

BLUE FOLDER ITEM

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CHARTER REVIEW ADVISORY COMMITTEE MEETING SEPTEMBER 22, 2022

I.1 DISCUSSION AND POSSIBLE ACTION REGARDING THE FOLLOWING ARTICLES RELATED TO CONTRACTS AND PURCHASES:

- 1. ARTICLE XX, SECTION 20.1, APPROVAL OF DEMANDS**
- 2. ARTICLE VIII, SECTION 8.3 (C), MAYOR, PRESIDING ON CONTRACT SIGNATURES**
- 3. ARTICLE XIX, GENERAL PROVISIONS, FOCUSING ON THE FOLLOWING SECTIONS:**
 - SECTION 19, PUBLIC WORKS, CONTRACTS ON BID LIMITS**
 - SECTION 19.1, COMPETITIVE BIDDING WHEN NOT REQUIRED ON MAINTENANCE-REPAIR AND MATERIALS UNDER \$5K**
 - SECTION 19.7, CONTRACTS, PROGRESS PAYMENTS ON RETENTION PERCENTAGE**
 - SECTION 19.9, MUNICIPAL PURCHASES**

- CRAC SUGGESTED AMENDMENTS TO SECTION 8.3**

Sec. 8.3. Mayor, presiding officer.

The Mayor ~~He~~ shall be the executive head of the City of Redondo Beach for the purposes hereinafter set forth:

(a) The Mayor ~~He~~ shall preside over the meetings of the City Council.

(b) The Mayor ~~He~~ shall be the representative of the City for all ceremonial purposes.

(c) The Mayor ~~He~~ shall sign, on behalf of the City, all contracts, ordinances, resolutions and warrants except when the City Council, by ordinance, has authorized the City Manager, or other officer or other employee to approve and sign a written contract on behalf of the City ~~for the acquisition of equipment, materials, supplies, labor, services or other items included within the budget approved by the City Council as hereinafter set forth.~~

(d) The Mayor ~~He~~ shall approve all bonds as to amounts.

(e) The Mayor ~~He~~ shall perform such other duties as may be prescribed by this Charter or as may be assigned ~~to him~~ by the City Council.

DRAFT
With further revisions suggested
by City Manager's office

Sec. 19. Public works, contracts.*

~~At a City Council meeting within eight (8) weeks of the swearing in following a regular municipal election, the minimum value of Every contracts~~ public works contract above or equal to a threshold value ~~involving an expenditure of more than fifty thousand dollars (\$50,000.00) for public works projects,~~ including the construction of improvements of public buildings, streets, drains, sewers, utilities, parks and playgrounds shall be ~~set by ordinance or resolution. Unless otherwise prescribed by ordinance or resolution~~ let to either: ~~to:~~ (1) the lowest responsible bidder, after notice by publication in the official newspaper by one or more insertions, the first of which shall be published at least ten (10) days before the time for opening bids; or (2) the best value design-builds entity or best value design-build-operate entity; or (3) the highest recommended entity resulting from an alternative procurement process prescribed by ordinance or resolution ~~responding to a request for proposals, shall be awarded.~~

At a City Council meeting within eight (8) weeks of the swearing in following a regular municipal election, the threshold value of the aforementioned public works contracts shall be set or affirmed by the City Council by ordinance or resolution.

Projects with a value not exceeding the threshold value ~~At that same meeting the minimum bidding threshold of Ppublic works projects of fifty thousand dollars (\$50,000.00) or less to may be completed by any of the above methods or by negotiated contract, or purchase order, or employees of the City using and those which may be may be let to contract by informal bid procedures as shall be set by the City Council by ordinance.~~

~~Public works projects of fifteen thousand dollars (\$15,000.00) or less may be performed by employees of the City by force account, by negotiated contract or by purchase order.~~ The Council may at any time amend the ~~these minimum value of contracts or this minimum bidding thresholds~~ value by a four-fifths (4/5) vote.

The Council may reject any and all bids received whenever in the opinion of the City Council:

Comment [AW1]: This phrase in this location could be interpreted that each project would need its own ordinance or resolution to award in a manner other than option 1 or 2. Instead consider deleting here and adding third option, as suggested herein.

