



# CITY OF BUELLTON

## CITY COUNCIL AGENDA

**Regular Meeting of August 28, 2014 at 6:00 p.m.  
City Council Chambers, 140 West Highway 246  
Buellton, California**

Materials related to an item on this agenda, as well as materials submitted to the City Council after distribution of the agenda packet, are available for public inspection in the Office of the City Clerk, located at 107 West Highway 246, during normal business hours.

### **CALL TO ORDER**

Mayor John Connolly

### **PLEDGE OF ALLEGIANCE**

Council Member Holly Sierra

### **ROLL CALL**

Council Members Ed Andrisek, Judith Dale, Holly Sierra, Vice Mayor Leo Elovitz, and Mayor John Connolly

### **REORDERING OF AGENDA**

### **PUBLIC COMMENTS**

Speaker Slip to be completed and turned in to the City Clerk prior to commencement of meeting. Any person may address the Council on any subject pertaining to City business, including all items on the agenda not listed as a Public Hearing, including the Consent Agenda and Closed Session. Limited to three (3) minutes per speaker. By law, no action may be taken at this meeting on matters raised during Public Comments not included on this agenda.

### **CONSENT CALENDAR**

**(ACTION)**

The following items are considered routine and non-controversial and are scheduled for consideration as a group. Any Council Member, the City Attorney, or the City Manager may request that an item be withdrawn from the Consent Agenda to allow for full discussion. Members of the Public may speak on Consent Agenda items during the Public Comment period.

- 1. Minutes of August 14, 2014 Regular City Council Meeting**
- 2. List of Claims to be Approved and Ratified for Payment to Date for Fiscal Year 2014-15**
- 3. Revenue and Expenditure Reports through July 31, 2014**  
❖ (Staff Contact: Finance Director Carolyn Galloway-Cooper)

- 4. Resolution No. 14-20 – “A Resolution of the City Council of the City of Buellton, California, Adopting Budget Amendments for the 2013-14 Fiscal Year Budget”**  
❖ *(Staff Contact: Finance Director Carolyn Galloway-Cooper)*
- 5. Financial Report for the Fourth Quarter Ending June 30, 2014**  
❖ *(Staff Contact: Finance Director Carolyn Galloway-Cooper)*
- 6. Award of Bid for the Replacement of Fleet Vehicles**  
❖ *(Staff Contact: Public Works Director Hess)*

**PRESENTATIONS**

**PUBLIC HEARINGS**

**(POSSIBLE ACTION)**

- 7. Ordinance No. 14-02 – “An Ordinance of the City Council of the City of Buellton, California, Amending Chapter 3.12 and Chapter 3.16 of the Buellton Municipal Code Pertaining to Purchasing Procedures and Regulations for Awarding Public Works Contracts (Introduction and First Reading)**  
❖ *(Staff Contact: City Attorney Ralph Hanson)*

**COUNCIL MEMBER COMMENTS**

**COUNCIL ITEMS**

**WRITTEN COMMUNICATIONS**

*Written communications are included in the agenda packets. Any Council Member, the City Manager or City Attorney may request that a written communication be read into the record.*

**COMMITTEE REPORTS**

*This Agenda listing is the opportunity for Council Members to give verbal Committee Reports on any meetings recently held for which the Council Members are the City representatives thereto.*

**BUSINESS ITEMS**

**CITY MANAGER’S REPORT**

**ADJOURNMENT**

The next meeting of the City Council will be held on Thursday, September 11, 2014 at 6:00 p.m.

# CITY OF BUELLTON

**CITY COUNCIL MEETING MINUTES**  
**Regular Meeting of August 14, 2014**  
**City Council Chambers, 140 West Highway 246**  
**Buellton, California**

## **CALL TO ORDER**

Mayor John Connolly called the meeting to order at 6:00 p.m.

## **PLEDGE OF ALLEGIANCE**

Council Member Ed Andrisek led the Pledge of Allegiance

## **ROLL CALL**

**Present:** Council Members Ed Andrisek, Judith Dale, Holly Sierra, Vice Mayor Leo Elovitz, and Mayor Connolly

**Staff:** City Manager Marc Bierdzinski, City Attorney Ralph Hanson, Finance Director Carolyn Galloway-Cooper, Public Works Director Rose Hess, Station Commander Lt. Shawn O'Grady, and City Clerk Linda Reid

## **REORDERING OF AGENDA**

None

## **PUBLIC COMMENTS**

Lew Adkins, Buellton, thanked staff for their efforts to improve the sidewalk along East Highway 246. Mr. Adkins submitted a letter for the record from Loras Bingley.

Mark Preston, Buellton, requested the Council re-agendize discussion of the Visitors Bureau's contract and provided a handout for the record regarding this issue.

Peggy Brierton, Buellton, acknowledged staff for receiving an award for their Comprehensive Annual Financial Report (CAFR) and thanked resident Mark Preston for bringing up important finance issues.

Jody Knoell, Buellton, stated the street sweeper cannot effectively clean the streets if there are cars parked on the street and asked that staff address this issue. Ms. Knoell stated that MarBorg is a great company and thanked them for their service in Buellton.

## CONSENT CALENDAR

1. **Minutes of July 24, 2014 City Council Meeting**
2. **List of Claims to be Approved and Ratified for Payment to Date for Fiscal Year 2014-15**
3. **Central Coast Collaborative on Homelessness - Determination of Fiscal Year 2014-15 Funding**
4. **Cost of Living Increase for City Attorney Pursuant to Current Contract**
5. **Award of Contract for 2013/14 Road Maintenance Project**
6. **Consideration of Amended Contract with Wallace Group for Fats/Oils/Grease (FOG), Sanitary Sewer Management Plan (SSMP), and Industrial Discharge (ID) Programs Implementation**
7. **Consideration of Amended Contract with Autosys for SCADA/Instrumentation/Electrical Technician Services**
8. **Revenue and Expenditure Reports through June 30, 2014**
9. **Authorization for City Manager to Send Correspondence to Albertsons Regarding Vehicular Opening at Town Center West and East**

### **MOTION:**

Motion by Council Member Sierra, seconded by Council Member Dale, approving Consent Calendar Items 1 through 9 as listed.

### **VOTE:**

Motion passed by a roll call vote of 5-0, with Council Members Andrisek, Connolly, Dale, Elovitz, and Sierra voting yes.

## PRESENTATIONS

None

## PUBLIC HEARINGS

None

## COUNCIL MEMBER COMMENTS

Mayor Sierra requested that staff place a box in City Hall to collect new clothing items and toiletries for our veterans for Santa Barbara County Veterans Stand Down 2014 scheduled for Saturday, October 18, 2014 from 9:00 a.m. to 3:00 p.m. at the Santa Maria Fairpark.

Council Member Sierra announced that Parks and Recreation will be showing Movies in the Park tomorrow night at the Zaca Creek Golf Course.

Council Member Sierra requested an update regarding the wall repair on Dogwood. City Manager Bierdzinski provided a schedule for repair of the wall.

Council Member Dale stated she's had complaints about cars being parked on the street during street sweeping days in the Thumbelina area.

Council Member Andrisek stated he and Council Member Dale attended the Workforce Development and Literacy Initiative Summit sponsored by the United Way and described the event.

Mayor Connolly requested that Community Emergency Response Team (CERT) graduates be organized and schedule meetings in order to be prepared for emergencies.

## **COUNCIL ITEMS**

Council Member Sierra requested that that staff agendize a Zoning Code amendment to prohibit fast food restaurants in certain parts of the City. Council agreed by consensus to agendize this issue.

Council Member Andrisek requested that staff agendize discussion regarding a parking district in Buellton. Vice Mayor Elovitz requested that staff include improvements to the Avenue of Flags. Council agreed by consensus to agendize this issue.

## **WRITTEN COMMUNICATIONS**

None

## **COMMITTEE REPORTS**

Council Member Sierra announced that she attended the Chamber of Commerce Board meeting and provided an oral report regarding the meeting.

Council Member Sierra announced that she attended the Santa Barbara County Association of Governments (SBCAG) meeting and provided an oral report regarding the meeting.

Council Member Sierra announced that she attended the Central Coast Collaborative on Homelessness meeting and provided an oral report regarding the meeting.

Council Member Andrisek announced that he attended the California Joint Powers Insurance Authority (CJPIA) Annual Board of Directors meeting in July.

Council Member Andrisek announced that he attended the Central Coast Water Authority (CCWA) Board meeting and provided an oral report regarding the meeting.

**BUSINESS ITEMS****10. Discussion Regarding Homeless Population in Buellton****RECOMMENDATION:**

That the City Council provide direction to staff regarding the homeless population in Buellton.

**STAFF REPORT:**

City Manager Bierdzinski presented the staff report.

**SPEAKERS/DISCUSSION:**

Barbara Mitchell, Buellton, discussed her concern regarding the homeless accessing the culverts throughout town and requested that staff block their access. Ms. Mitchell provided a handout for the record from The Laurel Company regarding their concern of the homeless population in Buellton.

Lieutenant O'Grady addressed the Sheriff Department's response to camping and panhandling issues and how they partner with the Department of Fish and Wildlife regarding this issue.

Jeff Shaffer, Coordinator with Central Coast Collaborative on Homelessness, addressed the growing homeless population in Buellton and possible solutions to dealing with it. He stated he will be scheduling monthly meetings in the Valley to discuss homelessness.

Pam Gnekow, Executive Director of the Buellton Senior Center, discussed her relationship in helping the homeless and that City funds are not being used to feed the homeless.

**DOCUMENTS:**

Staff report with attachments as listed in the staff report.

**DIRECTION:**

The City Council agreed by consensus to participate in monthly meetings with representatives from the Central Coast Collaborative on Homelessness to work to mitigate homelessness in Buellton.

**11. Resolution No. 14-19 - "A Resolution of the City Council of the City of Buellton, California, Declaring Stage Two Water Conservation Requirement Pursuant to the State Water Resource Control Board Regulations on the Delivery and Consumption of Water for Public Use"****RECOMMENDATION:**

That the City Council adopt Resolution No. 14-19.

**STAFF REPORT:**

Public Works Hess presented the staff report.

**SPEAKERS/DISCUSSION:**

The City Council discussed the following issues:

- Water restrictions will go into effect immediately but staff will be giving warnings and conducting public outreach
- Staff is currently managing irrigation at City Parks in order to keep landscaping healthy and minimize water usage

**DOCUMENTS:**

Staff report with attachments as listed in the staff report.

**MOTION:**

Motion by Council Member Andrisek, seconded by Vice Mayor Elovitz, adopting Resolution No. 14-19 - "A Resolution of the City Council of the City of Buellton, California, Declaring Stage Two Water Conservation Requirement Pursuant to the State Water Resource Control Board Regulations on the Delivery and Consumption of Water for Public Use"

**VOTE:**

Motion passed by a roll call vote of 5-0, with Council Members Andrisek, Connolly, Dale, Elovitz, and Sierra voting yes.

**12. Discussion Regarding Potential Speed Survey on McMurray Road****RECOMMENDATION:**

That the City Council discuss the issues regarding observed speeds on McMurray Road and defer conducting a speed survey until 6 months after completion of proposed road improvements by upcoming developments. Staff also recommends adding an additional speed limit sign (southbound).

**STAFF REPORT:**

Public Works Director Hess presented the staff report.

**SPEAKERS/DISCUSSION:**

The City Council discussed the following issues:

- Postponing the speed study on McMurray Road until after construction is completed in the area
- Having Deputies patrol McMurray Road to slow down traffic in the area
- Adding pavement markings to McMurray Road that indicate the speed limit

**DOCUMENTS:**

Staff report with attachments as listed in the staff report.

**DIRECTION:**

The City Council agreed by consensus to defer conducting a speed survey for 6 months after completion of proposed road improvements by upcoming developments and to add an additional speed limit sign (southbound) and possibly pavement markings.

**CITY MANAGER’S REPORT**

City Manager Bierdzinski provided an informational report for the record.

**CLOSED SESSION ITEMS**

**13. CONFERENCE WITH REAL PROPERTY NEGOTIATORS**

**(Government Code Section 54956.8)**

**Property: APN No. 099-670-005/Negotiator: City Manager, Marc Bierdzinski**

**Parties: City of Buellton/Willemsen Liv Tr, Jake & Jeannette Willemsen Trustees**

**Purpose: Possible Acquisition Terms and Price**

The City Council met in closed session to discuss Item 13. No reportable action was taken.

**14. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION**

**California Government Code Section 54956.9(d)(1)**

**City of Buellton, et al. vs. Ana J. Matosanto, et al.**

**Sacramento Superior Court Case No. 34-2013-80001468-CU-WM-GDS**

The City Council met in closed session to discuss Item 14. No reportable action was taken.

**ADJOURNMENT**

Mayor Connolly adjourned the regular meeting at 8:00 p.m. The next regular meeting of the City Council will be held on Thursday, August 28, 2014 at 6:00 p.m.

\_\_\_\_\_  
John Connolly  
Mayor

ATTEST:

\_\_\_\_\_  
Linda Reid  
City Clerk

BACK-UP/SUPPORT DATA IS AVAILABLE FOR COUNCIL REVIEW IN CITY HALL

The following is a list of claims to be ratified and approved for payment by the City Council at the **August 28, 2014** Council Meeting.

