

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

WHEREAS, Measure CA1 was duly approved by the voters of the City of Redondo Beach ("City") on March 7, 2023, amending Article XIX, Sections 19, 19.1, 19.7, and 19.9 of the City of Redondo Beach Charter ("City Charter"); and

WHEREAS, prior to the passage of Measure CA1, public works projects required formal bidding for amounts exceeding fifty thousand dollars (\$50,000), informal bidding for projects between fifteen thousand dollars (\$15,000) and fifty thousand dollars (\$50,000), and permitted projects under fifteen thousand dollars (\$15,000) to be completed by City employees through force account, negotiated contract, or purchase order; and

WHEREAS, Measure CA1 increased the threshold for formal bidding from fifty thousand dollars (\$50,000) to two hundred thousand dollars (\$200,000), and requires that public works contracts exceeding two hundred thousand dollars (\$200,000) be awarded to the lowest responsible bidder, after notice by publication in the official newspaper at least ten (10) days prior to the bid opening and through the submission of sealed bids or proposals, or to the best value design-build entity through request for proposals; and

WHEREAS, Measure CA1 revised the threshold for informal bidding, allowing public works projects with an estimated value between sixty thousand dollars (\$60,000) and two hundred thousand dollars (\$200,000) to be let to contract through informal bidding procedures; and

WHEREAS, Measure CA1 permits public works projects with an estimated value of sixty thousand dollars (\$60,000) or less to be performed by City employees through force account, negotiated contract, or purchase order, thereby streamlining smaller projects and reducing administrative costs; and

WHEREAS, the City desires to define "maintenance" or "repair" projects and distinguish them from public works projects, specifying that such projects are exempt from the same bid thresholds as public works projects; and

WHEREAS, the City wishes to include provisions for design-build projects to streamline public works contracting, reduce costs, and increase efficiency; and

WHEREAS, Measure CA1 grants the City Council authority, by a four-fifths (4/5ths) vote, to amend the bidding thresholds by no more than twenty-five percent (25%) and no amendment occurs less than every five (5) years from the previous amendment, thereby providing flexibility to adapt to economic conditions and project costs; and

WHEREAS, the City desires to amend Title 2, Chapter 6.1 of the Redondo Beach Municipal Code to be in accordance with Measure CA1 and ensure compliance with the provisions of the City Charter.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. Title 2, Chapter 6.1 of the Redondo Beach Municipal Code is hereby amended and restated in its entirety to read as follows:

Chapter 6.1 PUBLIC WORKS BID REQUIREMENTS

- § 2-6.1.01 Purpose and definitions.
- § 2-6.1.02 Bid limitations.
- § 2-6.1.03 Informal bidding.
- § 2-6.1.04 Rejection of informal bids.
- § 2-6.1.05 Approval of plan or design for informally bid projects.
- § 2-6.1.06 Maintenance of contractors' lists.
- § 2-6.1.07 Formal bidding.
- § 2-6.1.08 Rejection of formal bids or no bids.
- § 2-6.1.09 Maintenance or repair projects.
- § 2-6.1.10 Performance bonds.
- § 2-6.1.11 Design build projects.

§ 2-6.1.01 Purpose and definitions.

This chapter is enacted for the purpose of implementing public works projects as provided in Section 19, Article XIX, of the City Charter and ensuring compliance with the bid thresholds and procedures outlined therein. This chapter aims to regulate the bidding process, including informal and formal bidding, for the construction, reconstruction, erection, alteration, renovation, improvement, demolition, maintenance or repair work involving any facility owned, leased, or operated by the City.

- (a) **Public Works Project:** The terms "public works project" and "public project" are interchangeable and shall mean projects involving construction, reconstruction, erection, alteration, renovation, improvement, demolition, or repair work involving any facility owned, leased, or operated by the City.
- (b) **Facility:** The term "facility" means any plant, building, structure, real property, street, or highway owned, leased, or operated by the City.
- (c) **Publicly Available:** The term "publicly available" means available upon request by a member of the public or by prompt posting to the City website.
- (d) **Purchasing Agent:** For the purposes of this chapter, the term "Purchasing Agent" shall mean either the City Engineer or the Public Works Director. An authorized designee may act as the Purchasing Agent, provided that such designation is made in writing by the Public Works Director and is subsequently approved in writing by the City Manager.

