## **MEASURE O**

## PROPOSAL TO AMEND ROSEVILLE CITY CHARTER

Shall Section 7.21 of the City Charter be amended to: (1) raise the sealed bid limit from \$19,500 to \$75,000; (2) eliminate the annual inflationary or deflationary adjustment to the bid limit; and (3) allow bids to be published on-line consistent with the City's existing practices?

YES \_\_\_\_\_ NO \_\_\_\_

## IMPARTIAL ANALYSIS BY THE ROSEVILLE CITY ATTORNEY

The City Council has placed before the voters the question whether to amend Section 7.21 of the City Charter entitled "Bids for contracts; certified checks for bid bonds; performance bonds."

Currently, Section 7.21 requires a formal, sealed bid process for all purchases and public works projects exceeding the bid limit of \$19,500. That bid limit is annually adjusted for inflation or deflation. The current bid limit as adjusted for Fiscal Year 2020-2021 is \$23,415. This Charter Amendment would revise Section 7.21 to raise the sealed bid limit from \$19,500 to \$75,000 and would eliminate the annual inflationary or deflationary adjustment. It is estimated that raising the bid limit would save approximately \$295,000 per year in staff costs associated with production of City Council staff reports for items between the current bid limit and this proposed bid limit.

Section 7.21 also requires bids to be published in a newspaper not less than five days before the deadline for submission of bids. This Charter Amendment would allow bids to be published in a newspaper and/or on the City's website. The City's existing practice is to publish bids both in a newspaper and on-line.

A "Yes" vote is a vote in favor of this Charter Amendment. A "No" vote is a vote against this Charter Amendment. This Measure will be approved if it receives a simple majority of "Yes" votes.

Robert R. Schmitt Roseville City Attorney

The above statement is an impartial analysis of Measure O. If you desire a copy of the measure, please call the Elections Official at 916-774-5263 and a copy will be mailed at no cost to you.

### **ARGUMENT IN FAVOR OF MEASURE O**

Measure O will raise the sealed bid threshold from its current amount of \$19,500 to \$75,000. The current sealed bid process requires that competitive bids be advertised in a newspaper, submitted to the City Clerk and awarded by the City Council, all of which takes time. Raising the bid limit will streamline the City's purchasing practices by allowing contracts under \$75,000 to be awarded after a less formal and quicker, yet still competitive, process. It is estimated that approval of this amendment to the City Charter would save the City approximately \$295,000 per year, would make the purchasing process more efficient, and would bring the City of Roseville's bid threshold into alignment with other cities' bid limits.

The Charter Review Commission recommends a Yes vote on Measure O.

Susan Rohan, Charter Review Commission Chair

#### NO ARGUMENT AGAINST MEASURE O WAS SUBMITTED

#### **PROPOSED CHARTER TEXT REVISION**

# Sec. 7.21. Bids for contracts; certified checks for bid bonds; performance bonds.

Competitive prices or bids for all purchases and public works and improvements shall be obtained where practicable and the purchase made from, or the contract awarded to, the lowest responsible bidder; provided, that the council may waive the bidding requirements prescribed in this section in the purchase of noncompetitive items or in case of an emergency. Sealed bids shall be asked for in all transactions involving the expenditure of nineteen thousand five hundred seventy-five thousand dollars (\$19,500.00 \$75,000.00) or more, and in the case of public works, the transaction evidenced by a written contract submitted to and approved by the council. Annually, at the same time the budget ordinance is adopted, the council may in that ordinance establish an inflation or deflation adjustment to the base of \$19,000.00 to take economic changes into account. Such adjustment shall be determined utilizing reliable indicators or indices of price increases or decreases. Once adopted, the adjustment shall be added to or subtracted from the base of \$19,000.00 so that sealed bids shall be asked for in all transactions involving the expenditure of the adjusted base. The council may reject any and all bids. In all transactions where sealed bids are required, the council may demand a deposit by each bidder in the form of a certified check or bid bond in an amount which shall be specified in the call for bids. The council may require a faithful performance or surety bond of the successful bidder. Calls for sealed bids shall be published in a newspaper of general circulation of the City and/or on the City's website, not less than five (5) days before the deadline for submission of bids, unless the council declares by resolution that an emergency exists. Detailed purchasing and contract award procedures shall be prescribed by ordinance.