

Award of Contract Policy

Resolution No. 2024-____
February 13, 2024



I. Purpose

The City of San Bruno Award of Contract Policy establishes efficient procedures for the acquisition of supplies, services, equipment, and technology at the lowest possible cost commensurate with quality needed, to exercise positive financial control over purchases, to clearly define authority for the purchasing function and to assure the quality of purchases. Approval of City budget appropriations by the City Council authorizes expenditure of City funds in accordance with that appropriation and the established level of city services.^{1 2}

II. Delegation of Authority

The City Manager is designated as the City's purchasing officer³, responsible for developing and implementing administrative regulations aligned with this policy's purpose. The City Manager may delegate their authority at their sole discretion.

III. Award of Contract

The purchasing officer has the authority to issue purchase orders and award contracts for goods or services in accordance with Table 1. City Council approval is necessary for: (1) all contracts that do not conform to the City's standard form of agreement, and (2) public projects over \$250,000.

IV. Signing Authority

The purchasing officer's signing authority adjusts each July 1 based on the annual change in the Construction Cost Index (CCI), as reported by Engineering News Record (ENR⁴), during the twelve-month period prior to the previous December. The Fiscal Year 2024 (FY24) base year signing authority and CCI is \$92,000 and 15525.00, respectively, with the next update for FY26 effective July 1, 2025. Adjustments round up to the next increment of \$1,000 and, if the CCI experiences a negative change in any year, the signing authority valuations will remain unchanged. Finance will issue a memo each June to document the purchasing officer's revised signing authority for the upcoming fiscal year. The purchasing officer is authorized to execute multi-year agreements, provided the contract does not exceed five full fiscal years and terminates on or before June 30th in the final year of the contract.

V. Standard Form Agreements

The purchasing officer may only execute standard form agreements approved by City Council unless City Council authorizes an exception to the standard form agreement in advance, except that the purchasing officer may modify the standard form agreements' insurance requirements after considering recommendations of the City's insurance provider upon consideration of the risks associated with the goods procured or services rendered. The City Manager may revise the standard form agreement from time to time as deemed necessary or useful by the City Manager, with the concurrence of the City Attorney.

¹ San Bruno Municipal Code (SBMC) [Section 2.12.060.i](#)

² SBMC [Section 2.44.010](#)

³ SBMC [Section 2.44.020](#)

⁴ https://www.enr.com/economics/historical_indices/SanFrancisco

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VI. Exceptions

The following are exempt from award of contract, signing authority, and standard form agreement requirements:

1. Cooperative purchasing agreements⁵, Emergency procedures purchases⁶, and Sole/single source purchases⁷, in accordance with San Bruno Municipal Code Chapter 2.44.
2. Utility bill payments, payments to other governmental agencies, personnel and benefit expenditures (e.g., medical premiums, retirement payments, workers' compensation insurance premiums, staff backfill, etc.), routine non-service-related purchases such as furniture, fixtures, equipment, and vehicles where only a purchase order is required.

⁵ SBMC [Section 2.44.110](#)

⁶ SBMC [Section 2.44.120.a](#)

⁷ SBMC [Section 2.44.120.b](#)

VII. Table 1: Award Authority and Bid Requirements Summary

Category	Standard Form Agreement	Amount	Bid requirement	Approving Authority
Budgeted and pass-through expenditures	Unmodified ⁸	\$30,000 or less	Informal Bid	Chief Financial Officer
		\$30,001 to \$100,000	Informal Bid	City Manager
		\$100,001 to budgeted authority or pass-through reimbursement agreement	RFP/RFQ	
	Modified	\$100,000 or less	Informal Bid	City Council
		Greater than \$100,000	RFP/RFQ	
Public Projects ^{9 10}	Unmodified	\$200,000 or less	Informal Bid	City Manager
		\$200,001 to \$250,000	Formal Bid	
	N/A	Greater than \$250,000	Formal Bid	City Council

VIII. Policy Adoption

History

Action	Date	Notes
Policy adoption by Resolution	February 13, 2024	Resolution No. 2024-__

⁸ City Manager may modify the “amount” and “approving authority” administratively at their discretion.

⁹ SBMC [Section 2.44.070](#)

¹⁰ Public Project limits for informal bids are set by Public Contract Code (PCC) Section 22000, et seq. under the California Uniform Public Construction Cost Accounting Act (UPCCAA)