

INTRODUCED: June 8,2026

AN ORDINANCE No. 2026-149

To amend City Code § 21-4, concerning definitions related to public procurement.

Patron – Mayor Avula

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: JUN 22 2026 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That section 21-4 of the Code of the City of Richmond (2020) be and is hereby **amended** as follows:

Sec. 21-4. Definitions.

The following words, terms and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Best value, as predetermined in the solicitation, means the overall combination of quality, price, and various elements of required services that in total are optimal relative to the City's needs.

Business means any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture or any other private legal entity.

AYES: 8 NOES: 0 ABSTAIN:

ADOPTED: JUN 22 2026 REJECTED: STRICKEN:

Competitive negotiation means a method of contractor selection set forth in Section 21-67 or Section 21-68.

Competitive sealed bidding means a method of contractor selection set forth in Sections 21-47, 21-52, 21-54, and 21-55.

Construction means building, altering, repairing, improving, or demolishing any structure, building, road, street or highway, and any draining, dredging, excavation, grading or similar work upon real property.

Construction management contract means a contract in which a party is retained by the City to coordinate and administer contracts for construction services for the benefit of the City, and may also include, if provided in the contract, the furnishing of construction services to the City.

Contract means all types of City agreements, regardless of what they may be called, for the procurement of goods, services, insurance or construction.

Contract modification/supplement means any written alteration in specifications, delivery point, rate of delivery, period of performance, price, quantity or other provision of any contract accomplished by mutual action of the parties to the contract.

Contractor means any person, company, corporation, or partnership having a contract with the City or a using agency thereof.

Cost analysis means the evaluation of cost data for the purpose of arriving at costs actually incurred or estimates of costs to be incurred, prices to be paid, and costs to be reimbursed.

Cost data means factual information concerning the cost of labor, material, overhead, and other cost elements, which are expected to be incurred or which have been actually incurred by the contractor in performing the contract.

Cost reimbursement contract means a contract under which a contractor is reimbursed for costs which are allowable and allocable in accordance with the contract terms and this chapter and a fee or profit, if any.

Design-build contract means a contract between the City and another party in which the party contracting with the City agrees to both design and build the structure, or other item specified in the contract.

Direct or indirect participation means involvement through decision, approval, disapproval, preparation of any part of a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or any other advisory capacity.

Director means the Director of Procurement Services of the City.

Disadvantaged business means a business meeting the definitions set forth in the Code of Federal Regulations pertaining to the applicable Federal grant program.

Emerging small business means a business that:

- (1) Has been certified by the Office of Minority Business Development for a period of up to seven years;
- (2) Has annual gross receipts of \$500,000.00 or less for each of its three fiscal years preceding application for such certification if engaged primarily in the construction business, or of \$250,000.00 or less if engaged primarily in a nonconstruction business;
- (3) Has fewer than ten full-time, permanent employees;
- (4) Is not a subsidiary of another business and does not belong to a group of businesses owned and controlled by the same individuals;

(5) Has its principal place of business entirely within the boundaries of a City enterprise zone;

(6) Possesses a City business license; and

(7) Pays personal property, real estate, and business taxes, as applicable, to the City.

Employment services organization means an organization that provides employment services to individuals with disabilities that is an approved Commission on the Accreditation of Rehabilitation Facilities (CARF) accredited vendor of the Virginia Department for Aging and Rehabilitative Services.

Good faith minority business enterprise and emerging small business participation efforts means the sum total of efforts by a particular business to provide for the equitable participation of minority business enterprises or emerging small business subcontractors. For past efforts, this sum total shall be comprised of the record of participation by minority business enterprises and emerging small businesses through subcontracting or joint ventures. For future efforts, it shall be comprised of such efforts which are proposed to allow equitable participation of minority business enterprises or emerging small business subcontractors.

Goods means all material, equipment, supplies, printing and automated data processing hardware and software.

Informality means a minor defect or variation of a bid or proposal from the exact requirements of the invitation for bids or the request for proposals which does not affect the quality, quantity or delivery schedule for the goods, services or construction being procured.

Insurance means a contract whereby, for a stipulated consideration, one party undertakes to compensate the other for loss on a specified subject by specified perils.

Intent to award means an intent by the City to accept a bid or proposal.

Invitation for bids means all documents, whether attached or incorporated by reference, utilized for soliciting sealed bids.

Job order contracting means a method of procuring construction by establishing a book of unit prices and then obtaining a contractor to perform work as needed using the prices, quantities, and specifications in the book as the basis of its pricing, in which the contractor is selected through either competitive sealed bidding or competitive negotiation depending on the needs of the City, a minimum amount of work may be specified in the contract, and the contract term and the project amount do not exceed the limitations specified in Section 21-73.

Minority business enterprise means a business, at least 51 percent of which is owned and controlled or 51 percent minority-owned and operated by minority group members or, for a stock corporation, at least 51 percent of the stock which is owned and controlled by minority group members.

Minority group members means citizens of the United States who are Blacks, Hispanics, Asians, Indians, Eskimos or Aleuts.

Nominal value means a value so small, slight, or the like, in comparison to what might properly be expected, as scarcely to be entitled to the same, but in no case to be more than \$30.00.

Nonprofessional services means any services not specifically identified as professional services in the definition of professional services.

