

ORDINANCE NO. 3419

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

WHEREAS, Chapter 3.08 of the Corona Municipal Code ("CMC") sets forth the purchasing regulations for all City purchases; and

WHEREAS, the City Council of the City of Corona ("City Council") desires to make certain changes to such regulations as provided for herein.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF CORONA, CALIFORNIA, DOES ORDAIN AS FOLLOWS:

SECTION 1. Chapter 3.08 (Purchasing Regulations) of Title 3 (Revenue and Finance) of the Corona Municipal Code is hereby amended in its entirety to read as provided for in Exhibit "A" attached hereto and incorporated herein by reference.

SECTION 2. CEQA Findings. The City Council finds that this Ordinance 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 general rule 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 Ordinance merely amends the Corona Municipal Code to update the City's purchasing regulations. Thus, there is no possibility that adopting this Ordinance will have a significant effect on the environment and no further environmental analysis is required.

SECTION 3. Invalidity; Severability. If any sentence, cause or phrase of this Ordinance is for any reason held to be unconstitutional or otherwise invalid, such decision shall not affect the validity of the remaining provisions of this Ordinance.

SECTION 4. Effective Date of Ordinance. The Mayor shall sign this Ordinance and the City Clerk shall attest thereto and shall within fifteen (15) days of its adoption cause it, or a summary of it, to be published in a newspaper of general circulation in the City of Corona. This Ordinance shall take effect and be in force on the 30th day after its adoption.

PASSED, APPROVED AND ADOPTED this 18th day of June, 2025.

Mayor of the City of Corona, California

ATTEST:

City Clerk of the City of Corona, California

CERTIFICATION

I, Sylvia Edwards, City Clerk of the City of Corona, California, do hereby certify that the foregoing Ordinance was regularly introduced at a regular meeting of the City Council of the City of Corona, California duly held on the 4th day of June, 2025 and thereafter at a regular meeting held on 18th day June, 2025, it was duly passed and adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Corona, California, this 18th day of June, 2025.

City Clerk of the City of Corona, California

[SEAL]

EXHIBIT “A”

**CMC CHAPTER 3.08
(PURCHASING REGULATIONS)**

[SEE ATTACHED TWENTY-TWO (22) PAGES]

CHAPTER 3.08 PURCHASING REGULATIONS

Sections

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3.08.010 Definitions.

Unless otherwise indicated, the following definitions shall apply to all provisions of this chapter:

(A) **“Act”** means the Uniform Public Construction Cost Accounting Act found at Cal. Public Contract Code, §§ 22000 et seq.

(B) **“Alternative procedure”** means purchasing materials, supplies, services, (professional, consulting, public works, maintenance, and other general services) or equipment by negotiated contract, purchase order or any other procedure outlined in the city’s Purchasing Policies and Procedures Manual approved by the City Manager and consistent with this chapter. A type of alternative procedure may include, but is not limited to, what will be referred to as a "simplified pricing procedure" wherein the authorized contracting party, or his or her designee, obtains oral price quotes from one or more potential contractors or suppliers, and accepts the quote which is determined to be in the best interests of the city.

(C) **“Authorized contracting party”** means the city official or body provided with authority under this chapter to approve or award a contract or to make a purchase, as well as to reject all bids when appropriate. Unless otherwise stated, the party authorized to approve or award a contract or to make a purchase shall have the authority to execute the associated purchase order, contract, and/or agreement.

(D) **“City Engineer”** means either the City Engineer or the person delegated by the

City Engineer to perform all or some of the duties prescribed in this chapter.

(E) **"City Manager"** means the City Manager or person designated by the City Manager to perform all or some of the duties prescribed in this chapter.

(F) **"Commission"** means the California Uniform Construction Cost Accounting Commission created by Division 2, Part 3, Chapter 2, Article 2, of the Cal. Public Contract Code (commencing at § 22010).

(G) **"Corona formal bidding procedure"** means a procedure which meets the requirements of state and local law, including the Act, this chapter, and the city's Purchasing Policies and Procedures Manual.

(H) **"Emergency"** for purposes of public projects shall have that meaning provided in Cal. Public Contract Code §§ 22035 and 22050. **"Emergency"** for all other purchasing or contracting purposes means a situation which makes competitive bidding, either formal or informal, impractical or not in the best interests of the city.

(I) **"Facility"** means any plant, building, structure, ground facility, utility system (subject to the limitation found in Cal. Public Contract Code § 22002, subdivision (c)(3)), real property, streets and highways, or other public work improvement.

(J) **"Force account"** means the city's performing of a project using its own employees.

(K) **"General services"** means all services performed by persons not in a professional occupation including, but not limited to, contract services for park, electrical, and computer repair, building, facility, and vehicle maintenance, recreation programs, and other similar services which are not typical of professional services.

(L) **"Maintenance work"** shall have that meaning provided in § 22002(d) of the Act, as that section may be amended from time to time. In addition and to the extent not inconsistent with § 22002(d), **"maintenance work"** shall include, but shall not be limited to, the following:

(1) Routine, recurring, and usual work for the preservation or protection of any publicly-owned or publicly-operated facility for its intended purposes.

(2) Minor repainting.

(3) Street and highway maintenance including utility patching, skin patching, crack filling, filling of pot holes, slurry sealing, edge grading, street striping, resurfacing of streets and highways at less than one-inch, sign replacement, sidewalk repair and replacement, curb and gutter repair and replacement, and street and traffic light repair and replacement. "Maintenance work" shall not include striping of a new street or highway.

(4) Sewer maintenance including foaming, video taping, cleaning, and manhole

restoration.

(5) Traffic signal maintenance. Maintenance work shall not include installation of new traffic signals.

