

CITY OF PALM DESERT STAFF REPORT

MEETING DATE: April 11, 2024

PREPARED BY: Cristal Ortega, Management Analyst II

REQUEST: INTRODUCE AN ORDINANCE RELATIVE TO THE PURCHASING SYSTEM AND PUBLIC WORKS CONTRACTS AND MAKING FINDINGS UNDER CEQA

RECOMMENDATION:

Introduce an Ordinance entitled “AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PALM DESERT, CALIFORNIA, REPLACING CHAPTER 3.30 IN ITS ENTIRETY AND RESCINDING ORDINANCES NO. 224, 423, 586, 927, 928, 986, 1162, 1166, 1204, 1229, 1276, 1317, 1335 AND 1392 RELATIVE TO THE PURCHASING SYSTEM AND PUBLIC WORKS CONTRACTS AND MAKING FINDINGS UNDER CEQA.”

BACKGROUND/ANALYSIS:

The Municipal Code (referred to as the “Code”) Chapter 3.30 underwent a comprehensive update in March 2023. In alignment with the City’s objectives to enhance efficiency and accountability, staff members identified further opportunities to streamline purchasing processes.

This revision aims to simplify and streamline procurement for departments. Specifically, the proposed changes include:

1. **Minimum Procurement Level:** The City Manager will now have authority to designate Department Heads to approve awards up to \$10,000 for public projects, contractual services, materials, supplies, equipment, as well as professional services. The current threshold is \$2,000. This will allow departments to address small, routine, or urgent items more quickly and efficiently.
2. **Exception for Recurring Charges:** Section 3.30.160, which specifies exceptions to procurement methods, is clarified to make it easier for departments to procure routine, recurring goods and services (Examples include: pest control services, HVAC maintenance services, paint, and janitorial supplies).
3. **More Flexibility for Vendor Quotes:** Proposed changes will make it easier for departments to obtain informal quotes for procurements of \$75,000 or less—especially for services in which there are few vendors servicing the local area (Examples include: installation of pool pump equipment, emergency generator services, and custom signage).
4. **Technology Exception:** Adds a new exception that allows for continued licensing of key software and hardware systems (For example, when the City selects a particular software platform (Microsoft Office 365), we are limited to their licensing in future years, in order to continue that service).

5. **Non-Discrimination Policy:** Adds new policy that seeks to ensure vendors who provide goods and services to the City follow non-discriminatory practices in employment and subcontracting.

In summary, revising the purchasing policy achieves several key goals:

- **Consistency:** Ensuring uniformity in purchasing practices.
- **Simplicity:** Streamlining routine and small purchases.
- **Flexibility:** Allowing for adaptability in day-to-day operations.

By implementing these changes, efficiencies will be recognized through improved management of procurement activities in each area of the procurement process, while adhering to best practices for municipal governance.

Legal Review:

This report has been reviewed by the City Attorney's office.

FINANCIAL IMPACT:

There is no financial impact from the proposed Ordinance, however, staff believes there will be time-saving efficiencies created by streamlining the process for all purchasing and procurement on behalf of the City.

ATTACHMENTS:

1. Draft Ordinance
2. Ordinance Text, Redline