Listed below is a brief summary of the attached claims:

EXHIBIT A		<u>\$ 128,781.98</u>
EXHIBIT B		<u>\$ 13,303.61</u>
Other Payroll	8/6/14	\$ 109.74
Staff Payroll	8/15/14	\$ 40,960.80
Other Payroll	8/18/14	<u>\$ 2,711.27</u>
<b>TOTAL AMOUNT OF CLAIMS:</b>		<u><b>\$ 185,867.40</b></u>

**AUTHORIZATION IS HEREBY GIVEN TO THE CITY TREASURER TO PAY ALL CLAIMS AS REVENUES BECOME AVAILABLE.**

Obligat'n Description	Vendor/ Name/ Line Nbr Description	Stage	Amount
A001-000-2306-000 - Long-Term Care Deduction			
22669 8/1/14 - 8/15/14 - M. Bierdzin	90 CALPERS LONG-TERM CARE PROGRAM 1	Paid	84.25
A001-000-2306-000 - Long-Term Care Deduction	*** Account total ***		84.25
A001-216-2825-000 - Developer Deposit			
22687 7/14-Plng Hampton Inn - Cust #	835 METRO VENTURES LTD 1	Paid	412.50
22688 7/14 - Plng Village Townhomes-	835 METRO VENTURES LTD 1	Paid	412.50
A001-216-2825-000 - Developer Deposit	*** Account total ***		825.00
A001-401-5101-000 - Medical Benefit			
22683 7/14 FSA Fees	782 WAGE WORKS 1	Paid	8.08
22684 9/14 Dental/Vision Premiums	820 ACWA/JPIA 1	Paid	475.31
A001-401-5101-000 - Medical Benefit	*** Account total ***		483.39
A001-402-5101-000 - Medical Benefit			
22684 9/14 Dental/Vision Premiums	820 ACWA/JPIA 2	Paid	93.84
A001-402-5101-000 - Medical Benefit	*** Account total ***		93.84
A001-402-5402-000 - Travel & Training			
22738 7/14 - Consulting	841 WOODSON DIVERSIFIED CONSULTING 1	Paid	600.00
A001-402-5402-000 - Travel & Training	*** Account total ***		600.00
A001-403-5101-000 - Medical Benefit			
22683 7/14 FSA Fees	782 WAGE WORKS 2	Paid	8.08
22684 9/14 Dental/Vision Premiums	820 ACWA/JPIA 3	Paid	56.31
A001-403-5101-000 - Medical Benefit	*** Account total ***		64.39
A001-403-5306-000 - Advertising - Legal			
22728 7/14 Legal Notice	285 SANTA MARIA TIMES dba 1	Paid	203.94
A001-403-5306-000 - Advertising - Legal	*** Account total ***		203.94
A001-410-5301-000 - Office Supplies			
22653 8/4/14 Overcharge #7001354662	469 STAPLES CONTRACT & COMMERCIAL, 1	Paid	-26.73
22663 7/14 - Copies Used CH/Kal	118 COASTAL COPY, LP 1	Paid	608.47
22665 7/14 - Copies Used - Linda	118 COASTAL COPY, LP 1	Paid	34.10
22703 7/25/14 Supplies #7001339925	469 STAPLES CONTRACT & COMMERCIAL, 2	Paid	245.32
A001-410-5301-000 - Office Supplies	*** Account total ***		861.16

Obligat'n	Description	Vendor/ Line Nbr	Name/ Description	Stage	Amount
A001-410-5305-000	Equipment Rental	700	MAILFINANCE, INC.		
	22666 8/27/14 - 11/26/14 Pstg Mtr Le	1		Paid	1,163.16
A001-410-5305-000	Equipment Rental		*** Account total ***		1,163.16
A001-410-5602-000	Internet Access/ Website Maint	555	VERIZON CALIFORNIA		
	22668 7/19/14 - 8/18/14 - Summary Bi	1		Paid	169.98
A001-410-5602-000	Internet Access/ Website Maint		*** Account total ***		169.98
A001-410-5701-000	Telephone	555	VERIZON CALIFORNIA		
	22668 7/19/14 - 8/18/14 - Summary Bi	2		Paid	336.70
A001-410-5701-000	Telephone		*** Account total ***		336.70
A001-410-5702-000	Utilities - Gas	507	THE GAS COMPANY		
	22701 6/27/14 - 7/29/14 CH Gas Chgs	1		Paid	20.17
A001-410-5702-000	Utilities - Gas		*** Account total ***		20.17
A001-410-5703-000	Utilities - Electric	352	P G & E		
	22662 7/8/14 - 8/6/14 Invoice Alloca	1		Paid	1,136.90
A001-410-5703-000	Utilities - Electric		*** Account total ***		1,136.90
A001-410-5804-000	Animal Control	132	SB CO ANIMAL SVCS, HEALTH & RE		
	22649 FY 13/14 - 4th Qtr Animal Cntr	1		Paid	8,076.50
A001-410-5804-000	Animal Control		*** Account total ***		8,076.50
A001-410-6006-000	H/R Expense	62	BUELLTON MEDICAL CENTER		
	22654 Exam/Vaccinatn - R. Covarrubia	1		Paid	356.69
A001-410-6006-000	H/R Expense		*** Account total ***		356.69
A001-410-6017-000	Emergency Operations	706	SATCOM GLOBAL, INC.		
	22661 7/14 Satellite Phone Svcs	1		Paid	49.46
A001-410-6017-000	Emergency Operations		*** Account total ***		49.46
A001-410-6301-000	Miscellaneous	237	IRON MOUNTAIN		
	22651 thru 7/29/14 Shred Svcs	1		Paid	41.74
	22667 7/14 Misc Maint Items	387	ALBERTSONS, LLC.		
		1		Paid	78.25
A001-410-6301-000	Miscellaneous		*** Account total ***		119.99
A001-420-5101-000	Medical Benefit	782	WAGE WORKS		
	22683 7/14 FSA Fees	3		Paid	16.15

Obligat'n Description	Vendor/ Name/ Line Nbr Description	Stage	Amount
A001-420-5101-000 - Medical Benefit			
22684 9/14 Dental/Vision Premiums	820 ACWA/JPIA		
	4	Paid	201.76
A001-420-5101-000 - Medical Benefit			
		*** Account total ***	217.91
A001-420-5402-000 - Travel & Training			
22738 7/14 - Consulting	841 WOODSON DIVERSIFIED CONSULTING		
	3	Paid	612.26
A001-420-5402-000 - Travel & Training			
		*** Account total ***	612.26
A001-501-5703-000 - Utilities - Electric			
22662 7/8/14 - 8/6/14 Invoice Alloca	352 P G & E		
	2	Paid	301.39
A001-501-5703-000 - Utilities - Electric			
		*** Account total ***	301.39
A001-501-6210-000 - Contract Svcs - Police -CA IGG			
22681 7/14 Motorcycle Maint #5520	450 SB CO SHERIFF'S DEPARTMENT		
	1	Paid	816.47
A001-501-6210-000 - Contract Svcs - Police -CA IGG			
		*** Account total ***	816.47
A001-510-5702-000 - Utilities - Gas			
22702 6/27/14 - 7/29/14 Lib/CC Gas C	507 THE GAS COMPANY		
	1	Paid	15.78
A001-510-5702-000 - Utilities - Gas			
		*** Account total ***	15.78
A001-510-5703-000 - Utilities - Electric			
22662 7/8/14 - 8/6/14 Invoice Alloca	352 P G & E		
	3	Paid	485.26
A001-510-5703-000 - Utilities - Electric			
		*** Account total ***	485.26
A001-511-5101-000 - Medical Benefit			
22683 7/14 FSA Fees	782 WAGE WORKS		
	4	Paid	16.15
22684 9/14 Dental/Vision Premiums	820 ACWA/JPIA		
	5	Paid	357.59
A001-511-5101-000 - Medical Benefit			
		*** Account total ***	373.74
A001-511-5301-000 - Office Supplies			
22664 7/14 - Copies Used - Rec Ctr	118 COASTAL COPY, LP		
	1	Paid	63.99
A001-511-5301-000 - Office Supplies			
		*** Account total ***	63.99
A001-511-5306-000 - Advertising			
22660 7/14 Rec Ctr Ads	280 LEE CENTRAL COAST NEWSPAPERS		
	1	Paid	641.55
A001-511-5306-000 - Advertising			
		*** Account total ***	641.55
A001-511-5506-000 - Fuel-Vehicles			
22682 7/14 Fuel Charges	768 WEX BANK		
	4	Paid	591.48
A001-511-5506-000 - Fuel-Vehicles			
		*** Account total ***	591.48

Obligat'n	Description	Vendor/ Line Nbr	Name/ Description	Stage	Amount
A001-511-5509-000	Maintenance/Repair	438	SANTA YNEZ VALLEY HARDWARE		
	22650 7/14 Misc. Mint/Repair Items	1		Paid	29.13
			*** Account total ***		29.13
A001-511-5509-000	Maintenance/Repair				
A001-511-5701-000	Telephone/Internet	473	SPRINT SPECTRUM, L.P. dba		
	22673 6/26/14 - 7/25/14 Abello Cell	1		Paid	186.53
	22727 7/25/14 - 8/24/14 Phone/Int Re	122	COMCAST CABLE		
		1		Paid	163.85
			*** Account total ***		350.38
A001-511-5701-000	Telephone/Internet				
A001-511-5801-000	Buellton Recreation Program	387	ALBERTSONS, LLC.		
	22667 7/14 Misc Maint Items	2		Paid	57.90
	22721 7/14 - Reimb BBQ/Surf Camp Sup	587	KYLE ABELLO		
		3		Paid	108.24
	22722 7/14 Summer Camp Transportatio	803	STUDENT TRANSPORTATION OF AMER		
		1		Paid	51.88
	22729 9/14 Rec Ctr Copier Lease	201	G E CAPITAL		
		1		Paid	150.12
			*** Account total ***		368.14
A001-511-5801-000	Buellton Recreation Program				
A001-511-5801-001	Recreation Program 50/50	387	ALBERTSONS, LLC.		
	22667 7/14 Misc Maint Items	3		Paid	57.90
	22682 7/14 Fuel Charges	768	WEX BANK		
		5		Paid	584.16
	22721 7/14 - Reimb BBQ/Surf Camp Sup	587	KYLE ABELLO		
		4		Paid	108.24
	22722 7/14 Summer Camp Transportatio	803	STUDENT TRANSPORTATION OF AMER		
		2		Paid	51.87
			*** Account total ***		802.17
A001-511-5801-001	Recreation Program 50/50				
A001-511-5802-000	Buellton Rec Program Trips	755	SYV ELITE EVENT PARTY RENTALS,		
	22706 7/14 - BBQ Bonanza Hot Box	1		Paid	121.50
	22721 7/14 - Reimb BBQ/Surf Camp Sup	587	KYLE ABELLO		
		1		Paid	110.00
		2		Paid	2,556.39
			*** Account total ***		2,787.89
A001-511-5802-000	Buellton Rec Program Trips				
A001-511-6201-000	Contract Services	95	JOHN BARNETTE dba		
	22657 6/14 - Qtr Maint-Weight Rm/Spi	1		Paid	330.00
			*** Account total ***		330.00
A001-511-6201-000	Contract Services				
A001-550-5703-000	Utilities - Electric	352	P G & E		
	22662 7/8/14 - 8/6/14 Invoice Alloca	4		Paid	4,493.32
			*** Account total ***		4,493.32
A001-550-5703-000	Utilities - Electric				

Obligat'n	Description	Vendor/ Line Nbr	Name/ Description	Stage	Amount
A001-552-5501-000	Operational Supplies				
	22650 7/14 Misc. Mint/Repair Items	438	SANTA YNEZ VALLEY HARDWARE		
		2		Paid	130.96
	22676 7/14 Misc Maint/Repair Items	342	NIELSEN BUILDING MATERIALS,INC		
		1		Paid	45.41
	22689 6/26/14 - 7/28/14 - Misc Maint	521	TODD PIPE & SUPPLY		
		1		Paid	57.35
			*** Account total ***		233.72
A001-552-5501-000	Operational Supplies				
A001-552-5509-000	Mtce Repair-Riverview				
	22676 7/14 Misc Maint/Repair Items	342	NIELSEN BUILDING MATERIALS,INC		
		2		Paid	4.36
			*** Account total ***		4.36
A001-552-5509-001	Maintenance/Repair-Riverview				
	22650 7/14 Misc. Mint/Repair Items	438	SANTA YNEZ VALLEY HARDWARE		
		6		Paid	37.77
	22656 7/14 Misc Maint/Repair Items	826	GENUINE PARTS COMPANY - NAPA		
		2		Paid	13.21
	22676 7/14 Misc Maint/Repair Items	342	NIELSEN BUILDING MATERIALS,INC		
		3		Paid	133.92
	22689 6/26/14 - 7/28/14 - Misc Maint	521	TODD PIPE & SUPPLY		
		2		Paid	264.68
	22730 8/14 - River View Park Repairs	76	CAL-COAST IRRIGATION, INC.		
		1		Paid	28.60
			*** Account total ***		478.18
A001-552-5509-001	Maintenance/Repair-Riverview				
A001-552-5509-002	Maintenance/Repair-Oak Park				
	22655 8/14 Topsoil for Oak Park	583	CAL NATIVE dba		
		1		Paid	13.61
			*** Account total ***		13.61
A001-552-5509-002	Maintenance/Repair-Oak Park				
A001-552-5703-000	Utilities - Electric				
	22662 7/8/14 - 8/6/14 Invoice Alloca	352	P G & E		
		10		Paid	73.61
			*** Account total ***		73.61
A001-552-5703-000	Utilities - Electric				
A001-552-5704-000	Utilities - Water				
	22718 7/14 Irrig-Oak Valley Elem/Par	105	CITY OF BUELLTON		
		1		Paid	1,538.48
			*** Account total ***		1,538.48
A001-552-5704-000	Utilities - Water				
A001-552-6201-000	Contract Services				
	22711 7/14 - Irrigation Tech	781	VALLEY CREST LANDSCAPE MAINT,		
		1		Paid	880.00
	22712 7/14 - Landscape Maintenance	781	VALLEY CREST LANDSCAPE MAINT,		
		2		Paid	2,720.00
		3		Paid	1,277.00
			*** Account total ***		4,877.00
A001-552-6201-000	Contract Services				

Obligat'n Description	Vendor/ Name/ Line Nbr Description	Stage	Amount
A001-556-5509-000 - Maintenance/Repair 22689 6/26/14 - 7/28/14 - Misc Maint	521 TODD PIPE & SUPPLY 7	Paid	-1.30
A001-556-5509-000 - Maintenance/Repair	*** Account total ***		-1.30
A001-556-5703-000 - Utilities - Electric 22662 7/8/14 - 8/6/14 Invoice Alloca	352 P G & E 8	Paid	707.56
A001-556-5703-000 - Utilities - Electric	*** Account total ***		707.56
A001-556-6201-000 - Contract Services 22712 7/14 - Landscape Maintenance	781 VALLEY CREST LANDSCAPE MAINT. 1	Paid	4,675.00
A001-556-6201-000 - Contract Services	*** Account total ***		4,675.00
A001-558-5101-000 - Medical Benefit 22683 7/14 FSA Fees	782 WAGE WORKS 5	Paid	12.92
22684 9/14 Dental/Vision Premiums	820 ACWA/JPIA 6	Paid	418.94
A001-558-5101-000 - Medical Benefit	*** Account total ***		431.86
A001-558-5301-000 - Office Supplies 22650 7/14 Misc. Mint/Repair Items	438 SANTA YNEZ VALLEY HARDWARE 3	Paid	24.78
22696 7/14 Misc Maint Items	110 CVS PHARMACY 1	Paid	3.55
22703 7/25/14 Supplies #7001339925	469 STAPLES CONTRACT & COMMERCIAL, 1	Paid	17.26
A001-558-5301-000 - Office Supplies	*** Account total ***		45.59
A001-558-5402-000 - Travel & Training 22738 7/14 - Consulting	841 WOODSON DIVERSIFIED CONSULTING 2	Paid	600.00
A001-558-5402-000 - Travel & Training	*** Account total ***		600.00
A001-558-5501-000 - Operational Supplies 22650 7/14 Misc. Mint/Repair Items	438 SANTA YNEZ VALLEY HARDWARE 4	Paid	3.87
22689 6/26/14 - 7/28/14 - Misc Maint	521 TODD PIPE & SUPPLY 3	Paid	6.71
22715 7/14 - Janitorial Supplies - R	382 PROCARE JANITORIAL SUPPLY, INC 1	Paid	251.34
A001-558-5501-000 - Operational Supplies	*** Account total ***		261.92
A001-558-5503-000 - Tools 22689 6/26/14 - 7/28/14 - Misc Maint	521 TODD PIPE & SUPPLY 6	Paid	27.73
A001-558-5503-000 - Tools	*** Account total ***		27.73

