



Administrative Report

N.1., File # 24-1548

Meeting Date: 10/1/2024

To: MAYOR AND CITY COUNCIL
From: ANDREW WINJE, PUBLIC WORKS DIRECTOR

TITLE

DISCUSSION AND POSSIBLE ACTION TO UPDATE THE REDONDO BEACH MUNICIPAL CODE TO REFLECT RECENT CHARTER AMENDMENTS REGARDING THE PROCUREMENT OF PUBLIC WORKS PROJECTS

INTRODUCE BY TITLE ONLY ORDINANCE NO. 3279-24, AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING TITLE 2, CHAPTER 6.1 OF THE REDONDO BEACH MUNICIPAL CODE, TO UPDATE THE PROVISIONS PERTAINING TO BID REQUIREMENTS AND PROCEDURES, IN ACCORDANCE WITH MEASURE CA1 AND ARTICLE XIX OF THE CITY OF REDONDO BEACH CHARTER FOR INTRODUCTION AND FIRST READING

EXECUTIVE SUMMARY

On March 7, 2023, Redondo Beach voters approved Measure CA1, which amended the Redondo Beach Charter Article XIX Sections 19 (Public Works, contracts), 19.1 (Competitive bidding, when not required), 19.7 (Contracts, progress payments), and 19.9 (Municipal purchases). In order to align the Redondo Beach Municipal Code (RBMC) with the approved Charter changes, an ordinance has been prepared for consideration by the City Council. The proposed Ordinance, if approved, would modify RBMC Title 2, Chapter 6.1 to include the revised Public Works bidding threshold resulting from passage of Measure CA1; incorporate enhanced language to better define maintenance and repair projects; codify available procurement methods for maintenance and repair projects; and, add provisions for design-build projects. In total, the proposed Ordinance updates sections §2-6.1.01 to §2-6.1.11 of the RBMC and is written to ensure all subsections within the Chapter align with the City Charter modifications ratified by the voters.

Staff is recommending the City Council approve the Ordinance in order to codify the Charter amendments. If approved, the second reading would occur on October 15, 2024 with the Ordinance taking effect on November 15, 2024. The proposed amendments will allow the City to complete capital projects more quickly and efficiently while also maintaining competitive pricing.

BACKGROUND

The City Council created the Charter Review Advisory Committee in 2022 to recommend charter amendments for City Council review and voter consideration as part of the March 2023 election. The Charter Review Advisory Committee provided their recommendations to the City Council and following Council deliberation Measure CA1 was added to the March 7, 2023 general municipal

election. Measure CA1 was ultimately ratified by the voters and now requires that the RBMC be updated to codify amendments to Sections 19 and 19.1 of the City Charter.

Charter Section 19 was amended to increase the bid limitations with respect to Public Works Projects. Prior to the passage of Measure CA1, public works projects required formal bidding for amounts exceeding \$50,000, informal bidding for projects between \$15,000 and \$50,000, and permitted projects under \$15,000 to be completed by City employees through force account, negotiated contract, or purchase order.

Measure CA1 modified the threshold for formal bidding to projects over \$200,000, revised the range for informal bidding to between \$60,000 and \$200,000, and allows projects less than \$60,000 to be performed by City employees through force account, negotiated contract, or purchase order. The new thresholds are more in line with present-day economic conditions and the thresholds set by the California Uniform Construction Cost Accounting Commission. In addition, Measure CA1 amended City Charter Section 19.1 to allow maintenance and repair projects to be defined by ordinance or resolution of the City Council, rather than the Charter itself.

These Charter amendments require the RBMC be modified to remove conflicting information and to add changes adopted in the measure. Staff also recommends, as provided by the Charter, adding language to clarify definitions, recognize the use of certain procurement mechanisms, and codify a basic structure for design-build procedures. A description of the recommended changes to the RBMC are listed below:

§ 2-6.1.01 Enhances the described purpose of the Chapter to meet the amendments to the City Charter and add clarifying definitions to many of the terms used in the Chapter, including definitions of “maintenance” and “repair” projects as defined in the Charter for different treatment than capital improvement projects. It also introduces a definition for an “electronic procurement system,” to which staff recommends the City migrate its procurement process for suitable solicitations.