- (e) **Force Account:** "Force account" shall refer to the dollar value of labor, materials, and equipment calculated at the rate the City charges itself, as opposed to the value determined by prevailing wage rates. The calculation of labor costs shall be based upon the actual cost incurred by the City for such labor.
- (f) **Lowest Responsible Bidder:** The "lowest responsible bidder", as used in this chapter, shall mean the lowest responsible bidder who submits a responsive bid. When determining whether a bidder is responsible, the awarding agent may consider such factors as the bidder's ability, capacity, and skill to perform the contract, whether the bidder can perform the contract on time, the bidder's character, integrity, reputation, judgment, experience, efficiency, financial capability, whether the bidder has been barred from government contracts for prior misconduct, whether the bidder has the equipment and skills needed to perform the work, or has a subcontractor who does, and other similar factors.
- (g) **Most Responsive Bidder:** The "most responsive bidder", as used in this chapter, shall mean the quote provider who best responds to the City's specific requirements of price, quality, service, fitness, or capacity. Price shall not be the sole determining factor; additional considerations shall be considered, including, but not limited to, the quote provider's ability to fulfill the contract, the availability of necessary parts or services, prior experience, source continuity of specific materials, and any other factors pertinent to the City's needs for the acquisition of supplies, equipment, and services.
- (h) **Maintenance:** For the purposes of this chapter, certain public projects are considered to be maintenance projects. Maintenance projects are defined as activities necessary for the preservation, upkeep, or continued operation of City facilities and infrastructure. Maintenance work shall include, but is not limited to:
1. Routine, recurring, and usual work for the preservation or protection of any publicly owned or publicly operated facility for its intended purposes.
 2. Painting, recoating, and resurfacing of an existing facility.
 3. Replacement of existing building systems including, but not limited to, architectural finishes, structural systems, mechanical systems, plumbing systems, electrical systems, weatherproofing, glazing to prevent loss of use. Replacement, for purposes of this chapter, includes in-kind replacement and modernization of these systems in response to advances in technology and materials that benefit the City, or due to the inability to perform strictly in-kind replacement.
 4. Resurfacing of streets and highways at less than one inch.
 5. Landscape maintenance, including mowing, watering, trimming, pruning, planting, replacement of plants, and servicing of irrigation and sprinkler systems.
 6. Work performed to keep, operate, and maintain publicly owned water, power, waste collection, or stormwater systems.
 7. Projects listed in the Capital Improvement Program identified and designated by the City Council as maintenance projects.
 8. Projects declared by the City Council by resolution to be a maintenance project.
- (i) **Repair:** For the purposes of this chapter, certain public projects are considered to be repair projects. Repair projects are defined as activities required to restore City facilities or infrastructure to their original, intended condition after damage, wear, or other degradation. Repair work shall include, but is not limited to:

1. Projects required to restore to intended use any component of the City's infrastructure that is rendered unsafe, unusable, or unserviceable, or in danger of becoming the same, due to failure of equipment, materials, or workmanship resulting from unforeseen events such as traffic collisions, fire, flood, extreme tides, significant weather, earthquake, acts of war or civil unrest, vandalism or other criminal activity, product failure, or similar unexpected circumstances.
 2. Projects required to restore to intended use any component of the City's infrastructure that is rendered unsafe, unusable, or unserviceable, or in danger of becoming the same, due to deferral of maintenance activities.
 3. Projects listed in the Capital Improvement Program identified and designated by the City Council as repair projects.
 4. Projects declared by the City Council by resolution to be a repair project.
- (j) **Electronic Procurement System:** The term "electronic procurement system" shall mean the City's online platform used for the procurement processes, including but not limited to, the issuance of solicitations, receipts of bids, proposals, and quotes.
- (k) **Consistency with the Charter:** Pursuant to Sections 19 and 19.1(a), Article XIX, of the City Charter, "maintenance" and "repair" projects shall be exempt from the bid limitations set forth in Section 2-6.1.02 and shall instead be governed by the provisions of Section 2-6.1.09. The provisions and definitions of "maintenance" and "repair" in this chapter are intended to be consistent with the City Charter. In the event of any inconsistency, the provisions of the Charter shall prevail, and this chapter shall be interpreted and applied accordingly.

§ 2-6.1.02 Bid limitations.

