



400 South Federal Hwy
Hallandale Beach, FL 33009

City of Hallandale Beach City Commission Agenda Cover Memo

Meeting Date:	September 6, 2017		Item Type: <i>(Enter X in box)</i>	Resolution	Ordinance	Other	
					x		
Fiscal Impact: <i>(Enter X in box)</i>	Yes	No	Ordinance Reading: <i>(Enter X in box)</i>	1 st Reading		2 nd Reading	
		x		x			
			Public Hearing: <i>(Enter X in box)</i>	Yes	No	Yes	No
					x		
Funding Source:	Multiple accounts		Advertising Requirement: <i>(Enter X in box)</i>	Yes		No	
				x			
Account Balance:	N/A		Quasi-Judicial: <i>(Enter X in box)</i>	Yes		No	
Project Number :	N/A		RFP/RFQ/Bid Number:	N/A			
Contract/P.O. Required: <i>(Enter X in box)</i>	Yes	No	Strategic Plan Priority Area: <i>(Enter X in box)</i>				
		X	Safety <input type="checkbox"/> Quality <input checked="" type="checkbox"/> Vibrant Appeal <input type="checkbox"/>				
Sponsor Name:	Roger M. Carlton, City Manager		Department: Procurement		Andrea Lues, Procurement Director		

Short Title:

AN ORDINANCE OF THE MAYOR AND CITY COMMISSION OF THE CITY OF HALLANDALE BEACH, FLORIDA, AMENDING CHAPTER 23 "PROCUREMENT CODE", ARTICLE I PURCHASING, SECTION 23-12 ENTITLED "PROCEDURES FOR PURCHASES IN EXCESS OF \$50,000" TO ALLOW THE CITY MANAGER TO AUTHORIZE CHANGE ORDERS WITHIN THE AMOUNT AWARDED BY THE CITY COMMISSION; PROVIDING FOR CONFLICT; PROVIDING FOR CODIFICATION; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

Staff Summary:

Background:

In October 2012, the City Commission amended Section 2-4 Code of Ordinances to expressly give the City Manager authorization to execute contracts and agreements under certain circumstances. In 2013, the City Commission amended the Code of Ordinances and created Chapter 23 Procurement. Section 23-12 Procedures for purchases in excess of \$50,000, Section (7) Change Orders, authorizes the City Manager to process certain change orders. This Section allows the following change orders:

Any change in the contract price, scope of work or time for completion of any project following the award of a contract shall be by a written change order, approved by the city manager and executed with the same formalities as the contract. However, the city manager may approve and execute change orders without city commission approval subject to the following limitations:

- a. The City Manager may approve any change orders, which do not exceed \$50,000.00, for up to a maximum of ten percent over the award of the City Commission. The scope of any project may not be changed without prior approval of the City Commission. No increase in contract price shall be approved unless there are sufficient funds available for such purpose.*
- b. Contract price decreases may be approved without limitation.*
- c. No change order shall materially change the scope of the work unless approved by the city commission.*
- d. In the event the lowest, most responsive and responsible bid for a project exceeds available funds, and the City Commission does not make available additional funds, the City Manager is authorized, when time or economic considerations preclude re-solicitation of bids, to negotiate an adjustment of the bid price as long as the scope of work is not materially changed with the lowest, most responsive and responsible bidder, in order to bring the bid within the amount of available funds. Final negotiations shall be in written form as approved by the City Manager.*

This request will allow the City Manager or designee to negotiate and approve purchases for the project (furniture and other items we buy to save sales tax) and/or change orders above the City Manager's purchasing authority (currently \$50,000) related to the construction of any capital improvements project, which cumulatively are not in excess of the total amount awarded by the City Commission. This will allow projects to be completed in a more efficient manner.

Chapter 23 Procurement. Section 23-12 Procedures for purchases in excess of \$50,000, Section (7) Change Orders, item a., shall be changed to read as follows:

- a. *The City Manager may approve any change orders, which cumulatively do not exceed \$50,000.00 are not in excess of the total amount awarded by ~~for up to a maximum of ten percent over the award of the City Commission~~. The scope of any project may not be changed without prior approval of the city commission. No increase in contract price shall be approved unless there are sufficient funds available for such purpose.*

Why Action is Necessary:

Pursuant to Article V, Section 5.01 of the City of Hallandale Beach Charter, a City Ordinance must be adopted by the City Commission to amend the Code of Ordinances.

Fiscal Impact:

This authority will speed up projects and avoid the cost of unnecessary delays due to awaiting approval from the City Commission. The amount approved by the City Commission for a project will not be changed by this amendment.

Proposed Action:

Staff recommends the approval on first reading of an Ordinance of the Mayor and the City Commission of the City of Hallandale Beach, Florida, amending Section 23-12 (7) of the City's Code of Ordinances to authorize the City Manager or designee to negotiate and approve purchases and/or change orders above the City Manager's purchasing authority related to the construction of any capital improvements project, which cumulatively are not in excess of the total amount awarded by the City Commission. This will speed up the capital construction process as it did with similar authority during the 2017 Summer Recess. An added control on this process is that the amount awarded and a description of the award under this new authority appear on the monthly financial report.

Attachment(s):

Exhibit 1 – Ordinance

Andrea Lues, Procurement Director