§ 2-6.1.02 Substitutes revised limits for formal and informal bidding and smaller projects as amended in Measure CA1, repeats the conditions under which these limitations may be changed, and affirms the use of an electronic procurement system.

§2-6.1.03 Describes revised procedures for the solicitation, award and execution of informally bid projects. Notable changes include deletion of the requirement to advertise in a public newspaper and authorization of the City Manager to execute contracts falling below the threshold for formally bid projects, in accordance with other recent Charter changes regarding contract execution authority.

§2-6.1.04 Includes no substantive changes, but provides minor wording changes to the options available when all informal bids are rejected, to maintain consistency throughout the Ordinance.

§2-6.1.05 Includes no substantive changes, but provides minor wording changes to the design approval language for informally bid projects, to maintain consistency throughout the Ordinance.

§2-6.1.06 Revises the procedural requirements for the City Engineer to maintain a contractors list to recognize the advantages of available databases and the use of an electronic procurement system.

§2-6.1.07 Describes revised procedures for the solicitation, award, and execution of formally bid projects. Notable changes include recognition of the use of an electronic procurement system, and how bids are opened and shared publicly.

§2-6.1.08 Includes no substantive changes, but provides minor wording changes to the discussion of options when all formal bids are rejected, to maintain consistency throughout the Ordinance.

§2-6.1.09 Removes discussion of procedures for tie bids and presents procedures and mechanisms by which maintenance and repair projects may be solicited and let. These include use of City force account, purchase order, job order contracting, competitive bids, cooperative purchasing agreements, and “piggybacking” based on competitive pricing obtained by outside agencies. This section also provides authority to the City Manager to execute contracts up to the limits established for informally bid projects, and requires higher value contracts be approved by the City Council and executed by the Mayor.

§2-6.1.10 Modifies the discussion of payment and performance bonds to go beyond formally bid projects, and authorizes the City Manager to require bonds on smaller value projects.

§2-6.1.11 Provides procedural direction for design-build contracts including the requirement for Council approval of requests for proposals, solicitation advertising requirements for such requests for proposals, and affirmation of the use of a pre-qualification system conforming to state law for design-build entities.

Staff believes the proposed Ordinance will effectively streamline procurement for public works projects, including maintenance and repair projects, without compromising the principals espoused in the doctrines of public project solicitation and contracting. Additionally, opportunities for new procurement mechanisms, adaptive technologies for solicitation and transparency, and project delivery methodologies are introduced, recognized, and affirmed for use. Furthermore, ambiguous definitions are now addressed, with the descriptions and procedural steps for authorization clearly set out to ensure consistency and appropriate oversight. As such, it is recommended the City Council approve the proposed Ordinance and direct staff to prepare it for second reading at a subsequent Council meeting.

COORDINATION

Staff coordinated this report with the Financial Services Department, the City Clerk’s Office, City Treasurer’s Office, City Manager’s Office, and the City Attorney’s Office. The City Attorney’s Office approved the Ordinance as to form.

FISCAL IMPACT

There is no direct fiscal impact associated with this item. The proposed Ordinance will help expedite and make more efficient the delivery of City maintenance, repair, and capital improvement projects.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Ord - No. 3279-24 Amending Title 2, Chapter 6.1 Of The Redondo Beach Municipal Code, to Update the Provisions Pertaining to Bid Requirements And Procedures, In Accordance With Measure CA1 And Article XIX of the Charter of the City Of Redondo Beach
- Redondo Beach Municipal Code - Title 2, Chapter 6.1 (Redlined)
- Reso - No. CC-2211-105 Ordering the Submission of Measures CA1 and CA2 Amending the Charter to the Qualified Electors for the March 7, 2023 Election, November 15, 2022
- Reso - No. CC-2303-033 Declaring the Result of the March 7, 2023 General Municipal Election, March 21, 2023
- Letter - Submission of Approved Charter Amendments from the March 7, 2023 General Municipal Election, April 4, 2023