For public projects not considered to be maintenance or repair projects, the following bid limitations shall be in effect:

- (a) Public projects of Sixty Thousand (\$60,000) Dollars or less may be performed by City employees by force account, by negotiated contract, or by purchase order.
- (b) Public projects over Sixty Thousand (\$60,000) Dollars to Two-hundred Thousand (\$200,000) Dollars may be let to contract by informal bidding procedures pursuant to Section 2-6.1.03.
- (c) Public projects over Two-hundred Thousand (\$200,000) Dollars shall be let to contract by formal bidding procedures pursuant to Section 2-6.1.07 and the City's Charter.
- (d) Nothing in this chapter shall prohibit the City's use of an electronic procurement system to implement the requirements contained herein. Requirements for written notices, solicitation, advertisement and publishing of results may be satisfied by use of electronic means, including email distribution and posting on the City's website in lieu of hard copy written notification.
- (e) The bid limitations set forth in this section may be amended by the City Council with a four-fifths (4/5ths) vote, by no more than twenty-five percent (25%), provided that no amendment occurs less than every five (5) years from the previous amendment, in accordance with the provisions of the City Charter.

§ 2-6.1.03 Informal bidding.

Public projects eligible for informal bidding procedures may be awarded by the City Manager as follows:

- (a) **Notices Inviting Informal Bids:** The Purchasing Agent shall distribute a notice inviting informal bids to contractors licensed and experienced for the type of work to be performed. The Purchasing Agent may solicit bids from contractors not registered in the City's electronic procurement system. Additional contractors or construction trade journals may be noticed at the discretion of the Purchasing Agent. The notice inviting informal bids shall describe the project in general terms and how to obtain more detailed information about the project and state the time and place for the submission of bids. Distribution of notices shall be completed not less than ten (10) calendar days before the bids are due to be opened.
- (b) **Bid Form and Opening Procedure:** Bids shall be submitted as directed in the notice inviting informal bids and kept sealed until the time identified in the notice for bid opening. Bids shall be made publicly available upon opening.
- (c) **Bid Award:** The award of bids shall be made to the lowest responsible bidder.
- (d) **Contract Authorization:** The City Manager is hereby authorized to execute the construction contract without City Council approval provided that: (1) the bid amount does not exceed the maximum threshold specified in Section 2-6.1.02(b), and (2) the contractor has posted and the City has accepted the required bonds and insurance. In the event that all responsive bids received from responsible bidders are in excess of the informal bid limit, the City Council may, by adoption of a resolution by 4/5ths vote, award the contract at ten percent or less above the informal bid limit, to the lowest responsible bidder if it determines that the initial cost estimate was reasonable.
- (e) **Public Availability of Awards:** All awards made under this informal bidding procedure shall be made publicly available.

§ 2-6.1.04 Rejection of informal bids or no bids.

The City reserves the right to reject any and all informal bids. If, after the first invitation for informal bids, all bids are rejected, the City Manager shall have the option, after reevaluating the project cost estimates, to do one of the following:

- (a) Abandon the project;
- (b) Resolicit for bids in the manner described in this chapter;
- (c) Declare that the project can be performed more economically by City employees, and the City may then have the project constructed by force account; or
- (d) If no bids are received, the project may be performed by City employees by force account, negotiated contract, or by purchase order.

§ 2-6.1.05 Approval of plan or design for informally bid projects.

The City Engineer shall have discretionary authority to approve the plans, specifications, or design for the construction of, or improvement to, any property for which bids for such construction or improvement have been let under the informal bidding procedures set forth in Section 2-6.1.03. Approval of the plans and specifications shall be provided prior to project award.

§ 2-6.1.06 Maintenance of contractors' lists.

- (a) **Registration for Formal Bidding:** The City Engineer shall send an annual written notice to all construction trade journals designated by the CUCCAC, inviting all licensed contractors to register their firms in the City's electronic procurement system as defined in this chapter. Contractors shall complete the registration process in the electronic procurement system in order to receive notifications of bid opportunities. . To complete registration, contractors must submit the information as described in the registration instructions, which shall include, but not be limited to contractor's business name, addresses, contact information, the type or category of work the contractor is licensed to perform, and the contractor's valid license number(s). A contractor will be added to the system upon completion of the registration process.
- (b) **Exemption for Informal Bidding:** The requirements set forth in this section shall not apply to informal bidding procedures under Section 2-6.1.03. For informal bidding, the Purchasing Agent retains the discretion to solicit bids from contractors without requiring prior registration in the electronic procurement system.

§ 2-6.1.07 Formal bidding.

Public projects, not otherwise exempt from competitive bidding, and exceeding the limit for informal bidding shall be let to the best value-design build entity responding to a request for proposals as described in 2-6.1.11 or per the formal bidding procedures described in this section.

