREAS, the City Council of the City of Roseville, Minnesota desires to establish budget and financial policies that provide for the sustainability of City programs, services and infrastructure; and

WHEREAS, the City Council of the City of Roseville, Minnesota desires to maintain the City’s strong financial condition; and

WHEREAS, the City Council of the City of Roseville, Minnesota desires to provide appropriate fiscal and budgeting controls.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Roseville, Minnesota, that the Purchasing Policy included in Attachment B be adopted and remain in effect until such time that a subsequent policy action is taken.

The motion for the adoption of the foregoing resolution was duly seconded by member and upon a vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

WHEREUPON, said resolution was declared duly passed and adopted.

State of Minnesota)
) SS
County of Ramsey)

98 I, undersigned, being the duly qualified City Manager of the City of Roseville, County of Ramsey, State
99 of Minnesota, do hereby certify that I have carefully compared the attached and foregoing extract of
100 minutes of a regular meeting of said City Council held on the 18th day of October 2021, with the original
101 thereof on file in my office.

102
103 WITNESS MY HAND officially as such Manager this 18th day of October, 2021.

104
105
106
107 _____
108 Patrick Trudgeon
109 City Manager

110 Seal

111
112

Purchasing Policy

Draft October 11, 2021

Purpose

The purpose of the Purchasing Policy is to ensure the procurement process complies with all applicable legal requirements and federal and state regulations;; maximizes the use of disadvantaged business whenever possible, is as efficient as possible without eliminating needed financial controls; and is understandable to all users; is administratively consistent with other City policies and procedures. The City's policy is to provide a fair and equitable process by which diverse businesses can compete on the basis of their service delivery and pricing in order to purchase goods and services at the most cost effective and competitive rates, yielding the desired service, turnaround and value for the dollar. This policy has the following objectives:

1. Ensure that all purchases comply with applicable laws, in particular the Uniform Municipal Contracting Law, Minnesota State Statute Section 471.345
2. Comply with Minnesota Public Purpose Doctrine and City Policy on Public Purpose Expenditures.
3. Make the best possible use of tax dollars by purchasing goods and services with the best value to the City while considering goals and values of the City and community.
4. Provide clear and consistent guidelines for City staff to follow in making purchasing decisions.

For purchases made under Federal or State grant funded programs, additional restrictions are identified within the uniform grant guidance regulations (2 CFR 200.318).

Definitions

Best Value - is an alternative procurement method allowed under Minnesota state law for the purposes of construction, building, alteration, improvement, or repair services compared to the current low-bid system of procurement. "Best value" describes the results determined by a method that considers proposals based on price and other criteria, which may include, but are not limited to: past performance, ability to minimize cost overruns/change orders, ability to prepare appropriate plans, technical capabilities, qualifications of key personnel and subcontractors, ability to limit and minimize risk and the ability to foster the use of small and minority businesses.

Contract – refers to a written document that establishes the rights and responsibilities of two or more parties and includes the consideration for each party to enter into the contract. Contracts include all City agreements, no matter what they are called, for the procurement of commodities, materials, equipment, real or personal property, labor, work, services or construction, including an amendment to or extension of a contract. While a purchase order is a contract, it is distinguishable from other written contracts by the brevity and commercial nature of its terms and the application of Article Two of the Uniform Commercial Code to supplement its written terms.

Purchasing Policy

Draft October 11, 2021

Cooperative Purchasing Agreement - refers to a contract for the purchase of supplies, materials, equipment and certain specified services (i) that are available through a State of Minnesota cooperative purchasing venture authorized by Minnesota Statutes 16C.11, or (ii) available through a national municipal association's purchasing alliance or cooperative created by a joint powers agreement that purchases items from more than one source on the basis of competitive bids or competitive quotations. Cooperative Purchase Agreements cannot be used for the construction or alternation of real or personal property.

Joint Powers Agreement – refers to a written contract governed by Minnesota Statutes Section 471.59 where two or more governmental units, working together by agreement to exercise any power common to them; or an agreement between governmental units where one unit performs a service or activity on behalf of another unit(s).

Open Market Purchase – refers to a purchase, usually of a limited monetary amount, from any available source.

