

**CITY OF WATSONVILLE MEASURE C
CHARTER AMENDMENT - BID REQUIREMENTS
(Full Text of Resolution No. 13-86 (CM))**

A RESOLUTION PROPOSING CHARTER AMENDMENT TO THE CHARTER OF THE CITY OF WATSONVILLE ON THE MOTION OF THE CITY COUNCIL, CALLING SPECIAL MUNICIPAL CHARTER AMENDMENT ELECTION IN THE CITY OF WATSONVILLE FOR THE PURPOSE OF SUBMITTING TO THE ELECTORS OF THE CITY A PROPOSAL TO AMEND THE CHARTER OF THE CITY BY AMENDING SECTION 1117 OF ARTICLE XI RELATING TO PUBLIC BID REQUIREMENTS; FIXING THE DATE OF ELECTION, THE MANNER OF HOLDING THE SAME, AND PROVIDING FOR NOTICE THEREOF; AND CONSOLIDATING THE SPECIAL MUNICIPAL CHARTER AMENDMENT ELECTION WITH THE DIRECT PRIMARY ELECTION TO BE HELD ON JUNE 3, 1986

THE CITY COUNCIL OF THE CITY OF WATSONVILLE DOES RESOLVE AS FOLLOWS:

Section 1. The Council of the City of Watsonville hereby proposes on its own motion to amend the Charter of the City of Watsonville by amending SECTION 1117 OF ARTICLE XI, to read as set forth in the notice entitled "PROPOSED AMENDMENT TO THE CHARTER OF THE CITY OF WATSONVILLE" hereafter set forth in Section 3 of this Resolution.

Section 2. The Council of the City of Watsonville hereby proposes to and does hereby on its own motion submit to the qualified electors of the City of Watsonville at the Special Municipal Charter Amendment Election hereafter provided for the proposal to amend the Charter of the City of Watsonville as set forth in the notice hereafter set forth in Section 3 of this Resolution, and hereby designates and refers to the proposal as the proposal to be set forth in the form of ballot hereafter prescribed for use at the Special Municipal Charter Amendment Election.

Section 3. The City Clerk of the City of Watsonville is hereby ordered and directed to cause the proposed amendment to the Charter of the City of Watsonville to be published once, not less than forty (40) and not more than sixty (60) days prior to the date of the Special Municipal Charter Amendment Election hereafter provided for, in the Watsonville Register-Pajaronian, a newspaper of general circulation within the City of Watsonville, and in each edition thereof during the day of publication, and such publication may be in substantially the following form, to wit:

"PROPOSED AMENDMENT TO THE CHARTER OF THE
CITY OF WATSONVILLE"
SPECIAL MUNICIPAL CHARTER AMENDMENT ELECTION
JUNE 3, 1986
(CONSOLIDATED WITH DIRECT PRIMARY ELECTION)

The Council of the City of Watsonville hereby submits to the registered and qualified electors of the City for their adoption or rejection, the following proposal to amend the Charter of the City of Watsonville:

1. By amending SECTION 1117 of ARTICLE XI thereof, to read as follows:

"SECTION 1117. Public Bid Requirements. Every expenditure of City moneys for public works construction as hereafter defined of more than that amount set forth in Section 20162 of the Public Contracts Code of the State of California shall be let to the lowest responsible bidder after notice of publication in the official newspaper by one (1) or more insertions, the first of which shall be at least ten (10) days before time for opening bids; provided, however, that upon adoption of ordinance by the Council the "Uniform Public Construction Cost Accounting Act" set forth in Chapter 2 (commencing with Section 21000) to Part 3 of Division 2 of the Public Contracts Code, an alternative public bidding procedure, shall be enacted to have the City be subject to such procedure notwithstanding other procedure set forth in this Section.

The Council may reject any and all bids presented and may readvertise in its discretion. The Council after rejecting bids, or if no bids are received, may declare and determine that, in its opinion, based on estimates approved by the City Manager the work in question may be performed better or more economically by the City with its own employees and after the adoption of a resolution to this effect by at least five (5) affirmative votes of the Council may proceed to have said work done in the manner stated, without further observance of the provisions of this Section.

