

History of Measure MM
Approved by City Voters on November 2, 2004

LEGISLATIVE HISTORY:

The Riverside City Charter provides that every eight years, the City Council must appoint a Charter Review Committee to recommend to the City Council which, if any, Charter amendments should be placed on the ballot. Historically, the Charter Review Committee reviews the current charter and then interviews elected and appointed officials, Charter officers and City staff to determine what recommendations should be made. The Charter Review Committee also solicits public comment to determine what recommendations should be made.

In 2003, the City Council convened a Charter Review Committee and that Charter Review Committee recommended what eventually became Measure MM, which was approved by voters at the November 2, 2004 election.

Pursuant to City Council Resolution Nos. 20750 and 20751, this is the text of Measure MM, as presented to the voters in November 2004:

“Shall the Charter of the City of Riverside be amended to (1) allow the board of public utilities to award and execute contracts for construction, goods or services for the public utility; (2) allow the director of public utilities to approve work to be done at the customers' request and expense; and (3) allow the director of public utilities to negotiate and execute contracts with individual retail customers for utility services?”

(The other two portions of the ballot measure, related to the authority of the RPU General Manager to approve work to be done at customer expense and to execute contracts with individual retail customers, were approved but are not further summarized in this report.)

On November 2, 2004 approval of Measure MM resulted in the following revision to Section 1202(b) of the City Charter (**added language in bold**):

Sec. 1202. Same--Powers and duties.

The board of public utilities shall have the power and duty to:

(a) Consider the annual budget for the department of public utilities during the process of its preparation and make recommendations with respect thereto to the City Council and the City Manager.

(b) Authorize, **and let public works contracts in compliance with Section 1109**, within the limits of the budget of the department of public utilities, any purchase of equipment, materials, supplies, **goods or services**, or any acquisition, construction, improvement, extension, enlargement, diminution, or curtailment of all or any part of any public utility system when the amount exceeds \$50,000, **and authorize the City Manager, or his designee, to execute**

contracts or issue purchase orders for the same. This amount may be increased in \$1,000 increments by ordinance to account for inflation whenever the cumulative increase in the consumer price index exceeds \$2,000 from the last increase. No such purchase, or acquisition, construction, improvement, extension, enlargement, diminution or curtailment shall be made without such prior authorization.

Charter Review Committee:

Here is a brief summary of the 2003 Charter Review Committee's review of the issues which culminated in Measure MM.

1. December 11, 2003: In response to the 2003 Committee's request that each of the six advisory boards/commissions created by the City Charter provide recommendations for amendments, the Board of Public Utilities (among the other boards/commissions) presented a report to the Committee with their recommendations. At that time, the 2003 Committee took no action on the recommendations. One of the recommendations was to amend Section 1202 of the City Charter "to allow the Board of Public Utilities to award contracts over \$50,000 within the approved city budget, without further approvals."

2. June 10, 2004: The 2003 Committee interviewed then-RPU General Manager Tom Evans. The minutes from that committee meeting provides the following:

"Public Utilities Director Evans explained the proposal to allow the Board of Public Utilities to award budgeted contracts for routine work without further City Council action which will increase efficiency by reducing approval time following receipt of bids."

Other comments from Mr. Evans are included in the attached minutes. The Committee unanimously voted to recommend this Charter change to the City Council.

3. July 13, 2004: The committee presented its recommendation to the City Council. The Committee provided the following summary to the City Council:

Article	Section	Title	Issues	Substantive/ Non-Substantive Changes	Fiscal Impact
XII	1202	Same-Powers and Duties	<p>ISSUE 1: Authority of the Board of Public Utilities to award contracts without City Council approval.</p> <p>Positions:</p> <ul style="list-style-type: none"> No change to the current procedure of seeking City Council approval for all contracts over \$25,000. Authorize Board to award contracts over \$50,000 within the approved City budget and authorize City Manager to execute such contracts without City Council approval. <p>Recommendation:</p> <ul style="list-style-type: none"> Authorize Board to award contracts over \$50,000 within the approved City budget and authorize City Manager to execute such contracts without City Council approval. <p>Vote: 12 affirmative 2 no</p> <p>ISSUE 2: Required approvals for customer-requested work.</p> <p>Positions:</p> <ul style="list-style-type: none"> No changes to the current procedure of requiring customer-requested work over \$25,000 be approved by Board and City Council. Under subsection (b), customer-requested work provided under the rules adopted by the Board and Council be exempt from approval requirements. <p>Recommendation:</p> <ul style="list-style-type: none"> Under subsection (b), customer-requested work provided under the rules adopted by the Board and Council be exempt from approval requirements. <p>Vote: 13 affirmative 1 abstention</p>	<p>S</p> <p>S</p>	<p>None</p> <p>Minor</p> <p>None</p> <p>Minor</p>

City Council Actions in Response to Measure MM:

On May 17, 2005, the City Council adopted Resolution No. 20943, revising the City’s purchasing procedures for the procurement of professional services to reflect the change to Charter section 1202(b) as a result of Measure MM. The resolution provides that because of the approval of Measure MM, “it is desirable to adopt a resolution establishing rules and regulations for obtaining professional services and negotiated contracts for the Department of Public Utilities consistent with Measure MM.” Specifically, the City Council amended portions of the City’s administrative manual regarding the procurement of professional services to reflect the Board of Public Utilizes authority to award agreements for professional services. The City Council, as set forth in Administrative Manual Section II-4, page 4, Step 22, specifically noted that under Measure MM, the Board of Public Utilities is authorized to approve contracts for professional services, if budgeted funds are available.

If budgeted funds are not available, then City Council approval will also be needed:

Number: 02.004.00

PROCEDURE:		
Responsibility		Action
	16.	Prepares and forwards draft contract to City Attorney for review.
City Attorney	17.	Reviews the draft contract.
	18.	Returns the draft contract to the Originating Department for preparation of final form.
Originating Department	19.	Determines if selected firm is required to file conflict of interest forms, and notifies City Clerk.
City Clerk	20.	Sends conflict of interest forms to selected firm, if necessary.
Originating Department	21.	Sends contract to consultant for execution.
	22.	Prepares a City Council or RPU Board agenda report regarding the selection of the consultant firm, the scope of work to be performed, and the fee proposal, and submits it to the City Manager, City Attorney and Finance Director for approval. If the waiver of consultant selection process was approved by the City Manager, agenda report <u>must</u> include a statement addressing the waiver and justification therefore. If a board, commission or committee is involved, submits the report to that board, commission or committee through the appropriate department director for approval prior to sending it to the City Manager. If Public Utilities Department is the Originating Department and funds for the consultant agreement were not included in the City Council approved budget, then City Council approval is required in addition to RPU Board approval.
	23.	Upon receipt of the executed contract, submits to City Attorney for approval as to form.
	24.	Upon receipt of the required insurance documents, submits to Risk Manager for approval as to form.
City Attorney	25.	Approves contract as to form and forwards to City Clerk
Risk Manager	26.	Approves required insurance documents as to form and forwards to City Clerk.
City Manager	27.	Submits report to the City Council, or if Public Utilities is the Originating Department submits report to RPU Board and if required under #22 to City Council.

References:

1. Measure MM (entire ballot measure)
2. City Council Resolution Nos. 20750 and 20751
3. December 11, 2003 Charter Review Committee Report
4. June 10, 2004 minutes, Charter Review Committee
5. City Council Resolution No. 20943 and 23256 (City Purchasing Resolutions)