Obligat'n	Description	Vendor/ Name/ Line Nbr Description	Stage	Amount
A001-558-5506-000	Fuel - Vehicles			
	22682 7/14 Fuel Charges	768 WEX BANK 1	Paid	688.20
A001-558-5506-000	Fuel - Vehicles	*** Account total ***		688.20
A001-558-5507-000	Maintenance - Vehicles			
	22656 7/14 Misc Maint/Repair Items	826 GENUINE PARTS COMPANY - NAPA 1	Paid	8.01
	22691 7/14 - Smog Ck - 93 Chevy K250	350 OLIVERA'S REPAIR, INC 1	Paid	21.66
	22692 7/14 - Smog Ck - 98 Chevy K350	350 OLIVERA'S REPAIR, INC 1	Paid	21.67
	22693 7/14 - Smog Ck - 06 Ford F150	350 OLIVERA'S REPAIR, INC 1	Paid	21.67
	22694 7/14 - Oil Change - 06 Ford F1	770 ALEX URIBE dba 1	Paid	23.53
	22697 7/14 Misc Maint/Repair Items	801 O'REILLY AUTOMOTIVE STORES, IN 1	Paid	13.49
	22714 7/14 - Misc Maint/Repair Items	59 MOTOR PRODUCTS INC. dba 1	Paid	45.12
A001-558-5507-000	Maintenance - Vehicles	*** Account total ***		155.15
A001-558-5509-000	Maintenance / Repair			
	22650 7/14 Misc. Mint/Repair Items	438 SANTA YNEZ VALLEY HARDWARE 5	Paid	25.91
	22678 7/14 - Skunk Cleanup	187 FARM SUPPLY COMPANY 1	Paid	31.29
	22689 6/26/14 - 7/28/14 - Misc Maint	521 TODD PIPE & SUPPLY 5	Paid	19.34
	22708 7/25/14 - Circuit Brkrs for A/	138 D.L. ELECTRIC, INC. 1	Paid	572.00
A001-558-5509-000	Maintenance / Repair	*** Account total ***		648.54
A001-558-5510-000	Safety Equipment			
	22689 6/26/14 - 7/28/14 - Misc Maint	521 TODD PIPE & SUPPLY 9	Paid	22.75
	22696 7/14 Misc Maint Items	110 CVS PHARMACY 2	Paid	51.36
A001-558-5510-000	Safety Equipment	*** Account total ***		74.11
A001-558-6201-000	Contract Services			
	22670 7/14 P1ng Drinking Water	32 NESTLE WATERS NORTH AMERICA db 1	Paid	8.03
	22671 7/14 CH Drinking Water	32 NESTLE WATERS NORTH AMERICA db 3 Surplus	Paid	36.29
	22672 7/14 Lib/CC Drinking Water	32 NESTLE WATERS NORTH AMERICA db 1	Paid	21.69
	22699 7/31/14 - Pest Service - Polic	112 CLARK PEST CONTROL 1	Paid	92.00
	22707 7/14 CH/P1ng/CC/Lib Janitorial	142 DANIEL FITZGERALD dba 1	Paid	960.00

Obligat'n	Description	Vendor/ Line Nbr	Name/ Description	Stage	Amount
A001-558-6201-000	Contract Services		*** Continued ***		
	22710 7/14 - Street Sweeping Svcs	465	SP MAINTENANCE SERVICES, INC.		
		1		Paid	2,821.00
	22723 7/14 CH A/C Repair	203	GARY BROWN dba		
		1		Paid	165.00
	22724 6/14 - Semi-Annual A/C Maint	203	GARY BROWN dba		
		1		Paid	360.00
	22726 8/14 Svcs - 7/14 Msgs	172	ECHO COMMUNICATIONS		
		1		Paid	21.00
A001-558-6201-000	Contract Services		*** Account total ***		4,485.01
A001-565-5101-000	Medical Benefit				
	22683 7/14 FSA Fees	782	WAGE WORKS		
		6		Paid	24.24
	22684 9/14 Dental/Vision Premiums	820	ACWA/JPIA		
		7		Paid	197.19
A001-565-5101-000	Medical Benefit		*** Account total ***		221.43
A001-565-5305-000	Equipment Rental				
	22652 7/21/14 - 8/20/14 PIng Copier	744	GE CAPITAL INFO TECH SOLUTIONS		
		1		Paid	1,072.58
A001-565-5305-000	Equipment Rental		*** Account total ***		1,072.58
A001-565-5701-000	Telephone				
	22668 7/19/14 - 8/18/14 - Summary Bi	555	VERIZON CALIFORNIA		
		3		Paid	396.25
A001-565-5701-000	Telephone		*** Account total ***		396.25
A001-565-5703-000	Utilities - Electric				
	22662 7/8/14 - 8/6/14 Invoice Alloca	352	P G & E		
		5		Paid	224.91
A001-565-5703-000	Utilities - Electric		*** Account total ***		224.91
A001-565-6201-000	Contract Services				
	22686 7/14 PIng Consult Svcs	835	METRO VENTURES LTD		
		1		Paid	5,925.00
A001-565-6201-000	Contract Services		*** Account total ***		5,925.00
A001-565-6301-000	Miscellaneous				
	22658 9/14 Reg Renewal/PIng Modular	153	STATE OF CA - HCD		
		1		Paid	42.00
	22659 9/14 Reg Renewal/PIng Modular	153	STATE OF CA - HCD		
		1		Paid	42.00
A001-565-6301-000	Miscellaneous		*** Account total ***		84.00
A005-701-5101-000	Medical Benefit				
	22683 7/14 FSA Fees	782	WAGE WORKS		
		7		Paid	9.69
	22684 9/14 Dental/Vision Premiums	820	ACWA/JPIA		
		8		Paid	323.58
A005-701-5101-000	Medical Benefit		*** Account total ***		333.27

Obligat'n Description	Vendor/ Name/ Line Nbr Description	Stage	Amount
A005-701-5301-000 - Office Supplies			
22725 7/14 Wtr Return Envelopes	258 JOHN P. SUREY dba 1	Paid	412.57
A005-701-5301-000 - Office Supplies	*** Account total ***		412.57
A005-701-5303-000 - Postage			
22719 8/14 Water/Sewer Billing Posta	379 POSTMASTER 1	Paid	284.00
A005-701-5303-000 - Postage	*** Account total ***		284.00
A005-701-5501-000 - Operational Supplies			
22650 7/14 Misc. Mint/Repair Items	438 SANTA YNEZ VALLEY HARDWARE 7	Paid	166.19
22656 7/14 Misc Maint/Repair Items	826 GENUINE PARTS COMPANY - NAPA 3	Paid	26.73
22677 7/14 Drum Liner/Hose WWTP	187 FARM SUPPLY COMPANY 1	Paid	136.06
22696 7/14 Misc Maint Items	110 CVS PHARMACY 3	Paid	17.10
22697 7/14 Misc Maint/Repair Items	801 O'REILLY AUTOMOTIVE STORES, IN 2	Paid	43.18
A005-701-5501-000 - Operational Supplies	*** Account total ***		389.26
A005-701-5502-000 - Chemicals / Analysis			
22680 7/14 Parts Washer/Maint Items	429 SAFETY-KLEEN CORP. 1	Paid	311.53
22690 7/14 Chemicals/Analysis	5 ABALONE COAST ANALYTICAL, INC. 1	Paid	1,007.70
22720 7/14 - Acetylene	380 PRAXAIR DISTRIBUTION, INC. 1	Paid	132.05
A005-701-5502-000 - Chemicals / Analysis	*** Account total ***		1,451.28
A005-701-5506-000 - Fuel - Vehicles			
22682 7/14 Fuel Charges	768 WEX BANK 2	Paid	688.20
A005-701-5506-000 - Fuel - Vehicles	*** Account total ***		688.20
A005-701-5507-000 - Maintenance - Vehicles			
22691 7/14 - Smog Ck - 93 Chevy K250	350 OLIVERA'S REPAIR, INC 2	Paid	21.67
22692 7/14 - Smog Ck - 98 Chevy K350	350 OLIVERA'S REPAIR, INC 2	Paid	21.67
22693 7/14 - Smog Ck - 06 Ford F150	350 OLIVERA'S REPAIR, INC 2	Paid	21.66
22694 7/14 - Oil Change - 06 Ford F1	770 ALEX URIBE dba 2	Paid	23.54
A005-701-5507-000 - Maintenance - Vehicles	*** Account total ***		88.54
A005-701-5509-000 - Maintenance / Repair			
22689 6/26/14 - 7/28/14 - Misc Maint	521 TODD PIPE & SUPPLY 4	Paid	15.08

Obligat'n Description	Vendor/ Name/ Line Nbr Description	Stage	Amount
A005-701-5509-000 - Maintenance / Repair	*** Continued ***		
22695 7/14 - Install Blower Motor	369 PERRY'S ELECTRIC MOTORS & CONT 1	Paid	840.39
A005-701-5509-000 - Maintenance / Repair	*** Account total ***		855.47
A005-701-5701-000 - Telephone	22668 7/19/14 - 8/18/14 - Summary Bi		
	555 VERIZON CALIFORNIA 4	Paid	599.57
A005-701-5701-000 - Telephone	*** Account total ***		599.57
A005-701-5703-000 - Utilities - Electric	22662 7/8/14 - 8/6/14 Invoice Alloca		
	352 P G & E 6	Paid	10,494.66
A005-701-5703-000 - Utilities - Electric	*** Account total ***		10,494.66
A005-701-6201-000 - Contract Services	22671 7/14 CH Drinking Water		
	32 NESTLE WATERS NORTH AMERICA db 1 CITY HALL DRINKING WATER	Paid	12.09
	22674 7/14 Sludge Disposal Services		
	598 ENGEL & GRAY, INC. 1	Paid	5,447.20
	22726 8/14 Svcs - 7/14 Msgs		
	172 ECHO COMMUNICATIONS 3	Paid	21.00
	22732 8/14 WWTP/Wtr Sample Delivery		
	679 COURIER SYSTEMS 2	Paid	70.87
A005-701-6201-000 - Contract Services	*** Account total ***		5,551.16
A005-701-6508-000 - Equipment	22717 7/14 - Rplcmnt for broken Blow		
	733 ENVIRONMENTAL WATER SOLUTIONS, 1	Paid	9,088.01
A005-701-6508-000 - Equipment	*** Account total ***		9,088.01
A020-601-5101-000 - Medical Benefit	22683 7/14 FSA Fees		
	782 WAGE WORKS 8	Paid	9.69
	22684 9/14 Dental/Vision Premiums		
	820 ACWA/JPIA 9	Paid	337.66
A020-601-5101-000 - Medical Benefit	*** Account total ***		347.35
A020-601-5301-000 - Office Supplies	22725 7/14 Wtr Return Envelopes		
	258 JOHN P. SUREY dba 2	Paid	412.58
A020-601-5301-000 - Office Supplies	*** Account total ***		412.58
A020-601-5303-000 - Postage	22719 8/14 Water/Sewer Billing Posta		
	379 POSTMASTER 2	Paid	284.00
A020-601-5303-000 - Postage	*** Account total ***		284.00
A020-601-5402-000 - Travel & Training	22685 8/14 T2 Cert Renew-Wolfcale		
	151 CALIF DEPT OF PUBLIC HEALTH 1	Paid	60.00
A020-601-5402-000 - Travel & Training	*** Account total ***		60.00

Obligat'n	Description	Vendor/ Line Nbr	Name/ Description	Stage	Amount
A020-601-5501-000	Operational Supplies				
	22650 7/14 Misc. Mint/Repair Items	438	SANTA YNEZ VALLEY HARDWARE		
		8		Paid	28.07
	22656 7/14 Misc Maint/Repair Items	826	GENUINE PARTS COMPANY - NAPA		
		4		Paid	149.02
	22731 8/14 Pipe Wrench	76	CAL-COAST IRRIGATION, INC.		
		1		Paid	96.22
	22735 7/14 - Returned Fittings - Cre	191	FERGUSON ENTERPRISES, INC #135		
		1		Paid	-823.49
A020-601-5501-000	Operational Supplies		*** Account total ***		-550.18
A020-601-5502-000	Chemicals / Analysis				
	22690 7/14 Chemicals/Analysis	5	ABALONE COAST ANALYTICAL, INC.		
		2		Paid	1,041.00
A020-601-5502-000	Chemicals / Analysis		*** Account total ***		1,041.00
A020-601-5505-000	Meter Expense				
	22679 7/14 - Meters	661	AQUA-METRIC SALES, CO.		
		1		Paid	1,086.50
A020-601-5505-000	Meter Expense		*** Account total ***		1,086.50
A020-601-5506-000	Fuel - Vehicles				
	22682 7/14 Fuel Charges	768	WEX BANK		
		3		Paid	688.20
A020-601-5506-000	Fuel - Vehicles		*** Account total ***		688.20
A020-601-5507-000	Maintenance - Vehicles				
	22691 7/14 - Smog Ck - 93 Chevy K250	350	OLIVERA'S REPAIR, INC		
		3		Paid	21.67
	22692 7/14 - Smog Ck - 98 Chevy K350	350	OLIVERA'S REPAIR, INC		
		3		Paid	21.66
	22693 7/14 - Smog Ck - 06 Ford F150	350	OLIVERA'S REPAIR, INC		
		3		Paid	21.67
	22694 7/14 - Oil Change - 06 Ford F1	770	ALEX URIBE dba		
		3		Paid	23.54
A020-601-5507-000	Maintenance - Vehicles		*** Account total ***		88.54
A020-601-5509-000	Maintenance / Repair				
	22689 6/26/14 - 7/28/14 - Misc Maint	521	TODD PIPE & SUPPLY		
		8		Paid	26.56
	22716 7/14 - WTP Parts	229	HOPKINS TECHNICAL PRODUCTS, INC		
		1		Paid	1,182.55
	22733 6/14 - WTP Repairs	191	FERGUSON ENTERPRISES, INC #135		
		1		Paid	150.60
	22734 6/14 - Returned fittings - Cre	191	FERGUSON ENTERPRISES, INC #135		
		1		Paid	-533.55
	22736 7/14 - WTP Repairs	191	FERGUSON ENTERPRISES, INC #135		
		1		Paid	866.81
	22737 7/14 - WTP Operations	191	FERGUSON ENTERPRISES, INC #135		
		1		Paid	1,689.12
A020-601-5509-000	Maintenance / Repair		*** Account total ***		3,382.09

