ORDINANCE NO. 17-0016

AN ORDINANCE OF THE CITY OF MANHATTAN BEACH AMENDING TITLE 2 (ADMINISTRATION) OF THE MANHATTAN BEACH MUNICIPAL CODE BY ADDING CHAPTER 2.37 (PUBLIC PROJECTS) TO PROVIDE INFORMAL BIDDING PROCEDURES FOR PUBLIC PROJECTS UNDER THE UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT

THE CITY COUNCIL OF THE CITY OF MANHATTAN BEACH DOES ORDAIN AS FOLLOWS:

SECTION 1. Title 2 (Administration) of the Manhattan Beach Municipal Code is hereby amended by adding a new Chapter 2.37 (Public Projects) to read as follows:

"CHAPTER 2.37 PUBLIC PROJECTS

2.37.010.	Intent.
2.37.020.	Definitions.
2.37.030.	Applicability.
2.37.040.	Bid requirements, purchasing procedures, and contracting procedures.
2.37.050.	Delegation of authority to award informal contracts.
2.37.060.	Delegation of design approval authority.
2.37.070.	Bid security.
2.37.080.	Emergencies.

2.37.010. Intent.

The intent of this chapter is to provide standardized procedures for awarding contracts for public projects in conformance with the Uniform Public Construction Cost Accounting Act.

2.37.020. Definitions.

Unless the context otherwise requires, the following definitions shall govern the construction of this chapter:

"Public Project" shall be defined as that term is defined in Section 22002(c) of the California Public Contract Code or any successor statute thereto.

"Uniform Public Construction Cost Accounting Act" shall mean the procedures and regulations set forth in Chapter 2, commencing with Section 22000, to Part 3 of Division 2 of the California Public Contract Code or any successor act thereto.

2.37.030. Applicability.

All public projects shall be bid and let to contract in accordance with the procedures prescribed by the Uniform Public Construction Cost Accounting Act, or any successor act thereto, and the provisions set forth in this chapter.

2.37.040. Bid requirements, purchasing procedures, and contracting procedures.

This section shall govern the procedures for bidding and awarding all purchase orders and contracts to perform public projects. Bidding requirements and other purchasing and contracting procedures are categorized into three different levels set forth below. Each level shall govern purchases and contracts of different values. Notwithstanding any provision of this chapter, the bidding and other procedures for awarding public project contracts shall not violate the limitations of the Uniform Public Construction Cost Accounting Act, as they may be amended from time to time by the State Controller or the State Legislature.

- (a) <u>Level 1 Projects</u>. Public projects that do not exceed the limit in Public Contract Code Section 22032(a), as it now exists or may subsequently be amended, may be performed by City employees by force account or may be awarded by negotiated contract or by purchase order without competitive bidding.
- (b) <u>Level 2 Projects</u>. Public projects that do not exceed the limit in Public Contract Code Section 22032(b), as it now exists or may subsequently be amended, may be let to contract by the informal bid procedures set forth in this subsection (b). All Level 2 Project contracts shall require informal competitive written bidding, as follows:

(1) Written Bids.

- (i) Bid specifications shall be prepared and written notices soliciting written bids shall be disseminated consistent with paragraph (3) of subsection (b) of this section.
- (ii) Bids shall be submitted in writing and must be received prior to the bid closing date to be considered.
- (iii) The awarding authority shall award the contract to the lowest responsible and responsive bidder. The awarding authority may reject all bids, or waive any irregularities or informalities in any bid or bidding.
- (2) <u>Contractors List</u>. The City shall develop and maintain a list of qualified contractors, identified according to categories of work, in accordance with the provisions of Public Contract Code Section 22034, or any successor statute thereto, and the minimum criteria for development and maintenance of the Contractors List as determined by the California Uniform Construction Cost Accounting Commission.
- (3) Notice Inviting Informal Bids. At least ten calendar days prior to the date informal bids are due, the City shall mail, fax or email a notice inviting informal bids to one or both of the following: (i) all contractors from the applicable category of work to be bid, as shown on the Contractors List developed in accordance with paragraph (2) of subsection (b) of this

