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**ORDINANCE NO. 2544  
(CODIFIED)**

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING  
CHAPTER 3.08.060 OF THE CHICO MUNICIPAL CODE RELATING TO BIDDING  
PROCEDURES – DISPENSATION – EXEMPTIONS**

WHEREAS, it is desirable that the bidding procedure exemptions of the City of Chico should be established and set forth in a codified form in the Chico Municipal Code; and

WHEREAS, Chapter 3.08.060 of the Chico Municipal Code defines the Bidding procedures – Dispensation - Exemptions; and

WHEREAS, the bidding procedure exemptions have not been modified since 2016 and costs of supplies, services and equipment have increased with inflation; and

WHEREAS considerable amount of City staff time is utilized to comply with the current bidding procedures; and

WHEREAS, new federal guidelines under Uniform Administrative Requirements, Costs Principles and Audit Requirements for Federal Awards (2 CFR-200) have created a threshold of \$10,000 for “micro-purchases.”.

**NOW, THEREFORE, IT IS HEREBY ORDAINED, ORDERED AND FOUND** by the Council of the City of Chico as follows: That section 3.08.060 of the Chico Municipal Code is amended to read as follows:

**3.08.060 Bidding procedures - Dispensation - Exemptions.**

A. The purchase of supplies, services, and equipment, as well as the sale of personal property, shall be by quotation or bid procedures as set forth in this title.

B. Such procedures may be dispensed with by the purchasing officer, when the purchasing officer determines that:

1. An emergency exists which requires that an order be placed with the nearest available source of supply;

2. The amount involved is less than \$10,000;

1           3. The supplies, service, or equipment can be obtained from only one vendor or  
2 supplier;

3           4. The supplies or equipment, including but not limited to communication systems,  
4 traffic signals, and parking meters, have been uniformly adopted or otherwise  
5 standardized;

6           5. The supplies or equipment being purchased consist of one or more used vehicles;

7           6. It is reasonably necessary for the preservation or protection of public peace, health,  
8 safety or welfare of persons or property; or  
9

10          7. The purchase of supplies, services, and equipment may be made through federal,  
11 state, or other public entity cooperative purchasing programs or through contracts awarded  
12 by other public entities pursuant to open and competitive bid processes.

13          C. When funds for the following purchases have been appropriated within the annual  
14 budget, the restrictions and provisions of Chapters 3.16 and 3.20 shall not apply to the  
15 purchase of:  
16

17          1. Consulting, professional and technical services estimated at less than \$50,000. For  
18 these services estimated at \$50,000 or more, a request for qualifications (RFQ) will be  
19 required;

20          2. Insurance and services related thereto, including but not limited to insurance  
21 adjusting services. However, if any existing appropriation for such purpose is insufficient,  
22 or a new appropriation therefor is required, the purchasing officer may bind a coverage or  
23 provide for such services until the required appropriation has been approved;  
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25          3. Materials, supplies or services from public or private nonprofit California  
26 corporations operating workshops serving the handicapped;  
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- 1           4. Public safety vehicles and purchase of specialized vehicles through the state of  
2 California cooperative purchasing program;
- 3           5. Public transportation vehicles and purchases of specialized equipment through an  
4 open and competitive bid process conducted by another governmental agency;
- 5           6. Specialized fire equipment through the federal purchasing program; and  
6
- 7           7. Demonstrator vehicles for replacement of fire vehicles, as long as such purchase is  
8 consistent with any standards prescribed by the purchasing officer.

9 This ordinance shall be effective thirty (30) days following its adoption.

10 THE FOREGOING ORDINANCE WAS ADOPTED by the City Council of the City of  
11 Chico at its meeting held on January 7, 2020, by the following vote:

12 AYES: Morgan, Ory, Reynolds, Schwab, Brown, Stone

13 NOES: Huber

14 ABSENT: None

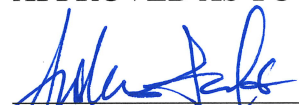
15 ABSTAINED: None

16 DISQUALIFIED: None

17 **ATTEST:**

18   
19 Deborah R. Presson, City Clerk

**APPROVED AS TO FORM:**

20   
21 Andrew L. Jared, City Attorney\*  
22 \*Pursuant to The Charter of the City of  
23 Chico, Section 906(E)