Obligat'n Description	Vendor/ Name/ Line Nbr Description	Stage	Amount
A020-601-5701-000 - Telephone	22668 7/19/14 - 8/18/14 - Summary Bi		
	555 VERIZON CALIFORNIA		
	5	Paid	853.30
A020-601-5701-000 - Telephone	*** Account total ***		853.30
A020-601-5703-000 - Utilities - Electric	22662 7/8/14 - 8/6/14 Invoice Alloca		
	352 P G & E		
	7	Paid	16,497.43
A020-601-5703-000 - Utilities - Electric	*** Account total ***		16,497.43
A020-601-6011-000 - Regulatory Compliance	22698 FY 14/15 Annual RWEP Costs		
	441 SB CO - PUBLIC WORKS DEPT		
	1	Paid	1,460.00
	22713 FY 13/14 - Water Sys Enforcemn		
	481 SWRCB		
	1	Paid	179.20
A020-601-6011-000 - Regulatory Compliance	*** Account total ***		1,639.20
A020-601-6201-000 - Contract Services	22671 7/14 CH Drinking Water		
	32 NESTLE WATERS NORTH AMERICA db		
	2 CITY HALL DRINKING WATER	Paid	12.09
	22700 7/21/14-Trblsht Amna Inj Sys-W		
	718 AUTOSYS, INC.		
	1	Paid	337.50
	22709 7/14 - Dig Alert Ticket Chrgs		
	535 UNDERGROUND SERVICE ALERT		
	1	Paid	6.00
	22726 8/14 Svcs - 7/14 Msgs		
	172 ECHO COMMUNICATIONS		
	2	Paid	21.00
	22732 8/14 WWTP/Wtr Sample Delivery		
	679 COURIER SYSTEMS		
	1	Paid	70.88
A020-601-6201-000 - Contract Services	*** Account total ***		447.47
A027-559-6212-000 - Lompoc- Wine Country Express	22704 8/14 Transit Svcs		
	107 CITY OF LOMPOC		
	1	Paid	1,666.66
A027-559-6212-000 - Lompoc- Wine Country Express	*** Account total ***		1,666.66
A028-215-2815-000 - Park Sec/Damage Deposit	22705 8/2/14 - Sec Deposit Rfnd-RV P		
	0 MARIA RAMOS		
	1	Paid	120.00
A028-215-2815-000 - Park Sec/Damage Deposit	*** Account total ***		120.00
A051-566-5509-000 - Maintenance / Repair	22739 8/14 HOA Dues - Unit 101-Chamb		
	582 VINTAGE WALK. LLC OWNERS ASSOC		
	1	Paid	104.00
A051-566-5509-000 - Maintenance / Repair	*** Account total ***		104.00
A051-566-5703-000 - Utilities - Electric	22662 7/8/14 - 8/6/14 Invoice Alloca		
	352 P G & E		
	9	Paid	208.97
A051-566-5703-000 - Utilities - Electric	*** Account total ***		208.97

Run date: 08/20/2014 @ 11:32  
Bus date: 08/20/2014

City of Buellton  
Invoice Distribution Report

EXHIBIT A  
Page 13 of 13

Obligat'n Description	Vendor/ Name/ Line Nbr Description	Stage	Amount
A092-204-6507-000 - Improvements	22675 8/14 - 2nd Prog Pymt- PAWS Par		
	838 T.C.T. LANDSCAPING, INC.		
	1	Paid	14,300.00
A092-204-6507-000 - Improvements		*** Account total ***	14,300.00
* Report total *		*** Total ***	128,781.98

Payments via Electronic Fund Transfer (EFT):

July Retirement Contribution	8/5/14	755.63
Other Payroll Taxes	8/6/14	18.18
July Supp Ins Staff/Council	8/6/14	826.03
Other Payroll Taxes	8/9/14	4.39
Staff Payroll Taxes	8/19/14	11,311.74
Other Payroll Taxes	8/19/14	<u>387.64</u>
<b>Total:</b>		13,303.61

**CITY OF BUELLTON**  
City Council Agenda Staff Report

City Manager Review: MPB  
Council Agenda Item No.: 3

To: The Honorable Mayor and City Council

From: Carolyn Galloway-Cooper, Finance Director

Meeting Date: August 28, 2014

Subject: Revenue and Expenditure Reports through July 31, 2014

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**BACKGROUND**

The attached report compares month-to-month data covering the period July 1, 2014 through July 31, 2014. The report is prepared monthly and submitted to Council on the second meeting of each month. It is posted to the City's website. Upon monthly review, adjustments may be necessary and staff will update on the website.

**FISCAL IMPACT**

The Revenue and Expenditure report provides the community with an understanding of the financial activity of the City's funds on a monthly basis.

**RECOMMENDATION**

That the City Council receives and files this report for information purposes.

**ATTACHMENT**

Attachment 1 - Revenue and Expenditure Reports through July 31, 2014

# ATTACHMENT 1

City of Buellton  
 General Fund - Monthly Revenue (unaudited)  
 FY: 2013-14

cgc: 8 19 14

8%

2014

2015

Account Number	Decription	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	FY: 2014-15
001-301-4001-000	Property Tax - Secured													-
001-302-4002-000	Property Tax - Unsecured													-
001-309-4007-000	Homeowners Expemptions													-
001-310-4101-000	Franchise Fees	10,326												10,326
001-311-4102-000	Sales Tax													-
001-311-4115-000	Sales Tax Compensation													-
001-312-4103-000	Transient Occupancy Tax (TOT)	72,985												72,985
001-320-5801-000	Buellton Recreation Program													-
001-320-5801-001	Recreation Program (50/50)													-
001-320-5802-000	Buellton Rec Pgm Trips													-
001-321-4106-000	Property Transfer Tax													-
001-322-4107-000	Motor Vehicle in Lieu Tax													-
001-322-4116-000	MV License Fee													-
001-325-5814-000	Park Reservation Fees													-
001-333-4506-000	CA Indian Gaming Grant													-
001-333-4508-000	COPS Grant													-
001-340-4401-000	Criminal Fines and Penalties													-
001-342-4402-000	Fines and Fees	325												325
001-345-4904-000	Interest													-
001-346-4905-000	Rent	6,989												6,989
001-347-4801-000	Law Enforcement Cost Recovery	29												29
001-348-4403-000	Event Applic Fee/Temp Use													-
001-357-4802-000	Zoning Clearance	135												135
001-357-4803-000	Document Sales	210												210
001-357-4806-000	Time Extension Fees													-
001-357-4801-110	Crossroads at the Village													-
001-357-4808-000	Code Enforcement Fines													-
001-376-4908-000	CA Prop 1B Revenue													-
001-378-4205-000	Small Permits													-
001-390-4917-000	Miscellaneous	5,000												5,000
001-390-4918-000	Cost Reimbursement													-
	Transfer In													-
<b>TOTAL REVENUE (ACTUAL THROUGH JULY):</b>		<b>95,999</b>	-	-	-	-	-	-	-	-	-	-	-	<b>95,999</b>

Percentage Received: 2%  
 Budget: 6,160,441

City of Buellton  
 General Fund Monthly Expenditures ( Unaudited)  
 FY: 2013-14

cgc: 8 19 14

8%  
 2014

2015

Department No.	Description	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	FY: 2014-15
001-401	City Council	9,370												9,370
001-402	City Manager	16,615												16,615
001-403	City Clerk	7,641												7,641
001-404	City Attorney	-												-
001-410	Non-Departmental	71,327												71,327
001-420	Finance	22,129												22,129
001-501	Police and Fire	842												842
001-510	Library	-												-
001-511	Recreation	32,321												32,321
001-550	Street Lights	-												-
001-551	Storm Water	-												-
001-552	Public Works - Parks	8,984												8,984
001-556	Public Works - Landscape	-												-
001-557	Public Works - Engineering	-												-
001-558	Public Works - General	29,103												29,103
001-565	Planning/Community Dev	14,764												14,764
	Transfer to CIP fund 92 (updated in June)	-												-
	<b>TOTAL EXPENDITURES (ACTUAL THROUGH JULY):</b>	<b>213,096</b>	-	-	-	-	-	-	-	-	-	-	-	<b>213,096</b>

Percentage spent:	3%
Budget	6,141,114
Amendments	-
Amended Budget	<u>6,141,114</u>

**CITY OF BUELLTON**  
City Council Agenda Staff Report

City Manager Review: MPB  
Council Agenda Item No.: 4

To: The Honorable Mayor and City Council

From: Carolyn Galloway-Cooper, Finance Director

Meeting Date: August 28, 2014

Subject: Resolution No. 14-20 – “A Resolution of the City Council of the City of Buellton, California, Adopting Budget Amendments for the 2013-14 Fiscal Year Budget”

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**BACKGROUND**

As part of the City’s budget process, staff periodically presents to the City Council for consideration various capital, operational and personnel adjustments in conjunction with the quarterly financial report. Staff is presenting the following Capital Improvement recommendation for incorporation into the 2013-14 budget.

Capital Improvement Fund – Set up new Project and Budget: “Emergency Sewer Repairs” (\$100,000). A new project is necessary under Improvements, which resulted from emergency sewer repairs at the Wastewater Treatment Plant. Emergency work included replacement of a critical concrete junction box for the influent wastewater flow at the wastewater treatment plant which had deteriorated. In addition, one of the floating aerators in the equalization basin failed and needed to be replaced.

Sewer Fund – Increase Appropriations: Transfer to CIP Fund “Emergency Sewer Repairs” (\$100,000). An adjustment is necessary in order to fund the emergency sewer repairs.

**FISCAL IMPACT**

The proposed Capital Project change increases appropriations in the Sewer Fund (\$100,000). There are sufficient reserves in the Sewer Fund.

**RECOMMENDATION**

That the City Council consider the adoption of Resolution No. 14-20 – “A Resolution of the City Council of the City of Buellton, California, Adopting Budget Amendments for the 2013-14 Fiscal Year Budget”

**ATTACHMENT**

Resolution No. 14-20

**RESOLUTION NO. 14-20**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BUELLTON, CALIFORNIA, ADOPTING BUDGET AMENDMENTS FOR THE 2013-14 FISCAL YEAR BUDGET**

**WHEREAS**, the City Council adopted the fiscal Year 2013-14 budget; and

**WHEREAS**, due to one budget deficit, it is necessary to make amendments to the 2013-14 budget as part of the Fourth Quarter Financial Report.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Buellton as follows:

That the following budget amendments for the fiscal Year 2013-14 budget are approved:

- 1.) **Increase appropriations for Emergency Sewer Repairs – Capital Improvement Project Fund (CIP):** (+100,000)  
*Account #: 092-707-6507-000 (Set Up New CIP Account)*
- 2.) **Increase appropriations for Sewer Fund – Transfer to Capital Improvement Project Fund (CIP):** (+100,000)  
*Account #: 005-701-6012-000*

The net result of this proposed appropriation increase amounts to a total of \$100,000 for the Sewer Fund (Transfer Out) and CIP fund 92 (Emergency Sewer Repair).

**PASSED, APPROVED and ADOPTED** this 28<sup>th</sup> day of August 2014.

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John Connolly  
Mayor

ATTEST:

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Linda Reid  
City Clerk

**CITY OF BUELLTON**  
City Council Agenda Staff Report

City Manager Review: MPB  
Council Agenda Item No.: 5

To: The Honorable Mayor and City Council

From: Carolyn Galloway-Cooper, Finance Director

Meeting Date: August 28, 2014

Subject: Financial Report for the Fourth Quarter Ending June 30, 2014

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**BACKGROUND**

Four times each year, City staff completes a comprehensive analysis of City finances, including projected fund balances, revenues to date, departmental budgets, expenditures, encumbrances and potential budget adjustments. This financial report summarizes the four quarters or one fiscal years' financial analysis for the General Fund and Enterprise Funds.

The attached report provides an overview of the current economic outlook on the Local, State and National levels; General Fund revenues, expenditures, projected fund balances; and activity in the two Enterprise Funds. Though this information is not audited and does not contain all the usual periodic adjustments, accruals or disclosures, the information does provide a picture of the City's activity and developing financial trends.

**FISCAL IMPACT**

The Interim financial statement provides the community with an understanding of the financial activity of the City's primary funds.

**RECOMMENDATION**

That the City Council receives, reviews, and files this Fourth Quarter (one fiscal year) financial report.

**ATTACHMENT**

Attachment 1 - Quarterly Financial Report for the period ending June 30, 2014

# CITY OF BUELLTON



## QUARTERLY FINANCIAL REPORT

Fourth Quarter Ending June 30, 2014

August 28, 2014

### Overview

The purpose of this financial report is to provide financial information for the City of Buellton. This report covers the fourth quarter of 2013-14 or the period April 1, 2014 through June 30, 2014. The report will be presented quarterly and concentrates on the General Fund and Enterprise Funds. The quarterly financial report presents the City's financial position, considers economic factors and highlights trends based on the City's budget versus what actually occurred during the period. A discussion of other economic factors provides a means of comparing the local economy against larger economic events that may affect the City of Buellton. This quarterly financial report is a valuable tool to the Council, staff and general public.

### US Economy

The United States economy rebounded sharply in the fourth quarter as consumers stepped up spending and businesses restocked. Gross domestic product (GDP) expanded at a 4 percent annual rate after shrinking a revised 2.1 percent in the prior quarter. Consumer spending on automobiles, furniture and recreational goods helped bolster GDP. The quarter reported an increase in private employer jobs and hiring remained solid, consistent with expectations for a stronger second half of the year ahead. The Federal Reserve acknowledged that growth had "rebounded", but its tone was measured and it made clear that it had no plans to raise interest rates any time soon. At least one economist chalked up the latest numbers mostly to "payback" for the poor showing in the prior quarter.

### State Economy

According to the Bureau of Labor Statistics (BLS), the unemployment rate for California fell 0.2 percentage points in June 2014 to 7.4 percent. The National Unemployment Rate was lower at 6.2 percent. The California housing market is trending toward a slow recovery with the median price for a single family home increasing compared to the prior quarter. Mortgage interest rates remain low and the historically low rates over the last five years remained in place for the quarter. All these factors converged towards a healthier housing market in California.

### City of Buellton

The City's General fund ended the fiscal year with over \$11 Million in fund balance. Over half of that amount is restricted until a legal decision is rendered concerning the City's current lawsuit against the State of California. Over \$3 Million include liquid cash reserves available to the City. The City finished the year exceeding budgeted revenues in all categories except Property Tax receipts. At year-end expenditures continued below budget at 84%. The City's Enterprise funds ended the fourth quarter showing positive fund balances in both Water and Sewer Funds. Revenues exceed budget in the Sewer Fund while expenditures are slightly over budget. Water Revenues were under-budget while expenditures were under budget. These points and a net loss condition will be explained in the following fourth quarter report.

**GENERAL FUND**

**General Fund Balance**

The chart below shows that with 100% of the year complete revenues are just below projections at 98% while expenditures are below expected at 84% of appropriations. “Revenue versus budget” gaps are explained in the next paragraph.

<b>General Fund - Fund Balance</b>	<b>Budget</b>	<b>Actual</b>	<b>Percent</b>
Balance, at Start of Year	\$ 12,096,951	\$ 12,096,951	
Revenues *	5,625,065	5,488,107	98%
Expenditures *	6,303,770	5,299,865	84%
Balance, at End of Year	<u>\$ 11,418,246</u>	<u>\$ 12,285,193</u>	
* Includes Transfers			

The chart below provides summary comparison information on revenues and expenditures for the fourth quarter ending June 30, 2014 versus the fourth quarter ending June 30, 2013. Total revenues are higher in the prior year of 2012-13. The major cause of this variance is lower property tax received in the current year. Property tax receipts show fluctuation over the past four fiscal years with the prior two years at peak. The current fiscal year is about \$338,000 less than the prior year. The General Fund received a one-time payment related to the “RDA Dissolution” in the prior year for \$338,000. The payment did not recur in this fiscal year causing actual property tax revenue to be lower than budget for this line item. Higher Transient Occupancy Tax (TOT) revenue streams were realized. TOT and Sales Tax revenue have been recorded through June and have exceeded budget. Overall Expenditures were up compared to the prior fourth quarter due to an increase in contract services expenditures as discussed in the mid-year budget review. Capital activity in 2014 slightly exceeded the prior year’s pace and may increase as staff posts closing entries.

