

THE CITY OF SAN DIEGO

OFFICE OF THE INDEPENDENT BUDGET ANALYST REPORT

Date Issued: August 22, 2016 City Council Docket Date: N/A Item Number: N/A **IBA Report Number:** 16-25

FISCAL IMPACT STATEMENT Measure H: Charter Amendments Regarding Purchasing and Contracting Processes for the City of San Diego

This measure would repeal and replace sections of the City Charter related to contracting and procurement. These changes are intended to reflect updated processes and remove duplication between the City Charter, the City's Municipal Code, and the State Government Code.

If this measure is adopted, the City will no longer be required to notice public hearings for contracts exceeding five years in the City's newspaper of record. Instead, the City will be required to notice these public hearings on the online City Bulletin. This change will reduce the noticing fees paid by the City; in fiscal year 2016, affected noticing fees were approximately \$54,000.

Additionally, if this measure is approved, certain contracting and procurement provisions will be removed from the Charter and remain in the City's Municipal Code. Should these Municipal Code provisions subsequently be amended by City Council ordinance and without a public vote, it is possible that future procurement costs could change.