Request for Proposals (RFP) – refers to both formal (including a public notice) and informal procurements requesting vendors, contractors or consultants to submit proposals to provide goods and/or services to the city when a quote or sealed bid is not required and is not advantageous to the City. The City is not required to select the lowest cost proposal however many take into consideration all identified relevant criteria that will result in the best overall value to the City. The City and the selected contractor often engage in detailed contract negotiations to further define the goods and/or services that will be provided and the price and obligations of each party.

Sealed Bid – refers to a bid that is sealed by the contractor prior to submission to the City and which will not be opened until the date and time for the public bid opening. Public openings are not required for Requests for Proposals.

Council Report for General Purchases or Sale of Surplus Items Exceeding \$10,000 - State Statutes require the City Council to authorize the sale or disposal of surplus vehicles and equipment (capital assets). All capital improvement goods are on this report, unless the contract already was approved by the Council. This report is also utilized to bring purchases exceeding \$10,000 to the City Council for approval. Items that are not included on this report include:

- Expenditures where the City Council has already approved the contract for goods or services.
- Regular budget items that are based on previous decisions – examples include gas and electric payments, software maintenance support, lease or bonded debt payments, city attorney, workers comp reimbursements, payroll related items, State and local obligations, postage, etc.

Disadvantaged Business Enterprise: A Disadvantaged Business Enterprise (DBE) is a for-profit small business where socially and economically disadvantaged individuals own at least a 51% interest in the firm and control the management and daily business operations. A DBE may be certified with the Minnesota Unified Certification Program (MNUCP) or through other agencies.

Purchasing Policy

Draft October 11, 2021

Policy

To ensure that the goods and services required by the City are obtained using established procedures that comply with all legal requirements for public purpose expenditures; expands economic opportunities for Disadvantaged Business Enterprises by encouraging participation in city contracting and purchasing while promoting fair and open competition to ensure public confidence in the procurement process. Additionally, this policy is intended to ensure fair and equitable treatment of vendors who transact business with the City, and provide safeguards for the maintenance of a procurement system of quality and integrity. The Minnesota Public Purpose Doctrine permits a governmental entity to expend public funds only when the primary purpose of the expenditure is public and the expenditure relates to the governmental purposes for which the entity was created. There must also be statutory authority allowing for the expenditure of such funds and there must be a benefit to the community. Proper documentation must be maintained by the City to establish that all expenditures serve a public purpose.

All federal grant expenditures will be in compliance with OMB 2CFR200 (Uniform Guidance). All federal grant expenditures must be reasonable, necessary, and adequately documented. All federal grant expenditures must be deemed to be allowable under specific grant agreements and in accordance with 2CFR200, subpart E.

The approved operating budget provides detail on goods and services that are expected in a given year. Any goods or services required that were not budgeted must be approved by the City Manager or the City Council, depending on the dollar amount of the purchase and the rationale behind the non-budgeted good or service.

Methods of Procurement:

Micro Purchases

Procurements valued at less than \$25,000 (\$10,000 for federally funded) will be considered *Micro Purchases*, and can be made on the open market without obtaining competitive quotations or proposals. City staff will ensure that the price is fair and reasonable. Procurements will not be split to avoid competition.

Small Purchases

Procurements valued between \$25,000 and \$175,000 will be considered *Small Purchases*, and will be made after obtaining at least two (2) quotes or proposals from qualified sources, in accordance with City procurement procedures.

Major Purchases

Procurements valued at greater than \$175,000 will be considered *Major Purchases*, and will be made

Purchasing Policy

Draft October 11, 2021

by publicly soliciting bids or proposals in accordance with City procurement procedures and as required by Minnesota Statutes 471.345. Procurements will not be split to avoid this policy. For Federally funded projects, the value is higher than the State limit, as such the City will follow the State limit of \$175,000 for federally funded purchases as well.

Joint Purchasing/Cooperative Purchasing Agreements

The City has the authority to enter into *Joint Purchasing or Cooperative Purchasing Agreements* with other governmental units as provided for in Minnesota Statutes. Procurements made through *Joint Purchasing or Cooperative Purchasing Agreements* will satisfy the City's competitive procurement requirements.

Contract Amendments

Contract amendments valued at greater than 25% of the original value of the contract will be considered separate procurements and the appropriate process above shall be utilized.