<b>General Fund</b>	<b>2013-14</b>	<b>2012-13</b>	<b>Over (Under)</b>
<b>Revenues:</b>			
Taxes	4,944,921	5,132,787	(187,866)
Fees and Permits	63,185	3,975	59,210
Fines and Penalties	37,706	122,642	(84,936)
Charges For Current Services	180,391	175,509	4,882
Other Revenues	261,904	390,704	(128,800)
<b>Total Revenues</b>	<u>5,488,107</u>	<u>5,825,617</u>	<u>(337,510)</u>
<b>Expenditures:</b>			
General Government	5,226,555	5,151,776	74,779
Capital	73,310	70,575	2,735
<b>Total Expenditures</b>	<u>5,299,865</u>	<u>5,222,351</u>	<u>77,514</u>

**Top Five Revenues**

Top Five Revenues	Budget	YTD Actual	Percent
Sales Tax	1,745,000	1,898,116	109%
TOT	1,500,000	1,603,270	107%
Property Tax	1,180,000	865,552	73%
MVLF	366,110	371,671	102%
Franchise Fees	210,000	206,312	98%
Other Revenues	623,955	543,186	87%
<b>Total Revenues</b>	<b>5,625,065</b>	<b>5,488,107</b>	<b>98%</b>

**Sales Tax**

Payments have been recorded through the entire fiscal year and as expected, the City exceeded budget for the 2013-14 fiscal year. Sales tax is the top revenue source in the General Fund. The City has experienced strong revenue reports from local sales tax and increasing trends are expected.

**Transient Occupancy Tax (TOT)**

TOT revenue exceeded budget for the fiscal year. This revenue source is a major component of the City’s General Fund revenue. The City expects TOT to increase each fiscal year. This fiscal year is the first full fiscal year after establishing the TOT rate increase from 10 percent to 12 percent (Implemented in February 2013).

**Property Tax**

The City’s property tax revenues were under budget in this fiscal year. The one-time payment in 2012-13 fiscal year did not recur this fiscal year as expected. The payment related to the RDA dissolution and benefitted the General Fund.

**Motor Vehicle License Fees**

Payments exceeded budget for 2013-14. Future revenue is expected to increase.

**Franchise Fees**

Franchise Fees are collected from MarBorg Industries, the City’s solid waste service provider. Other franchise fees are received from various utilities. This revenue source is expected to meet budget once all accruals have been posted.

*Top Five Revenues for the City of Buellton’ General Fund are Sales Tax, Property Tax, Transient Occupancy Tax (TOT), Motor Vehicle License Fee (MVLF) and Franchise Fees. These revenues account for almost 90% of total General Fund Revenues.*

**Expenditures**

The chart below summarizes operating costs by department and shows that although some budget units are over budget, overall the General fund is within budget at the end of the fourth quarter.

Department Expenditures	Budget	YTD Actual	% Expended
City Council	136,103	119,838	88%
City Manager	207,575	195,248	94%
City Clerk	109,613	103,206	94%
City Attorney	175,000	182,236	104%
Non-Departmental	640,581	561,932	88%
Finance	340,140	395,855	116%
Police and Fire	1,883,174	1,787,453	95%
Library	95,378	91,758	96%
Recreation	506,108	468,175	93%
Street Lights	55,000	56,521	103%
Storm Water	141,000	152,434	108%
Public Works - Parks	238,800	148,082	62%
Public Works - Landscape	114,400	79,474	69%
Public Works - Engineering	64,000	117,995	184%
Public Works - General	527,762	506,114	96%
Community Development	406,636	260,234	64%
Transfer to CIP Fund 92	662,500	73,310	11%
<b>Total All Departments</b>	<b>6,303,770</b>	<b>5,299,865</b>	<b>84%</b>

As of June 30, 2014 or 100% of the year expended, the General Fund budget ended at 84% spent. Actual General Fund expenditures were just below \$5.3 Million. Although Finance, City Attorney, Street Lights, Storm Water and Public Works – Engineering ended the year over budget, the General Fund absorbed the overage with numerous departments falling below appropriations and ending the year under-budget. The Finance Department exceeded budget because of the need to redistribute General Fund Finance Department salaries originally budgeted in the Water fund. Essentially, the portion of Finance Department salaries expensed in the Water Fund were redirected back to the General Fund. The reason for this action was due to the Central Coast Water Authority (CCWA) requirement for the Water fund to meet the coverage ratio required by the CCWA. In 2013-14 staff reviewed the Water Fund and found that the ratio requirement would not be met without reducing expenditures. Staff moved Finance salaries out of the Water fund and recorded them in the General Fund. This entry caused actual costs to increase in the General Fund - Finance Department. Increased legal costs from the RDA dissolution caused the City Attorney to be slightly over-budget. Storm Water budget exceeded due to increased improvements which may be adjusted to CIP after review. Street Lights had slightly higher utility costs. Public Works Engineering exceeded budget due to engineering related to reimburseable development permits. These costs are expected to be offset by reimbursements from various developers. Because of the positive condition of the other General Fund budget units, there are no budget amendments required this quarter for the General Fund.

**Major Expenditure Variances**

Expenditures By Type	Budget	YTD Actual	% Expended
Staffing	1,605,312	1,454,450	91%
Contract Services	2,897,752	2,821,580	97%
Telecomm and Utilities	236,625	110,456	47%
Supplies and Materials	62,450	48,804	78%
Other Operating Costs	1,469,631	840,243	57%
Minor Capital	32,000	24,331	76%
<b>Total by Type</b>	<b>6,303,770</b>	<b>5,299,865</b>	<b>84%</b>

The chart above shows General Fund operating expenditures by Expenditure Type. With 100% of the year expended as of the fourth quarter of fiscal year 2013-14, all budget categories are within budget. Categories were addressed in the previous quarters and staff assured Council they would be within budget once the entire budget year elapsed at June 30, 2014.

**ENTERPRISE FUNDS**

**Revenues and Expenses**

The Statement of Revenues and Expenses for the fourth quarter of Fiscal Year 2013-14 are shown below.

Enterprise Funds	Water	Wastewater
Revenues		
Charges for Service	1,427,374	692,909
Interest Income	4,546	3,386
Other Revenues	38,843	6,186
Total Revenues	1,470,763	702,481
Expenses		
Operating	528,850	1,055,184
Transfers Out/CIP	259,352	222,973
State Water	916,031	-
Total Expenses	1,704,233	1,278,157
Profit (Loss)	(233,470)	(575,676)

**Water Fund**

Operating revenues have exceeded operating expenditures by almost \$950,000 in the fourth quarter of Fiscal Year 2013-14. This reserve was used for the annual State Water payment due to the Central Coast Water Authority. As discussed earlier, operating expenditures were adjusted in an effort to meet the required CCWA coverage ratio. The coverage ratio is calculated by dividing net operating revenues by the City's reserve fund deposit (at CCWA) plus the estimated State Water Payment. The resulting ratio must be above 1.25%. In the prior year, the City did not meet the ratio. In order to be in compliance in 2013-14, staff's actions reduced operating costs by redirecting the percentage of General Fund Finance Department salaries coded to the Water fund back to the General Fund. Because Finance staff continue to perform water-related services, the Water Fund will be charged via an operating transfer. As of the fourth quarter, the 2013-14 coverage ratio will meet or exceed the reserve requirement. The Water fund utilizes reserves to fund Capital Improvement projects which amount to over \$250,000 at June 30, 2014. The operating deficit was a result of Capital Project expenditures. A water rate study is underway to provide direction regarding the need for future rate increases. The Water Fund ended the year with approximately \$1.6 Million in reserves.

**Wastewater Fund**

Operating revenues did not exceed expenditures in the fourth quarter of Fiscal Year 2013-14. This resulted in an operating deficit of over \$575,000. There are sufficient reserves in the Wastewater Fund to cover the operating loss. The Wastewater fund utilizes reserves to fund Capital Improvements projects which amount to almost \$225,000. A sewer rate study is underway to provide direction regarding the need for future rate increases. The Sewer Fund ended the year with almost \$1.3 Million in reserves.

**CITY OF BUELLTON**  
City Council Agenda Staff Report

City Manager Review: MPB  
Council Agenda Item No.: 6

To: The Honorable Mayor and City Council

From: Rose Hess, Public Works Director

Meeting Date: August 28, 2014

Subject: Award of Bid for the Replacement of Fleet Vehicles

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**BACKGROUND**

Included in this Fiscal Year’s budget is the procurement of three replacement vehicles of the City’s fleet. The three vehicles to be replaced are the 2007 Saturn Outlook, the 2003 Ford F-150 and the 2003 Ford Ranger. A Notice to Bidders was posted and sent out on August 4, 2014. The City requested Bids for one used small/mid-size sports utility vehicle, and two new full size pick-up trucks. Bidders were requested to provide a cost for the best used and best new vehicle available that met the required specifications.

On August 15, 2014, bids were received from Rio Vista Chevrolet and Jim Vreeland Ford.

A summary of the bids received are as follows:

	<b>Rio Vista Chevrolet</b>	<b>Jim Vreeland Ford</b>
Sports Utility Vehicle (Used)	2014 Captiva (24,500 miles)	2012 Escape (unknown)
	\$20,930	\$21,146.40
Pick-Up Truck 1	2014 1500	2013 F-150
	\$28,062.08	\$29,986.40
Pick-Up Truck 2	2014 1500	2013 F-150
	\$27,781.92	\$29,986.40
<i>Total</i>	<i>\$76,774</i>	<i>\$81,119.20</i>
Local Tax Benefit	X	X

Delivery is within 30 days and acceptance upon Staff's inspection of the vehicles.

**FISCAL IMPACT**

Staff has allocated funds totaling \$85,000 within the 2014/15 Fiscal Year budget for the replacement of fleet vehicles. Costs will be allocated among the General Public Works, Water and Wastewater Funds.

**RECOMMENDATION**

That the City Council award the contract to Rio Vista Chevrolet in an amount of \$76,774 for the purchase of 3 replacement fleet vehicles and authorize the City Manager and the Finance Director to complete the purchase.

**CITY OF BUELLTON**  
City Council Agenda Staff Report

City Manager Review: MPB  
Council Agenda Item No.: 7

To: Honorable Mayor and City Council Members

From: Ralph D. Hanson, City Attorney

Meeting Date: August 28, 2014

Subject: Ordinance No. 14-02 - “An Ordinance of the City Council of the City of Buellton, California, Amending Chapter 3.12 and Chapter 3.16 of the Buellton Municipal Code Pertaining to Purchasing Procedures and Regulations for Awarding Public Works Contracts” (Introduction and First Reading)

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**DISCUSSION**

Chapter 3.12 provides the regulations for the purchasing of supplies and equipment for the City as well as contracting for services. Chapter 3.16 provides the regulations for obtaining bids and awarding contracts for public works projects. However, the provisions of both these Chapters contain a number of provisions that are repetitive, inconstant and contradictory. Because of this, many questions have been raised over the years as to the exact standards that apply.

The purpose of Ordinance No. 14-02 is:

1. To take advantage of the savings of time and expense by adopting the provisions of the California Uniform Public Construction Cost Accounting Act for the bidding and award of public works contracts; and
2. To clarify and make consistent the regulations for purchasing supplies and equipment and contracting for services in one location in the Municipal Code.

**Chapter 3.16**

The existing Chapter 3.16 (Attachment 1) provides, in Article I, the procedures for bidding and awarding all public works contracts of a value greater than \$5,000. Article II provides an older version of the California Uniform Public Construction Cost Accounting Act. That Article II is contrary to the requirements of Article I and was never utilized for Buellton.

Ordinance 14-02 will now adopt the provisions of the California Uniform Public Construction Cost Accounting Act as the procedure for public works projects in Buellton.

The California Uniform Public Construction Cost Accounting Act allows cities to perform public project works by informal bidding procedures up to \$175,000 if the city elects, by resolution, to follow the cost accounting procedures set forth in the Cost Accounting Policies and Procedures Manual of the California Uniform Construction Cost Accounting Commission. At present, approximately 900 cities, counties, school and special districts utilize these procedures. Attached with this Staff Report is a "Frequently Asked Questions" sheet (Attachment 2) prepared by the State Controller's Office that provides detailed information about the California Uniform Public Construction Cost Accounting Act.

At the time of incorporation of the City of Buellton, the City Council did adopt such a resolution but was never implemented and the Municipal Code was later adopted to require formal public bids for all projects over \$5,000. In the 22 years of its existence, this has cost the City uncounted months (years) of delays on projects, together with substantial funds expended in the formal bid procedures.

Both the Finance Director and Public Works Director are familiar with the requirements of the Cost Accounting Policies and Procedures Manual and utilizing these procedures will save substantial funds in the future. **Please Note:** Despite the difference in bidding procedures, all substantial contracts will still go before the City Council for approval.

### **Chapter 3.12**

The existing Chapter 3.12 (Attachment 1) provides the basic purchasing procedures for supplies and equipment as well as contracts for services. However, the existing provisions do not provide clear regulations or dollar limits on how the purchase will be made. For example, the regulations to require formal bidding as referenced Chapter 3.16 as to public works the \$5,000 level, but was basically silent as to any other purchase.

Although the majority of Chapter 3.12 remains the same, Ordinance 14-02 now sets out an open bidding procedure for supplies and equipment valued between \$1,500 and \$20,000 and a formal bidding for supplies and equipment over \$20,000. Any purchase of supplies and equipment greater than \$20,000 will need the prior approval of the City Council. Additionally, contracts for personal, professional, consultant services and non-public works with an estimated cost less than ten thousand dollars (10,000.00) may be awarded pursuant to the open market procedures and approved by the city manager. Those service and non-public work contracts over \$10,000 would need to go through the RFP process and approval by the City Council.

### **FISCAL IMPACT**

Potential cost savings by streamlining purchasing procedures and the reduction of performing formal bidding procedures on public works.

**RECOMMENDATION**

Staff recommends that the City Council consider the introduction and first reading of Ordinance No. 14-02 - “An Ordinance of the City Council of the City of Buellton, California, Amending Chapter 3.12 and Chapter 3.16 of the Buellton Municipal Code Pertaining to Purchasing Procedures and Regulations for Awarding Public Works Contracts” by title only and waive further reading.

**ATTACHMENTS**

Ordinance No. 14-02

Attachment 1 - Existing Chapters 3.12 and 3.16

Attachment 2- Frequently Asked Questions - California Uniform Public Construction  
Cost Accounting Act

**ORDINANCE NO. 14-02**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BUELLTON, CALIFORNIA, AMENDING CHAPTER 3.12 AND CHAPTER 3.16 OF THE BUELLTON MUNICIPAL CODE PERTAINING TO PURCHASING PROCEDURES AND REGULATIONS FOR AWARDING PUBLIC WORKS CONTRACTS**

**THE CITY COUNCIL OF THE CITY OF BUELLTON DOES ORDAIN AS FOLLOWS:**

**SECTION 1:** The Ordinance involves the following:

**A.** Chapters 3.12 and 3.16 of the Buellton Municipal Code provide the regulations for the purpose of supplies and equipment for the City as well as specific procedures for obtaining bids for such supplies and contracts for public works projects.

