

(O-92-86)

ORDINANCE NUMBER O- 17747 (NEW SERIES)

ADOPTED ON MAR 16 1992

AN ORDINANCE AMENDING CHAPTER II, ARTICLE 2, DIVISION 5, OF THE SAN DIEGO MUNICIPAL CODE BY AMENDING SECTIONS 22.0506, 22.0512 AND 22.0514 RELATING TO SELLING AND DISPOSING OF OBSOLETE OR DEPRECIATED PROPERTY, AWARD OF PROCUREMENT AND PUBLIC WORKS CONTRACTS, AND DEBARMENT PROCEDURES FOR PROCUREMENT AND PUBLIC WORKS CONTRACTS RESPECTIVELY.

BE IT ORDAINED, by the Council of The City of San Diego, as follows:

Section 1. That Chapter II, Article 2, Division 5, of the San Diego Municipal Code be and the same is hereby amended by amending Sections 22.0506, 22.0512 and 22.0514, to read as follows:

**SEC. 22.0506 OBSOLETE OR DEPRECIATED PROPERTY-  
SELLING, DISPOSING**

(a) Whenever the head of any department or office gives notice in writing to the Purchasing Agent that certain personal property of the City is so used, obsolete, depreciated, or surplus to current and projected needs as to be unfit or undesirable for use or retention by the City, the Purchasing Agent shall, if the personal property described in the notice has an actual value less than two thousand dollars (\$2,000), have the power, without advertising for bids, to sell or exchange it for other property, or otherwise dispose of it to the best advantage of the City after providing

proper competition for such sale when feasible. The Purchasing Agent also may dispose of selected items of surplus property through the San Diego City Store or its successor. "Exchange" as used in this section includes transactions where used, obsolete, depreciated, or surplus property of the City is transferred (traded-in) as a partial consideration for the transfer to the City of other property. When personal property is disposed of by an exchange or sale, the cash or credit shall be credited to the department or office of the City which requested the disposal if the exchange or sale is included in the annual budget for the fiscal year in which the sale or exchange occurs. If the exchange or sale is not included in the annual budget for the fiscal year in which the sale or exchange occurs, then the resulting cash or credit will be deposited in the City's General Fund, or in the Enterprise Fund to which the personal property was allocated prior to sale or exchange.

(b) Whenever the personal property described in the notice referred to in the preceding paragraph has an actual value of two thousand dollars (\$2,000) or more, the Purchasing Agent shall apply to the City Manager for authority to dispose of it. The Purchasing Agent shall be authorized to sell or otherwise dispose of the personal property only when the City Manager so directs. Property with an actual value of ten thousand dollars (\$10,000) or more, or with an actual value of

five thousand dollars (\$5,000) or more if a reasonable number of potential bidders is not known, shall be advertised for sale by sealed bid unless disposed of at public auction.

(c) Within five (5) business days after selling or otherwise disposing of personal property pursuant to Section 22.0506, the Purchasing Agent shall report in writing to the City Manager when the proceeds of the sale are more than two thousand dollars (\$2,000). The City Manager shall report annually in writing to the Council the result of any sales, exchanges or other disposal of personal property made pursuant to Section 22.0506 when the proceeds of the sale exceed five thousand dollars (\$5,000). The report to the Council shall describe the property disposed of and state the consideration received by the City for the property.

**SEC. 22.0512 AWARD**

(a) Contracts for procurement under an invitation to bid will be awarded on the basis of the low acceptable bid meeting specifications. Contracts for procurement under a request for proposal will be awarded on the basis of the proposal best meeting City requirements. The Purchasing Agent shall consider the following factors in evaluating whether a bid or proposal best meets City requirements and gains the best economic advantage for the City: unit cost, life cycle cost, economic cost analysis, operating efficiency, warranty and quality, compatibility with

existing equipment, maintenance costs (including consideration for the costs associated with proprietary invention), experience and responsibility of bidder, and any additional factors the Purchasing Agent deems relevant. The Purchasing Agent and the City Manager may waive defects and technicalities when to do so is in the best interests of the City. Upon request, the Purchasing Agent shall notify any interested bidder(s) of the proposed selection for award upon determination thereof.

(b) Contracts requiring insurance or surety bonds, or both, shall not be awarded until the bidder submits bond or insurance documents, or both, acceptable to the City.

(c) The City Manager and the Purchasing Agent are authorized to award contracts to the subsequent low bidder meeting contract submittal requirements when the apparent low bidder fails to do both of the following:

(1) fails to meet original submittal deadlines for required bond and insurance documents; and

(2) fails, within ten (10) calendar days after the original contract submittal deadlines have expired, to submit the required bond and insurance documents, or to arrange a hearing with the Purchasing Agent to show cause why the City should not proceed with action to award the contract to the subsequent low bidder.

