

CITY OF DANA POINT
AGENDA REPORT

Reviewed By:	
DH	X
CM	X
CA	X

DATE: APRIL 11, 2005

TO: CITY MANAGER/CITY COUNCIL

FROM: CITY ATTORNEY
BRAD FOWLER, DIRECTOR OF PUBLIC WORKS

SUBJECT: SECOND READING AND ADOPTION OF AN ORDINANCE
AMENDING SECTION 3.13 OF THE DANA POINT MUNICIPAL
CODE PERTAINING TO FORMAL AND INFORMAL BID
PROCEDURES FOR PUBLIC CONTRACTS

RECOMMENDED ACTION:

That the City Council adopt an Ordinance amending Section 3.13 of the Dana Point Municipal Code pertaining to formal and informal bid procedures for public contracts.

BACKGROUND:

The City Council, at its regular meeting of March 23, 2005, introduced the proposed ordinance for its first reading. Staff is bringing it back for adoption at this time.

NOTIFICATION/FOLLOW-UP:

None

FISCAL IMPACT:

The City will save staff time and expense towards purchasing efforts, including costs of advertising, bidding meetings, etc. for those purchases/contracts under \$100,000. Project awards may be made more quickly and to responsive and responsible contractors using these procedures.

ALTERNATIVE ACTIONS:

1. Other direction to staff as directed by City Council.

ACTION DOCUMENTS:

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SUPPORTING DOCUMENTS:

None

ORDINANCE NO. _____

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DANA POINT,
CALIFORNIA AMENDING THE
DANA POINT MUNICIPAL CODE, CHAPTER 3.13,
FOR THE PURPOSE OF ALLOWING THE CITY TO
FURTHER UTILIZE INFORMAL BIDDING PROCEDURES
AND CITY WORK FORCES PURSUANT TO THE
CALIFORNIA UNIFORM CONSTRUCTION COST
ACCOUNTING ACT**

WHEREAS, the City of Dana Point ("City") has adopted the bidding procedures provided by the California Uniform Construction Cost Accounting Act (the "Act") in Chapter 3.13 of the Dana Point Municipal Code; and

WHEREAS, the State Legislature raised the public project expense limits for the informal bidding procedures set forth in the Act; and

WHEREAS, the City's bidding procedures, as adopted in the Municipal Code, do not currently take full advantage of the informal bidding allowances permitted under the Act; and

WHEREAS, it is advantageous to both the City and the public to revise Chapter 3.13 in order to

- a) Articulate the distinction between "public projects" and "maintenance work" pursuant to the terms of the State Act;
- b) Expand informal bidding procedures to public projects costing up to \$100,000;
- c) Expressly permit City employees to perform public projects costing less than \$25,000, without performing any bid procedures; and
- d) Permit all maintenance work to be bid out by informal bidding.

NOW, THEREFORE, the City Council hereby ordains as follows:

SECTION 1: Section 3.13.010 of the Dana Point Municipal Code is hereby amended to read in its entirety as follows:

3.13.010 Construction on Public Projects. Pursuant to Section 22034 of the California Public Contract Code, when using the alternative procedures authorized in this Chapter 3.13:

- (a) *Definitions:* For purposes of this section, the terms "maintenance work" and "public projects" shall have the meanings provided those terms in Section 22002 of the California Public Contract Code.

(b) Public projects of Twenty-Five Thousand Dollars (\$25,000.00) or less may be performed by employees of the City by force account, by negotiated contract, or by purchase order.

(c) Public projects of One Hundred Thousand Dollars (\$100,000) or less may be let to contract by informal bidding procedures set forth in this Chapter.

(d) Maintenance work and other work which does not fall within the definition of "public projects," as defined in Section 22002 of the California Public Contracts Code, may be let to contract by informal bidding procedures set forth in this Chapter.

(e) As to public projects only, if all bids received are in excess of One Hundred Thousand Dollars (\$100,000.00), but less than One Hundred Ten Thousand Dollars (\$110,000.00), the City Council may, by passage of a resolution by four-fifths (4/5) vote, award the contract, to the lowest responsible bidder, if the City Council determines the estimate for the work was reasonable. If the City Council does not award the contract, the specifications must be reviewed and formal bids solicited.

SECTION 2: The Interim City Clerk of the City of Dana Point shall certify to the passage and adoption of this ordinance and shall cause the same to be posted and published in a manner required by law.

APPROVE, ADOPTED AND SIGNED this ____ day of _____, 2005.

ATTEST:

WAYNE RAYFIELD, MAYOR

SHARIE APODACA, INTERIM CITY CLERK

STATE OF CALIFORNIA)
 COUNTY OF ORANGE) ss
 CITY OF DANA POINT)

I, Sharie Apodaca, Interim City Clerk of the City of Dana Point, California, do hereby certify that the foregoing is a true and correct copy of Ordinance No. 0-_____ introduced at a regular meeting of the City Council held this _____ day of _____, 2005, and passed and adopted at a regular meeting held _____, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(SEAL)

 SHARIE APODACA, INTERIM CITY CLERK