

**FORM OF STATEMENT TO BE FILED BY
AUTHOR OF ARGUMENT**

The undersigned proponent(s) or author(s) of the (primary/rebuttal) argument (in favor of/against) ballot proposition amending the City Charter to increase the dollar threshold for formal bidding at the General Municipal Election for the City of Newport Beach to be held on Tuesday, November 2, 2010 hereby state that the argument is true and correct to the best of (his/her/their) knowledge and belief.

	SIGN NAME	PRINT NAME	DATE
AGC	<i>[Signature]</i>	JOHN HAKEL	7/20/10
SCCA	<i>[Signature]</i>	WILLIAM E. DAVIS	7/20/2010
CIFAC	<i>[Signature]</i>	Shari Pence	7/20/2010

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OPPOSITION - CITY OF NEWPORT BEACH

CHARTER AMENDMENT, Section 1110 Contracts on Public Works

Vote No on the charter amendment that will increase the formal bidding threshold from \$30,000 to \$125,000 and allow the City Council to adjust, or further increase, the amount annually. This means public works projects under \$125,000 (or any greater amount later determined by Council) can be awarded without a formal, competitive bidding process.

Fair competition means a lower price and a better value from licensed and skilled contractors. Wouldn't you want the best price afforded by competitive bidding? Public agencies using formal bidding procedures are currently seeing bids of up to 40% below their engineer's estimates. These cost savings are being used by those cities and public agencies to complete other projects that were on hold because they lacked funding. Competitive bidding benefits community development and stimulates local economic growth.

The City Council is also asking you to give them the power to spend freely and award public works contracts without any restrictions. It's like handing over a blank check with no budget or guidelines on how to spend your money. If you want City Council to be held accountable for how they spend your tax dollars, then we urge you to vote No on this charter amendment.

The California Public Contract Code (PCC) protects the public from misuse of public funds, provides a fair opportunity to all qualified bidders and eliminates favoritism, fraud and corruption in the awarding of public works contracts. Vote No so the City Council won't be allowed to eliminate competitive bidding, give a job to a buddy or use city employees to construct new projects with the added expense of bloated pensions and benefits.

Construction Industry Force Account Council (CIFAC)

Southern California Contractors Association (SCCA)

Associated General Contractors of California (AGC)

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