

**CITY OF TEMECULA  
AGENDA REPORT**

**TO:** City Manager/City Council

**FROM:** Patrick Thomas, Director of Public Works/City Engineer

**DATE:** May 28, 2019

**SUBJECT:** Adopt a Resolution Establishing a Conflict of Interest Policy for Design-Build Projects

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**PREPARED BY:** Avlin R. Odviar, Senior Civil Engineer  
Nino Abad, Associate Civil Engineer

**RECOMMENDATION:** That the City Council adopt a resolution entitled:

**RESOLUTION NO. 19-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY  
OF TEMECULA APPROVING A CONFLICT OF INTEREST  
POLICY FOR DESIGN-BUILD PROJECTS**

**BACKGROUND:** City Staff proposes adding Design-Build as a method of project delivery for qualifying projects under the California Public Contracting Code (PCC), where it may be of benefit in terms of project delivery time and/or cost. PCC Section 22160 et seq. allows local agencies to procure Design-Build contracts for building and/or recreation facility projects in excess of \$1,000,000. It is anticipated that the Margarita Recreation Center (MRC) Project, PW17-21 will be the City's first Design-Build project.

Design-Build generally differs from Design-Bid-Build in that the former allows for the design and construction to be procured from a single entity commonly referred to as the Design Build Entity (DBE) and/or Design Build Team (DBT). The PCC also allows award of Design-Build contracts based on the "best value" proposal as opposed to the lowest bidder. In order for a local agency to implement Design-Build procurement, it must have an Organizational Conflict of Interest Policy in place.

The proposed Policy was prepared by the City Attorney and reviewed by the Department of Public Works. In summary, it prohibits a potential Proposer from participating as, or part of, a DBE/DBT on a particular project where the Proposer has performed prior work on the project, or is otherwise assisting the City with other aspects of the project. The policy also prohibits City officers or employees from participating in the award of a contract where a financial conflict of interest exists per Government Code Section 1090.

Staff recommends approving the attached resolution establishing the Organization Conflict of Interest Policy for Design-Build Projects. Approval of the proposed resolution will allow staff to deliver Design-Build projects when in the City's best interest and in accordance with the California Public Contracting Code.

**FISCAL IMPACT:** There is no direct fiscal impact associated with the adoption of this resolution and policy.

**ATTACHMENTS:** Resolution