

**STAFF REPORT**  
**City of Lancaster, California**

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Date: January 9, 2007

To: Mayor Hearn and City Council Members

From: Barbara Boswell, Finance Director

Subject: **Amendment to Purchasing Ordinance**

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**Recommendations:**

Introduce Ordinance No. 871, amending Chapter 3.32 of the Lancaster Municipal Code to add a new Section 3.32.075 relating to informal bidding procedures for public projects.

Adopt Resolution No. 07-14, electing to be subject to the Uniform Public Construction Cost Accounting Procedures

**Fiscal Impact:**

None.

**Background:**

Section 3.32.040 of the Lancaster Municipal Code provides, in part and subject to certain exceptions, that “[a]ll contracts of the city for supplies, equipment and services shall be awarded by competitive sealed bidding as provided in Section 3.32.05.” One of the few exceptions to the competitive sealed bidding requirement is found in Section 3.32.070, which is entitled “Small purchases.” In essence, Section 3.32.070 provides that purchases under thirty thousand dollars (\$30,000) shall be made according to the operational procedures adopted by the purchasing officer. Purchases between thirty thousand dollars (\$30,000) and one hundred twenty-five thousand dollars (\$125,000) require the solicitation of at least three (3) bids. Award is then made to the bidder submitting the bid that is most advantageous to the city.

With respect to public projects<sup>1</sup>, Section 20162 of the California Public Contract Code provides that “[w]hen the expenditure required for a public project exceeds five thousand dollars (\$5,000), it shall be contracted for and let to the lowest responsible bidder after notice.” If, however, a public agency has elected to be subject to the uniform construction cost accounting procedures set forth in the Uniform Public Construction Cost Accounting Act (Cal. Pub. Cont. Code § 22000 et seq.), the agency is able to use an informal bidding process for certain public projects.

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<sup>1</sup> “Public project” is defined by Section 20161 of the California Public Contract Code as including: (i) “[a] project for the erection, improvement, painting, or repair of public buildings and works;” (ii) “[s]treet or sewer work except maintenance or repair;” and (iii) “[f]urnishing supplies or materials for any such project, including maintenance or repair of streets or sewers.”

The adoption of these alternative bidding procedures expedites the bidding process while ensuring the public trust is maintained by promoting fair and open competition.