



Town of Paradise Town Council Special Meeting Agenda 10:00 AM – September 24, 2019

Town of Paradise Council Chamber – 5555 Skyway, Paradise, CA

Mayor, Jody Jones
Vice Mayor, Greg Bolin
Council Member, Steve Crowder
Council Member, Melissa Schuster
Council Member, Mike Zuccolillo

Town Manager, Lauren Gill
Town Attorney, Dwight L. Moore
Town Clerk, Dina Volenski
Acting Community Development Director, Susan Hartman
Finance Director/Town Treasurer, Gina Will
Public Works Director/Town Engineer, Vacant
Division Chief, CAL FIRE/Paradise Fire, John Messina
Chief of Police, Eric Reinbold

- I. The Mayor is the Presiding Chair and is responsible for maintaining an orderly meeting. The Mayor calls the meeting to order and introduces each item on the agenda.
- II. The Town staff then provides a report to Council and answers questions from the Council.
- III. Citizens are encouraged to participate in the meeting process and are provided several opportunities to address Council. Any speaker addressing the Council is limited to three minutes per speaker - fifteen minutes per agenda item
 - A. If you wish to address the Council regarding a specific agenda item, please complete a "Request to Address Council" card and give it to the Town Clerk prior to the beginning of the meeting. This process is voluntary and allows for citizens to be called to the speaker podium in alphabetical order. Comments and questions from the public must be directed to the Presiding Chair and Town Council Members (please do not address staff.) Town staff is available to address citizen concerns Monday through Thursday at Town Hall between the hours of 8am and 5pm.
 - B. If you wish to address Council regarding an item not on the agenda, you may do so under Item 4, "Public Communication." Again, please fill out a card and give it to the Town Clerk before the meeting. State Law prohibits Council action on items not listed on a public agenda.

In compliance with the Americans with Disabilities Act (ADA) Compliance, persons who need special accommodations to participate in the Town Council meeting may contact the Town Clerk at least three business days prior to the date of the meeting to provide time for any such accommodation.

1. OPENING

- 1a. Call to Order
- 1b. Pledge of Allegiance to the Flag of the United States of America
- 1c. Roll Call

2. COUNCIL CONSIDERATION – ACTION CALENDAR

Action items are presented by staff and the vote of each Council Member must be announced. A roll call vote is taken for each item on the action calendar. Citizens are allowed three (3) minutes to comment on agenda items.

- 2a. Consider approving recommended changes and Waiving the first reading of Town of Paradise Ordinance No. 584 and read by title only; and introducing Town of Paradise Ordinance No. 584 An Ordinance relating to purchasing supplies and services. (ROLL CALL VOTE)
- 2b. Receive presentation regarding the Building Resiliency Center and approve the Town submitting a grant application to the United States Department of Agriculture (USDA) and other non-profit fund resources for both staffing and facility requirements in the approximate amount of \$473,000.00. (ROLL CALL VOTE)

3. CLOSED SESSION

- a. Pursuant to Government Code section 54956.8, the Town Council will hold a closed session to confer with the Town's negotiators about the terms for the Town to purchase the below identified real properties:

Property location: 5631 Black Olive Dr., Paradise, California

- Town negotiators: Lauren M. Gill and Dwight L. Moore
- Property negotiator: Cindy Haskett, Blue Team Realty

Property location: 5680 Black Olive Dr., Paradise, California
5690 Black Olive Dr., Paradise, California
5704 Black Olive Dr., Paradise, California

- Town negotiators: Lauren M. Gill and Dwight L. Moore
- Property negotiator: Tom Gagne, Re/Max of Chico

4. ADJOURNMENT

STATE OF CALIFORNIA) COUNTY OF BUTTE)	SS.
I declare under penalty of perjury that I am employed by the Town of Paradise in the Town Clerk's Department and that I posted this Agenda on the bulletin Board both inside and outside of Town Hall on the following date:	
<hr/>	
TOWN/ASSISTANT TOWN CLERK SIGNATURE	



**Town of Paradise
Council Agenda Summary
Date: September 24, 2019**

Agenda Item: 2(a)

Originated by: Gina S. Will, Administrative Services Director/Town Treasurer

Approved by: Lauren Gill, Town Manager

Subject: Approve changes to the Town's Purchasing Policy

Council Action Requested:

Approving recommended changes and waive the first reading of Town Ordinance No. 584 and read by title only an Ordinance relating to purchasing supplies and services. (ROLL CALL VOTE).

Alternatives:

Provide alternative direction to staff.

Background:

The multitude of projects and grants that staff is currently pursuing related to Camp Fire recovery, has necessitated staff reexamining the threshold requirements of the current purchasing policy.

