

HOW TO DO BUSINESS WITH US AS A VENDOR



City of Merced

"Gateway to Yosemite"

**678 WEST 18th STREET
MERCED, CA 95340**

**PURCHASING DIVISION
2525 "O" STREET
(209) 385-6833
FAX (209) 388-7213**

www.cityofmerced.org

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INTRODUCTION

The City of Merced has a population of over 86,000 people. The city is a charter city that operates under the Council-Manager form of government. Incorporated in 1889, the city offers a rich and varied living environment with a unique blend of old and new.

The needs of the City of Merced are very diverse. They include basic office materials, furniture, audio and video equipment, office equipment, maintenance services, custodial supplies, vehicles, computers, printers, copiers, software, specialized consulting services and construction for public works projects.

The purpose of this handbook is to inform interested vendors on how purchasing is conducted by the City of Merced.

The purchasing function is important not only to businesses that wish to participate, but to all taxpayers who are concerned with the prudent expenditure of public funds. It is imperative that purchasing be conducted in a fair and open environment with equal opportunity given to all who desire to participate in the process.

The mission of the Purchasing Division is to cost-effectively obtain and provide quality goods and services to City of Merced departments in a timely manner. The goal is to maintain the highest standards of ethics and professionalism as genuine value and benchmark service are provided to customers of the Purchasing Division.

This publication is designed to improve communications and participation in the City bid process. If you need further information, please contact the Purchasing and Warehouse staff listed in this booklet.

VENDOR CONTACTS

Vendors should deal directly with the Purchasing Division on all procurement related matters including sales calls, sales presentations, promotions, catalog distribution, returns, exchanges and substitutions. Vendors should not make sales calls directly to City of Merced departments and personnel. Vendors should always first contact the Purchasing Supervisor or other Purchasing personnel for direction and advice. This will save time and minimize confusion as to proper roles and authority in the City of Merced's procurement process. The Purchasing Division is the only agent authorized to sign and issue purchase orders for the City of Merced.

New Vendors

To be placed on the City of Merced's vendor or bidder's list, a new vendor need only send a letter to "Purchasing Supervisor at 678 W. 18th Street, Merced, CA 95340", or fax to Purchasing at (209) 388-7213, or email whalap@cityofmerced.org, requesting to be placed on the list. This letter, fax or email should include: business name, address, telephone and fax number, e-mail address, product(s) and/or services offered, contact person's business card and business ownership certification (i.e. minority, women or disabled veteran owned).

PROCUREMENT METHODS

The City of Merced maintains a competitive environment in its approach to purchasing through the use of written formal sealed bids and informal verbal and written quotes for purchasing below certain dollar thresholds.

A formal sealed bid is required for an expenditure over \$27,000 for material supplies and services. This applies to office furniture and equipment, audio and video equipment, vehicles, maintenance and custodial services and other materials, supplies and services.

Every project involving an expenditure of more than \$58,575 for the construction or improvement of public buildings, works, streets drains, sewers, utilities, parks and playgrounds (public works project) requires a

formal bid. The process normally requires bidders to attend a pre-bid conference.

The City is committed to ensuring full and equitable participation by Local Business Enterprises (LBEs) in the provision of all goods and services to the City or Agency on a contractual basis. For public works projects over \$150,000, bidders shall assist the City in implementing this policy by taking all reasonable steps to ensure that any qualified available business enterprise including LBEs, have an equal opportunity to compete for and participate in City contracts. LBEs are businesses with a current City of Merced business license located within Merced County. An LBE list can be obtained from the City of Merced Engineering Department. The determined percentage of LBEs participation is included in the public works bid form. If State or Federal funds are involved, there is no LBE requirement. If the public works project is funded with Federal Aid funds, then a Disadvantaged Business Enterprise (DBE) Program goal must be met.

All specifications for expenditures over \$27,000 or public works projects are advertised at least ten (10) working days prior to the bid due date in one of the media or through some or all of the Exchanges listed below. Formal bids must be submitted to the Purchasing Division in a sealed envelope not later than the specified time and date.