Prevailing Wage Rate means the rate, amount, or level of wages, salaries, benefits, and other remuneration prevailing for the corresponding classes of mechanics, laborers, or workers employed for the same work in the same trade or occupation in the locality in which the public facility or immovable property that is the subject of construction is located, as determined by the Virginia Commissioner of Labor and Industry on the basis of [applicable] surveys conducted every

three years, provided that (i) in no event shall the prevailing wage rate [~~determinations made~~] be lower than the prevailing wage rate determined by the United States Secretary of Labor under the provisions of the federal Davis-Bacon Act, 40 U.S.C. § [276] 3141 et seq., as amended, and (ii) the method for determining the prevailing wage is consistent with the definition of “prevailing wage” in 29 C.F.R. § 1.2 as of January 20, 2026.

Professional services means work performed by an independent contractor within the scope of the practice of accounting, actuarial services, architecture, land surveying, landscape architecture, law, dentistry, medicine, optometry, pharmacy or professional engineering.

Public body means any legislative, executive or judicial body, agency, office, department, authority, post, commission, committee, institution, board or political subdivision created by law to exercise some sovereign power or to perform some governmental duty, and empowered by law to undertake the activities described in this chapter.

Public contract means an agreement between a public body and a nongovernmental source that is enforceable in a court of law.

Qualified products list means an approved list of goods, services or construction items described by model or catalog number that, prior to competitive solicitation, the City has determined will meet the applicable specification requirements.

Recycled paper means any paper having a total weight consisting of not less than 50 percent recovered materials, as that term is defined for purposes of purchasing paper and paper products in 40 CFR 247.3 (2001), as amended.

Request for proposals means all documents, whether attached or incorporated by reference, utilized for soliciting proposals.

Request for qualifications means all documents, whether attached or incorporated by reference, utilized for soliciting qualification statements.

Responsible bidder and *responsible offeror* mean a person who has the capability, in all respects, to perform fully the contract requirements and the moral and business integrity and reliability which will ensure good faith performance, and who has been prequalified, if required.

Responsive bidder means a person who has submitted a bid which conforms in all material respects to the invitation for bids.

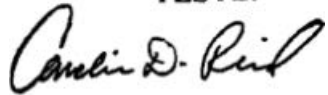
Reverse auctioning means a procurement method wherein bidders are invited to bid on specified goods or nonprofessional services through real-time electronic bidding, with the award being made to the lowest responsive and responsible bidder.

Services means any work performed by an independent contractor which does not consist primarily of acquisition of equipment or materials, or the rental of equipment, materials and supplies.

Specification means any written description of the physical or functional characteristics or of the nature of a good, service or construction item. The term "specification" may include a description of any requirement for inspecting, testing, or preparing a good, service or construction item for delivery.

Using agency means any department, agency, bureau, board, commission, court, City jail or jail forum or other unit in the City government requiring goods, services, insurance or construction as provided for in this chapter.

§ 2. This ordinance shall be in force and effect on July 1, 2026.

A TRUE COPY:
TESTE:

City Clerk

DATE: 4/28/26
TO: The Honorable Members of City Council
THROUGH: The Honorable Danny Avula, Mayor
THROUGH: Mr. Odie Donald, II, Chief Administrative Officer
FROM: Rene M. Almaraz, Director of Procurement Services
RE: Amendment to City’s Public Procurement Laws – Definitions (City Code § 21-4)

PURPOSE: To amend section 21-4 of the City Code, concerning the definition of “prevailing wage rate,” to bring section 21-4 in line with the definition of “prevailing wage rate” in Va. Code § 2.2-4321.3(A).

BACKGROUND: Through Ordinance No. 2024-186 adopted in October 2024, City Code § 21-74 established prevailing wage provisions for certain construction contracts as authorized by Va. Code § 2.2-4321.3(A). Section 21-4 of the City Code contains the definition of “prevailing wage rate,” which is found in Va. Code § 2.2-4321.3(A). Through the 2026 General Assembly session, the definition of “prevailing wage rate” appearing in Va. Code § 2.2-4321.3(A) was amended (effective July 1, 2026) as a result of SB 518. This proposed ordinance aligns the definition of “prevailing wage rate” in City Code § 21-4 with the new definition of “prevailing wage rate” in Va. Code § 2.2-4321.3(A).

COMMUNITY ENGAGEMENT: n/a

STRATEGIC INITIATIVES AND OTHER GOVERNMENTAL: n/a

FISCAL IMPACT: Future prevailing wage determinations will be subject to the new definition. Impact to specific project costs is not possible to calculate.

DESIRED EFFECTIVE DATE: July 1, 2026.

REQUESTED INTRODUCTION DATE: June 8, 2026.

CITY COUNCIL PUBLIC HEARING DATE: June 22, 2026.

REQUESTED AGENDA: Consent

RECOMMENDED COUNCIL COMMITTEE: Finance and Economic Development (June 17, 2026).

AFFECTED AGENCIES: Department of Procurement Services, Office of the City Attorney.

RELATIONSHIP TO EXISTING ORD. OR RES.: Amends City Code § 21-4.

ATTACHMENTS: Draft Amendments to City Code § 21-4.

STAFF: Rene M. Almaraz, Director of Procurement Services, 646-5020