**SEC. 22.0514 DEPARTMENT PROCEDURES FOR PROCUREMENT  
AND PUBLIC WORKS CONTRACTS**

(a) In addition to all other remedies permitted by law, the City Council may, upon advice of the City Manager and the City Attorney, by resolution declare a bidder or contractor ineligible to bid on City procurement and public works contracts for a period not to exceed three (3) years for any of the following grounds:

(1) two (2) or more claims of computational or other error in bid submission within a two-year period;

(2) unjustified failure or refusal to timely provide or properly execute contract documents;

(3) unsatisfactory performance of contract;

(4) two (2) or more occasions within a two-year period of failure to submit bond or insurance documents acceptable to the City in the time periods required;

(5) unjustified refusal to properly perform or complete contract work or warranty performance;

(6) unjustified failure to honor or observe contractual obligations or legal requirements pertaining to the contract;

(7) conviction under a state or federal statute or municipal ordinance for fraud, bribery,

theft, falsification or destruction of records,  
receiving stolen property or of any other similar  
crime;

(8) any offense or action which indicates a  
lack of business integrity and which could directly  
affect the reliability and credibility of performance  
of the contractor on future contracts with the City;  
or,

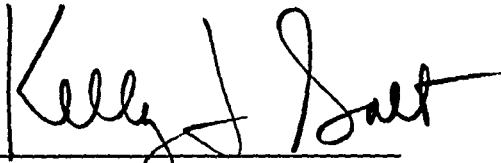
(9) any debarment of the contractor by  
another governmental agency.

(b) [No change in text.]

(c) [No change in text.]

Section 2. This ordinance shall take effect and be in force  
on the thirtieth day from and after its passage.

APPROVED: JOHN W. WITT, City Attorney

By   
\_\_\_\_\_  
Kelly J. Salt  
Deputy City Attorney

KJS:jrl  
01/28/91  
Or. Dept: Purch.  
0-92-86  
Form=o+t

0-17747

(0-92-86)

OLD LANGUAGE - ~~STRIKEOUT~~  
NEW LANGUAGE - UNDERLINED

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ADOPTED ON MAR 16 1992

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depreciated, or surplus property of the City is transferred (traded-in) as a partial consideration for the transfer to the City of other property, and ~~w~~when any such personal property has been is disposed of, the ~~amount received therefor, either in~~ by an exchange or sale, the cash or as a credit, shall be credited to the department or office of the City which requested its ~~the~~ disposal, only if the exchange or sale ~~trade-in or sale of such trade-in article or article sold has been contemplated~~ is included in the ~~current~~ annual budget, for the fiscal year in which the sale or exchange occurs. ~~otherwise receipts or credits from such trade-ins or sales will be deposited in the General Fund.~~ If the exchange or sale is not included in the annual budget for the fiscal year in which the sale or exchange occurs, then the resulting cash or credit will be deposited in the City's General Fund, or in the Enterprise Fund to which the personal property was allocated prior to sale or exchange.

(b) Whenever the personal property described in the notice referred to in the preceding paragraph ~~shall~~ have has an actual value of two thousand dollars (\$2,000) or more, the Purchasing Agent shall apply to the City Manager for authority to dispose of it, and ~~the~~ Purchasing Agent shall be authorized to sell or otherwise dispose of the personal property, ~~as provided in the preceding paragraph,~~ only when the City Manager so directs. Property with an actual value of ten



thousand dollars (\$10,000) or more, or with an actual value of five thousand dollars (\$5,000) or more if a reasonable number of potential bidders is not known, shall be advertised for sale by sealed bid unless disposed of at public auction.

~~(c) The Purchasing Agent shall,~~ Within five (5) business days after selling or otherwise disposing of personal property pursuant to the terms of this section, Section 22.0506, the Purchasing Agent shall report in writing to the City Manager when the proceeds of ~~such~~ the sale are more than two thousand dollars (\$2,000). The City Manager shall report annually in writing to the Council the result of any sales, exchanges or other disposal of personal property made pursuant to ~~this~~ Section 22.0506 when the proceeds of ~~such~~ the sale exceed five thousand dollars (\$5,000). The report to the Council shall describe the property disposed of and state the consideration received by the City for ~~such~~ the property.