Such expenditures may be made without advertising for bids, if such expenditures shall be deemed by the Council to be of urgent necessity for the preservation of life, health or property and shall be authorized by resolution passed by at least five (5) affirmative votes of the Council and containing a declaration of the facts constituting the urgency.

All bids for public works construction shall be accompanied by either a certified or cashier's check or a bidder's bond executed by a corporate surety authorized to engage in such business in California made payable to the City. Such security shall be in an amount not less than that specified in the notice inviting bids or in the specifications referred to therein, or if no amount be so specified, then in an amount not less than ten (10%) percent of the aggregate amount of the bid. If the successful bidder neglects or refuses to enter into the contract within the time specified in the notice inviting bids or specifications referred to therein, the amount of the bidder's security may be declared forfeited to the City and may be collected and paid into its General Fund and all bonds so forfeited shall be prosecuted and the amount thereof collected and paid into such fund.

For the purposes of this Section, public works construction shall be defined as a project for the erection or improvement of public buildings, streets, drains, sewers, parking lots, parks or playgrounds, provided, however, that expenditures for the extension, improvement or development of the City water system shall be excepted from the requirements of

this Section. Maintenance or repair of public buildings, streets, drains, sewers, parking lots, parks or playgrounds shall not be considered as public works construction. The provisions of this Section shall not apply to materials, supplies or equipment obtained or purchased from any governmental agency, or for materials, supplies or equipment which can be obtained from only one vendor.

All bids shall be sealed and be filed with the officer in charge of the purchasing function no later than the opening time specified in the notice inviting bids, who shall receive and be custodian of such bids and keep the same confidential until they are opened and declared.

All bids shall be publicly opened and declared at the time and at the place fixed in the notice inviting bids.

Thereafter, the bids shall be tabulated and analyzed by the officer in charge of the purchasing function, who shall submit them, together with recommendations thereon, to the City Manager. The City Manager shall review the bids and submit them to the Council, along with his recommendations, at the next regular meeting of the Council.

The Council shall have the right to waive any informality or minor irregularity in a bid."

The Council of the City of Watsonville hereby submits to the registered and qualified electors of the City for their adoption or rejection at a Special Municipal Charter Amendment Election to be held in the City of Watsonville on Tuesday, June 3, 1986, (which election will be consolidated with the Direct Primary Election to be held on June 3, 1986) the following proposal to amend the City Charter by amending Section 1117 of Article XI, as follows:

City of Watsonville Charter Amendment Proposal No. C:

Shall the Charter of the City of Watsonville be amended by amending Section 1117 of Article XI thereof to provide that the City shall call for bids on public works construction when the cost exceeds that amount set forth in Section 20162 of the Public Contracts Code of the State of California; provided, however, that upon adoption by ordinance the Council may elect to adopt uniform statewide public bidding procedure as set forth in the Public Contracts Code, the text of which is set forth in Section 3 of Resolution No. 13-86 (CM), adopted by the Council of the City of Watsonville, on Tuesday, January 14, 1986, and on file in the Office of the City Clerk?

YES

NO

I HEREBY CERTIFY, that the foregoing Charter Amendment Proposal was ordered submitted to the qualified electors of the City of Watsonville by the Council of the City of Watsonville.

DATED: January 14, 1986.

s/ Lorraine Washington, City Clerk of
the City of Watsonville

Section 4. (a) A Special Municipal Charter Amendment Election is hereby called to be held in the City of Watsonville on Tuesday, June 3, 1986, for the purpose of submitting to the qualified electors of the City the proposal set forth in Section 3 of this Resolution to amend the Charter of the City as in the proposal and in this Resolution provided, and as hereby submitted by the Council of the City of Watsonville on its own motion.

