



## CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

April 20, 2004

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

**SUBJECT: Amendment to Long Beach Municipal Code Section 2.84.010 Relating to Purchases Funded by Homeland Security Grant**

### DISCUSSION

The Financial Management Department is requesting City Council approval to amend Municipal Code Section 2.84.010 for purchases funded by Homeland Security grants, which include Urban Area Security, Metropolitan Medical Response and Emergency Management grants. An effort to streamline the process for Homeland Security grant-funded expenditures is recommended to meet the deadlines for grant reimbursement.

The City has applied for and been awarded six grants under the Federal Department of Homeland Security for support totaling \$9,165,890. Items that may be purchased under these grants include emergency rescue vehicles, sonar equipment, chemical-resistant personal protective gear for the police and fire departments, medical equipment and other related items. Unfortunately, these grants flow through other agencies as part of the approval and conveyance process before the City is authorized to expend the grant funds. By the time the grant funds are allocated to the City, the Federal deadlines for spending these funds are almost upon us.

In September 1999, the City Council adopted a policy, implemented by Ordinance, authorizing the City Purchasing Agent to award contracts in amounts not to exceed \$100,000 with written approval of the City Manager. All purchases exceeding \$100,000 require formal bidding requirements and Council approval. Staff is concerned that the time required to comply with the Council's policy may result in the loss of these greatly needed Homeland Security grant funds. Therefore, the City Council is being requested to modify its purchasing policy and increase the purchasing authority to \$500,000 with regard to Homeland Security grant funds only.

HONORABLE MAYOR AND CITY COUNCIL

April 20, 2004

Page 2

Staff now has the ability to notify potential bidders through e-mail thus allowing immediate distribution of the bid document from the purchasing web page. The bidder notification system was recently upgraded to track diversity outreach efforts and a question and answer section per bid document that will allow all participants to track relevant information and addendums. In addition to this outreach, a complete list of all bidding opportunities are sent weekly to 18 organizations that serve local, minority and women-owned business enterprises. Due to the specialized nature of the equipment, there are a limited number of vendors who are able to supply the required equipment. Specialized vendors will be notified directly for participation.

The aforementioned enhancements serve to provide due diligence in establishing fair and reasonable pricing and a good faith outreach effort on all grant purchases. It is recommended to authorize the City Purchasing Agent, with the written approval of and in accordance with procedures provided by the City Manager, to bind the City through the issuance of a purchase order up to \$500,000 without formal advertising only for the purchase of equipment, services, labor, supplies, materials, and goods for appropriated expenditures to be reimbursed by Homeland Security grand funds. Expenditures will be reported to the City Council monthly. Note that there will be several Homeland Security grants that staff will expend under the requested policy in the future. Again, the increase in the purchasing threshold will apply to purchases related to Homeland Security grants only. All other city purchases will follow existing policies.

Deputy City Attorney Donna Gwin reviewed this matter on March 30, 2004.

#### TIMING CONSIDERATIONS

City Council action on this matter is requested on April 20, 2004 to amend the Municipal Code Section 2.84.010 for Homeland Security grants to meet a July 15, 2004 deadline for the most imminent grant reimbursement and to ensure future deadlines are met.

#### FISCAL IMPACT

The City will lose all funds not invoiced by the grant deadline and a potential loss of \$12 million in grant funds currently pending if the purchasing process is not expedited.

HONORABLE MAYOR AND CITY COUNCIL

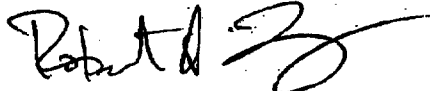
April 20, 2004

Page 3

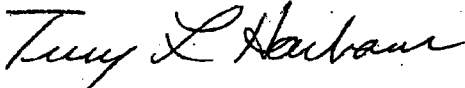
IT IS RECOMMENDED THAT THE CITY COUNCIL:

Request the City Attorney to prepare an amendment to the Long Beach Municipal Code Section 2.84.010 increasing the authority of the City Purchasing Agent, with the written approval of and in accordance with procedures provided by the City Manager, to bind the City through the issuance of a purchase order up to \$500,000 for appropriated expenditures to be reimbursed by Homeland Security grant funds.

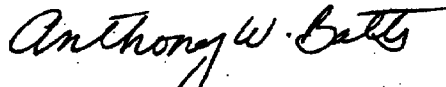
Respectfully submitted,



ROBERT S. TORREZ  
DIRECTOR OF FINANCIAL MANAGEMENT



TERRY L. HARBOUR  
FIRE CHIEF



ANTHONY W. BATTIS  
CHIEF OF POLICE

APPROVED:

→RST:JMV:cm

*for*   
GERALD R. MILLER  
CITY MANAGER

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

ORDINANCE NO. C-

AN ORDINANCE OF THE CITY COUNCIL OF THE  
CITY OF LONG BEACH AMENDING THE LONG BEACH  
MUNICIPAL CODE BY AMENDING SECTION 2.84.010  
REGARDING THE AUTHORITY OF THE CITY  
PURCHASING AGENT; DECLARING THE URGENCY  
THEREOF; AND DECLARING THAT THIS ORDINANCE  
SHALL TAKE EFFECT IMMEDIATELY