(6) Storm drain related maintenance.

(7) Landscape maintenance, including mowing, watering, trimming, pruning, planting, tree and plant replacement, irrigation and sprinkler system servicing, retrofit and repair, and landscape rehabilitation.

(8) Maintenance of facilities including roof repairs or replacements, heating and air conditioning repairs, and electric repairs.

(9) Vehicle and equipment maintenance and repairs.

(10) Work performed to keep, operate, and maintain publicly-owned water, power, or waste disposal systems including, but not limited to, dams, reservoirs, powerplants, and electrical transmission lines of 230,000 volts and higher.

(M) **"Non-public project"** shall mean any type of purchase other than for a "public project" as defined in Section 3.08.010 (Q) below. For instance, a "non-public project" includes maintenance work (Section 3.08.010 (L)), general services (Section 3.08.010(K)), professional services (Section 3.08.010 (P)), and materials, supplies, and equipment.

(N) **"Non-public project formal bidding procedure"** means a procedure which meets the requirements of state and local law, including this chapter and the Purchasing Policies and Procedures Manual.

(O) **"Non-public project informal bidding procedure"** means a procedure which meets the requirements of state and local law, including this chapter and the Purchasing Policies and Procedures Manual.

(P) **"Professional services"** means all services performed by persons in a professional occupation including, but not limited to, consulting and performance services for accounting, auditing, computer hardware and software support, engineering, architectural, planning, environmental, redevelopment, financial, economic, personnel, social services, animal control, legal, management, cable television, communication, and other similar professional functions which may be necessary for the operation of the city.

(Q) **"Public project"** shall have that meaning provided in § 22002(c) of the Act, as that section may be amended from time to time. A "public project" shall not include maintenance work. In addition and to the extent not inconsistent with § 22002(c), "public project" shall include, but shall not be limited to, the following:

(1) Construction, reconstruction, erection, alteration, renovation, improvement, demolition, and repair work involving any publicly-owned, leased, or operated facility.

(2) Painting or repainting of any publicly-owned, leased, or operated facility;
and

(3) In the case of a publicly-owned “electric” utility system, "public project" shall include only the construction, erection, improvement, or repair of dams, reservoirs, powerplants, and electrical transmission lines of 230,000 volts and higher.

(R) **"Public project formal bidding procedure"** means a procedure which meets the requirements of state and local law, including § 22037 of the Act, this chapter, and the Purchasing Policies and Procedures Manual.

(S) **"Public project informal bidding procedure"** means a procedure which meets the requirements of state and local law, including § 22034 of the Act, this chapter, and the Purchasing Policies and Procedures Manual.

(T) **"Purchasing agent"** means the City Manager or his or her designee(s) as provided in § 3.08.030. Pursuant to § 3.08.030, the City Manager may change his or her designation at any time.

(U) **"Department Director"** means the person in charge of a particular department of the city, and shall include the Assistant City Manager, the Utilities Director, the Chief of Police, and the Fire Chief.

(V) **"On-call maintenance work or general services"** means maintenance work or general services to be provided on an on-call or as-needed basis pursuant to a master agreement or contract.

3.08.020 Centralized purchasing division and purchasing system.

The purpose of this chapter is to establish efficient procedures for the purchase of materials, supplies, services (professional, consulting, public works, maintenance, and other general services), and equipment at the lowest possible cost commensurate with quality needed, to exercise positive financial control over purchases, to clearly define authority for the purchasing function, and to assure the quality of purchases. In addition, this chapter and the purchasing system it establishes are designed to provide appropriate procedures to implement the city's participation in the Uniform Public Construction Cost Accounting Act pursuant to Cal. Public Contract Code, §§ 22000 et seq.

A centralized purchasing division and purchasing system are hereby adopted and vested with the authority to govern the purchase of all city materials, supplies, services (professional, consulting, public works, maintenance and other general services), and equipment.

3.08.030 Purchasing agent.

There is created the position of purchasing agent. The purchasing agent shall be the City Manager or his or her designee. Initially, the City Manager designates the Finance Director to act as the purchasing agent. The City Manager may change his or her designation at any time. The duties of the purchasing agent may be combined with those of any other city office or position. The purchasing agent may delegate the duties of that position to one or more employees with the consent of the City Manager.

The purchasing agent shall be the head, and have the general supervision of all purchasing functions of the city. The purchasing agent shall direct and supervise the city's purchasing program. The purchasing agent shall endeavor to obtain full and open competition as provided herein and in the Purchasing Policies and Procedures Manual. The purchasing agent shall establish methods and procedures for the efficient and economical functioning of the purchasing division.

Subject to the supervision of the City Manager, the purchasing agent shall have the authority to:

(A) **Purchase and contract.** Purchase or contract for materials, supplies, services (professional, consulting, public works, maintenance, and other general services), and equipment required by the city.

(B) **Negotiate and recommend.** Negotiate and recommend to the City Council execution of contracts for the purchase of materials, supplies, services (professional, consulting, public works, maintenance, and other general services), and equipment.

(C) **Purchasing Policies and Procedures Manual.** Prepare and implement policies and procedures governing the bidding, contracting, purchasing, storing, distribution, and disposal of materials, supplies, services (professional, consulting, public works, maintenance, and other general services), and equipment for the city. To this end, the purchasing agent shall be responsible for developing and obtaining City Manager approval of a Purchasing Policies and Procedures Manual, which shall outline the policies and procedures necessary to implement the regulations of this Chapter 3.08. Upon approval by the City Manager, the Purchasing Policies and Procedures Manual shall have the same force and effect as the provisions of this Chapter 3.08.

