ORDINANCE NO. 15-0007

AN ORDINANCE OF THE CITY OF MANHATTAN BEACH AMENDING CHAPTER 2.36 (PURCHASING) OF TITLE 2 OF THE MANHATTAN BEACH MUNICIPAL CODE TO INCREASE THE INFORMAL AND FORMAL BID LIMITS AND MAKE OTHER MINOR CHANGES

THE CITY COUNCIL OF THE CITY OF MANHATTAN BEACH HEREBY ORDAINS AS FOLLOWS:

Section 1. Section 2.36.030 of Chapter 2.36 of Title 2 of the Manhattan Beach Municipal Code is hereby revised as follows:

2.36.030 - Centralized General Services Division.

There is hereby created a centralized General Services Division in which is vested authority for the purchase of supplies, equipment, and services. The Purchasing Manager shall administer and be responsible for the successful performance of all functions of the General Services Division. The Purchasing Manager shall purchase supplies, equipment, and services at the lowest possible cost commensurate with quality needed.

<u>Section 2.</u> Section 2.36.040 of Chapter 2.36 of Title 2 of the Manhattan Beach Municipal Code is hereby revised as follows:

2.36.40 – Purchasing Manager.

The City Manager is designated as Purchasing Officer pursuant to Section 2.04.070 I. of this title, and shall appoint a Purchasing Manager. The Purchasing Manager shall be the head, and have general supervision of the General Services Division, and shall act as the purchasing agent for the City. The Purchasing Manager shall have authority to:

- A. Purchase or contract for supplies, equipment, and services required by any using department or agency in accordance with the provision of Section 54201 et. seq. of the California Government Code, and with purchasing procedures prescribed by this chapter, such administrative regulations as the Purchasing Manager shall adopt for the internal management and operation of the General Services Division and such other rules and regulations as shall be prescribed by the Council or City Manager;
- B. Negotiate and recommend execution of contract for the purchase of supplies, equipment, and services;
- C. Act to procure for the City the needed quality in supplies, equipment, and services at least expense to the City;
- D. Discourage collusion in bidding and induce full competition on all purchases;

- A. Lowest Responsible Bidder. "Lowest responsible bidder," as used in this chapter, shall mean that bidder who best responds in price, quality, service, fitness, or capacity to the particular requirements of the City. Price alone shall not be the determining factor but shall be considered along with the other factors, including, but not limited to, the ability of the bidder to deliver, availability of parts or service, prior experience and other factors relating to the particular needs of the City for the supplies, equipment or services to be purchased.
- B. Notices Inviting Bids. The Purchasing Manager shall be responsible for posting notification of solicitation of bids, which shall include a general description of the articles to be purchased, state where bid specifications may be secured and the time and place for opening of the bids. The notice shall specify the factors referred to in subsection A of this section, which factors will be given special consideration in determining the lowest responsible bid for the supplies or equipment to be purchased. Notices shall be posted on the City's website as well as at City Hall and other public posting locations may be utilized as determined by the Purchasing Manager.
- C. Bidders' Security. When deemed necessary by the Purchasing Manager, bidders' security may be prescribed in the notices inviting bids. Bidders shall be entitled to the return of bid securities; provided, however, a successful bidder shall forfeit his bid security upon his refusal or failure to execute the contract within the time designated in the bid specifications. The Council, on the refusal or failure of the successful bidder to execute the contract, may award the contract to the next lowest responsible bidder. If the Council awards the contract to the next lowest bidder, the amount of the lowest bidder's security shall be applied by the City to the contract price differential between the lowest bid and the second lowest bid and the surplus, if any, shall be returned to the lowest bidder.
- D. Performance Bonds. The Purchasing Manager shall have authority to require a performance bond before entering a contract in an amount reasonably necessary to protect the best interests of the City.
- E. Bid Opening Procedure. Sealed bids shall be submitted to the City Clerk's Office and shall be identified as bids on the envelopes. Bids shall be opened in public at the time and place stated in the public notices. A tabulation of all bids received shall be available for public inspection.
- F. Confidentiality of Bids. Any written bid received pursuant to the provisions of this chapter shall not be revealed directly or indirectly to any other bidder until the bidding process is completed and all submitted bids have been received and opened. A tabulation of all bids received shall be open for public inspection during regular business hours after the bid opening.
- G. Rejection of Bids. The Purchasing Manager may reject any and all bids presented and re-advertise for bids.
- H. Award of Contracts. Any resulting contract shall be awarded by the Council to the lowest responsible bidder as defined in subsection A of this section.

- F. If the emergency requires the immediate procurement of supplies, equipment or services needed to preserve life and/or property, the purchase may be made without following bidding procedures. However, written justification enumerating one (1) or more of the following rationale, must be included with the purchase request: emergency protective measure, scarce commodity, emergency consulting services, emergency road clearance, other emergency requirement, and/or lack of bids. The use of a pre-existing contract may be utilized under these circumstances.
- G. During a declared emergency or disaster, the Purchasing Manager has the authority to rescind a contract for non-performance within twenty-four (24) hours when a contractor or vendor, once awarded a contract, is unable to perform under the terms of the contract and the resulting delay or non-performance present an immediate threat to life, safety or improved property.
- H. All purchases made under emergency or disaster conditions shall require separate invoicing from routine (non-disaster related) purchases. All invoices shall state the goods, services or equipment provided and shall specify where the purchases were delivered and/or used.
- Section 11. Section 2.36.130 of Chapter 2.36 of Title 2 of the Manhattan Beach Municipal Code is hereby revised as follows:

2.36.130 - Professional Services.

Contracts for services of specially-trained and professional persons shall be exempt from bidding, however, if the amount equals or exceeds twenty thousand dollars (\$20,000.00) the City Manager's approval is required. All contracts equaling or exceeding fifty thousand dollars (\$50,000.00) must be approved by the Council.

Section 12. Section 2.36.140 of Chapter 2.36 of Title 2 of the Manhattan Beach Municipal Code is hereby revised as follows:

2.36.140 - Waivers.

At its discretion, the Council may, at any time by majority vote and without amending this chapter, waive purchasing procedures or alter these proceedings to fit a specific purchase when such waiver is not in violation of California State law. Whenever special market conditions require it the Purchasing Officer (City Manager) or the Purchasing Manager, with authorization from the City Manager, may waive the fifty thousand dollars (\$50,000.00) open market requirements for replenishment of supplies, materials, and equipment, or for services, where the best interest of the City is served, provided that such waiver is ratified by the Council at a meeting within thirty (30) days of the purchase.

Section 13. Section 2.36.180 of Chapter 2.36 of Title 2 of the Manhattan Beach Municipal Code is hereby revised as follows:

2.36.180 – Disposition of City Obsolete and Surplus Property.

The Purchasing Manager shall dispose of all City owned surplus and obsolete property by bid, auction, negotiated sale or exchange for the best value attainable to the City.

<u>Section 14.</u> The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause this Ordinance to be published within 15 days after its passage, in accordance with Section 36933 of the Government Code.

Section 15. This Ordinance shall go into effect and be in full force and effect at 12:01 a.m. on the 31st day after its passage.

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PASSED, APPROVED AND ADOI	PTED this of	, 2015.
AYES: NOES: ABSENT: ABSTAIN:		
	WAYNE POWELL Mayor	
ATTEST:		
LIZA TAMURA City Clerk		
APPROVED AS TO FORM:		

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City Attorney