**B.** Certain provisions of these Chapters provide inconstant and contradictory regulations for both the purchase of supplies and equipment and the award of public works contracts.

**C.** It is, therefore, the desire of the City Council to amend the Buellton Municipal Code to provide reasonable, efficient and cost-effective procedures for such purchases and public works project commensurate with the requirements of State law.

**SECTION 2:** All proceedings having been duly taken as required by law, and upon review of the information provided in the staff report, consideration of the testimony given at the public hearing, as well as other pertinent information, the City Council finds the following:

**A. Record.** Prior to rendering a decision on the Ordinance, the City Council considered the following:

1. All public testimony, both written and oral, received in conjunction with that certain Public Hearing conducted by the City Council on August 28, 2014 (“City Council Public Hearing”).
2. All oral, written and visual materials presented by City staff in conjunction with the City Council Public Hearing.

**B. Public Review.** On the basis of evidence hereinafter listed, all administrative procedures and public participation requirements have been lawfully satisfied:

1. A notice of public hearing was published in a newspaper of general circulation on August 14, 2014 (the “Public Notice”), in advance of the City Council Public Hearing conducted on August 28, 2014.
2. The Public Notice and Agenda for the City Council meeting of August 28, 2014, was posted in three conspicuous public places before the Public Hearing.

**SECTION 3:** Chapter 3.12 of the Buellton Municipal Code is hereby amended to read as follows:

### **“Chapter 3.12**

#### **PURCHASING SYSTEM**

**Sections:**

- 3.12.010 Adoption of purchasing system.**
- 3.12.020 Scope of chapter.**
- 3.12.030 Centralized purchasing division.**
- 3.12.040 Purchasing agent.**
- 3.12.050 Purchasing regulations.**
- 3.12.060 Authorized department purchases.**
- 3.12.070 Open market procedure.**
- 3.12.080 Formal contract procedure.**
- 3.12.090 Exemptions from centralized purchasing – emergencies**
- 3.12.100 Estimates of requirements.**
- 3.12.110 Requisitions.**
- 3.12.120 Purchase orders.**
- 3.12.130 Encumbrance of funds.**
- 3.12.140 Inspection and testing.**
- 3.12.150 Surplus supplies and equipment.**
- 3.12.160 Surplus supplies – trade-ins.**
- 3.12.170 Surplus supplies – sale.**
- 3.12.180 Purchases through other agencies.**
- 3.12.190 Personal, professional, consulting services and non-public works.**
- 3.12.200 Personal, professional, consulting services and non-public works – city manager authority to contract.**
- 3.12.210 Public works contracts.**

**3.12.010 Adoption of purchasing system.**

In order to establish efficient procedures for the purchase of supplies and equipment at the lowest possible cost commensurate with quality needs, to exercise positive financial control over purchases, to clearly define authority for the purchasing functions, and to assure the quality of purchases, a purchasing system is adopted.

**3.12.020 Scope of chapter.**

The procedures established by this chapter shall apply only to the purchase of supplies, equipment, and services, and shall not apply to public works projects as defined in Section 20161 of the California Public Contracts Code.

**3.12.030 Centralized purchasing division.**

There is created a centralized purchasing division in which is vested authority for the purchase of supplies and equipment.

**3.12.040 Purchasing agent.**

There is created the position of purchasing agent, who may also be known as the “purchasing officer.” The purchasing agent shall be the city manager or his or her designee. The purchasing agent shall be the head and have general supervision of the purchasing division. The duties of the purchasing agent may be combined with those of any other office or position. The purchasing agent shall have the authority to:

- A. Purchase or contract for supplies and equipment required by any using agency in accordance with purchasing procedures prescribed by this chapter, such administrative regulations as the purchasing agent shall adopt for the internal management and operation of the purchasing division, and such other rules and regulations as shall be prescribed by the city council or the city manager;
- B. Negotiate and recommend execution of contracts for the purchase of supplies and equipment;
- C. Act to procure for the city the needed quality in supplies and equipment at least expense to the city;
- D. Discourage uniform bidding and endeavor to obtain as full and open competition as possible on all purchases;
- E. Prepare and recommend to the city council rules governing the purchase of supplies and equipment for the city;
- F. Prepare and recommend revisions and amendments to the purchasing rules;

G. Keep informed of current developments in the field of purchasing, prices, market conditions, and new products;

H. Prescribe and maintain such forms as are reasonably necessary for the operation of this chapter and other rules and regulations;

I. Supervise the inspection of all supplies and equipment purchased to insure conformance with specifications;

J. Recommend the transfer of surplus or unused supplies and equipment between departments as needed;

K. Maintain an approved vendors list, vendors' catalog file, and records needed for the efficient operation of the purchasing division.

### **3.12.050 Purchasing regulations.**

The purchasing agent shall be responsible for determining that the regulations and procedures in this chapter are carried out.

### **3.12.060 Authorized Department Purchases.**

The purchase of supplies and equipment of an estimated price less than or equal to one thousand five hundred dollars (\$1,500.00) may be made by the department directors designated and approved by the purchasing officer. The department directors shall purchase supplies and equipment at the lowest possible cost commensurate with the quality needs.

### **3.12.070 Open market procedure.**

Purchases of supplies and equipment of an estimated price between one thousand five hundred dollars (\$1,500.00) and less than or equal to twenty thousand dollars (\$20,000.00) may be made by the purchasing officer by the procedures as follows:

A. Minimum Number of Bids. Open market purchase shall, wherever possible, be based on at least three bids, and shall be awarded to the lowest responsible bidder.

B. Notice Inviting Bids. The purchasing officer shall solicit bids by written request to prospective vendors or by telephone.

C. Written Bids. If required, written bids shall be submitted to the purchasing officer who shall keep a record of all open market bids and the placing of the order. This record, while so kept, shall be open to public inspection.

D. Contracts. The purchase and sale of the supplies and equipment shall be memorialized in a contract or purchase order and written confirmation signed by the purchasing officer.

### **3.12.080 Formal contract procedure.**

Except as otherwise provided herein, purchases and contracts for supplies and equipment of an estimated price greater than twenty thousand dollars (\$20,000.00) shall be awarded by written contract to the lowest responsible bidder pursuant to the procedure prescribed in this section.

A. Notice Inviting Bids. Notices inviting bids shall include a general description of the articles to be purchased, shall state where bid blanks and specifications may be secured and the time and place for opening bids.

1. Published Notice. Notice inviting bids shall be published at least ten days before the date of opening of the bids. Such notice shall be published at least one time in a newspaper of general circulation in the city, or if there is none, it shall be posted in at least three public places within the city that have been designated by resolution as the places for posting public notices.

B. Bidder's Security. When deemed necessary by the purchasing officer, bidder's security may be prescribed in the public notice inviting bids. Bidders shall be entitled to return of bid security; provided, that a successful bidder shall forfeit his bid security upon refusal or failure to execute the contract within ten days after the notice of award of contract has been mailed, unless the city is responsible for the delay. The city council may, on refusal or failure of the successful bidder to execute the contract, award it to the next lowest responsible bidder. If the city council awards the contract to the next lowest bidder, the amount of the lowest bidder's security shall be applied by the city to the difference between the low bid and the second lowest bid, and the surplus, if any, shall be returned to the lowest bidder.

C. Bid Opening Procedure. Sealed bids shall be submitted to the city clerk and shall be identified as bids on the envelope. Bids shall be opened in public at the time and place stated in the public notices. 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.

D. Rejection of Bids. At its discretion, the city council may reject any and all bids presented and readvertise for bids.

E. Award of Contracts. Contracts shall be awarded by the city council to the lowest responsible bidder except as otherwise provided herein.

F. Tie Bids. If two or more bids received are for the same amount or unit price (quality and service being equal), and if the public interest will not permit the delay of readvertising for bids, the city council may accept the one it chooses or accept the lowest bid made by negotiation with the tie bidders prior to awarding of bid.

G. Performance Bonds. Before entering a contract the purchasing officer shall have authority to require a performance bond in such amount deemed reasonably necessary to protect the best interests of the city. If the purchasing officer requires a performance bond, the form and amount of the bond shall be described in the notice inviting bids.

### **3.12.090 Exemptions from centralized purchasing - emergencies.**

The city manager may authorize, in writing, any department to purchase specified supplies and equipment independent of the purchasing agent; provided, however, that the city manager shall require that such purchases be made in conformity with the procedures established by this chapter and shall further require periodic reports from the department on the purchases made under such written authorization.

The city manager may authorize the purchase of materials, supplies, equipment, and services where an emergency is deemed to exist and it is determined that service involving the public health, safety, or welfare would be interrupted if the normal procedure were followed. All emergency purchases, which would otherwise require formal bidding procedures, made pursuant to this section shall be submitted to the city council for ratification at the next regular council meeting after the purchase is authorized.

### **3.12.100 Estimates of requirements.**

All using departments shall file detailed estimates of their requirements in supplies and equipment in such manner, at such time, and for such future periods as the purchasing agent shall prescribe.

### **3.12.110 Requisitions.**

Using departments shall submit requests for supplies and equipment to the purchasing agent by standard requisition forms, or by other means as may be established by the purchasing rules and regulations.

### **3.12.120 Purchase orders.**

Purchases of supplies and equipment shall be made only by purchase orders. Except as otherwise provided in this chapter, no purchase order shall be issued unless the prior approval of the purchasing agent or his/her designated representative has been obtained.

### **3.12.130 Encumbrance of funds.**

Except in cases of emergency, the purchasing agent shall not issue any purchase order for supplies or equipment unless there exists an unencumbered appropriation in the fund account against which the purchase is to be charged.

**3.12.140 Inspection and testing.**

The purchasing agent shall, in his or her discretion, inspect supplies and equipment delivered to determine their conformance with the specifications set forth in the order. The purchasing agent shall have authority to require chemical and physical tests of samples submitted with bids and samples of deliveries which are necessary to determine their quality and conformance with specifications.

**3.12.150 Surplus supplies and equipment.**

All using departments shall submit to the purchasing agent, at such times and in such forms as the purchasing agent shall prescribe, reports showing all supplies and equipment which are no longer used or which have become obsolete and worn out.

**3.12.160 Surplus supplies - trade-ins.**

The purchasing agent shall have authority to exchange for or trade in on new supplies and equipment all supplies and equipment which cannot be used by any department or which have become unsuitable for city use.

**3.12.170 Surplus supplies - sale.**

The purchasing agent shall have authority, subject to approval of the city manager, to dispose of surplus supplies or equipment by auction or by sale or otherwise which, in his or her judgment, provides a fair benefit to the city.

**3.12.180 Purchases from or through other governmental agencies.**

Any agreement for the purchase of supplies, equipment or services from another governmental agency shall be exempt from formal contract procedures of this chapter and all such agreements may follow the procedures in section 3.12.060 or 3.12.070, as deemed advisable by the purchasing officer. Where the city budget authorizes the purchases of materials, supplies or equipment for the city and where the purchasing officer determines that another public agency (hereinafter "the acquiring agency") has within the twelve months immediately preceding the proposed purchase proceeded with steps pursuant to its purchasing procedure to obtain bids and award a contract to the lowest responsible bidder for the same materials, supplies or equipment which this city needs and for which authorization has been given, then, and in that event, the procedures of this chapter need not be followed and the city may proceed to purchase the materials, supplies or equipment on the same terms and conditions as purchased by the acquiring agency. For purposes of this chapter, "acquiring agency" may include, but is not limited to the state of California, the County of Santa Barbara, a joint powers agency or any other governmental agency.

**3.12.190 Personal, professional, consulting services and non-public works.**

Contracts for personal, professional, consultant services and non-public works with an estimated cost less than ten thousand dollars (10,000.00) may be awarded pursuant to the open market procedures of this chapter. All contracts for personal, professional, consultant services and non-public works with an estimated cost over than ten thousand dollars (10,000.00) may only be awarded by the city council following a formal written request for proposals procedure, the scope of which shall be approved by the city manager.

**3.12.200 Personal, professional, consulting services and non-public works - city manager authority to contract.**

The city manager is authorized to contract for personal, professional, consulting services and non-public works when the amount of the contract does not exceed ten thousand dollars (\$10,000.00) and unencumbered amounts exist in the department against which the expense is to be charged sufficient to cover the contract cost.

**3.12.210 Public Works Contracts.**

Contracts for public projects, as defined in section 20161 of the California Public Contract Code, as may be amended, shall be awarded in accordance with Chapter 3.16 of this Code.

**SECTION 4:** Chapter 3.16 of the Buellton Municipal Code is hereby amended to read, as follows:

**“Chapter 3.16****PROCEDURES FOR PUBLIC WORKS CONTRACTS****Sections:**

- 3.16.010 Authority and purpose of chapter.**
- 3.16.020 Definitions.**
- 3.16.030 Application of chapter.**
- 3.16.040 List of qualified contractors.**
- 3.16.050 Notice inviting informal bids.**
- 3.16.060 Award of contracts.**

**3.16.010 Authority and purpose of chapter.**

This chapter is adopted pursuant to Article 3 of Chapter 2, part 3, Division 2 (commencing with Section 22030) of the State Public Contract Code and constitutes an “informal bidding ordinance” as described in Section 22034 of said Code. The purpose of this chapter is to establish and informal bidding procedure applicable to certain contracts for public projects as a result of the city having elected, by resolution of the city council, to become subject to the uniform construction cost accounting procedures promulgated by the State Controller.

**3.16.020 Definitions.**

For the purposes of this chapter, the following words and phrases shall have the meanings respectively ascribed to them by this section, unless the context or provision clearly requires otherwise:

“Commission” means the California Uniform Construction Cost Accounting Commission, as created under Section 22010 of the Public Contract Code.

“Facility” means any plant, building, structure, ground facility, utility system, real property, streets and highways or other public work improvement.

“Maintenance work” includes all the following:

1. Routine, recurring, and usual work for the preservation or protection of any facility owned or operated by the city for its intended purposes;
2. Minor repainting;
3. Resurfacing of streets and highways at less than one inch;
4. Landscape maintenance, including mowing, watering, trimming, pruning, planting, replacement of plants, and servicing of irrigation and sprinkler systems;
5. Work performed to keep, operate and maintain any water, power or waste disposal systems owned by the city, including, but not limited to, dams, reservoirs or power plants.

“Public Contract Code” means the Public Contract Code of the state of California.

“Public project” means any of the following, excluding maintenance work:

1. Construction, reconstruction, erection, alteration, renovation, improvement, demolition, and repair work involving a facility owned, leased or operated by the city;
2. Painting or repainting of any facility owned, leased or operated by the city.

**3.16.030 Application of chapter.**

A. This chapter shall apply to public projects with a cost in excess of the dollar amount specified in Section 22032(a) of the Public Contract Code, but not exceeding the dollar amount specified in Section 22032(b) of the Public Contract Code. Any public project with a cost less than the dollar amount specified in Section 22032(a) of the Public Contract Code may be performed by the employees of the city by force account, by negotiated contract, or by purchase order as authorized by Section 22032(a), unless the city council shall specifically direct that the provisions of this chapter be followed with respect to such project. All public projects

with a cost in excess of the dollar amount specified in Section 22032(c) of the Public Contract Code shall be awarded by contract following formal bidding procedures as specified in the Public Contract Code, the regulations of the Commission and section 3.12.080 of this code.

