



ADMINISTRATION COMMITTEE

Administration Building
10844 Ellis Avenue
Fountain Valley, CA 92708
(714) 593-7433

Agenda Report

File #: 2021-1570

Agenda Date: 4/14/2021

Agenda Item No: 4.

FROM: James D. Herberg, General Manager
Originator: Lorenzo Tyner, Assistant General Manager

SUBJECT:

PROPOSED ADOPTION OF ORDINANCE NO. OC SAN-XX UPDATING THE PURCHASING ORDINANCE

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

- A. Introduce Ordinance No. OC SAN-XX, entitled: "An Ordinance of the Board of Directors of the Orange County Sanitation District Establishing Requirements and Procedures for the Purchase of Goods, Services, and Public Works Projects; and Repealing Ordinance No. OCSD-52";
- B. Motion to read Ordinance No. OC SAN-XX by title only and waive reading of said entire Ordinance on April 28, 2021;
- C. Set May 26, 2021, as the date for the second reading and adoption of Ordinance No. OC SAN-XX; and
- D. Direct the Clerk of the Board to publish summaries of the Ordinance as required by law.

BACKGROUND

The proposed Purchasing Ordinance sets forth the requirements that apply to the Orange County Sanitation District's (OC San) purchase of goods and services. These requirements are currently set forth in Ordinance No. OCSD-52. The proposed Ordinance updates the requirements set forth in Ordinance No. OCSD-52 and clarifies several individual requirements and procedures. The Ordinance, for example, modifies procedures whereby bids can be accepted electronically, and local preference shall be made when awarding a bid with equal lowest bidders.

RELEVANT STANDARDS

- CA Public Contract Code Section 20783
- CA Government Code Section 4526; 54202
- Ensure the public's money is wisely spent

PROBLEM

OC San last updated its Purchasing Ordinance in 2018 and now requires amendments to the existing requirements to improve its efficiency to purchase goods and services required by OC San.

PROPOSED SOLUTION

Adopt an Ordinance with the new proposed purchasing requirements and authority based on OC San's staff thorough review and analysis of the limitations of the existing Ordinance.

TIMING CONCERNS

April 2021 - Introduction of the Ordinance to Administration Committee.

April 2021 - Introduction and first reading of the Ordinance to the Board of Directors.

May 2021 - Second Reading and Adoption of the Ordinance.

June 26, 2021 - Ordinance takes effect.

RAMIFICATIONS OF NOT TAKING ACTION

The existing Purchasing Ordinance will remain in effect without modifications.

PRIOR COMMITTEE/BOARD ACTIONS

May 2018 - Adopted Ordinance No. OCSD-52, entitled: "An Ordinance of the Board of Directors of the Orange County Sanitation District Establishing Requirements and Procedures for the Purchase of Goods, Services, and Public Works Projects; and Repealing Ordinance No. OCSD-47".

ADDITIONAL INFORMATION

Under Government Code Section 54202, OC San must adopt policies and procedures governing the purchase of supplies and equipment.

Government Code Section 4526 applies to the purchase of professional services from private architects, landscape architects, engineers, environmental professionals, land surveyors, and construction managers. Under Section 4526, OC San must select the specified professionals based on demonstrated competence and the professional qualifications necessary for the satisfactory performance of the services required. Section 4526 allows OC San to adopt, by Ordinance, procedures ensuring that the specified services are engaged based on demonstrated competence and professional qualifications at fair and reasonable prices.

Under Public Contract Code Section 20783, OC San must award contracts for public works construction worth more than \$35,000 to the lowest responsive, responsible bidder. Public Contract Code also imposes a variety of requirements on the award of public works construction contracts.

ATTACHMENT

The following attachment(s) may be viewed on-line at the OC San website (www.ocsan.gov) with the complete agenda package:

- Draft Ordinance OC SAN-XX (redline)
- Draft Ordinance OC SAN-XX (clean)