(D) **Forms.** Prescribe and maintain such forms as may be reasonably necessary to the implementation of this chapter and the city's Purchasing Policies and Procedures Manual.

(E) **Review plans and specifications.** Review, or provide for the review of, the working details, drawings, plans, and specifications for any projects or purchases requiring such review in this chapter.

(F) **Inspections and testing.** Inspect, supervise, or provide for the inspection and supervision of, purchased materials, supplies, services (professional, consulting, public works, maintenance, and other general services), and equipment to ensure conformity with any specifications established or required by the city. The purchasing agent or his or her designee shall have authority to require appropriate testing of items delivered or samples to determine their

quality and conformance with the specifications. Samples of items, when required, shall be furnished free of expense to the city and, if not destroyed by test, will be returned upon request at the bidder's expense.

(G) **Surplus materials, supplies, and equipment:** As provided for in § 3.08.150 below, transfer, sell, exchange, or trade any materials, supplies, or equipment deemed to be surplus.

(H) **Bidder, contractor, and vendor lists and catalogs.** Develop and maintain, or provide for the development and maintenance of, any bidder's list, contractor's list, or vendor's list and catalog file necessary to the operation of this chapter and the city's Purchasing Policies and Procedures Manual. Each city department may have its own lists or catalogs. If the purchasing agent delegates the obligation to develop and maintain any list to another city employee, the purchasing agent shall retain final oversight authority and approval regarding how the list is developed and maintained.

(I) **Delegation of purchasing agent authority.** Provide written authorization to any department director to conduct a bidding process outside of the centralized purchasing system; provided, however, that such bidding process and the resulting contract or purchase shall otherwise comply with the requirements of this chapter. The purchasing agent may rescind such authorization in writing at any time and for any or no reason.

3.08.040 General purchasing regulations, policies, and procedures.

(A) **Applicability of chapter.** The purchasing regulations contained in this Chapter 3.08 shall apply to the purchase of materials, supplies, services (professional, consulting, public works, maintenance, and other general services), and equipment.

(B) **Basis of Awards.** The city shall secure materials, supplies, services (professional, consulting, public works, maintenance, and other general services), and equipment at the greatest overall value to the city, commensurate with the quality and scope needed, subject to any limitations imposed by state law, and through awards to the lowest responsive and responsible bidder where required by this chapter. Notwithstanding the foregoing, although the city is not adopting the formal procedures outlined in Cal. Gov't Code §§ 4525 et seq., the city shall secure professional services based upon demonstrated competence, professional qualifications, and suitability for the project in general. The city may consider cost of professional services if the authorized contracting party determines it to be a relevant factor under the circumstances. When an award pursuant to this chapter is to be made in the best interests of the city, staff shall take into account cost, demonstrated competence, qualifications, suitability for the project in general, and other factors that the authorized contracting party determines to be a relevant factor under the circumstances.

(C) **Purchasing Policies and Procedures Manual.** The purchasing agent shall develop a Purchasing Policies and Procedures Manual, as provided for in Section 3.08.030(C) above. The Purchasing Policies and Procedures Manual shall be written and implemented in such a way to

encourage open and competitive bidding, where appropriate, provide equal opportunity based on merit, make each selection process free of invidious discrimination, provide for efficient and timely acquisition of needed materials, supplies, services (professional, consulting, public works, maintenance, and other general services), and equipment, and provide effective fiscal controls.

(D) **Competitive bidding.** In purchasing, materials, supplies, services (professional, consulting, public works, maintenance, and other general services), and equipment, the city shall make use of competitive bidding, both formal and informal, whenever required by law, this chapter, or the city's Purchasing Policies and Procedures Manual. Formal and informal competitive bidding is not required, for instance, when an "emergency" is declared pursuant to this chapter.

(E) **Unencumbered funds.** The purchasing agent shall not issue a purchase order for materials, supplies, services (professional, consulting, public works, maintenance, and other general services), or equipment involving any project or purchase without an unencumbered appropriation in the fund account against which such purchase is to be charged except for the following:

- (1) In cases of emergency;
- (2) When specifically authorized by resolution or minute order of the City Council;
- (3) When the purchasing department acquires inventory for the warehouse that is not yet assigned to any department or fund; and
- (4) When using limited purchase orders, yearly purchase orders, or blanket purchase orders, as those terms are defined in the Purchasing Policies and Procedures Manual.

(F) **Requisition forms.** The department responsible for a purchase shall submit requests for materials, supplies, services (professional, consulting, public works, maintenance, and other general services), or equipment to the purchasing agent by standard requisition forms, or by other means as may be established by the Purchasing Policies and Procedures Manual.

(G) **Applicable state and federal law:** The city shall comply with all applicable federal and state laws for the particular purchase at issue including, but not limited to, bidder's security and bonding requirements, as well as prevailing wage requirements.

(H) **Purchase orders; contract and agreement forms.** The purchasing agent shall require all purchases for materials, supplies, services (professional, consulting, public works, maintenance, and other general services), or equipment to be made with an appropriate purchase order and on an appropriate contract or agreement, the form of which shall be approved by the City Attorney. The City Attorney shall not need to review and approve as to form each executed contract or agreement; provided a city model approved as to form by the City Attorney is used without substantive modification. In addition, when the purchasing agent determines that issues under the responsibility of the city's risk manager are involved, the relevant contract or agreement

provisions shall also be reviewed and approved by the city's risk manager.

(I) **Unlawful purchasing activities and conflicts.** The Purchasing Policies and Procedures Manual shall specifically prohibit practices which might result in unlawful activity including, but not limited to, rebates, kickbacks, or other unlawful consideration, and shall specifically prohibit city officials, officers, and employees from participating in the bidding or selection process when they have a relationship with a person or business entity seeking a contract under this Chapter 3.08 which would subject the officials, officers, or employees to the prohibitions of Cal. Gov't Code §§ 1090 and 87100 et seq.

