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ORDINANCE NO. _____

ORDINANCE AMENDING CHAPTER 2, ARTICLE VII. PURCHASING, SECTIONS 2.63, 2.65, 2.68., 2.72, 2.77 AND 2.80 OF THE REDWOOD CITY MUNICIPAL CODE

The City Council of Redwood City does ordain as follows:

Section 1. That Chapter 2, Article VII, Sections 2.63, 2.65, 2.68, 2.72, 2.77 and 2.80 of the Redwood City Municipal Code are hereby amended in their entirety to read as follows:

Sec. 2.63 BIDDING REQUIRED FOR PURCHASES OR CONTRACTS OF MATERIALS, SERVICES, EQUIPMENT OR SUPPLIES EXCEEDING SIXTY THOUSAND DOLLARS AND PUBLIC WORKS OR IMPROVEMENT CONTRACTS

- A. All materials, personal services, equipment and supplies costing more than sixty thousand dollars (\$60,000) exclusive of sales tax and freight, shall be purchased in the open market on the basis of competitive bidding in accordance with the provisions of this Article.
- B. Any public work or improvement shall be contracted for in accordance with Section 67 of the Charter unless such work or improvement is performed by a department authorized to execute such work or improvement directly as provided in Section 67 or unless the work is performed as provided in Section 68 of the Charter.

Sec. 2.65 SOLICITATION OF WRITTEN BIDS; PUBLICATION OF NOTICE FOR CERTAIN BIDS; CONTENTS OF SOLICITATION OR NOTICE

- A. The City Manager shall solicit written bids without public advertisement for every contract:
 - 1. for any public work or improvement, the estimated cost of which is greater than ten thousand dollars (\$10,000) but less than one hundred thousand dollars (\$100,000); and
 - 2. for the purchase of materials, personal services, equipment and supplies, the estimated cost of which is greater than ten thousand dollars (\$10,000) but less than or equal to sixty thousand dollars (\$60,000), exclusive of sales tax and freight.
- B. Such solicitation shall be in writing, and shall be sent to not less than three (3) prospective bidders; provided, however, that where less than

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three (3) prospective bidders are known by the City Manager to exist, he/she shall send such solicitation to all those so known to him/her.

- C. The City Manager shall cause public notice inviting bids to be published at least once in a newspaper of general circulation in the City at least five (5) calendar days preceding the day set for the receipt of proposals for every contract for any public work or improvement equal to or greater than one hundred thousand dollars (\$100,000), and every contract for the purchase of materials, equipment or supplies, the estimated cost of which is greater than sixty thousand dollars (\$60,000), exclusive of sales tax and freight.
- D. The aforesaid written solicitation, or the public notice as appropriate, shall contain a general description of the public work or improvement to be done, or the articles to be purchased, shall state where the particular plans or specifications relating thereto may be secured, and shall state the time and place for opening of bids, or the time and place for competitive oral bidding before the City Council. Every solicitation and notice shall contain a reservation of the City Council's right to reject any and all bids.

**Sec. 2.68 AWARD OF CONTRACT TO LOWEST RESPONSIBLE BIDDER;
WAIVER OF IRREGULARITIES IN BIDS OR CORRECTION OF ERRONEOUS
BIDS**

- A. Award of Contract: Except as provided in subdivision B, every contract:
 - 1. for any public work or improvement project costing more than ten thousand dollars (\$10,000) but less than one hundred thousand dollars (\$100,000), exclusive of sales tax and freight, shall be awarded by the City Manager to the lowest responsible bidder;
 - 2. for any public work or improvement project costing one hundred thousand dollars (\$100,000) or more, exclusive of sales tax and freight, shall be awarded by the City Council to the lowest responsible bidder;
 - 3. for the purchase of materials, personal services, equipment or supplies costing more than ten thousand dollars (\$10,000) and less than or equal to sixty thousand dollars (\$60,000), exclusive of sales tax and freight, shall be awarded by the City Manager to the lowest responsible bidder; and
 - 4. for the purchase of materials, personal services, equipment or supplies costing more than sixty thousand dollars (\$60,000), excluding sales tax and freight, shall be awarded by the City Council to the lowest responsible bidder.

- B. **Prequalification:** For any public work or improvement project, the estimated cost of which is twenty thousand dollars (\$20,000) or more, the City Manager may require from prospective bidders answers to questions contained in a standard form of prequalification questionnaire which, when completed, shall be submitted as a declaration under penalty of perjury. Advertisement of the invitation to prospective bidders to submit responses to the questionnaire with respect to any such project designated by the City Manager for the prequalification process shall be made in the manner of advertising public notice inviting bids. Said responses shall be submitted in sealed envelopes to the City Manager and shall be identified as responses to the prequalification questionnaire for the designated project. Whenever prequalification is required of any bidder for a contract, it shall be required for all prospective bidders for that contract.