There are three basic procedures for procurement:

1. A "micro-purchase" allows the purchase without soliciting competitive bids or proposals so long as the price and process is reasonable.
2. "Small purchases" is the informal method of procurement allowing purchasing to occur with quotes from at least three vendors.
3. "Formal contract" or sealed bid procurement requires formal solicitation materials, formal notice inviting bids, formal evaluation of bids, and award by Town Council.

Discussion:

Federal and State procurement guidelines set the thresholds for formal processes much higher than our current limits. As much of the funding for recovery projects is coming from Federal and State sources, it makes sense to align our procurement policy with those agencies.

Over the last several months we have found that our procurement policy has hampered our ability to timely setup services and programs to serve the community in the rebuild efforts.

Further, we find that an amended policy will assist with grant applications and the procurement allowed upon grant award.

Amending the policy will not interfere with the Town's ability to maintain appropriate financial controls and budgets. It will provide the Town's professional staff the ability to offer services and programs in the most cost effective and efficient manner possible.

Finally, staff is considering a recommendation to hire a procurement specialist in order to centralize procurement, maintain appropriate controls, and assist with all the administrative work involved with procuring the services and goods needed for Federal and State Grants.

Staff recommends increasing the Town's procurement limits to match the current limits of Federal and State agencies as shown below.

Attached or Council's approval and first reading is ordinance 584 which highlights recommended changes to sections 2.45.080 and 2.45.090.

	<u>Micro-purchase</u>	<u>Small purchase</u>	<u>Large Purchase</u>
	<u>Reasonable purchasing</u>	<u>Informal bid process – at least 3 quotes</u>	<u>Formal bid process – Formal notice and Town Council approval</u>
<u>Town Proposed</u>	<u>< \$10,000</u>	<u>\$10,000 - \$250,000</u>	<u>> \$250,000</u>

Fiscal Impact:

A second reading of the ordinance will occur October 8, 2019. If approved at that meeting, the policy will go into effect November 7, 2019. It will result in some advertising fee savings as fewer bid notices will require publication, and staff time savings from fewer formal bid package processing.

**TOWN OF PARADISE
ORDINANCE NO. _____**

**AN ORDINANCE OF THE TOWN OF PARADISE
AMENDING SECTIONS 2.45.080 AND 2.45.090 RELATING TO
THE TOWN PURCHASING SYSTEM**

The Town Council of the Town of Paradise, State of California, does **ORDAIN AS FOLLOWS:**

SECTION 1. Paradise Municipal Code section 2.45.080 is hereby amended to read as follows:

2.45.080 – Formal contract procedures.

Except as otherwise provided in this chapter, purchases of supplies, equipment or services with a total projected value of ~~\$25,000~~ \$250,000 or more (including tax, shipping, etc.,) shall be by formal written bid for a lowest responsible bidder pursuant to the following procedure:

A. Notices inviting bids shall include a general description of the goods or services to be purchased or sold, shall state where bid packets and specifications may be obtained, and the time and place for opening bids.

B. Notices inviting bids shall be published at least ten days before the date of the opening of the bids. Notices shall be published at least once in a newspaper of general circulation in the town, or if there is none, shall be posted in public places in the town.

C. The purchasing officer, or his or her designee, shall also solicit bids from responsible prospective suppliers whose names are on a bidders' list or who have made a written request that their names be added to the bidders' list.

D. When deemed necessary by the purchasing officer, or his or her designee, bidder's security may be prescribed in the public notices inviting bids. Bidders shall be entitled to have the bid security returned provided, however, a successful bidder shall forfeit his, her or its bid security upon refusal or failure to execute an awarded contract within ten days after the notice of award of the contract has been mailed by the town. The town council may, on refusal or failure of the successful bidder to execute the contract, award it to the next lowest responsible bidder. In such event, if the town council awards the contract to the next lowest bidder, the amount of the lower bidder's security shall be applied by the town to the contract price differential between the lowest bid and the second lowest bidder. If the town council rejects the remaining bid presented and re-advertises, the amount of the lowest bidder's security may be used to offset the cost of receiving new bids and the surplus, if any, shall be returned to the lowest bidder. If the town council rejects the remaining bids presented and re-advertises, the amount of the lowest bidder's security may be used to offset the cost of receiving new bids and the surplus, if any, shall be returned to the lowest bidder.

E. Sealed bids shall be submitted to the purchasing officer, or his or her designee, and shall be identified as "bid" for the specific supplies or services on the envelope. Bids shall be opened in

public at the time and place stated in the public notice. A tabulation of all bids received shall be open for public inspection during regular business hours for a period of not less than thirty calendar days after the bid opening. The purchasing officer, or designee, requesting bids shall maintain all formal bid records for a period of three years after the completion of the purchase. These records, while so kept, shall be open to public inspection.

