



STAFF REPORT

DATE: 06/04/2025
TO: Honorable Mayor and City Council Members
FROM: Finance Department

2025-233

REQUEST FOR CITY COUNCIL ACTION

SUBJECT:

ORDINANCE AMENDING CHAPTER 3.08 OF THE CORONA MUNICIPAL CODE TO UPDATE THE CITY'S PURCHASING REGULATIONS

EXECUTIVE SUMMARY:

The staff report recommends the City Council approve an ordinance amending Chapter 3.08 of the Corona Municipal Code to update the City's purchasing regulations.

RECOMMENDED ACTION:

That the City Council introduce, by title only, and waive full reading of consideration of Ordinance No. 3419, first reading of an ordinance amending Chapter 3.08 of the Corona Municipal Code to update the City's purchasing regulations.

BACKGROUND & HISTORY:

Chapter 3.08 of the Corona Municipal Code (CMC) governs the City's purchasing process. The current authorization limits were previously approved in 2018.

Since 1988, the City of Corona has participated in the California Uniform Public Construction Cost Accounting Act, Public Contracts Code 22000 et seq. (Act, also known as CUPCCAA). The Act is legislation enacted in 1983 to help streamline bidding procedures for public construction projects and to promote "uniformity of the cost accounting standards and bidding procedures on construction work performed or contracted by public entities in the state" (Section 22001). The Act is a voluntary program

available to all public entities statewide. However, it only applies to those public agencies that have formally approved participation. The Act establishes various thresholds and guidelines for public construction-related projects. The State of California has made amendments to the Act, effective January 2025, that increase the formal bidding thresholds to \$220,000 and allow for public agencies to perform public construction-related projects using their employees for projects up to \$75,000.

ANALYSIS:

The attached Ordinance amends various sections of Chapter 3.08 of the CMC pertaining to the City's purchasing process. It revises the purchasing limits for public construction projects pursuant to the Act and increases the City Manager's approval authority for the purchase of materials, supplies, and equipment up to \$220,000 to align with the updated Act levels.

Staff is seeking City Council direction regarding the authorization levels for professional and maintenance/general services (non-public projects). The following table outlines the proposed changes:

Position	Current Limits	Proposed Non-Public Projects	Proposed Materials, Supplies, and Equipment (Aligns with the Act)	Public Projects (Aligns with the Act)
Department Directors	\$60,000	Council Direction	\$75,000	\$75,000
Public Works Director, Utilities Director, and Assistant City Manager	\$75,000	Council Direction	Same as Department Directors	Same as Department Directors
City Manager	\$100,000	Council Direction	\$220,000	\$220,000
City Council	>\$100,000	Council Direction	>\$220,000	>\$220,000
Estimated staff cost savings		\$21,068 - \$31,367	\$5,150	\$468

Updating the purchasing limits will align the CMC with the Act. Additionally, the Ordinance updates multiple items throughout CMC Chapter 3.08, to be reflective of current state laws, removes outdated information, and adds clarity. The changes include:

- Defines a Non-Public Project
- Clarifies the role of the Purchasing Agent
- Allows for approval limits to be applied independently, not cumulatively, when vendors are used by multiple departments
- Updates the maximum total of a change order to be equal to the lesser of \$220,000 or 10% of the original contract amount to align with the Act

- Increases the authorization for public project emergency purchasing, up to \$500,000
- Moves the alternative competitive bidding process (cooperative purchasing agreements) for non-public projects
- References the Purchasing Policy and Procedures Manual to provide specific administrative rules surrounding the purchasing process
- Several non-substantive updates to various sections

This item was originally presented for consideration at the May 21, 2025, meeting. The City Council discussed the item and had additional questions. They asked for clarification on the changes to CMC 3.08.040 (B) Basis of awards, and additional updates to clarify the process for awarding bids for materials, supplies, and services. In addition, they asked for changes to 3.08.040 (L) Delegation of department authority to reflect that City Manager approval was required for more than 30 days. With our current practice, the City Manager needs to approve all delegations of department director authority. Item 3.08.040(B) has been addressed in the revised Ordinance presented for consideration at the June 4, 2025, meeting. The City Council also requested information on City Manager signature authority levels with other local agencies. That information is included in the presentation attached to the staff report.

If approved this evening, the Ordinance would return to the City Council for a second reading at the June 18, 2025, meeting and become effective 30 days thereafter. Once effective, staff will complete revisions of an updated purchasing manual to be used in the administration of contracts and purchasing procedures for all City departments.

FINANCIAL IMPACT:

There is no financial impact associated with the recommended action.

ENVIRONMENTAL ANALYSIS:

This action is exempt pursuant to Section 15061(b)(3) of the Guidelines for the California Environmental Quality Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the common sense exemption that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. This action seeks the of City Council approval of an Ordinance increasing purchasing thresholds and making other modifications to Chapter 3.08 of the CMC, and there is no possibility that approving the recommended action will have a significant effect on the environment. Therefore, no environmental analysis is required.

PREPARED BY: KIM SITTON, FINANCE DIRECTOR

REVIEWED BY: BRETT CHANNING, ASSISTANT CITY MANAGER

ATTACHMENTS:

1. Exhibit 1 – Ordinance No. 3419 (Redline Version 05-21-25 meeting). This includes changes from the existing Ordinance.
2. Exhibit 2 – Ordinance No. 3419 (Redline Version 06-04-25 meeting). This document includes changes after the 05/21/25 meeting).
3. Exhibit 3 – Ordinance No. 3419 (Clean)
4. Exhibit 4 - Presentation