Noncompetitive Purchases

Noncompetitive Purchases can be made under the following circumstances:

- When the City Council has declared an emergency, in accordance with State Statute, City Policies and Procedures.
- When a sole source of the good or service exists and has been verified by City Manager
- When the procurement is for goods or services not available competitively, such as utilities, subscriptions, professional dues and memberships, insurance, conference and seminar registration, permits and licenses, advertisements in publications, taxes, required federal, state and local fees and charges, etc.

Disadvantaged Businesses

The City will utilize businesses owned and controlled by socially and economically disadvantaged individuals in the procurement of goods and services, and the award of contracts when possible. The City will, in accordance with authority granted by federal regulations, state statute, and local laws and ordinances, act affirmatively to create a "level playing field" for women-owned, minority-owned and disadvantaged business enterprises to achieve the goal of equal opportunity.

Assistance to Small and Minority Businesses

1. Required Effort. Staff must make good faith efforts to ensure small businesses, minority-owned businesses, and women's business enterprises are used when possible. Such efforts may include, but shall not be limited to:

- a. Including such firms, when qualified, on solicitation mailing lists;
- b. Encouraging their participation through direct solicitation of bids or proposals whenever they are potential sources;
- c. Dividing total requirements, when economically feasible and in compliance with state

Purchasing Policy

Draft October 11, 2021

-
- law, into smaller tasks or quantities to permit maximum participation by such firms;
 - d. Establishing delivery schedules, where the requirement permits, which encourage participation by such firms;
 - e. Using the services and assistance of the Small Business Administration;
 - f. Requiring prime contractors, when subcontracting is anticipated, to take the steps listed in a. through e. above.

Environmentally Preferable Purchasing

In 2019 the City Council adopted the Environmentally Preferable Purchasing Policy which establishes procedures to consider products that are generally better for the environment and which reduces the City's impact on the environment in many ways. This policy does not supersede any other provisions of the overall Purchasing Policy except that it does establish some criteria for over budget purchases with City Manager approval. The Environmentally Preferable Purchasing Policy is attached in Appendix A.

Deviations

Approval to deviate from this policy must be documented and authorized by the City Manager, or by other City staff as delegated by the City Manager in accordance with City policies and procedures.

Prohibited Interest in Contracts

Minnesota State Statutes 471.87 and 471.88 prohibit the purchase of goods or services whenever a conflict of interest may exist. If any employee becomes involved in a possible conflict situation, the employee shall disclose the nature of the possible conflict to his or her supervisor and the City Manager.

The City cannot enter into any contract or purchase order for goods or services in which an employee, elected official, officer or agent, or their immediate family members, has an indirect or direct personal financial interest or will personally benefit financially from the contract or purchase. In exceptional cases and if permitted by applicable law or regulation, this policy may be waived by the City Manager for employees for good cause after consulting with the City Attorney. The City Manager shall promptly notify the employee in writing of the decision.

Substantial state and federal requirements exist pertaining to standards of conduct and conflict of interest. It is the intent of the City for all employees, officers, or agents to conduct all activities associated with procurements in compliance with the highest ethical standards, including the avoidance of any real or perceived conflict of interest. It is also the intent of the City to impose appropriate sanctions or disciplinary actions, including but not limited to termination and/or prosecution, for any employees or officers who violate any of these requirements.

Purchasing Processes

Purchasing Policy

Draft October 11, 2021

By City Code, the City Manager is the Chief Purchasing Officer of the city and has delegated purchasing and budgetary control to each department. The department head may designate other staff within their department to purchase goods and services in compliance with the annual budget. The City Council has delegated authority to staff to make usual and customary purchases as approved in the annual budget in compliance with all bidding requirements and the City's purchasing policy. Formal Council approval of budgeted, routine purchases is not necessary. Council approval is required on capital improvement projects of \$10,000 or greater, and transactions involving purchases over \$175,000 (or a lower amount if so deemed necessary). The Finance Director will report budget status to the City Council on a quarterly basis. Payment details for all goods and services will be listed on check registers and presented to the City Council for review twice a month.

The Uniform Municipal Contracting Law, Minnesota Statutes Section 471.345 outlines certain quotation/bid requirements based on the amount of the purchase. Purchases under \$25,000 may be made on the open market. Purchases from \$25,000 to \$175,000 may be made by obtaining 2 or more written quotations. Purchases over \$175,000 must follow the competitive bidding process. Usual and customary purchases must have sufficient funds available within the approved department budget.