The standard form of prequalification questionnaire shall include, but not be limited to, questions pertaining to the following criteria:

1. The familiarity and experience of the prospective bidder with the particular type of public work or improvement project designated in the questionnaire;
2. The sufficiency of personnel, equipment, materials and other facilities or resources of the prospective bidder to accomplish the work of the designated project within the time specified, and in conformance to the specifications thereof;
3. The qualification and capacity of the prospective bidder to obtain, if required, performance and payment bonds in the amount of one hundred percent (100%) of the cost of the contract for the designated project from a bonding or security company licensed to do business in the State of California;
4. The financial condition of the prospective bidder;
5. The experience of the prospective bidder in performing public works contracts, generally, and public and private contracts for works or improvements similar to the designated project;
6. The safety record of the prospective bidder with respect to construction contracts;
7. The record of the prospective bidder within the five (5) year period next preceding the date of submittal of the questionnaire regarding disputes, claims filed, submittal of disputes to mediation, arbitration, or other dispute-resolving procedures, and litigation pertaining to prior public works or private construction projects; and

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8. Such other information as the Manager shall determine relating to the ability, capacity and skill of the prospective bidder to perform the contract for the designated project.

The Manager shall adopt and apply a uniform system of rating prospective bidders on the basis of the standard questionnaire submitted for a designated project. Based upon said system, those prospective bidders who or which qualify for bidding on the project shall be notified thereof in writing by the Manager and shall be invited to submit written, sealed bids in the manner provided in this Article for the submittal of bids following publication of public notice inviting bids; provided, that such publication shall not be required in the case of invitation to submit bids from prequalified bidders.

- C. The Council shall have the power to reject any and all bids and solicit or advertise again, or invite bids from prequalified bidders again, or to provide for the work in question to be done pursuant to Section 68 of the Charter.

The Council may waive any irregularities in bids received or permit the correction of erroneous bids when the Council finds that the irregularity or error was not the result of fraudulent intent on the part of the bidder and that the best interests of the public would be served thereby.

Sec. 2.72 EXECUTION IN WRITING OF CONTRACTS EXCEEDING TEN THOUSAND DOLLARS

All purchase contracts entered into by the City for the purchase of materials, personal services, equipment or supplies costing more than ten thousand dollars (\$10,000), exclusive of sales tax and freight, and all contracts for the performance of any public work or improvement shall be in writing and shall be executed by the City Manager.

Sec. 2.77 PROCEDURE FOR CONTRACTS OF SIXTY THOUSAND DOLLARS OR LESS FOR MATERIALS, EQUIPMENT, SUPPLIES OR PERSONAL SERVICES

The City Manager may, without public advertisement or observing the procedures prescribed herein for the awarding of written contracts, may enter into all contracts for:

- A. All purchases of materials, equipment or supplies for sixty thousand dollars (\$60,000) or less, exclusive of sales tax and freight; or

- B. All personal service agreements for sixty thousand dollars (\$60,000) or less.

The City Manager may, if necessary funds to provide for the material, equipment or supplies required have been appropriated, issue and execute purchase orders therefore specifying the quantity, type and price of materials, equipment or supplies to be obtained and the terms and conditions of purchase, performance and delivery.

Sec. 2.80 OPEN MARKET PURCHASES

Any contract involving expenditures of public funds for materials, equipment, supplies or professional services, even though not required to be let by competitive bidding after publication of notice, shall nevertheless be entered into after review of such alternative sources as may be available in competition with one another and selection therefrom on the basis of obtaining maximum quality, services or performance at minimum costs. Purchases may be made in the open market without observing the bidding requirements prescribed by this article as follows:

- A. Purchase of personal services, supplies, materials and equipment, the expenditure for which does not exceed sixty thousand dollars (\$60,000) excluding sales tax and freight.
- B. Purchases from vendors whose names are on current established lists and have been awarded the same type of purchase contract by a state agency, county, city or other public agency after competitive bidding processes substantially equivalent to that prescribed by the City Charter or this article; and
- C. Such purchases conform to the specifications thereof of the City; and
- D. The estimated price of any such purchase equal to or is lower than that estimated for such purchase if made directly by the City pursuant to the competitive bidding requirements of this Article.

Section 2. This Ordinance shall be effective thirty (30) days from the date of its adoption.

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