

REVISED LEGISLATIVE DIGEST

(5/17/2016, Amended in Board)

[Administrative Code - Best Value Public Works Procurement]

Ordinance amending the Administrative Code to allow departments authorized to perform public work to procure public work contracts through a best value process that selects contractors using a combination of price and qualifications, with bid discounts applicable to price; and to require completion of public works contractor performance evaluations, and require the creation and maintenance of a database to collect the contractor performance evaluations.

Existing Law

Chapter 6 of the Administrative Code governs the procurement of public work or improvements. Public work not performed by City employees must be contracted out where the contractor is selected on the basis of low-bid. Certain limited exemptions to low-bid apply for emergencies, sole source procurements, Design-Build, and Construction Manager/General Contractor contracts.

Amendments to Current Law

This ordinance would allow City departments authorized to perform public work to select construction contractors on the basis of best value to the City. The ordinance would not replace traditional low-bid contracting, but provides departments with another tool to procure public work contracts. The ordinance would establish procedures and criteria for the selection of the best value contractor, and allows selection based on a combination of price and qualifications. The ordinance would further require that any Local Business Enterprise bid discount available under Chapter 14B of the Administrative Code be applied to the price or cost portion of the bid only.

This ordinance would also require each department authorized to perform public work to document, evaluate, and report the performance of all contractors awarded construction contracts under Chapter 6. The contractor performance evaluation requirement would become operative to all contracts first advertised on or after March 31, 2017.

n:\legana\as2016\1600268\01084405.docx