Purchase Orders and Contracts

The Assistant Finance Director will issue purchase orders for items over \$10,000 that are not handled via a contract situation. All contracts issued for goods or services are reviewed and approved by the City Council. Per City Code Section 103.05, the City Manager has the authority to approve purchases and contracts of \$10,000 or less. All claims are approved by the City Council through the Accounts Payable payment approval report at each regular council meeting. The City Council has requested that an additional report for the approval of general purchases or sale of surplus items exceeding \$10,000 be on the council agendas, see definitions page for more information on this report.

Reviewing for Contractors under Suspension or Debarment

In all cases the City will review the excluded parties list (<https://www.sam.gov>), to ensure that no tentative parties, suspended and/or debarred contractors are contracted with when using federal or City dollars.

Professional Service Contracts

Professional service contracts such as those provided by engineers, lawyers, architects, accountants and other services requiring technical, scientific, or other professional training, do not require competitive bidding. Selection of firms shall be through a competitive process, using a "best overall value" approach, whenever applicable and appropriate. Contracts for professional services shall be for terms of not more than three (3) years with a one-time extension of not more than three years, based on satisfactory performance. All professional service contracts shall be approved by the City Council. The City Council should be represented in the interviews and evaluation of candidate firms for Civil Attorney services, including the determination of evaluation criteria.

Purchasing Policy

Draft October 11, 2021

Firms selected to provide professional services to the City of Roseville:

- Will avoid any conflicts of interest and commit to the principles of the Professional Code of Ethics for their profession and the City of Roseville Code of Ethics for Public Officials.
- Will conduct their business through designated Roseville City staff as approved by the City Manager.
- Will not represent any individual or corporation involved in litigation against the City of Roseville.
- Will comply with all applicable state and federal laws and local ordinances.

Exceptions

Minnesota State Statute 12.37 gives the City the ability to declare an emergency situation for a limited period of time. During such an emergency, the City is not required to use the typical mandated procedures for purchasing and contracting. Emergency purchases require approval by the City Manager, Finance Director and when necessary because of the dollar amount, formal City Council action. An emergency purchase is defined as one where an immediate response is required to protect the health, welfare or safety of the public or public property.

Credit Card Use

The use of credit cards (purchasing cards) is an authorized payment method. These purchases must follow the purchasing policy and are a more efficient method of paying vendors than the check payment process. See the purchasing card policy for detailed procedures.

Ethics and Acceptance of Gifts

Employees shall not make any purchases for personal use utilizing City funds. Employees shall not be allowed to take advantage of special pricing offered to the City by vendors to make personal purchases. Employees may not take advantage of government discounts for non-city related purchases, including bidding on city auctions. The general rule to be applied is if a discount is not available to a member of the public, the employee should not take advantage of it. Gifts offered by vendors to staff responsible for making purchasing decisions may only be accepted if they are considered to be a trinket or memento costing \$5 or less.

Authority for Implementation and Enforcement

All employees are responsible for adhering to this policy when purchasing goods or services. Department heads are responsible for monitoring performance within their areas of jurisdiction.

Responsibility for administering established purchasing policies and procedures has been delegated to the Finance Director in conjunction with the City Manager who is the Chief Purchasing Officer of the City.

Purchasing Policy

Draft October 11, 2021

APPENDIX A

City of Roseville Environmentally Preferable Purchasing Policy

Council Approved – May 6, 2019

Purpose and Scope

Environmentally preferable products and services, according to definitions from the United States Environmental Protection Agency, have less or reduced impact on human health and the environment than other products and services that serve the same purpose. Adopting this policy demonstrates the City of Roseville's continued commitment to sustainability, as well as its recognition of the many benefits of following these guidelines. These benefits include:

- Supporting and rewarding businesses that provide environmentally preferable products and services
- Support for recycling markets and practices
- Setting an example of sustainability for residents and local businesses
- Lower overall costs by utilizing full-cost accounting and choosing products that are durable, long-lasting, reusable, refillable, and recyclable
- Minimizing negative environmental impacts such as pollution, resource depletion, water usage, and energy waste

Policy

Recycled-Content Products

Under the advisement of Minnesota Statute 16C.073 and the Federal Environmental Protection Agency's (EPA) recommendations, the City will purchase paper products containing the highest post-consumer recycled content practicable, but no less than 30% recycled content for copy paper, the minimum standard established by the EPA Comprehensive Procurement Guidelines (www.epa.gov). The City will purchase other products made with recycled material when available, practicable, and cost-effective.

