



CITY OF WHEATLAND

CITY COUNCIL MEETING STAFF REPORT

July 9, 2019

SUBJECT: Introduce Ordinance 470 Amending Chapter 3.04 of the Wheatland Municipal Code

PREPARED BY: Susan Mahoney, Finance Director

Recommendation

Staff recommends that Council conduct a public hearing regarding the amendment of Wheatland Municipal Code Chapter 3.04 *Purchasing System* and waive the full reading and introduce Ordinance No. 470.

Background

The City's *Purchasing System* rules and procedures are contained in the City of Wheatland Municipal Code Chapter 3.04 *Purchasing System*. The Code is deficient in several areas with regards to modern purchasing methods and best practices for government agencies. Specifically, the Code does not address:

- Services and Consultant Contracts
- Public Works Contracts
- Uniform Public Construction Cost Accounting Act
- Fuel and maintenance supplies
- Credit Card Purchases
- Environmentally Preferable Purchases
- Method for Disposing of Surplus Property

Amendments to the municipal code must be made by ordinance which requires a public hearing and first reading, a second reading at a subsequent meeting, and a 30-day waiting period before the ordinance becomes effective.

Discussion

It is a current generally accepted best practice that cities maintain a Purchasing Policy that contains procedures for the agency's various types of purchases. A policy can be periodically reviewed and updated by Resolution. This gives Council the flexibility to maintain a policy that reflects current laws and community needs without going through the multiple steps required to amend an Ordinance. Staff is recommending that the current *Purchasing System* rules and

procedures be deleted and replaced with a reference to a Council adopted Purchasing Policy. The new Purchasing Policy will have the full force and effect of the current *Purchasing System* rules and procedures. The proposed Purchasing Policy is being presented to Council later this evening.

Should the Council choose to waive the full reading and introduce Ordinance No. 470 at tonight's meeting, a second reading will be required at the July 23, 2019 meeting. The Ordinance would be effective August 22, 2019, thirty days from the second reading.

Alternatives

The Council could reject Ordinance 470.

Fiscal Impact

There is no direct fiscal impact by adopting the Ordinance.

Attachments

1. Ordinance 470

ORDINANCE NO. 470

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WHEATLAND AMENDING PURCHASING SYSTEM RULES AND PROCEDURES

The City Council of the City of Wheatland does ordain as follows:

SECTION 1. Purpose and Authority. The purpose of this ordinance is to amend, streamline and simplify the City's property purchasing system rules and procedures. This ordinance is adopted pursuant to Government Code section 54202 and other applicable law.

SECTION 2. General Findings. The City Council finds and determines as follows:

- a. The City's Purchasing System rules and procedures are contained in the City of Wheatland Municipal Code, Chapter 3.04, Purchasing System. This portion of the Code has not been updated for about 10 years, and the City's Purchasing System does not reflect modern purchasing methods and best practices for government agencies.
- b. The Purchasing System as set forth in the City's Code does not address:
 - (a) Services and Consultant Contracts
 - (b) Public Works Contracts
 - (c) Uniform Public Construction Cost Accounting Act
 - (d) Fuel and maintenance supplies
 - (e) Credit Card Purchases
 - (f) Environmentally Preferable Purchases
 - (g) Method for Disposing of Surplus Property
- c. Currently, generally accepted best practice for cities is to maintain a Purchasing Policy that addresses these topics and contains the procedures for the city's various types of purchases. A policy can be periodically reviewed and updated by Resolution, whereas the Code can only be amended by adoption of an Ordinance. Adoption of a Purchasing Policy by Resolution will give Council flexibility to adapt to current laws and community needs without going through the multiple steps required to amend the Code by adopting an Ordinance.
- d. For these reasons, the City desires to amend and revise the Code provisions related to its Purchasing System and replace them to authorize adoption of a Purchasing Policy by Resolution, as provided below.
- e. The adoption of this ordinance is exempt from review under the California Environmental Quality Act because the amendments to the code proposed in this ordinance will not have any physical impact on the environment, and because the ordinance addresses purely financial matters.

SECTION 3. The title of Wheatland Municipal Code section 3.04.020 is amended to read “Adoption of Purchasing Policy.”

SECTION 4. Wheatland Municipal Code section 3.04.020 is amended to read as follows:

3.04.020 Adoption of Purchasing Policy.

The City Council shall from time to time establish the purchasing system rules and procedures by passage of a resolution. The currently operative version of the purchasing policy established under this section shall be published on the City’s website.

SECTION 5. Wheatland Municipal Code sections 3.04.030, 3.04.040, 3.04.050, 3.04.060, 3.04.070, 3.04.080 are repealed.

SECTION 6. Effective Date. This ordinance shall take effect 30 days after its final passage.

SECTION 7. Posting. Within 15 days from the date of passage of this ordinance, the City Clerk shall post a copy of it in at least three public places in the City.

INTRODUCED by the City Council on the 9th day of July 2019.

PASSED AND ADOPTED by the City Council of the City of Wheatland on the 9th day of July 2019, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Joe Henderson, Mayor

Attest:

Lisa J. Thomason, City Clerk

I hereby certify that the foregoing is a true and correct copy of City of Wheatland Ordinance No. 470, which ordinance was duly introduced, adopted and posted pursuant to law.

Lisa J. Thomason, City Clerk