

# *City of Brisbane*

## *Agenda Report*

TO: Mayor and City Council

FROM: Hal Toppel, City Attorney

SUBJECT: Amendment to Informal Bidding Ordinance

DATE: For Council Meeting on May 16, 2011

### **City Council Goals:**

To provide for effective and efficient delivery of City services. (1)

To develop management and fiscal systems to maximize effectiveness of city services and accountability to Brisbane taxpayers and citizens. (11)

### **Purpose:**

To update the City's existing informal bidding ordinance to conform with the increased limit for informal bids established by the State Controller.

### **Recommendation:**

Introduce Ordinance No. 561

### **Background and Discussion:**

Last October the City Council adopted Ordinance No. 546 to amend the City's informal bidding ordinance in response to various changes in state law, including the higher bid limits allowed by the Public Contract Code. The City has just received notification from the State Controller that the bid limit has again been increased from \$125,000 to \$175,000. This increase will become effective on July 1, 2011.

The proposed ordinance will amend Sections 15.22.040 and 15.22.060 of the Municipal Code to reflect the higher limit. Also, Paragraph C of Section 15.22.060, which allowed an award up to \$137,500 under certain circumstances, has been deleted since the general limit has now been increased above this amount.

**Fiscal Impact:**

The informal bidding procedures now allowed by state law should reduce the staff time required for the bidding and award of contracts for public projects that are within the higher monetary limits of the ordinance.

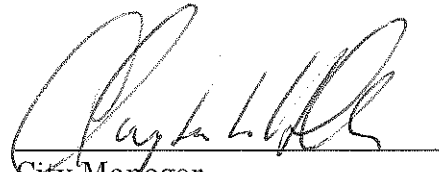
**Measure of Success:**

Success can be measured by the extent to which the informal bidding procedures in the proposed ordinance are actually used by City staff and found to be easier, less expensive and faster than formal public bidding.

**Attachments:**

Ordinance 561

  
\_\_\_\_\_  
City Attorney

  
\_\_\_\_\_  
City Manager

**ORDINANCE NO. 561**

**AN ORDINANCE OF THE CITY OF BRISBANE AMENDING  
SECTIONS 15.22.040 AND 15.22.060 OF THE MUNICIPAL CODE TO  
INCREASE THE LIMIT FOR INFORMAL BIDDING**

**The City Council of the City of Brisbane hereby ordains as follows:**

**SECTION 1:** The City Council hereby finds and determines as follows:

A. The City has adopted an informal bidding ordinance pursuant to Section 22034 of the California Public Contract Code and has elected to become subject to the uniform construction cost accounting procedures promulgated by the State Controller.

B. The City's informal bidding ordinance was amended by Ordinance 546 to establish an informal bid limit of \$125,000.00, being the limit then allowed by Section 22032 of the Public Contract Code.

C. Section 22020 of the Public Contract Code authorizes the California Uniform Construction Cost Accounting Commission ("the Commission") to make recommendations to the State Controller regarding adjustments in the monetary limits prescribed by Section 22032, which adjustments shall become effective beginning with the fiscal year commencing not less than 60 days following the Controller's notification to all public agencies of the adjustment.

D. The Commission has recommended to the Controller that the informal bidding limit be increased to \$175,000.00 and pursuant to Section 22020, notice of such increase has been given by the Controller to all public agencies, including the City, such increase to become effective for the fiscal year beginning July 1, 2011.

E. It is necessary to amend the City's informal bidding ordinance to reflect the higher bid limit which has been established by the Commission and the State Controller.

**SECTION 2:** Section 15.22.040 in Chapter 15.22 of the Municipal Code is amended to read as follows:

**§15.22.040 Size of project; method of bidding**

A. Public projects of thirty thousand dollars (\$30,000.00) or less may be performed by the employees of the City by force account, by negotiated contract, or by purchase order, or the Director may elect to follow the informal bidding procedure specified in Paragraph B of this Section.

B. Public projects of one hundred seventy-five thousand dollars (\$175,000.00) or less may be let to contract by informal bidding procedures set forth in this Chapter.

C. Public projects of more than one hundred seventy-five thousand dollars (\$175,000.00) shall, except as otherwise provided in this Chapter, be let to contract by formal bidding procedure.

**SECTION 3:** Section 15.22.060 in Chapter 15.22 of the Municipal Code is amended to read as follows:

**§ 15.22.060 Award of contracts**

A. Contracts for public projects of thirty thousand dollars (\$30,000.00) or less may be awarded by the Director.

B. Contracts for public projects in excess of thirty thousand dollars (\$30,000.00) and not exceeding one hundred seventy-five thousand dollars (\$175,000.00), which are bid pursuant to the informal bidding procedure established by this Chapter, may be awarded by majority vote of the City Council.

**SECTION 4:** If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held by a court of competent jurisdiction to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council of the City of Brisbane hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses or phrases may be held invalid or unconstitutional.

**SECTION 5:** This Ordinance shall be in full force and effect thirty days after its passage and adoption or on July 1, 2011, whichever is later.

\* \* \*

The above and foregoing Ordinance was regularly introduced and after the waiting time required by law, was thereafter passed and adopted at a regular meeting of the City Council of the City of Brisbane held on the \_\_\_\_\_ day of \_\_\_\_\_, 2011, by the following vote:

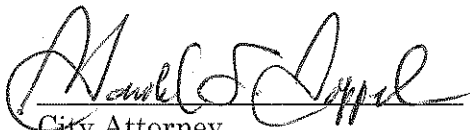
AYES:  
NOES:  
ABSENT:  
ABSTAIN:

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
City Attorney