- (a) **Authorization to Call for Bids:** The City Council shall approve all plans, specifications, and working details for all public projects subject to formal bidding procedures described in this section.
- (b) **Notices Inviting Bids:** Upon authorization by the City Council, the Purchasing Agent shall solicit bids by publishing a notice inviting bids to prospective contractors. The notice inviting formal bids shall state the time and manner for receiving and opening sealed bids and distinctly describe the project. Pursuant to Section 19.1(a) of Article XIX of the City Charter, the notice inviting bids shall be published at least ten (10) calendar days before the date of opening in the official newspaper of the City. The notice inviting bids shall also be provided to the construction trade journals specified by Public Contract Code Section 22036 at least fifteen (15) calendar days before the bid opening date.
- (c) **Bidder Security:** All bids shall be accompanied by a bid security prior to the bid due date. The bid security must be a bidder's bond executed by a corporate surety authorized to engage in such business in the State, with the City designated as the obligee/beneficiary, and enforceable in favor of the City upon bidder's default. The bid security shall be

submitted along with the bid and other required documents as described in the notice inviting bids or the specifications. Such security shall be in an amount not less than that specified in the notice inviting bids or in the specifications referred to therein, or, if no amount is so specified, then in an amount not less than ten (10%) percent of the aggregate amount of the bid.

If the successful bidder neglects or refuses to enter into the contract within the time specified in the notice inviting bids or specifications referred to therein, the amount of the bidder's security may be declared forfeited to the City and may be collected and paid into its General Fund, and all bonds so forfeited shall be prosecuted, and the amount thereof collected and paid into such fund. The bid shall also be accompanied by a certificate of insurance, together with any and all bonds required by resolution of the City Council. Bidders deemed to have not tendered the lowest responsible bid shall be entitled to the return of their bid security.

- (d) **Bid Opening Procedure:** Bids shall be submitted through the City's electronic procurement system unless the Purchasing Agent determines otherwise. All bids shall be made public in the manner fixed in the notice inviting bids. Bids shall be made publicly available upon opening.
- (e) **Award of Bids:** All bids shall be sealed and filed with the City in the manner specified in the notice inviting bids, whether through the electronic procurement system or by other methods expressly permitted therein. Bids shall remain confidential and shall not be opened until the time and place designated for public opening as specified in the notice inviting bids. The City Clerk or designee shall publicly open and declare the bids at the time and at the place fixed in the notice inviting bids. The bids shall be tabulated and analyzed by the Purchasing Agent, who shall submit a summary of bids received, together with recommendations thereon, to the City Manager. The City Manager shall review the bid summary and submit them to the City Council with appropriate recommendations promptly at a subsequent City Council meeting. The City Council shall have the right to waive any informality or minor irregularity in a bid. If awarded, the City Council shall award the contract to the lowest responsible bidder.

§ 2-6.1.08 Rejection of formal bids or no bids.

In its discretion, the City Council may reject any and all bids or proposals presented and readvertise the project. The City Council, after rejecting bids or proposals, or if no bids or proposals are received, may declare and determine that the work may be performed better or more economically by City employees by force account, by negotiated contract, or by purchase order, and the work may be performed in the manner so determined without further observance of formal bid or proposal procedures.

§ 2-6.1.09 Maintenance or repair projects.

Public projects determined to constitute maintenance or repair, as defined in this chapter, may be performed by City employees, by purchase order, by negotiated contract, by job order contract, by competitive bidding, by cooperative purchasing agreement, or by utilizing existing agency contract pricing ("piggybacking"), subject to the following:

- (a) **Purchase Order and Negotiated Contracts:** For projects let by purchase order or by negotiated contract and exceeding the bid limitation established in Section 2-6.1.02 (a), the Purchasing Agent shall request written quotes from at least three contractors who are duly licensed and experienced for the type of work to be performed. The request shall describe

the project in specific terms, as known at the time of the request, and shall include any requirements for bonds and insurance. Quotes shall be evaluated for responsiveness to the request, and the recommendation, if any, shall be made in favor of the most responsive bidder. Nothing herein shall preclude the Purchasing Agent from engaging in negotiations with multiple quote providers to determine the most responsive bidder.