The City Council of the City of Long Beach ordains as follows:

Section 1. Section 2.84.010 of the Long Beach Municipal Code is  
hereby amended to read as follows:

2.84.010 Authority of City Purchasing Agent and other to contract

The City Purchasing Agent, with the written approval of and in  
accordance with procedures provided by the City Manager, and such  
faithful performance bonds as the City Manager may deem reasonably  
necessary, is hereby authorized to bind the City through the issuance of a  
purchase order without advertising for bids for the purchase of services,  
labor, supplies materials, goods, or other valuable consideration furnished  
to the City for amounts not exceeding One Hundred Thousand Dollars  
(\$100,000.00) and, if the purchase will be reimbursed by State or Federal  
grant funds relating to homeland security, for amounts not exceeding Five  
Hundred Thousand Dollars (\$500,000.00).

Other persons categorized as managers in each City department,  
with the written approval of and in accordance with procedures provided  
by the City Manager or by the Water Commission or Harbor Commission,

Robert E. Shannon  
City Attorney of Long Beach  
333 West Ocean Boulevard  
Long Beach, California 90802-4664  
Telephone (562) 570-2200

Robert E. Shannon  
City Attorney of Long Beach  
333 West Ocean Boulevard  
Long Beach, California 90802-4664  
Telephone (562) 570-2200

1 after recommendation by the head of the department, are hereby  
2 authorized to bind the City through the issuance of a purchase order  
3 without advertising for bids for the purchase of services, labor, supplies,  
4 materials, goods, or other valuable consideration furnished to the City for  
5 amounts not exceeding Ten Thousand Dollars (\$10,000.00).

6  
7 Sec. 2. Declaration of Urgency. This ordinance is an emergency  
8 measure, and it is urgently required for the reason that the City must complete its  
9 purchase of equipment and goods and obtain invoices from the vendors of that  
10 equipment and those goods to submit to the federal Office of Domestic Preparedness  
11 by the end of May, 2004.

12  
13 Sec. 3. This ordinance is an emergency ordinance duly adopted by the  
14 City Council by a vote of five of its members and shall take effect immediately. The City  
15 Clerk shall certify to a separate roll call and vote on the question of the emergency of  
16 this ordinance and to its passage by the vote of five members of the City Council of the  
17 City of Long Beach, and cause the same to be posted in three conspicuous places in  
18 the City of Long Beach.

19 This ordinance shall also be adopted by the City Council as a regular  
20 ordinance, to the end that in the event of any defect or invalidity in connection with the  
21 adoption of this ordinance as an emergency ordinance, the same shall, nevertheless,  
22 be and become effective on the thirty-first day after it is approved by the Mayor. The  
23 City Clerk shall certify to the passage of this ordinance by the City Council of the City of  
24 Long Beach and shall cause the same to be posted in three conspicuous places in the  
25 City of Long Beach.

26 I hereby certify that on a separate roll call and vote which was taken by  
27 the City Council of the City of Long Beach upon the question of emergency of this  
28 ordinance at its meeting of \_\_\_\_\_, 2004, the ordinance was declared to be

**Robert E. Shannon  
City Attorney of Long Beach  
333 West Ocean Boulevard  
Long Beach, California 90802-4664  
Telephone (562) 570-2200**

1 an emergency by the following vote:

2                   Ayes:           Councilmembers: \_\_\_\_\_

3 \_\_\_\_\_

4 \_\_\_\_\_

5                   Noes:            Councilmembers: \_\_\_\_\_

6 \_\_\_\_\_

7                   Absent:         Councilmembers: \_\_\_\_\_

8 \_\_\_\_\_

9  
10                   I further certify that thereafter, at the same meeting, upon a roll call and  
11 vote on adoption of the ordinance, it was adopted by the City Council of the City of  
12 Long Beach by the following vote:

13                   Ayes:            Councilmembers: \_\_\_\_\_

14 \_\_\_\_\_

15 \_\_\_\_\_

16                   Noes:            Councilmembers: \_\_\_\_\_

17 \_\_\_\_\_

18                   Absent:         Councilmembers: \_\_\_\_\_

19 \_\_\_\_\_

20                   I further certify that the foregoing ordinance was thereafter adopted on  
21 final reading by the City Council of the City of Long Beach at its meeting of

22 //

23 //

24 //

25 //

26 //

27 //

28 //

Robert E. Shannon  
City Attorney of Long Beach  
333 West Ocean Boulevard  
Long Beach, California 90802-4664  
Telephone (562) 570-2200

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

\_\_\_\_\_, 2004, by the following vote:

Ayes: Councilmembers: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Noes: Councilmembers: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Absent: Councilmembers: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
City Clerk

Approved: \_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Mayor)