B. The provisions of this chapter shall in no way restrict the right of the city to perform all necessary repair or replacement work in cases of great emergency, without adopting plans, specifications, strain sheets, or working details, or giving notice for bids to let contracts, as authorized by and in accordance with the procedures set forth in Section 22035 of the Public Contract Code.

### **3.16.040 List of qualified contractors.**

The city shall maintain a list of qualified contractors, identified according to categories of work as specified in Section 22034 of the Public Contract Code. The list shall be developed and maintained in compliance with such minimum requirements as may be specified from time to time by the commission. The public works director is designated as the city official having primary responsibility for preparation and maintenance of the list of qualified contractors required by this section.

### **3.16.050 Notice inviting informal bids.**

A. Where public project is to be performed which is subject to the provisions of this chapter, the public works director shall mail a notice of work to be bid, as shown on the list described in Section 3.16.040 and to all construction trade journals for the category of work as determined by the commission pursuant to Section 22036 of the Public Contract code, provided, however:

1. If there is no existing list of qualified contractors maintained by the city for the particular category of work to be performed, the notice inviting informal bids shall be sent only to the construction trade journals specified by the commission; or

2. If the product or service is proprietary in nature such that it can be obtained only from a certain contractor or contractors, the notice inviting informal bids may be sent exclusively to such contractor or contractors.

B. All mailing of notices to contractors and construction trade journals pursuant to subsection A of this section shall be completed not less than ten (10) calendar days before bids are due

C. The notice inviting informal bids shall describe the public project in general terms, shall indicate the name, address and telephone number of the person from whom detailed information concerning the project can be obtained, and shall state the time and place for the submissions of bids.

**3.16.060 Award of contracts.**

A. Contracts on which informal bids have been obtained pursuant to this chapter shall be awarded in accordance with the same policies and standards customarily followed by the city for public projects requiring formal bids.

B. The city manager may award a contract in an amount less than that specified in Section 22032(a) of the Public Contract Code. In addition, the city council may, by resolution, delegate to the city manager or the public works director or other designated employee of the city the authority to award any particular contract for which informal bids will be obtained pursuant to this chapter.

**SECTION 5:** If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council of the City of Buellton hereby declares that it would have adopted this Ordinance and each section, subsection, sentence, clause, phrase, or portion thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, or portions be declared invalid or unconstitutional.

**SECTION 6:** The City Clerk shall certify to the adoption of this Ordinance and cause same to be published in accordance with California law.

**PASSED, APPROVED AND ADOPTED** this \_\_\_\_ day of September, 2014.

\_\_\_\_\_  
John Connolly  
Mayor

ATTEST:

\_\_\_\_\_  
Linda Reid  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Ralph D. Hanson  
City Attorney

3.12.010

## Chapter 3.12

## PURCHASING SYSTEM

## Sections:

- 3.12.010 Adoption of purchasing system.
- 3.12.020 Scope of chapter.
- 3.12.030 Centralized purchasing division.
- 3.12.040 Purchasing agent.
- 3.12.050 Purchasing regulations.
- 3.12.060 Exemptions from centralized purchasing.
- 3.12.070 Estimates of requirements.
- 3.12.080 Requisitions.
- 3.12.090 Purchase orders.
- 3.12.100 Encumbrance of funds.
- 3.12.110 Inspection and testing.
- 3.12.120 Bidding.
- 3.12.130 Regulations regarding selection of contract services.
- 3.12.140 Surplus supplies and equipment.
- 3.12.150 Surplus supplies—Trade-ins.
- 3.12.160 Surplus supplies—Sale.

**3.12.010 Adoption of purchasing system.**

In order to establish efficient procedures for the purchase of supplies and equipment at the lowest possible cost commensurate with quality needs, to exercise positive financial control over purchases, to clearly define authority for the purchasing functions, and to assure the quality of purchases, a purchasing system is adopted. (Prior code § 3.12.010)

**3.12.020 Scope of chapter.**

The procedures established by this chapter shall apply only to the purchase of supplies, equipment, and services, and shall not apply to public projects as defined in Section 20161 of the California Public Contracts Code. (Prior code § 3.12.020)

**3.12.030 Centralized purchasing division.**

There is created a centralized purchasing division in which is vested authority for the purchase of supplies and equipment. (Prior code § 3.12.030)

**3.12.040 Purchasing agent.**

There is created the position of purchasing agent, who may also be known as the "purchasing officer." He shall be appointed by the director of finance subject to the approval of the city manager. The purchasing agent shall be the head and have general supervision of the purchasing division. The duties of the purchasing agent may be combined with those of any other office or position. The purchasing agent shall have the authority to:

A. Purchase or contract for supplies and equipment required by any using agency in accordance with purchasing procedures prescribed by this chapter, such administrative regulations as the purchasing agent

shall adopt for the internal management and operation of the purchasing division, and such other rules and regulations as shall be prescribed by the city council or the city manager;

- B. Negotiate and recommend execution of contracts for the purchase of supplies and equipment;
- C. Act to procure for the city the needed quality in supplies and equipment at least expense to the city;
- D. Discourage uniform bidding and endeavor to obtain as full and open competition as possible on all purchases;
- E. Prepare and recommend to the city council rules governing the purchase of supplies and equipment for the city;
- F. Prepare and recommend revisions and amendments to the purchasing rules;
- G. Keep informed of current developments in the field of purchasing, prices, market conditions, and new products;
- H. Prescribe and maintain such forms as are reasonably necessary for the operation of this chapter and other rules and regulations;
- I. Supervise the inspection of all supplies and equipment purchased to insure conformance with specifications;
- J. Recommend the transfer of surplus or unused supplies and equipment between departments as needed;
- K. Maintain an approved vendors list, vendors' catalog file, and records needed for the efficient operation of the purchasing division. (Prior code § 3.12.040)

**3.12.050 Purchasing regulations.**

The purchasing agent shall be responsible for determining that the regulations and procedures in Sections 3.12.050 through 3.12.120 of this chapter are carried out. (Prior code § 3.12.050)

**3.12.060 Exemptions from centralized purchasing.**

The city manager may authorize, in writing, any department to purchase specified supplies and equipment independent of the purchasing agent; provided, however, that the city manager shall require that such purchases be made in conformity with the procedures established by this chapter and shall further require periodic reports from the department on the purchases made under such written authorization. (Prior code § 3.12.060)

**3.12.070 Estimates of requirements.**

All using departments shall file detailed estimates of their requirements in supplies and equipment in such manner, at such time, and for such future periods as the purchasing agent shall prescribe. (Prior code § 3.12.070)

**3.12.080 Requisitions.**

Using departments shall submit requests for supplies and equipment to the purchasing agent by standard requisition forms, or by other means as may be established by the purchasing rules and regulations. (Prior code § 3.12.080)

**3.12.090 Purchase orders.**

Purchases of supplies and equipment shall be made only by purchase orders. Except as otherwise provided in this chapter, no purchase order shall be issued unless the prior approval of the purchasing agent or his/her designated representative has been obtained. (Prior code § 3.12.090)

**3.12.100 Encumbrance of funds.**

Except in cases of emergency, the purchasing agent shall not issue any purchase order for supplies or equipment unless there exists an unencumbered appropriation in the fund account against which the purchase is to be charged. (Prior code § 3.12.100)

**3.12.110 Inspection and testing.**

The purchasing agent shall, in his or her discretion, inspect supplies and equipment delivered to determine their conformance with the specifications set forth in the order. The purchasing agent shall have authority to require chemical and physical tests of samples submitted with bids and samples of deliveries which are necessary to determine their quality and conformance with specifications. (Prior code § 3.12.110)

**3.12.120 Bidding.**

Purchases of supplies and equipment shall be by bid procedures pursuant to Sections 3.16.010 through 3.16.160. Bidding may be dispensed with only under conditions stated in Section 3.16.170. (Prior code § 3.12.120)

**3.12.130 Regulations regarding selection of contract services.**

The city council shall by resolution prescribe procedures, rules and regulations governing the solicitation, selection, and award of proposals or bids for the furnishing of personal, professional or consulting services or for other contractual services, the contracts for which may be awarded without observing the bidding procedures provided for in this chapter. Such procedures, rules and regulations shall have as one purpose the obtaining of contractual services of the highest quality together with cost-effectiveness. (Prior code § 3.12.300)

**3.12.140 Surplus supplies and equipment.**

All using departments shall submit to the purchasing agent, at such times and in such forms as the purchasing agent shall prescribe, reports showing all supplies and equipment which are no longer used or which have become obsolete and worn out. (Prior code § 3.12.310)

**3.12.150 Surplus supplies—Trade-ins.**

The purchasing agent shall have authority to exchange for or trade in on new supplies and equipment all supplies and equipment which cannot be used by any department or which have become unsuitable for city use. (Prior code § 3.12.320)

**3.12.160 Surplus supplies—Sale.**

The purchasing agent shall have authority, subject to approval of the city manager, to dispose of surplus supplies or equipment by auction or by sale or otherwise after receiving bids or proposals which, in his or her judgment, provide the maximum return to the city. (Prior code § 3.12.330)

## Chapter 3.16

### BIDDING PROCEDURES

#### Sections:

#### Article I. Formal Bidding Procedures

- 3.16.010** Formal (sealed) bid procedures.
- 3.16.020** Notice inviting formal bids.
- 3.16.030** Published notice for formal bids.
- 3.16.040** Approved vendors list.
- 3.16.050** Bulletin board notice.
- 3.16.060** Bidder's security.
- 3.16.070** Other formal bond requirements.
- 3.16.080** Formal bid opening procedure.
- 3.16.090** Rejection of formal bids.
- 3.16.100** Award of formal bid contracts.
- 3.16.110** Tie formal bids.
- 3.16.120** No formal bids.
- 3.16.130** Open market or informal bid procedure.
- 3.16.140** Minimum number of informal bids.
- 3.16.150** Notice inviting informal bids.
- 3.16.160** Record of informal bids.
- 3.16.170** Exceptions to competitive bidding requirement.

#### Article II. Informal Bidding Procedures

- 3.16.180** Construction on public projects.
- 3.16.190** List of qualified contractors.
- 3.16.200** Mailed notice of bids.
- 3.16.210** Contents of notice.
- 3.16.220** Delegation of authority to award informal contracts.

#### Article I. Formal Bidding Procedures

#### **3.16.010** Formal (sealed) bid procedures.

Except as otherwise provided in this chapter, public projects, as defined in Section 37901 of the California Government Code, and purchases of supplies and equipment of an estimated value greater than five thousand dollars (\$5,000.00) shall be awarded to the lowest responsible bidder pursuant to the formal bid procedure hereinafter prescribed. (Prior code § 3.12.130)

#### **3.16.020** Notice inviting formal bids.

Notices inviting formal bids shall include a general description of the article or service desired, shall state where bid documents and specifications may be secured, and the time and place for opening bids. (Prior code § 3.12.140)

3.16.030

**3.16.030 Published notice for formal bids.**

Notices inviting formal bids shall be published at least ten days prior to the date of opening of the bids. Notices shall be published at least once for nonpublic projects and at least twice, not less than five days apart for public projects, in a newspaper of general circulation in the city. (Prior code § 3.12.150)

**3.16.040 Approved vendors list.**

The purchasing agent shall also solicit formal sealed bids from responsible suppliers whose names are on the approved vendors list, or who have made written request that their names be added thereto. (Prior code § 3.12.040)

**3.16.050 Bulletin board notice.**

The purchasing agent shall advertise the pending formal purchases by posting a notice on the public bulletin board at the city offices. (Prior code § 3.12.170)

**3.16.060 Bidder's security.**

When a public project is involved, and in other cases when deemed necessary by the purchasing agent, formal bids shall be accompanied by security, either cash, cashier's check, certified check or surety bond, in a sum equal to ten percent of the total aggregate of the bid, and shall be designated in the notice inviting bids. Bidders shall be entitled to the return of bid security; provided, however, that a successful bidder shall forfeit the bid security upon his or her refusal or failure to execute the contract within ten days after the notice of award of contract has been mailed, unless the city is solely responsible for the delay in executing the contract. The city council may, on refusal or failure of the successful bidder to execute the contract, award it to the next lowest responsible bidder who is willing to execute the contract, or may reject all bids and re-advertise. (Prior code § 3.12.180)

**3.16.070 Other formal bond requirements.**

A faithful performance bond and labor and material bond shall be required for all public projects, unless waived by the city council, in an amount reasonably necessary to protect the best interests of the city. In addition, the city council shall have authority to require a faithful performance bond or other bonds before entering into a contract other than a public project contract. If bonds are required, the form and amount thereof shall be designated in the notice inviting bids. (Prior code § 3.12.190)

**3.16.080 Formal bid opening procedure.**

Sealed bids shall be submitted to the purchasing agent and shall be identified as "bids" on the envelope. The purchasing officer, or designee, shall publicly open all bids at the time and place stated in the public notices. A tabulation of all bids received shall be available for public inspection in the purchasing office during regular business hours for a period of not less than thirty (30) calendar days after the bid opening. (Prior code § 3.12.200)

**3.16.090 Rejection of formal bids.**

In its discretion, the city council may reject any and all bids presented and may cause re-advertising for bids pursuant to the procedure hereinabove prescribed. However, when all bids exceed the authorized budgeted amount, the city manager may authorize rejection of all bids and authorize rebidding based upon the original specifications or as they may be modified, in accordance with procedures prescribed in this chapter. (Prior code § 3.12.210)

**3.16.100 Award of formal bid contracts.**

Except as otherwise provided in this chapter, formal bid contracts shall be awarded by the city council to the lowest responsible bidder. The determination of "lowest responsible bidder" shall be at the discretion of the city council pursuant to findings and recommendations presented by the purchasing agent at the time of award of contract. (Prior code § 3.12.220)

**3.16.110 Tie formal bids.**

If two or more formal bids received are for the same total amount or unit price, quality and service being equal and if the public interest will not permit the delay of readvertising for bids, the city council may in its discretion accept the one it chooses or accept the lowest bid made by and after negotiation with the tie bidders at the time of the bid opening or award of contract. (Prior code § 3.12.230)

**3.16.120 No formal bids.**

When no formal bids or no responsive bids are received, the purchasing officer is authorized to negotiate for written proposals, and his or her recommendation shall be presented to the city manager, and the award, if any, shall be made in accordance with applicable provisions prescribed in this chapter. (Prior code § 3.12.240)

**3.16.130 Open market or informal bid procedure.**

Purchases of supplies and equipment of an estimated value in the amount of five thousand dollars (\$5,000.00) or less may be made by the purchasing agent in the open market pursuant to the procedure prescribed in Sections 3.16.140 through 3.16.160 and without observing the procedure prescribed in Sections 3.16.010 through 3.16.120; provided, however, all bidding may be dispensed with for purchases of supplies and equipment having a total estimated value of less than one thousand dollars (\$1,000.00). (Prior code § 3.12.250)

**3.16.140 Minimum number of informal bids.**

Open market purchases shall, wherever possible, be based on at least three informal bids, and shall be awarded to the bidder offering the most advantageous bid to the city after consideration of price, quality, durability, servicing, delivery time, standardization, and other factors. (Prior code § 3.12.260)