(J) **Records retention.** The purchasing agent shall comply with the Records Retention Schedule duly adopted by the City Council for the Finance Department.

(K) **State or federal funding.** Any purchases made with state or federal funds shall comply with all laws, rules, and regulations made applicable by the funding source.

(L) **Delegation of department director authority.** The department directors, with approval of the City Manager, may provide written authorization to any subordinate employees to exercise the director's purchasing authority; provided, however, that such delegation shall be pursuant to the process provided for in the city's Purchasing Policies and Procedures Manual. The department directors, with approval of the City Manager, may rescind such delegation in writing at any time and for any or no reason. As used herein and as provided for in § 3.08.010, the term department director shall include the Assistant City Manager and the Utilities Director, the Chief of Police, and the Fire Chief.

3.08.050 Bidding requirements - public projects.

(A) **\$75,000 or less.** Public projects which are equal to or less than the amount provided for in Section 22032(a) of the Act (currently \$75,000) may be awarded by the director of the department responsible for the project, or his or her designee, by any alternative procedure.

(B) **\$75,001 - \$220,000.** Public projects which are greater than the amount provided for in Section 22032(a) of the Act (currently \$75,000), but less than or equal to the amount provided for in Section 22032(b) of the Act (currently \$220,000) may, except as otherwise provided in this chapter or the Act, be awarded by the City Manager, or his or her designee, pursuant to the public project informal bidding procedure. If all bids received are over the amount provided for in Section 22032(b) of the Act (currently \$220,000), the City Council may, with the approval of a four-fifths vote of those members present and without following the public project formal bidding procedure, award the contract in an amount not exceeding the amount provided for in Section 22034(d) of the Act (currently \$235,000) to the lowest responsive and responsible bidder, so long as the City Council also determines that the city's cost estimate for the project was reasonable.

(C) **More than \$220,000.** Public projects which are greater than the amount provided for in Section 22032(b) of the Act (currently \$220,000), may, except as otherwise provided in this chapter or the Act, be awarded by the City Council pursuant to the public project formal bidding

procedure.

(D) **City Engineer review of plans and specifications.** The City Engineer shall review and approve the working details, drawings, plans, and specifications prepared for every public project which may affect the design or operation of public improvements and which may bring into question the city's liability for dangerous conditions of public property.

(E) **City Council review of plans and specifications.** The City Council shall review and approve the working details, drawings, plans, and specifications prepared for every public project approved by the City Council pursuant Section 3.08.050 (C) above.

(F) **Award.** Contracts for public projects which are equal to or less than the amount provided for in Section 22032(a) of the Act (currently \$75,000), if awarded, may be awarded in the best interests of the city. Contracts for public projects which are greater than the amount provided for in Section 22032(a) of the Act (currently \$75,000), if awarded, shall be awarded to the lowest responsive and responsible bidder. If two or more bids are the same and the lowest, the authorized contracting party may accept the one it chooses.

(G) **Dollar limits and change orders or amendments.** Unless an exception provided in § 3.08.130 below applies, any contract amendment or change order which would increase the contract amount above the amount provided for in Section 22032(b) of the Act (currently \$220,000), shall be approved by the City Council. For public projects awarded by the City Council, unless a lower or higher amount is stated in the City Council staff report for the project or directed by the City Council, the City Manager or his or her designees shall have authority to approve contract amendments or change orders up to the lesser of either \$220,000 or 10% of the original contract amount.

(H) **No bid splitting.** The city shall not split a project, work, service, or purchase into smaller projects, works, services, or purchases for the purpose of avoiding any bidding or contracting requirements of this code.

3.08.060 Bidding requirements - maintenance and general services.

(A) **\$[CC DAIS DIRECTION] or less.** Maintenance work and other general services projects of \$[CC DAIS DIRECTION] or less, including those involving on-call maintenance work or general services, may be awarded by the director of the department responsible for the project, or his or her designee, by any alternative procedure.

(B) **\$[CC DAIS DIRECTION]- \$[CC DAIS DIRECTION].** Maintenance work and other general services projects of more than \$[CC DAIS DIRECTION], but less than or equal to \$[CC DAIS DIRECTION], including those involving on-call maintenance work or general services, may, except as otherwise provided in this chapter or the Act, be awarded by the City Manager, or his or her designee, pursuant to the non-public project informal bidding procedure.

(C) **More than \$[CC DAIS DIRECTION].** Maintenance work and other general

services projects of more than \$[CC DAIS DIRECTION], including those involving on-call maintenance work or general services, shall, except as otherwise provided in this chapter, be awarded by the City Council pursuant to the non-public project formal bidding procedure.

(D) **City Engineer review of plans and specifications.** The City Engineer shall review and approve the working details, drawings, plans, and specifications prepared for every maintenance work and other general services project which may affect the design or operation of public improvements and which may bring into question the city's liability for dangerous conditions of public property.

(E) **Purchasing agent review of plans and specifications.** The purchasing agent, or his or her designee, shall review and approve the form of the working details, drawings, plans, and specifications prepared for every maintenance work and other general services project.

(F) **City Council review of plans and specifications.** The City Council shall review and approve the working details, drawings, plans, and specifications prepared for every maintenance work and other general services project approved by the City Council pursuant Section 3.08.060 (C) above.

(G) **Award.** Contracts for maintenance work and other general services projects of \$75,000 or less, including those involving on-call maintenance work or general services, if awarded, may be awarded in the best interests of the city. Contracts for maintenance work and other general services projects of more than \$75,000, if awarded, shall be awarded to the contractor who will best serve the interests of the city, taking into account, in addition to cost, their demonstrated competence, qualifications and suitability for the project in general.

