

**PROPOSED MODIFICATIONS TO SECTION 4.03
OF THE ALBANY CITY CHARTER
MEASURE AA**

AA

MEASURE AA: Do you approve the modification of Section 4.03 of the City Charter, as is fully set forth in the voter

YES

NO

pamphlet, to provide that the City Council shall by ordinance set threshold limits for the requirements for formal competitive bidding and shall establish such other procedures as are necessary for undertaking the completion of any public projects?

**CITY ATTORNEY IMPARTIAL ANALYSIS OF
MEASURE AA**

PROPOSED MODIFICATION TO SECTION 4.03

A “Yes” vote approves modification of Section 4.03 of the City Charter to the Council to set threshold limits for formal competitive bidding and to establish other procedures as are necessary for undertaking public projects.

A “No” vote disapproves of any modification to the present Charter language which requires the City to have formal competitive bidding if the public project will cost greater than \$5,000.00.

Background

When the Albany Charter was first enacted it provided that the City would follow the general laws of the State of California. Albany, a charter city, is not required to follow the general laws on this subject matter. At the present, the general laws require general law cities to go to formal bidding when the public project costs are greater than \$5,000.00. General law cities can adopt procedures to modify the formal bidding process if it adopts specific accounting procedures.

The \$5,000.00 threshold has been in place for decades. It is a very low threshold amount by today’s construction cost standards. The proposed amendment would authorize the City Council to modify the threshold number and to create other bidding procedures.

Fiscal Impact

Likely to reduce some costs related to bidding requirements that are presently in effect.

s/ROBERT ZWEBEN
Albany City Attorney

ARGUMENT IN FAVOR OF MEASURE AA

Argument in support of modifying section 4.03 of the City of Albany Charter

The City Council unanimously supports the proposed modification of section 4.03 of the City Charter to provide the City of Albany with the flexibility to set appropriate limits for contract values that trigger the need for formal bidding. The City currently relies on a state established contract cost threshold that is too low and has not been updated for so long that it is completely out of line with current construction contract costs. Under the current state established threshold even very minor repair projects may require a formal bid process which does nothing for us but drag out the time necessary to get to a signed contract and start work. The City needs appropriate thresholds for formal competitive bidding in order to deliver small but important projects in a timely manner without wasting staff time and resources on preparation of a formal bid process. Informal bidding processes for contracts below the threshold still provide for competitive bids from multiple contractors or vendors but can be done far more rapidly with potential cost savings to both the City and the bidders. Contracts valued above the new threshold would continue to follow the formal bid process.

This is a simple change that many other Cities have already adopted to solve a procedural issue themselves rather than wait for the state government to get around to it. As a charter city we can easily solve the problem ourselves through this proposed charter modification.

s/Farid Javandel
City Council Member
s/Joanne R. Wile
City Council Member

**NO ARGUMENT AGAINST MEASURE AA WAS
SUBMITTED**