

# **Public Works Bidding**

## **The Value of and Need for Adopting Alternative Bidding Procedures**

**City of Manhattan Beach**  
**Department of Public Works**

Stephanie Katsouleas, P.E., Director



# Public Contracting Code

**What is it?:** CA bid/award provides guidelines that must be followed for any work that meets the definition of Public Project (CA Code §20160-20175) if valued over \$5,000.

**What Does it Apply to? Definition:**

- Erection, improvement, painting, or repair of public buildings and works.
- Work in or about streams, bays, waterfronts, embankments, or other work for protection against overflow.
- Street or sewer work except maintenance or repair.
- Furnishing supplies or materials for any such project, including maintenance or repair of streets or sewers.



# Public Works Bid Framework

NOT Subject to  
Public Contracting Code

Maintenance Work,  
Studies, Reports

Subject to  
Public Contracting Code

Public Projects  
(alterations, repairs,  
installations, renovations)

Formal  
Bidding  
\$5,000

Alternative  
Bidding  
\$45,000



# Formal Bidding Process

- ▶ Develop/adopt plans and specifications
- ▶ Advertise in newspaper twice, at least 14 days before the bid opening date
  - **FOR ALL PROJECTS OVER \$5,000.**
- ▶ Award to lowest qualified bidder
- ▶ Cannot split projects up to evade the \$5000 threshold
- ▶ Outlines emergency award procedures
- ▶ Sets bond requirements



# Alternative Bidding

- ▶ State Legislature introduced alternative bidding procedures in 1983
  - **Purpose:** to provide greater flexibilities to local governments when bidding smaller projects.
- ▶ Allows the City to be more nimble and responsive in completing less expensive public projects; used primarily for repairs and small construction/renovation projects.
- ▶ Significant benefits to Building Maintenance, Fire and Parks Departments



# What's the Advantage



- ▶ Increases the bid threshold from \$5,000 to \$45,000;
- ▶ Allows cities to negotiate contracts under \$45,000 in lieu of advertised bidding, or use staff resources
- ▶ Allows informal advertising for projects valued at \$45,000 - \$175,000;
- ▶ Requires formal advertising for projects valued over \$175,000; and
- ▶ Qualified list of contractors must be maintained.



# Types of Projects Affected

Many public projects valued under \$45,000 will benefit from adopting Alternative Bidding Procedures

Exterior and Interior Painting  
Curb and Gutter Repairs  
Small Slurry Projects  
Parks and Playground Upgrades  
Lighting Retrofits  
Fiber/Network Upgrades  
HVAC Repairs  
Elevator Repairs  
Roof Repairs  
Fencing Repairs/Replacement  
On-call Services

Carpet Replacements  
Pump Station Repairs  
Pump/Lift Station Upgrades  
Electrical Repairs/Installations  
Window Replacements  
Valve Repairs/Replacements  
Small Water/Sewer Main Repairs  
Pool Repairs  
Building Improvements (plumbing)  
Irrigation Repairs/Replacement  
Backflow Repairs (water)





# Time Savings Comparison

## Public Contracting Code vs. Alternative Bidding

Project Type	Value	PCC	Alternative Bidding
Fencing Project	\$8,000	3-4 mo.	2 weeks
Roof Repair	\$32,000	4-5 mo.	7 weeks
Elevator Repair	\$42,000	4-5 mo	7 weeks





# Implementing a Single Project

Fencing Repair \$8,000 (not an emergency)	Public Contract Code	Alternative Bidding Code
Obtain Estimate	3-5 days	3-5 days
Draft Specs	2 weeks	
Bid Project (paper)	3 weeks	
Award Project	3 weeks	
Execute Contract	2 weeks	2 weeks
Conduct Work	1 day	1 day
<u>Accept Project</u>	<u>3 weeks</u>	<u>1 day</u>
<b>TOTAL</b>	<b>14 weeks</b>	<b>3 weeks</b>



# Additional Considerations

Allows staff to complete projects in much more quickly when compared to formal bidding procedures

- ▶ Better serves the public and staff
- ▶ City Attorney still approves all contracts
- ▶ Projects also require CM approval
- ▶ Public Projects are approved through the annual budget
- ▶ Insurance req's must still be met
- ▶ Bonding req's must still be met
- ▶ Provides greater flexibilities for implementing projects



# Who Else Has Done This?

## 1604 Agencies...

- ▶ 225 Cities Statewide
  - 33 Cities in Los Angeles County
- ▶ 47 Community Colleges
- ▶ 448 School Districts
- ▶ 304 Special Districts
- ▶ 40 Counties



### Sample Cities:

Beverly Hills  
Calabasas  
El Segundo  
Rancho Palos  
Verdes  
Santa Clarita  
San Marino  
West Hollywood



# Staff Recommendation

**Approve all of these recommendations in order to take full advantage of the flexibilities that the State Contracting Code allows.**

1. Approve Resolution to Adopt an Ordinance for Alternative Bidding Procedures as proposed;
2. For public works projects, raise signature authority of the City Manager from \$5,000 to \$45,000
  - Aligns with the intent of the code to expedite smaller projects.
3. Delegate authority to adopt plans and specifications for projects valued at less than \$45,000 to the PW Director



# **? Questions and Answers**

