



## Legislation Text

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**File #:** 24-568, **Version:** 1

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*Report Prepared by: Craig J. Cornwell City Attorney*

**SUBJECT:** Adoption of a Resolution Adopting the City of Merced Alternative Delivery Procurement Policy

### REPORT IN BRIEF

Considers adopting a Resolution of the City Council of the City of Merced, California, Adopting the City of Merced Alternative Delivery Procurement Policy to provide the ability to use Design-build, Progressive design-build, and/or Construction manager at-risk, project delivery procurements for up to five (5) public works projects per Fiscal Year, a total which may be adjusted by future action of the City Council.

### RECOMMENDATION

**City Council** - Adopt a motion:

- A. Adopting **Resolution 2024-64**, a Resolution of the City Council of the City of Merced, California, Adopting the City of Merced Alternative Delivery Procurement Policy; and,
- B. Authorizing the City Manager to execute the necessary documents.

### ALTERNATIVES

- 1. Approve, as recommended by staff; or,
- 2. Approve, subject to conditions other than as recommended by staff; or,
- 3. Deny; or,
- 4. Continue to a future meeting.

### AUTHORITY

Charter of the City of Merced, Section 200.  
Charter of the City of Merced, Section 1100.7  
Charter of the City of Merced, Section 1109

### CITY COUNCIL PRIORITIES

As provided for in the 2023-24 Adopted Budget.

### DISCUSSION

The City, as a California Charter City, pursuant to California Public Contract Code Section 1100.7, possesses the authority to exempt itself from the requirements of the California Public Contract Code. City Charter Section 200 states the City shall have the power to exercise any and all rights,

powers and privileges stated in the Charter, granted or prescribed by any law of the State, or by other lawful authority, or which a municipal corporation might or could exercise under the Constitution of the State of California.

City Charter Section 1109, requires every public works project exceeding \$50,000, adjust annually beginning in July 1, 2008, for the construction or improvement of public buildings, works, streets, sewers, utilities, and playgrounds to be let by contract to the lowest responsive and responsible bidder after notice by publication in the local newspaper ten days before the opening of bids.

City Charter Section 1109 permits the City Council to establish procedures to implement public works contracting processes through Ordinance or Resolution, and such procedures may include the use of construction manager at risk, design-build and progressive design-build delivery methods (collectively "alternative delivery methods").

Other public agencies across California, including other charter cities, have experienced improved outcomes on their public works projects when utilizing alternative delivery methods, including improved quality, expedited project completion, reduced costs, and obtaining design features that were not achievable through the traditional design-bid-build method.

Merced Municipal Code Section 3.04.220 states that every project, not otherwise exempt by the Charter, involving an expenditure of more than \$50,000 for the construction or improvement of public buildings, works, streets, drains, sewers, utilities, parks and playgrounds shall be let by written contract with the lowest responsible bidder in accordance with the procedure described in this article.

It is requested that the City Council utilize its Charter authority by adopting the City of Merced Alternative Delivery Procurement Policy to provide the ability to use Design-build, Progressive design-build, and/or Construction manager at-risk, project delivery procurements for up to five (5) public works projects per Fiscal Year, a total which may be adjusted by future action of the City Council.

## **IMPACT ON CITY RESOURCES**

No impact on budget appropriations.

## **ATTACHMENTS**

1. Resolution 2024-64
2. Administrative Policy A-55