(H) **Dollar limits and change orders or amendments.** Unless an exception provided in § 3.08.140 below applies, any contract amendment or change order which would increase the contract amount above the amount provided for in Section 3.08.060 (C) above, plus 10% of the original contract amount, shall be approved by the City Council. For contracts awarded by the City Council, unless a lower or higher amount is stated in the City Council staff report for the project or directed by the City Council, the City Manager or his or her designees shall have authority to approve contract amendments or change orders up to the lesser of either \$220,000 or 10% of the original contract amount.

(I) **6-year term limitation.** No maintenance work or other general services contract shall extend for a period of more than 6 years, including any authorized extensions, unless specifically approved by City Council action.

(J) **No bid splitting.** The city shall not split a project, work, service, or purchase into smaller projects, works, services, or purchases for the purpose of avoiding any bidding or contracting requirements of this code.

(K) **Local preference; maintenance and general services.** As set forth in further detail in § 3.08.080(J) below, the City Council has made findings and adopted a local bidder

preference program (“local program”) applicable to certain purchases of materials, supplies, and equipment, as well as contracts for maintenance work and other general services projects described in this section. Accordingly, contracts for maintenance work and other general services projects that are competitively bid and involve an expenditure of \$220,000 or less, shall be subject to the local program set forth in § 3.08.080(J). For recurring procurements/contracts, the local program shall be applicable only to the city’s first \$220,000 worth of such procurements/contracts for any fiscal year, as determined by city staff in its sole discretion. For such recurring procurements/contracts, the bidding documents shall indicate whether or not the local program is in effect for the applicable procurement. Properly certified local businesses (as defined in § 3.08.080(J)) shall be entitled to the specified reduction of 5% in the tabulation of their bid for purposes of determining the lowest responsible bidder, unless otherwise prohibited by law (such as special state or federal grant programs). If the local program is applicable to a bid offering, it shall be noted in the applicable bid solicitation.

3.08.070 Bidding requirements - professional services.

(A) **\$(CC DAIS DIRECTION) or less.** Professional services contracts of **\$(CC DAIS DIRECTION)** or less may be awarded by the director of the department responsible for the project, or his or her designee, by any alternative procedure.

(B) **\$(CC DAIS DIRECTION)- \$(CC DAIS DIRECTION)** . Professional services contracts of more than **\$(CC DAIS DIRECTION)**, but less than or equal to **\$(CC DAIS DIRECTION)** may, except as otherwise provided in this chapter or the Act, be awarded by the City Manager, or his or her designee, pursuant to the non-public project informal bidding procedure.

(C) **More than \$(CC DAIS DIRECTION).** Professional services contracts of more than **\$(CC DAIS DIRECTION)** shall, except as otherwise provided in this chapter, be awarded by the City Council pursuant to the non-public project formal bidding procedure.

(D) **Purchasing agent review of scope of services.** The purchasing agent shall review and approve, or provide for the review and approval of, the scope of services prepared for every professional services contract.

(E) **City Council review of scope of services.** The City Council shall review and approve the scope of services prepared for every professional services contract approved by the City Council pursuant Section 3.08.070 (C) above.

(F) **Award.** Contracts for professional services shall be awarded to the contractor who will best serve the interests of the city, taking into account the demonstrated competence, professional qualifications, and suitability for the project in general. The city may consider cost of professional services if the authorized contracting party determines it to be a relevant factor under the circumstances.

(G) **Dollar limits and change orders or amendments.** Unless an exception provided

in § 3.08.140 below applies, any contract amendment or change order which would increase the contract amount above the amount provided for in Section 3.08.070 (C) above, plus 10% of the original contract amount, shall be approved by the City Council. For contracts awarded by the City Council, unless a lower or higher amount is stated in the City Council staff report for the project or directed by the City Council, the City Manager or his or her designees shall have authority to approve contract amendments or change orders up to the lesser of either \$220,000 or 10% of the original contract amount.

(H) **No bid splitting.** The city shall not split a project, work, service, or purchase into smaller projects, works, services, or purchases for the purpose of avoiding any bidding or contracting requirements of this code.

3.08.080 Bidding requirements - materials, supplies, and equipment.

(A) **\$75,000 or less.** Purchases of materials, supplies, and equipment of \$75,000 or less may be awarded by the purchasing agent or the director of the department responsible for the purchase, or his or her designee, by any alternative procedure.

(B) **\$75,001 - \$220,000.** Purchases of materials, supplies, and equipment of more than \$75,000, but less than or equal to \$220,000 may, except as otherwise provided in this chapter or the Act, be awarded by the City Manager, or his or her designee, pursuant to the non-public project informal bidding procedure.

(C) **More than \$220,000.** Purchases of materials, supplies, and equipment of more than \$220,000 shall, except as otherwise provided in this chapter, be awarded by the City Council pursuant to the non-public project formal bidding procedure.

(D) **Fleet replacement vehicles and equipment.** Notwithstanding anything to the contrary contained herein, purchases, in any amount, of vehicles or other equipment on the city's annual vehicle/equipment replacement list, as approved through the budget process each year, shall be awarded by the purchasing agent. Unless an exception provided in § 3.08.140 below applies or unless the purchasing agent uses the public agency alternative competitive bidding process provided in §3.08.125 below, the purchasing agent shall use the non-public project informal bidding procedure for purchases of more than \$75,000, but less than or equal to \$220,000, and the non-public project formal bidding procedure for purchases of more than \$220,000,

(E) **Department director review of specifications.** The director of the using department shall review and approve, or provide for the review and approval of, the specifications prepared for every purchase of materials, supplies, and equipment.