**3.16.150 Notice inviting informal bids.**

The purchasing agent shall solicit informal bids by written requests to prospective vendors, or by telephone, or by public notice posted on a public bulletin board at the city offices. (Prior code § 3.12.270)

**3.16.160 Record of informal bids.**

The purchasing agent shall keep a written record of all open market purchases and informal bids for a period of one year. This record, while so kept, shall be open to public inspection. (Prior code § 3.12.280)

**3.16.170 Exceptions to competitive bidding requirement.**

Notwithstanding any provision of this chapter to the contrary, the competitive bidding procedures and requirements may be dispensed with in any of the following instances:

- A. When the estimated amount involved is less than two thousand five hundred dollars (\$2,500.00);
- B. When the commodity can be obtained from only one vendor;

C. The city manager may authorize the purchase of materials, supplies, equipment, and services where an emergency is deemed to exist and it is determined that service involving the public health, safety, or welfare would be interrupted if the normal procedure were followed. All emergency purchases, which would otherwise require formal bidding procedures, made pursuant to this section shall be submitted to the city council for ratification at the next regular council meeting after the purchase is authorized;

D. The city council may authorize the execution of contracts for personal services, for professional and consultant services, and for other, nonpublic projects and contractual services without observing the bidding procedures provided in this chapter where the amount of the contract does not exceed the value of five thousand dollars (\$5,000.00). The city manager is authorized to enter into such contracts without observing the bidding procedure provided in this chapter where the amount of the contract does not exceed five thousand dollars (\$5,000.00), provided there exists an unencumbered appropriation in the fund account against which the expense is to be charged. Where the amount of the contract exceeds five thousand dollars (\$5,000.00), the contract shall be approved by the city council;

E. Any agreement involving acquisition of supplies, equipment, or service entered into with another governmental entity;

F. Any contract which combines professional services and the acquisition of goods or equipment where the professional services are specifically retained to advise the city on the selection of the goods or equipment and the professional services utilized under the contract also include designing, retrofitting, or modifying the goods or equipment to meet the particular needs of the city. This exemption shall also include the acquisition by the city of "intellectual property." In utilizing this exemption, a request for qualifications ("RFQ"), shall be used. For contracts under five thousand dollars (\$5,000.00) the city manager is authorized to enter into the contract. Contracts in excess of five thousand dollars (\$5,000.00) shall be approved by the city council; or

G. The city council may authorize the execution of a lease or leases for office space for city government without observing the bidding procedures provided in this chapter irrespective of the term of the lease or lessees or the amount of rent and other charges to be paid by the city under the lease or leases. (Prior code § 3.12.290)

## **Article II. Informal Bidding Procedures**

### **3.16.180 Construction on public projects.**

The provisions of this chapter shall apply to construction of public projects of not more than seventy-five thousand dollars (\$75,000.00). Public projects of twenty-five thousand dollars (\$25,000.00) or less may be performed by city employees by force account, by negotiated contract, or by purchase order. Public projects of seventy-five thousand dollars (\$75,000.00) or less may be let to contract by informal procedures set forth in this chapter. (Ord. 95-03 § 2 (part), 1995: prior code § 3.13.010)

### **3.16.190 List of qualified contractors.**

The city manager, or the city manager's designee, shall maintain a list of qualified contractors identified according to categories of work. Such list shall comply with the minimum criteria for development and maintenance of such list, as determined from time to time by the California Uniform Construction Cost Accounting Commission ("Commission"). (Prior code § 3.13.020)

**3.16.200 Mailed notice of bids.**

All contractors on the list for the category of work being bid and/or all construction trade journals specified by the commission pursuant to Public Contracts Code Section 22036 shall be mailed a notice inviting informal bids unless the product or service is proprietary. All mailing of notices to contractors and/or construction trade journals pursuant to this section shall be completed not less than ten calendar days before bids are due. (Prior code § 3.13.030)

**3.16.210 Contents of notice.**

The notice inviting informal bids shall describe the project in general terms, state how to obtain more detailed information about the project, and state the time and place for the submission of bids. (Prior code § 3.13.040)

**3.16.220 Delegation of authority to award informal contracts.**

The city council may delegate the authority to award informal contracts to the city manager or other appropriate person, by separate action of the city council. (Prior code § 3.13.050)

## CALIFORNIA UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT

### FREQUENTLY ASKED QUESTIONS (FAQ)

#### 1. What is the Uniform Public Construction Cost Accounting Act?

A program created in 1983 which allows local agencies to perform public project work up to \$45,000 with its own work force if the agency elects to follow the cost accounting procedures set forth in the Cost Accounting Policies and Procedures Manual of the California Uniform Construction Cost Accounting Commission (Commission). The Act is enacted under Public Contracts Code Section 22000 through 22045 (hereafter abbreviated as PCC 22000-22045).

In addition, the Act provides for alternative bidding procedures when an agency performs public project work by contract.

- a) Public projects of \$45,000 or less may be performed by negotiated contract or by purchase order (PCC 22032(a)).
- b) Public projects of \$175,000 or less may be let to contract by the informal procedures set forth in the Act (PCC 22032(b)).
- c) Public projects of more than \$175,000 shall be let to contract by formal bidding procedures (PCC 22032(c)).

Every five years, the Commission shall consider whether there have been material changes in public construction costs and make recommendations to the State Controller regarding adjustments to the bidding procedure monetary limits (PCC 22020). Adjustments should be effective for the fiscal year that commences not less than 60 days following the State Controller's notification to all participating agencies.

#### 2. What are the benefits of the program?

- a) Increased force account limit
- b) Informal bidding for projects between \$45,001 and \$175,000 which do not require advertising.
- c) Reduces the number of formal bids.
- d) Expedited contracting for small projects.

Many participants laud the program because it gives them more leeway in the execution of public works projects; has speeded up the awards process; has improved timeliness of the project completion; has eliminated considerable red tape and cumbersome paperwork relative to advertising and filing of reports; and has simplified administration. Many agencies have encountered only minimal problems with the accounting requirements and the overhead portion. Moreover, where required, the adjustment was relatively simple; most of the required procedures were already actually in place, so there was no noticeable change in the existing operations. The Standard Accounting Codes Structure will satisfy the reporting requirements when used properly.

3. Is the Uniform Public Construction Cost Accounting Act mandatory for local agencies?

No. The Act is a voluntary program. However, it is available to all local agencies, counties, and cities, both general law and charter.

4. How does a local agency become subject to the Act?

The governing body must elect by resolution to become subject to the Act and file a copy of the resolution with the State Controller's Office (PCC 22030). Sample documents are available at: [http://www.sco.ca.gov/ard\\_cuccac.html](http://www.sco.ca.gov/ard_cuccac.html)

5. May a local agency withdraw from the Act?

An agency may withdraw by filing a resolution of the agency's election to withdraw with the State Controller's Office.

6. What is the California Uniform Construction Cost Accounting Commission?

A state commission created under the Act (PCC 22010). It consists of fourteen (14) members: thirteen (13) members are appointed by the State Controller and one is a designated member of the Contractors' State License Board. Seven members represent the public sector (counties, cities, school districts, and special districts). Seven members represent the private sector (public works contractors and unions). The Commission members receive no salary, but are eligible for reimbursement of their direct expenses related to the Commission. The Commission is responsible for administration of the Act. The State Controller provides limited staff and other support to the Commission (PCC 22015(a)).

7. What are the Uniform Public Construction Cost Accounting Procedures?

The cost accounting procedures were developed by the Commission. They are to be used to estimate costs for determining if a public project is required to be bid out and to capture and record actual costs when a public project is performed by the agency's own work force. The procedures follow normal accounting in the industry and in many cases are not much different from those already in place at the agency. Sample forms are available in the CUCCAC Cost Accounting Policies and Procedures Manual.

School districts may use the Standard Accounting Code Structure to comply with the tracking requirements.

8. Are the cost accounting policies and procedures applicable for agencies whose work force only performs maintenance tasks as defined in the Act and whose public projects are all contracted out?

The cost accounting policies and procedures are only applicable for agencies that perform public project work by force account. This does not exclude from the program agencies whose public projects are all contracted out. In fact, they might want to review the benefits available and elect to participate now in the event conditions change at some time in the future.

9. Can a local agency disqualify or exclude certain contractors from the Qualified Contractors List required pursuant to PCC 22034(a)?

Agencies may disqualify contractors from the Qualified Contractors List when a contractor fails to furnish information to meet the minimum criteria as established by the Commission pursuant to PCC 22034(a).

10. For agencies that do not maintain an informal bidders list, are they allowed to choose who will get notifications on information projects?

The Act requires that an informal bid project is either advertised and/or notifications are sent to all contractors on the informal bidders list. We have noticed that a very large percentage of signatory local public agencies do not maintain or update an informal bidders list and are sending notices to only one or two contractors.

There is no exemption to maintaining a list of bidders. PCC 22034 (a). The public agency shall maintain a list of qualified contractors, identified according to categories of work. Minimum criteria for development and maintenance of the contractors list shall be determined by the commission. If an agency is not maintaining a list or notifying all contractors or trade papers, then they are not in compliance with the Act.

The Code says that participating agencies shall adopt an ordinance requiring that a list of all qualified contractors, identified according to categories of work be maintained. It does not require the list to be used however, and allows notifications to the required trade journals and exchanges be used as an alternate if desired. For agencies who elect to use the alternative authorized method of advertising, the purpose of the list is effectively negated.

If an agency is using the contractor's list then they must send the notification to all contractors on the list for that category of work and the list must be maintained in accordance with the Manual.

11. What is the difference between qualifying contractors under UPCCAA and prequalification of contractors under PCC 20101?

Qualification of contractors is a process that allows contractors to register with the agency for notification of public works opportunities. The prequalification process under PCC 20101 is a more complex process that requires a standardized questionnaire and evaluation of contractors using standard scoring criteria.

12. Must a local agency: (1) Notify contractors pursuant to PCC 22034(b) if the contractor is believed not to have the skills, credentials, or experience to perform the work? (2) Consider bids submitted if the agency believes the contractor does not have the skills, credentials, or experience to perform the work?

- a) If a contractor is on the Qualified Contractors List (PCC 22034(b)), the contractor must be notified by the agency of public projects for which he is licensed to perform.  
b) All bids received from qualified contractors must be considered.

13. Does the Act allow flexibility in cases of great emergency and when repair or replacements are necessary to permit the continued conduct of the operations or services of a public agency?

PCC 22035 provides that in cases of great emergency the governing body may, by majority vote, proceed without adopting plans and giving notice to bids to let contracts. In addition, this section provides that the governing body may delegate to the appropriate agency manager the power to declare an emergency and/or proceed with repairs or replacements without approval by the board. PCC 22050 provides contracting procedures without giving notice for bids to let contracts for these emergencies.

14. Do the alternative bidding procedures apply only to public projects as defined in PC 22002(c) or can they be used for the following types of items:

- a) Maintenance work to be performed by contract?
- b) Purchase of heavy equipment?
- c) Purchase of materials?

Pursuant to PCC 22003, a participating agency may use the alternative bidding procedures on maintenance work as defined in PC 22002(d), items 1-5. PCC 22003 is permissive and agencies can continue to exclude maintenance from the alternative bidding procedures. However, if an agency misclassifies a project (\$45,001 or more) as maintenance and therefore, does not use the applicable bidding procedures, a review by the Commission may be conducted pursuant to PCC 22042(c).

The purchase of equipment and supplies fall under PCC 20111; however, when purchased or used as part of a public works project, the costs associated with the purchase or use become part of the project cost and must be considered when applying the bid limits under the Act.

15. What will membership in the Act cost my agency?

At the present, no required membership fees or dues are assessed. However, the Commission has only received direct state funding for a short period of its history. The State has indicated that the participating agencies, contractors, and unions that benefit from the Commission should be responsible for its funding. Therefore, in November 2004, the Commission asked member agencies, contractor's associations, and construction related unions for voluntary donations to support the Commission. There may be additional requests for voluntary support. Any mandatory fees or dues would require legislation and would be for a nominal amount.

16. What are the most common concerns?

There are three leading areas of expressed concern and mostly all are quickly alleviated when addressed properly. These are:

- a) Cost accounting policies and procedures;
- b) Informal bidding procedures;
- c) Accounting review procedures.

The cost accounting requirements follow those common to the construction industry. The informal bidding up to \$175,000 is seen by the agencies as an asset enhancing project completion. Maintenance of a Qualified Contractor Bid List is routine, since interested contractors make it a point to be included on the list. While a review could potentially hold up a project for 30 days pursuant to PCC 22043, formal complaints have been rare in the Commission's history.

17. Does an agency have to calculate an overhead rate in order to apply the accounting procedures?

Cities with populations of less than 75,000 may use an overhead rate of 20% of all direct costs in lieu of the overhead rate calculation specified in Section VI of the Cost Accounting Policies and Procedures Manual. Cities with a population of more than 75,000, counties, special districts, and school districts may use an overhead rate of 30% of all direct costs, in lieu of a calculated rate.

18. When a local entity opts into the Act, does the Act supersede other contracting legal requirements such as statutory requirements for performance bonds, prevailing wages, and certificates of insurance, etc?

The Act only supersedes the bidding procedures used once a public agency has adopted a resolution and notified the Controller. All other contracting requirements are applicable whether or not a public entity opts into the Act.

The specific mention of bidding procedures emphasizes the omission of other statutory requirements (such as bond payments, prevailing wages, addenda, change orders, etc.) and implies that their applicability is found in specific statutory provisions rather than the Act.

Therefore, the Act does not supersede other contracting requirements for performance bonds, prevailing wages, and certificates of insurance, etc.

19. Can a signatory agency, claim to be to be exempt from requirements in the Public Contract Code (PCC) by claiming they only have to follow the language and procedures within the Act?

No. The Commission has ruled in the past that where the Act is silent, the standard code applies.

20. If signatory agencies that are not following the advertising requirements in the Act, will the Commission address those agencies? Can a complaint be brought to the Commission?

PCC 22042 lists the categories of complaints that the Commission can consider.

21. PCC 20112 specifically requires school districts to advertise twice for a two week period, while PCC 22037 requires advertising once, 14 days in advance of the date of opening of bids. Which code applies to school districts?

PCC 22037. When the Act is in conflict with any other code, the Act shall supersede. Districts may choose to maximize their outreach by continuing to advertise twice.

22. May an agency contract separately for like work at the same site at the same time using the under \$45,000 Force Account method?

No.

23. May an agency bid out 2 separate projects that occur at the same time and site, but are different types of work?

Yes, there is no violation if the work is being competitively bid.

24. How do agencies process change orders when the standard code conflicts with the Act?

For contracts below \$45,000, the total cost of the contract may not exceed \$45,000. For informal contracts, the total cost of the project may not exceed \$187,500.

Change orders for formal bids would follow the requirements in PCC 20118.4.

25. Does an agency by opting into the Act automatically bring

- a) All departments of the agency into the Act?
- b) Districts under control of the governing board into the Act?

When a local agency elects to become subject to the uniform construction cost accounting procedures, the entire entity is considered subject to the Act and no departments will be exempt.

Special Districts, which are governed by a board of supervisors or city council, are only subject if a separate election is made.

Additional inquiries and questions can be directed to:

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