

Charter Amendment to Article 5

Actual Ballot Language:

CITY CHARTER AMENDMENT TO ARTICLE 5, GENERAL FINANCE, TO ESTABLISH BUDGET-BASED THRESHOLDS FOR COMPETITIVE BIDDING AND CITY COUNCIL APPROVAL ON PURCHASES, PUBLIC IMPROVEMENTS AND CONTRACTS

Shall the Charter of the City of Southgate be amended to require competitive bidding (sealed proposals) for City purchases, public improvements, and contracts that are 0.1% or more of the City's annual operating budget; require City Council to establish annual thresholds for City Council approval of purchases, public improvements, and contracts; and provide that these thresholds may be adjusted each year by City Council Resolution when the City budget is adopted?

YES ☐

NO ☐

Proposed Changes to the Charter if Amendment is Approved

Sec. 107 Contracts for public work; work exceeding ~~\$5,000~~ 0.1% of City's adopted annual operating budget; sealed proposals required

The City may contract for the performance of any public work or may perform the same itself through its departments, officers, and employees; provided, however, that it shall not itself perform any new construction work ~~exceeding an estimated five thousand dollars (\$5,000)~~ exceeding an estimated 0.1% of the City's adopted annual operating budget until it has first advertised for sealed proposals therefor.

Sec. 108 Contracts or purchases; sealed proposals required

No contract shall be entered into by the City for the making of any public improvement or for the purchase of any materials, tools, apparatus, or any other thing or things, the consideration or cost of which ~~shall exceed two thousand, five hundred dollars (\$2,500)~~ shall exceed 0.1% of the City's adopted annual operating budget, until advertisement has been made for sealed proposals thereon. The City shall have the right to reject any or all such proposals.

Sec. 109 Improvements; estimates, profiles, etc. required

No public improvement costing more than ~~five thousand dollars (\$5,000)~~ the established threshold set by Council Resolution annually when City budget is adopted, shall be contracted for or commenced until drawings, profiles, and estimates for the same shall have been submitted to the Council and approved by it; and a copy thereof shall thereafter remain on file in the office of the Clerk subject to inspection by the public.

Sec. 110 Approval of contracts by Council

No contract shall be entered into by the City for the making of any public improvement or for the purchase of any materials, tools, apparatus, or any other thing or things, the consideration or cost of which ~~shall exceed five thousand dollars (\$5,000)~~ shall exceed the established threshold set by Council Resolution annually when City budget is adopted, until the same shall have been approved by a majority of the Council elect. All contracts shall be reviewed by the Mayor.

FAQs

What is a charter amendment?

A Charter Amendment is a revision to the City Charter. The City Charter is the foundational document that establishes how the City of Southgate is organized and governed. It outlines the powers and responsibilities of the City, its elected officials, and its various offices and departments.

In simple terms, a Charter Amendment allows residents to vote on whether a specific provision of the City's governing document should be changed.

Why is the proposal on the ballot?

The City's current Charter establishes fixed dollar thresholds for when purchases, public improvements, and contracts are subject to competitive bidding through sealed proposals. These thresholds have not been updated in nearly 30 years.

The proposed amendment would replace the existing fixed threshold with a competitive-bidding threshold tied to the City's annual operating budget. This would allow the threshold to adjust as the City's annual operating budget changes, rather than relying on a fixed dollar amount.

The proposed amendment would also authorize City Council to establish, on an annual basis, the threshold at which purchases, public improvements, and contracts require Council approval.

What happens if the amendment passes?

If voters approve the amendment, the City Charter would set a new bidding threshold based on the City's annual budget. As such, purchases, public improvements, and contracts costing exceeding 0.1% (1/1,000) of the City's annual operating budget would go through a sealed bid process.

Each year, when the City adopts its budget, City Council would set the dollar amount for when purchases require Council approval.

What is the bid process?

The bid process is a request for sealed proposals for purchases, public improvements, and contracts. As part of the process the City develops bid specifications and advertises the specifications so vendors may review and assemble a proposal. Interested vendors either mail or hand deliver their proposal in a sealed package for opening at a specific date. This process is used when an expense is expected to cost more than the bid threshold established in the Charter. When the expenses are expected to be under the bid threshold, the City solicits quotes from potential vendors.

What does this mean for me?

The proposed amendment only affects the City processes for making purchases, completing public improvements, and entering into contracts. The amendment would not increase or decrease property taxes or fees.