(F) **Purchasing agent review of specifications.** The purchasing agent, or his or her designee, shall review and approve the form of all contracts for the purchase of materials, supplies, and equipment.

(G) **City Council review of specifications.** The City Council shall review and approve

the specifications prepared for every purchase of materials, supplies, and equipment approved by the City Council pursuant Section 3.08.080 (C) above.

(H) **Award.** Contracts for the purchase of materials, supplies, and equipment of \$75,000 or less, if awarded, may be awarded in the best interests of the city. Contracts for the purchase of materials, supplies, and equipment of more than \$75,000, if awarded, shall be awarded to the lowest responsive and responsible bidder. If two or more bids are the same and the lowest, the authorized contracting party may accept the one it chooses.

(I) **Dollar limits and change orders or amendments.** Unless an exception provided in § 3.08.140 below applies, any contract amendment or change order which would increase the contract amount above the amount provided for in Section 3.08.080 (C) above, plus 10% of the original contract amount, shall be approved by the City Council. For contracts awarded by the City Council, unless a lower or higher amount is stated in the City Council staff report for the project or directed by the City Council, the City Manager, or his or her designees shall have authority to approve contract amendments or change orders up to the lesser of either \$220,000 or 10% of the original contract amount.

(J) **Local bidder preference program; purchases of materials, supplies, and equipment; maintenance and general services.**

(1) Based upon the findings provided for in the recitals of the ordinance adding this § 3.08.080(J), the City Council has determined that it is in the best interests of the city to give a minimal preference to local businesses when the city is making certain purchases of materials, supplies, and equipment, as well as when it is entering into contracts for certain maintenance work and other general services projects, as set forth in this local bidder preference program (“local program”).

(2) The local program shall consist of the following general requirements, which shall be implemented by the purchasing agent within the city’s Purchasing Policies and Procedures Manual:

(a) A “local business” for purposes of this local program shall mean the vendor: (1) has fixed facilities with one or more employees, which may include a sole proprietor, located at an address within city limits (a post office box alone is insufficient); and (2) has an appropriate city business license/permit.

(b) A vendor seeking to qualify for this local program shall provide supporting information and certify in writing that it meets the above requirements as part of its bid.

(c) In applying the local program to bids on a city purchase subject to the local program, a qualifying local business shall be entitled to a reduction of 5% in the tabulation of its bid for purposes of determining the lowest responsible bidder, unless otherwise prohibited by law (i.e. special state or federal grant programs).

(d) The local program shall only be applicable to purchases of materials, supplies, and equipment which are competitively bid and which involve an expenditure of \$220,000 or less. If the local program is applicable to a bid offering, it shall be noted in the applicable bid solicitation.

(3) The local program preference described in division (J)(2) above shall be applicable only to purchases of materials, supplies, and equipment, as well as contracts for maintenance work and other general services, which are competitively bid and which involve an expenditure of \$220,000 or less. For recurring purchases, the local program shall be applicable only to the city's first \$220,000 worth of such purchases for any fiscal year, as determined by city staff in its sole discretion. For such recurring purchases, the bidding documents shall indicate whether or not the local program is in effect for the applicable procurement. If the local program is applicable to a bid offering, it shall be noted in the applicable bid solicitation.

(4) The local program may also establish a preference for purchases of materials, supplies, and equipment, as well as contracts for maintenance work and other general services, which are competitively bid and which involve an expenditure of more than \$220,000. Such preference shall allow the city to take into consideration the net sales tax to be returned to the city as a result of an award to a qualifying local business in determining the lowest responsive and responsible bidder. The net sales tax shall be calculated based on the applicable bid price provided by the bidder in accordance with the city's Purchasing Policies and Procedures Manual.

(K) **Recycled products preference.** In order to promote the use of products containing recycled material, including post consumer material and secondary material, the city may take into consideration the percentage of recycled product in the materials, supplies, or equipment being provided in determining the lowest responsive and responsible bidder. This section shall not be effective unless and until the purchasing agent adopts a written policy to implement its provisions, which policy shall be included in the city's Purchasing Policies and Procedures Manual. In addition, fitness and quality being equal, the city shall endeavor to purchase products containing recycled material instead of virgin products, whenever available at no more than the total cost of the virgin materials.

(L) **No bid splitting.** The city shall not split a project, work, service, or purchase into smaller projects, works, services, or purchases for the purpose of avoiding any bidding or contracting requirements of this code.

3.08.090 Public projects - formal bidding procedure.

(A) **Uses of formal bidding procedure.** This formal bidding procedure shall be used whenever formal bidding is required for a public project.

(B) **Required process.** The formal competitive bidding procedure shall comply with all aspects of state and local law governing formal competitive bidding including, but not limited to, the California Public Contract Code, California Government Code, California Labor Code,

resolutions of the City Council as may be adopted from time to time, and the city's Purchasing Policies and Procedures Manual.

(C) **Notice inviting formal bids.** A notice inviting formal bids shall be provided. The notice inviting formal bids shall comply with § 22037 of the Act, as such section may be amended from time to time. Notices shall state the time and place for the receiving and opening of sealed bids and distinctly describe the project. The Purchasing Policies and Procedures Manual shall describe the minimum list of information required to be included in the notice inviting formal bids.

(D) **Published notice.** The notice shall be published within the time frame required by the Act (currently at least 14 calendar days before the date of opening the bids) in a newspaper of general circulation printed and published in the city, or, if there is no such newspaper, in a newspaper of general circulation which is circulated in the city.