Energy Saving Products

All appliances and products purchased by the City will meet US EPA Energy Star certification, provided that such products are available and financially feasible (www.energystar.gov). Such products typically include lighting systems, exhaust fans, water heaters, computers, exit signs, and appliances such as refrigerators, dishwashers, and microwave ovens. When Energy Star certified products are not available, products in the upper 25% of energy efficiency as designated by the Federal Energy Management Program will have preferred consideration for purchase.

Water Saving Products

Water-saving products purchased by the City will meet WaterSense certification when such products are available and financially feasible (www.epa.gov). This includes, but is not limited to, high-performing fixtures such as toilets, urinals, low-slow faucets and aerators, and upgraded irrigation systems.

Cleaning Products

Cleaning products purchased by the City will meet Green Seal, EcoLogo, and/or EPA Design for the

Purchasing Policy

Draft October 11, 2021

Environment standards whenever such products are available, practicable, and perform to an acceptable standard.

Waste Minimization

The City's purchasing practices will reflect an attempt to reduce packaging and other unnecessary waste. Such practices may include buying items in bulk whenever practicable and preferring reusable, recyclable, and compostable products and packaging when suitable products are available.

Implementation

This policy will not be construed as requiring any department, buyer, or contractor to purchase products that do not perform adequately for their intended use, exclude adequate competition, or are not available at a reasonable price in a reasonable period of time.

City staff will ensure that specifications support the use of reusable, recycled, or environmentally preferable products by following these guidelines. All city departments are responsible for implementation of this policy and ensuring their respective employees are fully aware and supportive of the City's policy to purchase environmentally preferable goods and services.

The City will accept up to a 10% increased cost for purchasing environmentally preferable products indicated in this policy, a standard that is widely used around the state. Authorization is required from the City Manager if the additional cost is greater than \$1,000.

These guidelines are subject to the requirements and preferences in the Municipal Contracting Law (MN Statute 471.345) and all other applicable laws and ordinances.

The Public Works department will assist with and monitor the efforts of implementation and report annually to the City's Green Team on the outcomes of this purchasing policy.

Finance Commission – Excerpt of March 9, 2021 Meeting Minutes

Review and Discuss Draft Purchasing Policy

Ms. Pietrick reviewed the draft Purchasing Policy with the Commission and asked for comments.

Commissioner Davies asked when the purchasing limit was changed.

Chair Murray thought it was a few years ago.

Commissioner Sagisser thought the purchasing limit should be raised to \$10,000.

Commissioner Davies agreed and thought if the limit were raised then it would not need to be done again quite so soon.

Ms. Pietrick reviewed with the Commission what kind of items are reviewed by the City Council and defined Capital Projects.

Chair Murray asked if someone wanted to make a motion recommending the Council increase the City Manager's authority to \$10,000.

Commissioner Davies made a motion, seconded by Commissioner Sagisser to recommend the City Council increase the City Manager's purchasing authority to \$10,000. **The motion passed unanimously.**

Chair Murray indicated the Finance Commission has previously made a recommendation like this and the City Council has turned it down.

Commissioner Sagisser asked if it would be helpful if the Commission provided a reason with the motion.

Ms. Pietrick thought the argument could be said that the policy of \$5,000 was set almost twenty years ago.

Commissioner Sagisser thought the clear reasoning for him is that with inflation and the frequency of how much this is updated and keeping it in line with other cities.

Commissioner Davies noted it will also save money with staff time and Council review. She thought it was a matter of efficiency.

Commissioner Sagisser wondered if there might be logic to raise the limit even higher and linking it more to specific types of projects. He thought \$10,000 was a great place to start.

Ms. Pietrick thought this will be well received by all of staff. She continued with her review of the Purchasing Policy.

47 Commissioner Bester asked if staff was going to remove appendix A-the Professional Services
48 Policy adopted August 17, 2009.

49
50 Ms. Pietrick indicated she would like to do that because most of it was incorporated in other
51 parts of the policy but those things that were specific to professional service contracts she tried to
52 spell out. The only change she made in that area was that the current policy says that contracts
53 for professional services shall be for terms of not more than three years. The standard practice in
54 most governments is a three year plus a one-year extension of an additional three. Some cities
55 do other combinations as long as there is satisfactory performance. She thought since she was
56 drafting the policy she would try and incorporate that best practice, if the Council chose to do
57 that.