Informal quotes, informal bids or proposals for materials and/or services may be requested and received in writing, by mail, e-mail or facsimile, and/or verbally such as by telephone. Informal bids apply to purchases below the formal bidding limits as stated above.

The services of professionals, such as engineers, attorneys, financial advisors, architects, and other specialized consultants, are generally obtained through the use of a Request for Proposal. Any contract for this type of service under \$27,000 requires submission to the City Manager for approval. Contracts over \$25,000 that are for professional services or for public works in excess of \$50,000 must be submitted to the City Council for approval.

The City of Merced utilizes purchase cards for small purchases under \$250. The purchase card is assigned to individual employees, and is used when an item is needed quickly to complete an assigned task.

MEDIA USED TO SOLICIT BIDS

Website: www.cityofmerced.org

Newspapers: The most widely used publications for advertisement are:

1. Merced County Times
2. Merced Sun Star

Builders' Exchanges: For public works projects the City of Merced sends a copy of the plans and specifications for the specific project to several or all of the following Builders' Exchanges. Each Exchange individually determines how to make the information available to its members.

1. Fresno Builders Exchange
2. Merced/Mariposa Builders Exchange
3. Contractors Information Network
4. Valley Business Exchange
5. Stockton Builders Exchange
6. Visalia Builders Exchange
7. Sacramento Builders Exchange
8. McGraw Hill Dodge
9. Contra Costa Builders Exchange
10. Placer County Exchange
11. Alameda Exchange
12. San Francisco Exchange
13. Santa Clara County Exchange

Information about all Builders' Exchanges in California can be found at www.gsbe.net.

STANDARD TERMS

F.O.B. Destination –“Freight on Board our Dock”. Selling price is to include all freight charges. Freight charges will only be paid by the City of Merced if quoted and agreed upon before item is shipped. Vendors are responsible for merchandise until it is delivered to City of Merced warehouse, or alternate shipping destination listed on Purchase Order.

Payment Terms – Net 30 or an offer of a discount for early payment.

Prompt Payment – To ensure prompt payment, the purchase order number must appear on all invoices submitted for payment. All invoices should be mailed to.

City of Merced Purchasing
678 W. 18th Street
Merced, CA 95340
Fax (209) 388-7213

All City of Merced purchases are subject to California sales tax. Vendors can normally expect payment within 30 days of billing provided that proper purchasing procedures have been followed.

Purchasing Regulations -

A Purchase Order properly numbered, signed and authorized by the Purchasing Department, a Contract properly signed and authorized by the City Manager or Purchase Card authorization are the only methods by which the City of Merced obligates itself to a vendor. Purchases made in the name of the City of Merced without an authorized Purchase Order, Contract or Purchase Card may be considered a donation to the city or a personal obligation of the person making the purchase and not an obligation of the City of Merced.

Material Safety Data Sheets

Vendors are required to provide Material Safety Data Sheets (M.S.D.S.) from the manufacturer for all products that are hazardous, as defined by California Code, Title 8, General Industry Safety Orders, Section 5194.

DELIVERY AND RECEIVING PROCEDURES

The City of Merced specifies on each individual Purchase Order the delivery location. All city departments and the Central Stores Warehouse generally accept deliveries from 8:00 a.m. to 3:30 p.m. weekdays. Any exception to this will be noted on the Purchase Order.

All deliveries to the Central Stores Warehouse should be made to the address below.

City of Merced Purchasing
2525 "O" Street
Merced, CA 95340

PROCUREMENT CODE OF ETHICS

The City of Merced believes that the following ethical principles should govern the conduct of every employee who has procurement responsibilities on behalf of the City.

An employee of the City who seeks or accepts a position responsible for procurement:

- Is committed to discharging their procurement responsibilities in accordance with professional procurement principles.
- Believes in the dignity and worth of the service rendered by the City, and the fiduciary responsibilities assumed as a trusted public servant.