- (b) **Job Order Contracts:** Job Order Contracts shall be let to the most responsive bidder responding to a request for proposals issued by the City or another agency. Such contracts shall be limited to a term not exceeding twenty four (24) months, with the option to extend or renew the contract for up to two (2) additional twenty four-month periods. All Work Orders issued under a Job Order Contract shall be subject to the approval of the Purchasing Agent.
- (c) **Competitive Bids:** Projects may be awarded and contracts let by in accordance with the informal and formal bidding procedures set forth in this chapter, subject to the limits and conditions prescribed therein.
- (d) **Cooperative Purchasing Agreements and Use of Agency Contract Pricing:** Projects may be let by contract based on pricing established through cooperative purchasing agreements or successful competitive bidding conducted by another agency for equivalent services.
- (e) **Contract Authorization:** The City Manager is hereby authorized to execute maintenance or repair contracts without obtaining City Council approval, provided that the contract amount does not exceed the formal bid threshold specified in Section 2-6.1.02(c), and that the contractor has posted, and the City has duly accepted any required bonds and insurance. Maintenance or repair contracts that exceed the threshold specified in Section 2-6.1.02(c) shall be executed by the Mayor, only following approval by the City Council.

§ 2-6.1.10 Performance bonds.

For projects bid under formal bidding procedures, the City Council shall have the authority to require a performance bond or labor and material bond in such amount as the City Council shall deem necessary to protect the best interests of the City before entering into a contract. If the City Council requires a performance bond, the form and amount of the bond shall be described in the notice inviting bids.

For all other projects, the Purchasing Agent shall have the authority to require a performance bond or labor and material bond in such amount as the City Manager shall deem necessary to protect the best interests of the City before entering into a contract. If a performance bond is required, the form and amount of the bond shall be described in the solicitation.

§ 2-6.1.11 Design build projects.

Public works projects, not otherwise exempt from competitive bidding, may be let to the best value design build entity, including progressive design build entities, responding to a request for proposals as described in this section.

- (a) **Authorization to Call for Proposals:** The City Council shall approve requests for proposals for all public projects subject to design-build procedures as described in this section when the anticipated expenditure exceeds the threshold established for formally bid projects under Section 2-6.1.02(c). The City reserves the right to reject all proposals for any reason.

- (b) **Requests for Proposals:** The Purchasing Agent shall solicit proposals from prospective design-build entities in writing or by electronic transmission. The requests for proposals shall state the time and manner for receiving the proposals, the project scope and objectives, and the requirements on which the proposals shall be evaluated to determine the best value proposal. The design-build request for proposals shall be published on the City's website at least ten (10) calendar days before the date on which proposals are due. Nothing in this section shall prevent the Purchasing Agent from pre-qualifying design-build contractors using a pre-qualification system in accordance with California Public Contract Code Section 20101.
- (c) **Award of Design Build Contract:** All proposals shall be submitted to the Purchasing Agent in the manner described and no later than the submittal deadline specified in the request for proposals. The Purchasing Agent shall receive and be the custodian of such proposals and keep the proposals confidential until they are opened for evaluation at a time after the submittal deadline. The Purchasing Agent shall propose, and the City Manager or authorized designee shall approve, the evaluation team and process prior to proposals being opened. Once proposals are evaluated and the best value design-build entity is determined, the Purchasing Agent shall submit a recommendation for contract award with the best value design-build entity to the City Manager. The City Manager or authorized designee shall review the recommendation and contract terms and then may submit the recommendation of contract award to the City Council or may recommend to the City Council that all proposals be rejected. If a contract is awarded, it shall be to the best value design-build entity. All proposals shall continue to be considered confidential until a contract for the project is awarded, after which they shall be made publicly available.

SECTION 2. INCONSISTENT PROVISIONS. Any provisions of the Redondo Beach Municipal Code, or appendices thereto, or any other ordinances of the City inconsistent herewith, to the extent of such inconsistencies and no further, are hereby repealed.

SECTION 3. SEVERANCE. If any section, subsection, sentence, clause, or phrase 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 the ordinance. The City Council hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid or unconstitutional.

SECTION 4. PUBLICATION AND EFFECTIVE DATE. This ordinance shall be published by one insertion in the official newspaper of said city, and same shall go into effect and be in full force and operation from and after thirty (30) days after its final passage and adoption.

PASSED, APPROVED AND ADOPTED this 15th day of October, 2024.

James A. Light

APPROVED AS TO FORM:

ATTEST:

Michael W. Webb, City Attorney

Eleanor Manzano, CMC, City Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF REDONDO BEACH)

I, Eleanor Manzano, City Clerk of the City of Redondo Beach, California, do hereby certify that Ordinance No. 3279-24 was introduced at a regular meeting of the City Council held on the 1st day of October, 2024, and approved and adopted by the City Council of the City of Redondo Beach, California, at a regular meeting of said City Council held on the 15th day of October, 2024, and thereafter signed and approved by the Mayor and attested by the City Clerk, and that said Ordinance was adopted by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Eleanor Manzano, CMC
City Clerk