58
59 Commissioner Sagisser indicated he would agree with that and thought that was pretty normal
60 for government.

61
62 Commissioner Davies indicated the policy states all professional contracts shall be approved by
63 the City Council and she wondered if that also included the ones under the five or ten thousand
64 dollars.

65
66 Ms. Pietrick indicated most of the City's professional service contracts are over ten thousand
67 dollars such as the City Attorney, auditors, architects.

68
69 Chair Murray asked if the three-year contract with one three-year extension included
70 professional services such as the City Attorney.

71
72 Ms. Pietrick indicated it would and then the City would need to do a full-blown RFP proposal,
73 which the current firm can certainly submit a proposal for. Currently it is a three year and then
74 the City is supposed to do an RFP or ask the City Council for a waiver.

75
76 The Commission concurred and thought it made sense to add the extension into the policy.

77
78 Ms. Pietrick continued with her review of changes to the purchasing policy.

79
80 Commissioner Davies thought the professional services policy from 2009 was just for
81 information and would be going away.

82
83 Ms. Pietrick indicated that was going to be her recommendation.

84
85 Chair Murray thought that made sense.

86
87 Commissioner Bester wondered if it made sense to put this into some kind of order such as:
88 purpose, policy, definition, methods, procedures.

89
90 Commissioner Davies indicated that is typically how the contracts are written, with the
91 definitions at the front end, after the preamble. She thought that made sense to put the
92 definitions after the purpose and before the policy.

93
94 Chair Murray wondered if there should be an index in this as well because he figured staff will
95 need to look at these from time to time.

96
97 Ms. Pietrick noted the document is only six pages long, but she could make an index or table of
98 contents. He goal is this is one policy that is going to get incorporated with all of the other City
99 policies into one financial policies document, which would have a table of contents.

100

101

102 **Finance Commission – Excerpt of April 13, 2021 Meeting Minutes**

103

104 **Review and Discuss Draft Purchasing Policy**

105

106 Finance Director Pietrick updated the Commission on the changes made to the draft Purchasing
107 Policy.

108

109 Chair Davies asked under the section “Disadvantaged Businesses”, does the sentence “act
110 affirmatively to create a “level playing field” for women-owned, minority-owned and
111 disadvantaged business enterprises to achieve the goal of equal opportunity.” mean that these
112 groups do not necessarily have to be the lowest bid if it is a competitively bid contract.

113

114 Ms. Pietrick explained the City does not necessarily need to take the lowest bid but takes the
115 lowest responsible bidder. When working with Federal dollars, generally in the evaluation of the
116 proposal, points get awarded with additional points for women owned or minority owned
117 businesses. The City is trying to make the sure that in the bids solicited and the contracts that the
118 City awards, that everybody has a chance to get business from the City.

119

120 Chair Davies asked if having a clause like that gives the City the option to go with a minority or
121 women owned business if there is a small difference. She also noted the amounts of \$5,000 in
122 the policy should be changed to \$10,000 per previous conversation.

123

124 Commissioner Sagisser moved, seconded by Commissioner Lee to approve forwarding the draft
125 policy to the City Council. **The motion carried unanimously.**

126

127

**City of Roseville
ORDINANCE NO.**

AN ORDINANCE AMENDING

TITLE 1, CHAPTER 103, CITY OFFICIALS

THE CITY OF ROSEVILLE ORDAINS:

SECTION 1: Title 1, Chapter 103 of the Roseville City Code is amended to read as follows:

103.05: CITY MANAGER PURCHASING AUTHORITY: The manager shall be the chief purchasing agent of the city. All purchases for the city and all contracts shall be made or let by the manager when the amount of the purchase or contract does not exceed \$10,000 but all claims resulting therefrom shall be audited and approved by the council as provided by law.

SECTION 2: Effective date. This ordinance shall take effect upon its passage and publication.

Passed by the City Council of the City of Roseville this ___ day of _____ 20XX.

Ordinance – Title 1, Chapter 103 City Officials

(SEAL)

CITY OF ROSEVILLE

BY: _____
Daniel J. Roe, Mayor

ATTEST:

Patrick Trudgeon, City Manager

DRAFT