Comment [AW2]: Modified to have a two-tier process, rather than three. Alternatively, the language could direct council to set a second threshold value for other methods, maintaining the three tiers. No matter the number of tiers we should maintain flexibility for council to authorize method(s) via ordinance and or resolution.

(a) The bid or bids do not strictly comply with the notice and specifications.

(b) The Council finds and determines that the proposed project or purchase should be abandoned.

(c) The Council finds and determines that the materials may be purchased more reasonably on the open market and the work done cheaper by day or City labor.

(d) The Council determines that the bids are higher than anticipated and a new call for bids would result in savings to the City.

(e) The Council determines that it would be in the best interest of the City to delay the work or purchase for an indefinite period of time.

(f) The best interests of the City would be served by a rejection of all bids.

(g) The proposal is not suitable for the project.

*19—as amended by election 4-11-67, 3-7-89 and 3-6-01.

DRAFT
With further revisions suggested
by City Manager's office

Sec. 19.1. Competitive bidding, when not required.*

It shall not be necessary for the City Council to publish notice calling for bids or to receive bids as required in Article XIX, Section 19, in the following cases:

- (a) Where the proposed work consists of maintenance or repair, *as defined by the City Council by ordinance or resolution.*
- (b) When the City Council, upon recommendation of the City Manager, finds and determines that the work may be done more reasonably either on a daily basis or by the use of City labor, and/or materials may be purchased as cheaply on the open market.
- (c) When the City Council by four-fifths (4/5) vote expressed in its official minutes finds and determines that an emergency exists and it is necessary to immediately contract for such work and/or materials in order to protect and preserve life or property.
- (d) When the proposed services are not competitive or are to be furnished by a public utility.
- (e) On all purchases of supplies or materials under *the value set at the same by the City Council meeting as part of the periodic review of City purchasing, contracting procedures and minimum bidding thresholds* ~~other minimum value of contracts and minimum bidding thresholds \$5,000.00~~, provided *ing* such purchases are approved by the City Manager.

*19.1—COMPETITIVE BIDDING, WHEN NOT REQUIRED—as amended by election 4-13-65.

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With further revisions suggested
by City Manager's office

Sec. 19.7. Contracts, progress payments.

All contracts entered into by or on behalf of the City of Redondo Beach may provide for percentage payments at various stages of the work contracted for provided, however, that at least ~~ten (10)~~ five (5) per cent of the total sums payable by the City of Redondo Beach under any public works construction contract shall be withheld until the work is approved by the department head and accepted as complete by the City ~~Council~~ Manager. The City Manager shall provide, ~~with regular meeting agenda~~ notification to the City Council of the acceptance of completion at the next available regularly scheduled City Council meeting. The City ~~Council~~ shall not accept complete performance under any contract until satisfactory evidence is furnished that all labor and material liens have been completely satisfied by the contractor.

Comment [AW3]: Need to research this. When a project's plans and specs are approved by City Council or its appointee, the City secures "immunity" against liabilities related to design deficiencies. We currently require City Council to approve the plans and specs for all project over our higher (\$50k) threshold. The project may need to also be accepted as complete by the Council to preserve that immunity.

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With further revisions suggested
by City Manager's office

Sec. 19.9. Municipal purchases.

The City Manager, or other appropriate City official or employee authorized by the City Manager ~~Council by ordinance, upon recommendation of the City Manager,~~ shall provide for the purchase of all equipment, materials, supplies, labor, services or other items ~~included within the budget approved~~ needed by the ~~Council~~ and budgeted for by the City, ~~through the City Manager or through some appropriate official, employee or department recommended by the City Manager him,~~ subject to other provisions of this Charter, and in accordance with such regulations as ~~may be deemed advisable by the City Manager and the City Council~~ prescribed by Ordinance by the City Council.

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With further revisions suggested
by City Manager's office

Sec. 20.1. Approval of demands.

All demands shall, prior to payment, be approved by the City Manager and the City Clerk. Prior to the approval of any demands by them, they shall satisfy themselves that the **amount is legally due** ~~supplies, materials, property or services for which payment is claimed, have been actually delivered or rendered~~, that the payment, authorized by law, is just and fair, and that appropriation for the same has been made. All payrolls shall be certified by the respective department heads and approved by the City Manager.

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