- Is governed by the highest ideals of honor and integrity in all public and personal relationships in order to merit the respect and inspire the confidence of the City and the public being served.
- Believes that personal gain or profit obtained through misuse of public or personal relationships is dishonest and not tolerable.
- Identifies and eliminates participation of anyone in operational situations where a conflict of interest may be involved.
- Believes that City employees should at no time accept gifts, gratuities, or other things of value from suppliers, which might influence, or appear to influence procurement decisions.
- Deals fairly and factually with dispute resolution while keeping the City organization informed.
- Handles all procurement matters on a non-discriminatory basis.
- Seeks or dispenses no personal favors while exercising responsibilities of the position.

**CITY OF MERCED
PROCUREMENT CODE OF ETHICS
PRACTICES**

I. RESPONSIBILITY TO THE CITY

The employee:

- Follows the lawful instructions or laws of the City.
- Understands the authority granted by the City.
- Avoids activities that would compromise or give the perception of compromising the best interest of the City.
- Actively promotes competition to reduce the potential for charges of preferential treatment.
- Obtains the maximum benefit for funds spent as an agent for the City.

II. CONFLICT OF INTEREST

The employee:

- Avoids any private or professional activity that would create a conflict between their personal interests and the interests of the City.
- Avoids lending money to, or borrowing money from, any supplier.

III. PERCEPTION

The employee:

- Will avoid the appearance of unethical or compromising practices in relationships, actions and communications.
- Will avoid business relationships with personal friends when acting as an agent for the City. The employee will request a reassignment if such a situation arises.
- Will avoid noticeable displays of affection, which may give an impression of impropriety.
- Will avoid holding business meetings with suppliers outside the office. When such meetings do occur, the employee should carefully choose so that other persons in the business community or peers do not perceive it as inappropriate.

IV. GRATUITIES

The employee:

- Will never solicit or accept money, loans, credits or prejudicial discounts, gifts, entertainment, favors or services from present or potential suppliers which might influence, or appear to influence, procurement decisions.
- Will never solicit gratuities in any form for themselves or the City. Items of nominal value offered by suppliers for public relation purposes are acceptable.

In the case of any gift, the employee should carefully evaluate the intent and perception of acceptance to ensure that it is legal, that it will not influence the employee's procurement decision, and that it will not be perceived by the employee's peers and others as unethical.

V. CONFIDENTIAL INFORMATION

The employee:

- Will keep bidders' proprietary information confidential.
- Will follow the department's formal policy on the handling of confidential information.

VI. RELATIONSHIP WITH THE SUPPLIER

Association with suppliers at business meals or business organization meetings is an acceptable practice enabling the employee to establish better relations, provided that the employee keeps free of obligation.

The employee:

- Will maintain and practice, to the highest degree possible, business ethics, professional courtesy and competence in all transactions.
- Will purchase without prejudice, striving to obtain the maximum value for each dollar of expenditure.
- Will refrain from showing favoritism or being influenced by suppliers through the acceptance of gifts, gratuities, loans or favors. Gifts of a nominal value that display the name of a firm and which are intended for advertisement may be accepted.
- Will protect the supplier's business and legal rights to confidentiality for trade secrets, and other proprietary information.
- Will refrain from publicly endorsing products.

VII. RELATIONSHIP WITH THE CITY

The employee:

- Will avoid any activities that are, or could be, detrimental to or in conflict with the best interests of the City.
- Will refrain from activities where the employee has a significant personal or financial interest.

VIII. RELATIONSHIPS WITH OTHER AGENCIES AND ORGANIZATIONS

The employee:

- Shall not use their position in the City to exert leverage on individuals or firms for the purpose of creating a benefit for agencies or organizations that they may represent.
- Will handle all transactions in a professional manner, with the interest of the City taking precedent.

IX. MEMBERSHIP IN PROFESSIONAL ORGANIZATIONS AND ASSOCIATIONS.

The employee:

- Will represent that organization in a professional and ethical manner.
- Shall not use their position in the City to persuade an individual or firm to provide a benefit to that organization.

PURCHASING STAFF

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