

City of San Leandro

Meeting Date: March 18, 2013

Staff Report

File Number: 13-065 Agenda Section: CONSENT CALENDAR

Agenda Number: 8.D.

TO: City Council

FROM: Chris Zapata

City Manager

BY: Debbie Pollart

Acting Public Works Director

FINANCE REVIEW: David Baum

Finance Director

TITLE: Staff Report for an Ordinance Amending Title 1, Chapters 1-5 and 1-6 of the

San Leandro Municipal Code Relating to Contracts for Public Works Projects

and Contracts for Purchases

SUMMARY AND RECOMMENDATIONS

Staff recommends that the City Council adopt an ordinance amending Title 1, Chapters 1-5 and 1-6 of the San Leandro Municipal Code relating to contracts for public works projects and contracts for purchases.

BACKGROUND/DISCUSSION

Currently, contracts for public works projects under \$15,000 are awarded by the City Manager, and contracts for \$15,000 or more are awarded by the City Council. The proposed ordinance would change the limit to allow the City Manager to award contracts for public works projects up to \$50,000, and the City Council would award contracts of more than \$50,000. This change is intended to reserve the use of City Council time to addressing larger projects, and to allow the City Manager to handle more routine projects and purchases.

In addition, the threshold for competitive or informal bidding for purchases was established over ten years ago. The proposed ordinance would raise the threshold at which informal competitive bidding is required for the purchase of equipment, materials or supplies from \$3,000 to \$5,000.

Finally, the proposed ordinance would allow the requesting department to solicit the bids, following the Finance Department's Purchasing Policy, for the informal competitive process when purchasing equipment, material or supplies. Currently the Purchasing Agent is required to solicit the bids.

File Number: 13-065

PREPARED BY: Jennifer Auletta, Administrative Analyst, Public Works Department



City of San Leandro

Meeting Date: March 18, 2013

Ordinance

File Number: 13-066 Agenda Section: CONSENT CALENDAR

Agenda Number:

TO: City Council

FROM: Chris Zapata

City Manager

BY: Debbie Pollart

Acting Public Works Director

FINANCE REVIEW: David Baum

Finance Director

TITLE: PASS TO PRINT: An Ordinance Amending Title 1, Chapters 1-5 and 1-6 of

the San Leandro Municipal Code Relating to Contracts for Public Works Projects and Contracts for Purchases (enhances the City's ability to handle routine purchasing and public works projects in a timely and cost-effective

manner by increasing the threshold for bidding and purchases)

The City Council of the City of San Leandro does **ORDAIN** as follows:

SECTION 1. PURPOSE. The purpose of this ordinance is to enhance the City's ability to handle routine purchasing and public works projects in a timely and cost-effective manner. The threshold for public works projects requiring City Council approval was established over twenty years ago. The thresholds for competitive or informal bidding for purchases were established over ten years ago. This ordinance updates the thresholds and facilitates the efficient accomplishment of smaller projects while encouraging competition.

SECTION 2. Section 1-5-200 of the San Leandro Municipal Code is hereby amended as follows, with deletions in strikethrough and additions in underlined text:

1-5-200 COMPETITIVE BIDDING REQUIRED

Public Works projects, other than maintenance and repair, requiring an expenditure in excess of Five Thousand Dollars (\$5,000) shall be subject to competitive bidding. Projects requiring an expenditure in excess of Fifteen Fifty Thousand Dollars (\$15,000\$50,000) shall be awarded by the City Council. Projects requiring an expenditure of Fifteen Fifty Thousand Dollars (\$15,000\$50,000) or less shall be awarded by the City Manager or his designee. For purposes of this Chapter, the term "City" shall mean and include the City Council for projects in excess of Fifteen Fifty Thousand Dollars (\$15,000\$50,000) and shall mean and include the City Manager or his designee for projects of Fifteen Fifty Thousand Dollars (\$15,000\$50,000) or less.

SECTION 3. Section 1-6-215 of the San Leandro Municipal Code is hereby amended

File Number: 13-066

as follows, with deletions in strikethrough and additions in underlined text:

1-6-215 INFORMAL BIDDING

Purchase of equipment, materials or supplies requiring an expenditure in excess of Three Five Thousand Dollars (\$3,000.00\$5,000) but not in excess of Twenty-Five Thousand Dollars (\$25,000.00) shall be subject to informal competitive bidding. The Purchasing Agent or the requesting department shall solicit written or verbal bids from a reasonable number of suppliers.

SECTION 4. Section 1-6-300 of the San Leandro Municipal Code is hereby amended as follows, with deletions in strikethrough and additions in underlined text:

1-6-300 SMALL PURCHASES.

Purchases of equipment, materials or supplies requiring an expenditure of Three Five Thousand Dollars (\$3,000.00\\$5,000) or less may be made without competitive bidding. When, in the opinion of the Purchasing Agent, it is feasible to do so, the Purchasing Agent shall solicit such equipment, materials or supplies from suppliers whose principal place of business is located within the City of San Leandro.

SECTION 5. SEVERABILITY. If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance, or its application to any person or circumstance, is for any reason held to be invalid or unenforceable, such invalidity or unenforceability shall not affect the validity or enforceability of the remaining sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases of this Ordinance, or its application to any other person or circumstance. The City Council of the City of San Leandro hereby declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause or phrase hereof, irrespective of the fact that any one or more other sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases hereof is declared invalid or unenforceable.

SECTION 6. EFFECTIVE DATE AND PUBLICATION. This ordinance shall take effect thirty (30) days after adoption. The City Clerk is directed to publish the title once and post a complete copy thereof on the City Council Chamber bulletin board for five (5) days prior to adoption.

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