(E) **Distribution of notice inviting formal bids.** The notice inviting formal bids shall also be sent to those construction trade journals specified in § 22036 of the Act in the manner and within the time frame required by the Act (currently at least 15 calendar days before the date of bid opening).

(F) **Additional notice.** The city may also provide any additional notice as it deems proper.

(G) **Contents of remaining bid and contract documents.** The contents and form of the remaining bid and contract documents shall be approved by the director of the using department, as well as the City Attorney.

(H) **Bidder's security.** When required by applicable law or determined necessary by the purchasing agent or his or her designee, each bidder shall be required to provide appropriate security to guarantee its bid. Upon refusal or failure to execute the required contract or agreement and provide all required information and documentation, the full amount of the bid security shall be forfeited, except to the extent limited by applicable law.

(I) **City's authority.** The city may reject any or all bids received, and may waive any minor irregularities in each bid received.

(J) **No bids received.** If no bids are received, the authorized contracting party may award the contract by any alternative procedure.

(K) **Award of contract.** The contract shall be awarded in accordance with § 3.08.050(F). If two or more bids are the same and the lowest, the city may accept the one it chooses.

(L) **Rejection of bids.** The city may, in its sole and absolute discretion, reject any bids presented. If after the first invitation of bids all bids are rejected, after reevaluating its cost estimates for the project, the city shall have the option of any of the following:

- (1) Abandon the project;
- (2) Readvertise for bids in the manner described in this chapter; or
- (3) By passage of a resolution by a four-fifths vote of the City Council, declare that the project can be performed more economically by the employees of the city and have the project done by force account.

3.08.100 Public projects - informal bidding procedure.

(A) **Uses of public project informal bidding procedure.** This informal bidding procedure shall be used when a public project is involved and informal bidding is permitted by this chapter.

(B) **Contractor list.** The purchasing agent shall develop and maintain, or provide for the development and maintenance of, a list of qualified contractors, identified according to categories of work, as described in § 22034(a) of the Act. The list shall be developed and maintained in accordance with criteria established by the Commission. In developing the list, the purchasing agent or his or her designee shall obtain from the Contractor's State License Board and from the contractor's trade associations in the county, the names and addresses of qualified contractors located in the county.

(C) **Distribution of notice inviting informal bids.** The purchasing agent shall provide a notice inviting informal bids. The notice inviting informal bids shall be mailed or otherwise distributed in the manner required by the Act. The notice inviting informal bids must be mailed or otherwise distributed within the time frame required by the Act (currently not less than 10 calendar days before the bids are due).

(D) **Contents of notice inviting informal bids.** The Purchasing Policies and Procedures Manual shall describe the minimum list of information required to be included in the notice inviting informal bids.

(E) **Proprietary projects or products.** If the director of the using department certifies that, to the best of his or her knowledge, the project, product, or service is proprietary in nature and can be obtained only from one contractor, and that no equivalent projects, products or services are available, the notice inviting informal bids may be sent exclusively to such contractor.

(F) **Contents of bid and contract documents.** The contents and form of the bid and contract documents shall be approved by the director of the using department, as well as the City Attorney; provided, however, that the City Attorney need not review or approve the contents of the technical specifications, drawings, and other technical documents.

(G) **Bidder's security.** When required by applicable law or determined necessary by the purchasing agent or his or her designee, each bidder shall be required to provide appropriate security to guarantee its bid. Upon refusal or failure to execute the required contract or agreement

and provide all required information and documentation, the full amount of the bid security shall be forfeited, except to the extent limited by applicable law.

(H) **City's authority.** The city may reject any or all bids received, and may waive any minor irregularities in each bid received.

(I) **No bids received.** If no bids are received, the authorized contracting party may award the contract by any alternative procedure.

(J) **Award of contract.** The contract shall be awarded in accordance with § 3.08.050(F). If two or more bids are the same and the lowest, the city may accept the one it chooses.

3.08.110 Non-public projects - formal bidding procedure.

(A) **Uses of the non-public project formal bidding procedure.** A formal bidding procedure shall be used whenever formal bidding is required by this chapter and the project does not involve a public project.

(B) **Distribution of notice inviting formal bids or request for proposals.** A notice inviting formal bids or a request for proposals, as appropriate, shall be posted in the manner and within the timeframe provided for in the Purchasing Policies and Procedures Manual and provided directly to bidders, vendors, or contractors on the city's approved list for the type of purchase at issue. A notice inviting bids shall be used whenever the project or purchase must be awarded to the lowest responsible and responsive bidder. A request for proposals may be used whenever the project or purchase is not required to be awarded to the lowest responsible and responsive bidder. If the purchasing agent and the director of the using department certify that, to the best of their knowledge, there is no local source or local provider available for the project, the notice inviting bids or the request for proposals, as appropriate, may be distributed to a list of qualified vendors maintained by the purchasing agent and/or published in a trade journal appropriate to the project.

(C) **Contents of notice inviting formal bids or request for proposals.** The Purchasing Policies and Procedures Manual shall describe the minimum list of information required to be included in the notice inviting formal bids or request for proposals.

(D) **Proprietary projects or sole source products.** If the director of the using department certifies that, to the best of his or her knowledge, the project, product, or service is proprietary in nature and can be obtained only from one vendor or contractor, and that no equivalent products or services are available, the notice inviting formal bids or request for proposals may be sent exclusively to such vendor or contractor.

(E) **Contents of remaining bid and contract documents.** The contents and form of the remaining bid and contract documents shall be approved by the director of the using department, as well as the City Attorney; provided, however, that the City Attorney need not review or approve the contents of the technical specifications, drawings, and other technical documents.