**SEC. 22.0512 AWARD**

(a) Contracts for procurement under an ~~I~~n invitation to ~~B~~bid will be awarded on the basis of the low acceptable bid meeting specifications. Contracts for procurement under a ~~R~~rquest for ~~P~~proposal will be awarded on the basis of the proposal best meeting City requirements. ~~Determinations shall be based on one or more or any combination of factors which will serve to provide City requirements at the best economic~~

~~advantage to the City including but not limited to~~ The Purchasing Agent shall consider the following factors in evaluating whether a bid or proposal best meets City requirements and gains the best economic advantage for the City: unit cost, life cycle cost, economic cost analysis, operating efficiency, warranty and quality, compatibility with existing equipment, maintenance costs (to includeing consideration for the costs associated with proprietary invention), experience and responsibility of bidder, and any additional factors the Purchasing Agent deems relevant. The Purchasing Agent and the City Manager may waive defects and technicalities when such to do so is in the best interests of the City. Upon request, ~~the~~ Purchasing Agent shall notify ~~all~~ any interested bidder(s) of the proposed selection for award upon determination thereof.

(b) Contracts requiring insurance or surety bonds, or both, shall not be awarded until the bidder submits bond or insurance documents, or both, acceptable to the City.

(c) The City Manager and the Purchasing Agent are authorized to award contracts to the subsequent low bidder meeting contract submittal requirements when the apparent low bidder fails to do both of the following:

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and

(2) fails, within ten (10) calendar days after the original contract submittal deadlines have expired, to submit the required bond and insurance documents, or to arrange a hearing with the Purchasing Agent to show cause why the City should not proceed with action to award the contract to the subsequent low bidder.

**SEC. 22.0514 DEBARMENT PROCEDURES FOR PROCUREMENT AND PUBLIC WORKS CONTRACTS**

(a) In addition to all other remedies permitted by law, the City Council may, upon advice of the City Manager and the City Attorney, by resolution, declare a bidder or contractor ineligible to bid on City procurement and public works contracts for a period not to exceed three (3) years for any of the following grounds:

(1) Two (2) or more claims of computational or other error in bid submission within a two-year period;

(2) unjustified failure or refusal to timely provide or properly execute contract documents;

(3) unsatisfactory performance of contract;

(4) two (2) or more occasions within a two-year period of failure to submit bond or insurance documents acceptable to the City in the time periods required;

(5) unjustified refusal to properly perform or complete contract work or warranty performance;

(6) unjustified failure to honor or observe contractual obligations or legal requirements pertaining to the contract;

(7) conviction under a state or federal statutes or municipal ordinance for fraud, bribery, theft, falsification or destruction of records, receiving stolen property or of any other similar crime;

(8) any offense or action which indicates a lack of business integrity and which ~~would~~ could directly affect the reliability and credibility of performance of ~~such a vendor or~~ the contractor with on future contracts with the City; or,

(9) ~~based on the limited~~ any debarment of the contractor by another governmental agency.

(b) [No change in text.]

(c) [No change in text.]

KJS:jrl  
01/28/92  
Dept: Purch.  
0-92-86  
Form=o+t

Passed and adopted by the Council of The City of San Diego on.....**MAR 16 1992**,  
by the following vote:

Council Members	Yeas	Nays	Not Present	Ineligible
Abbe Wolfshaimer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ron Roberts	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
John Hartley	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
George Stevens	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tom Behr	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Valerie Stallings	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Judy McCarty	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bob Filner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mayor Maureen O'Connor	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

AUTHENTICATED BY:

.....**MAUREEN O'CONNOR**.....  
Mayor of The City of San Diego, California.

(Seal)

.....**CHARLES G. ABDELNOUR**.....  
City Clerk of The City of San Diego, California.

By.....*[Signature]*....., Deputy.

I HEREBY CERTIFY that the foregoing ordinance was not finally passed until twelve calendar days had elapsed between the day of its introduction and the day of its final passage, to wit, on

**MAR 02 1992**

**MAR 16 1992**

....., and on.....

~~I FURTHER CERTIFY that said ordinance was read in full prior to its final passage.~~

I FURTHER CERTIFY that the reading of said ordinance in full was dispensed with by a vote of not less than a majority of the members elected to the Council, and that there was available for the consideration of each member of the Council and the public prior to the day of its passage a written or printed copy of said ordinance.

.....**CHARLES G. ABDELNOUR**.....  
City Clerk of The City of San Diego, California.

(Seal)

By.....*[Signature]*....., Deputy.

Office of the City Clerk, San Diego, California	
Ordinance Number.....	..... <b>0-17747</b> ..... Adopted..... <b>MAR 16 1992</b> .....

RECEIVED  
92 FEB 20 AM 11:06  
CITY CLERKS OFFICE  
SAN DIEGO, CA

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