(b) The Special Municipal Charter Amendment Election hereby called shall be held and conducted and the votes thereat canvassed and the returns thereof made, and the results thereof ascertained and determined as herein provided, and in all particulars not prescribed in this Resolution, the Special Charter Amendment Election shall be held as provided for in the Charter of the City and in all particulars not provided for therein the election shall be held as provided by law for the holding of special municipal elections in the City of Watsonville and otherwise in accordance with the Elections Code of the State of California.

(c) All persons qualified to vote at municipal elections in the City of Watsonville on the day of the election herein provided for shall be qualified to vote on the amendment hereby submitted at the Special Municipal Charter Amendment Election.

(d) To vote in favor of the proposal to amend the Charter of the City of Watsonville a voter shall punch out the cross (+) opposite the word "YES" on the ballot to the right of the proposal, and to vote against the proposal a voter shall punch out the cross (+) opposite the word "NO" on the ballot to the right of the proposal. If a majority of the qualified voters voting on the proposed Charter Amendment vote in favor thereof, such Charter Amendment shall be deemed ratified.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Watsonville, held on the 14th day of January, 1986, by Council Member Clark, who moved its adoption, which motion being duly seconded by Council Member Ingersoll, was upon roll call carried and the resolution adopted by the following vote:

AYES: COUNCIL MEMBERS: Carroll, Clark, Deretich, Ingersoll, Marsano

NOES: COUNCIL MEMBERS: Murphy and Soldo.

ABSENT: COUNCIL MEMBERS: None.

s/ Ann M. Soldo
Mayor

ATTEST:
s/ Lorraine Washington
City Clerk

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**IMPARTIAL ANALYSIS BY CITY ATTORNEY
MEASURE C**

Section 1117 of the City Charter incorporates Section 20162 of the Public Contract Code which requires that all public projects above \$5,000.00 shall be subject to a formal bidding procedure and let to the lowest responsible bidder.

This amendment would give the City Council authority to adopt by Ordinance the "Uniform Public Construction Cost Accounting Act" (Public Contract §§21,000 et seq) which permits negotiated contracts for public projects of \$15,000.00 or less; contract by informal procedures for public projects of \$50,000.00 or less; and, contract by formal bidding procedure for public projects of \$50,000.00 or more. The Act sets forth bidding procedures to establish statewide uniformity.

This amendment would take effect immediately upon its adoption by the electorate.

ARGUMENT IN FAVOR OF MEASURE C

Charter Section 1117 now incorporates Section 20162 of the State Public Contracts Code which requires the City to submit to public bid any expenditure required for a public project exceeding \$5,000.00.

In 1983, the State Legislature adopted the "Uniform Public Construction Cost Accounting Act" which declares that there is a state-wide need to promote uniformity bidding procedures on public construction work. This Act is unavailable to the City since the Charter incorporates only the provision to submit to public bid all public works exceeding \$5,000.00. In order to take advantage of this cost effective alternative, it is necessary to amend the Charter.

Public bid procedure in the Act provides dollar amount limitations for:

- (a) Public projects of \$15,000.00 or less may be performed by City employees, negotiated contract, or purchase order.
- (b) Public projects of \$50,000.00 or less may be let to contract by informal procedures.
- (c) Public projects of more than \$50,000.00 shall be let to contract by formal bidding procedure.

To go to public bid, it is necessary that plans and specifications be prepared, public notice call for bids, and bid awarded with bonding and other costs which are ultimately borne by the taxpayers. The limitation of \$5,000.00 today is unreasonable and requires the City to submit most every public works project to public bid procedure. In short, the Act results in substantial financial and time savings to the City, and ultimately to you, the taxpayer.

It bears repeating that the purpose of the Act is to provide for state-wide uniformity in public bidding procedure. Unless the Charter is amended, the City will not be able to enter the mainstream of state-wide uniformity.

We urge that you vote Yes on this proposal.

s/ Vido T. Deretich, Council Member
s/ Rex C. Clark, Council Member
s/ Roy Ingersoll, Council Member
s/ Wanda W. "Gwen" Carroll, Council Member
s/ Joseph G. Marsano, Jr., Council Member

**NO ARGUMENT AGAINST THIS MEASURE
WAS SUBMITTED**

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