F. The town council shall have the right to waive any non-material irregularities or informalities in the bidding or in the procedures as set forth in this chapter.

G. In its discretion, the town council may reject any and all bids presented, re-advertise for bids or authorize the purchasing officer to award a contract after negotiating for the most reasonable cost under existing conditions. The right to reject any or all bids is expressly reserved to the town. The decision of the town council shall be final.

H. Except as otherwise provided in this chapter, contracts shall be awarded to the lowest responsible and responsive bidder. Contracts, which exceed the budgeted amount, or which are not budgeted, shall be awarded only by the town council. The town manager shall be authorized to enter into a written agreement after the town council awards the contract.

I. If two or more bids received are for the same total amount or unit price, quality and service being equal, the town council may, in its discretion, accept the one it chooses or accept the lowest bid made by negotiation with the tied bidders.

J. Performance Bonds. The town council shall have the authority to require a low bidder to provide a performance bond before entering into a contract in such amount as it shall find reasonably necessary to protect the best interest of the town.

K. Cost or Pricing Data. The low bidder shall submit cost or pricing data when the contract is expected to exceed one hundred thousand dollars. The submission of cost or pricing data relating to the award of a contract is not required when:

1. The contract price is based on adequate price competition;
 2. The contract price is based on established catalog prices or market prices;
 3. The contract price is set by law or regulation; or
 4. It is determined in writing by the purchasing officer that the requirements above may be waived.
- Such determination shall include the reasons for such waiver.

After award of a contract, contractor shall submit cost or pricing data prior to the pricing of any change order or contract modification, including adjustments to contracts awarded by competitive sealed bidding, if the initial pricing of the contract required it, and the change order or modification involves aggregate increases or aggregate decreases in total costs expected to exceed five thousand dollars. The submission of cost or pricing data relating to the pricing of a change order or contract modification shall not be required when:

1. Unrelated and separately priced adjustments for which cost or pricing data would not be required are consolidated for administrative convenience; or

2. It is determined in writing by the purchasing officer that the requirements above may be waived. Such determination shall include the reasons for such waiver.

A contractor, actual or prospective, required to submit cost or pricing data in accordance with this section, shall certify that, to the best of his, her or its knowledge and belief, the cost or pricing data submitted was accurate, complete, and current as of a mutually specified date prior to the award of the contract or the pricing of the change order or contract modification.

Any contract award, change order, or contract modification, under which the submission and certification of cost or pricing data are required, shall contain a provision stating that the price to the town, including profit or fee, shall be adjusted to exclude any significant sums by which the town finds that such price was increased because the contractor-furnished costs or pricing data were inaccurate, incomplete, or not current.

SECTION 2. Paradise Municipal Code section 2.45.090 is hereby amended to read as follows:

2.45.090 - Informal bidding procedures.

Purchases of supplies, equipment, and services with total projected values more than ~~\$5,000~~ 10,000 but less than ~~\$25,000~~ 250,000 may be made by the purchasing officer, or his or her designee, by the informal bid process pursuant to the procedure prescribed in this section and without observing the procedure described in Section 2.45.080 of this chapter.

- A. Informal bid purchases shall, whenever possible, be based on at least three bids. Upon examination of all bids, a contract shall be awarded to the low bidder.
- B. The purchasing officer, or designee, may solicit informal bids by written requests to prospective vendors, via fax machine, by telephone, computer or by any other means deemed effective.
- C. The purchasing officer, or designee, shall maintain all informal bid orders and bids for a period of three years after the completion of the purchase. These records, while so kept, shall be open to public inspection.
- D. The purchasing officer, or designee, shall have the right to waive any nonmaterial irregularity or informality in such bids.
- E. At the discretion of the purchasing officer, any/all purchases may be required to follow formal contact procedures of Section 2.45.080.

SECTION 3. This ordinance shall take effect thirty (30) days after the date of its passage. Before the expiration of fifteen (15) days after its passage, this ordinance or a summary thereof shall be published in a newspaper of general circulation published and circulated within the Town of Paradise along with the names of the members of the Town Council of Paradise voting for and against same.

PASSED AND ADOPTED by the Town Council of the Town of Paradise, County of Butte, State of California, on this ____ day of October, 2019, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Jody Jones, Mayor

ATTEST:

APPROVED AS TO FORM:

Dina Volenski, CMC, Town Clerk

Dwight L. Moore, Town Attorney