section, or (ii) all construction trade journals as specified by the California Uniform Construction Cost Accounting Commission in accordance with Public Contract Code Section 22036, or any successor statute thereto. The notice shall describe the project in general terms, shall clearly indicate how to obtain more detailed information about the project, and shall set forth the time and place for the submission of bids. Additional contractors or construction trade journals may be noticed at the discretion of the City department soliciting bids. If the product or service is proprietary in nature such that it can be obtained only from a certain contractor or contractors, the notice inviting informal bids may be sent exclusively to such contractor or contractors.

- (4) Excess bids. If all bids received pursuant to the procedures outlined in this subsection (b) are in excess of the limit in Public Contract Code Section 22032(b), the City Council may employ the procedure authorized in Public Contract Code Section 22034(d).
- (c) <u>Level 3 Projects</u>. Public projects that exceed the limit in Public Contract Code Section 22032(b), as it now exists or may subsequently be amended shall, except as otherwise provided by law, be let to contract by the formal bidding procedures set forth in this subsection.
- (1) <u>Notice Inviting Formal Bids</u>. The City shall publish and mail a notice inviting sealed formal bids in accordance with the provisions of Public Contract Code Section 22037, or any successor statute thereto.
- (2) Receipt of Bids. Bids shall be sealed, and shall not be opened until the time and place designated in the bid specifications. Bids must be received prior to the bid opening to be considered.
- (3) <u>Award</u>. The City Council shall award the bid to the lowest responsible bidder, or reject all bids pursuant to Public Contract Code Section 22038, or its successor statute. The City Council may waive any irregularities or informalities in any bid or bidding.
- 2.37.050. Delegation of authority to award contracts for Level 1 Projects.

The City Manager is authorized to award bids and enter into contracts for Level 1 public projects pursuant to Section 2.37.040(a) of this chapter, provided there exists an unencumbered appropriation in the fund account against which the expense is to be charged.

2.37.060. Delegation of Design Approval Authority.

The Public Works Director is authorized to approve plans or designs for purposes of design immunity pursuant to Government Code Section 830.6, for all public projects approved by the City Manager pursuant to Section 2.37.050. Nothing in this section is intended to, nor will it, preclude the City Council from separately or additionally approving plans or designs for purposes of design immunity pursuant to Government Code Section 830.6.

2.37.070. Bid security.

Bid security shall be required as a condition of submitting a written bid unless deemed unnecessary by the City Manager or his or her designee. Bid security may be a bond issued by a licensed and duly qualified corporate surety, or the equivalent in cash, money order, cashier's check, certified check, unconditional letter of credit, or other form approved by the city attorney. Bid security must equal at least 10% of the bid amount.

2.37.080. Emergencies.

In cases of emergency when repair or replacements are necessary, the City may proceed in compliance with Public Contract Code Section 22035, or any successor statute."

SECTION 2. The City Council declares that, should any provision, section, paragraph, sentence, or word of this ordinance be rendered or declared invalid by any final action in a court of competent jurisdiction, or by reason of any preemptive legislation, the remaining provisions, sections, paragraphs, sentences and words of this ordinance shall remain in full force and effect.

SECTION 3. The City Clerk shall cause this Ordinance to be posted in three public places in the City within 15 days after its passage, in accordance with the provisions of Government Code Section 36933. The City Clerk shall further certify to the adoption and posting of this Ordinance, and shall cause this Ordinance and its certification, together with proof of posting, to be entered in the Book of Ordinances of the City Council of this City.

SECTION 4. 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.

AYES: NOES: ABSENT: ABSTAIN:		
	DAVID LESSER Mayor	

ATTEST:

LIZA TAMURA City Clerk

APPROVED AS TO FORM:

ADOPTED August 1, 2017.

QUINN M. BARROW

City Attorney