

REQUEST FOR CHARTER REVIEW COMMISSION ACTION

MEETING DATE(S): 02/02/2010

SUBMITTED TO: HB Charter Review Commission

SUBMITTED BY: Mark D. Bixby, Charter Review Commissioner *MDB*

SUBJECT: Add new charter language allowing the city council to establish by ordinance local preference and prevailing wage requirements for contracts

Statement of Issue: Local preference and prevailing wage can be important tools for boosting the local Huntington Beach economy. I propose modifying the charter to allow (not require) the city council to establish local preference and prevailing wage requirements by ordinance.

Recommended Action: Motion to:

Add new Huntington Beach charter language as follows:

The city council may by ordinance adopt prevailing wage, geographic boundaries and other guidelines and restrictions, including local bidding preference, governing public works and other city contracts.

Analysis:

Local preference and prevailing wage can be important contracting tools for boosting the local Huntington Beach economy, so I propose modifying the charter to give the city council the option to specify such requirements by ordinance.

Huntington Beach municipal code section 3.02.180 (http://www.huntingtonbeachca.gov/files/users/city_clerk/MC0302.pdf) already provides for local preference for goods & service contracts. However, charter section 614 requires public works contracts to be awarded to the “lowest responsible bidder”, which precludes local preference requirements similar to HBMC 3.02.180. My proposal will allow the city council to implement similar local preference requirements for public works contracts.

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Current city practice is to pay prevailing wage for non-maintenance contracts. My proposal will allow the status quo to continue, and provides for a greater degree of policy formalization through the ordinance process.

My proposal is derived from Lindsay charter section 8.11(K) nearly word for word, differing from the Lindsay language in only providing for such requirements by ordinance, and not also by resolution as is done in Lindsay. I prefer the greater formality of the ordinance process because it also gives the public a chance to exercise the right of referendum.

Given the dire fiscal challenges facing the city in the years ahead, I am not comfortable with requiring the city to adopt local preference and prevailing wage. I want to ensure that the city has maximum flexibility to meet these challenges, and so my proposal only allows the city to optionally adopt such an ordinance. Implementing local preference and prevailing wage by ordinance will allow the city to make adjustments given changing fiscal realities, up to and including suspension or repeal if the fiscal situation becomes sufficiently dire.

References:

- Lindsay charter section 8.11(K) - <http://www.bixby.org/charter/charters/Lindsay.pdf>