(F) **Bidder's security.** When required by applicable law or determined necessary by the purchasing agent or his or her designee, each bidder shall be required to provide appropriate security to guarantee its bid. Upon refusal or failure to execute the required contract or agreement and provide all required information and documentation, the full amount of the bid security shall be forfeited, except to the extent limited by applicable law.

(G) **City's authority.** The city may reject any or all bids or proposals received, and may waive any minor irregularities in each bid or proposal received.

(H) **No bids received.** If no bids are received, the authorized contracting party may award the contract by any alternative procedure.

(I) **Award of contract.** The contract shall be awarded in accordance with §§ 3.08.060(G), 3.08.070(F), or 3.08.080(H) as applicable. If two or more bids are the same and the lowest, the city may accept the one it chooses.

3.08.120 Non-public projects - informal bidding procedure.

(A) **Uses of non-public project informal bidding procedure.** This informal bidding procedure shall be used whenever informal bidding is allowed for a purchase which does not involve a public project.

(B) **Distribution of notice inviting informal bids or request for proposals.** A notice inviting informal bids or request for proposals, as appropriate, shall be provided. The notice inviting informal bids or requests for proposals shall be provided to the number of vendors or contractors provided for in the Purchasing Policies and Procedures Manual. A notice inviting bids shall be used whenever the project or purchase must be awarded to the lowest responsible and responsive bidder. A request for proposals may be used whenever the project or purchase is not required to be awarded to the lowest responsible and responsive bidder.

(C) **Contents of notice inviting informal bids or request for proposals.** The Purchasing Policies and Procedures Manual shall describe the minimum list of information required to be included in the notice inviting informal bids or request for proposals.

(D) **Proprietary projects or sole source products.** If the director of the using department certifies that, to the best of his or her knowledge, the project, product or service is proprietary in nature and can be obtained only from one vendor or contractor, and that no equivalent products or services are available, the notice inviting informal bids or request for proposals may be sent exclusively to such vendor or contractor.

(E) **Contents of remaining bid and contract documents.** The contents and form of the remaining bid and contract documents shall be approved by the director of the using department, as well as the City Attorney; provided, however, that the City Attorney need not review or approve the contents of the technical specifications, drawings, and other technical

documents.

(F) **Bidder's security.** When required by applicable law or determined necessary by the purchasing agent or his or her designee, each bidder shall be required to provide appropriate security to guarantee its bid. Upon refusal or failure to execute the required contract or agreement and provide all required information and documentation, the full amount of the bid security shall be forfeited, except to the extent limited by applicable law.

(G) **City's authority.** The city may reject any or all bids or proposals received, and may waive any minor irregularities in each bid or proposal received.\

(H) **No bids or proposals received.** If no bids or proposals are received, the authorized contracting party may award the contract by any alternative purchasing procedure.

(I) **Award of contract.** The contract shall be awarded in accordance with §§ 3.08.060(G), 3.08.070(F), or 3.08.080(H) as applicable. If two or more bids are the same and the lowest, the city may accept the one it chooses.

3.08.125 Non-public projects - public agency alternative competitive bidding procedure.

In addition to the situations described in §§ 3.08.060 through 3.08.080, competitive bidding, either formal or informal, shall be deemed to have been satisfied in the situations provided for in this section. The purchasing agent shall establish rules and regulations within the Purchasing Policies and Procedures Manual which are necessary to implement the provisions of this section.

(A) **Competitive bidding already completed.** When the purchasing agent and the authorized contracting party, with the approval of the City Manager, determines that:

(1) A competitive bid procedure has been conducted by another public agency including, but not limited to, another local agency, the state through the California Multiple Award Schedule (CMAS), the federal government through the General Services Administration (GSA), the U.S. Communities Government Purchasing Alliance, or the Western States Contracting Alliance (WSCA); and

(2) The price to the city is equal to or better than the price to that public agency.

3.08.130 Exceptions to competitive bidding - public projects.

In addition to the situations described in § 3.08.050, competitive bidding, either formal or informal, is not required for public projects in the situations provided for in this section. The purchasing agent shall establish rules and regulations within the Purchasing Policies and Procedures Manual which are necessary to implement the provisions of this section. Under the conditions outlined herein and in the Purchasing Policies and Procedures Manual, any alternative procedure may be used.

(A) **Emergencies.** In situations determined by the City Manager to constitute an

emergency for a public project pursuant to § 22035 of the Act and Cal. Public Contract Code § 22050. The City Council hereby delegates to the City Manager the power to declare a public emergency and take any directly related and immediate action required by the emergency, up to a total of \$500,000, pursuant to § 22035 of the Act and Cal. Public Contract Code § 22050. Emergency expenditures of more than \$500,000 shall first be approved by the City Council. Work shall be performed without the benefit of competitive bidding, either formal or informal, only so long as necessary under those sections.

For projects of more than the amount provided for in Section 22032(a) of the Act (currently \$75,000), a report on the emergency and work performed shall be provided at the next regular meeting of the City Council, and then at every meeting thereafter required by § 22050. At such meetings, the City Council shall determine, by a four-fifths vote, that there is a need to continue the action without the benefit of informal or formal competitive bidding in accordance with § 22035 of the Act and Cal. Public Contract Code § 22050. The City Council shall terminate the emergency action at the earliest possible date that conditions warrant, so that the remainder of the emergency action may be completed pursuant to a formal bidding procedure.

For projects of less than the amount provided for in Section 22032(a) of the Act (currently \$75,000), the City Manager shall have the authority to cause the director of the department responsible for the project, or his or her designee, to proceed by any alternative procedure pursuant to § 3.08.050 above.

(B) **No competitive market.** When the City Council determines, upon recommendation by the City Manager and purchasing agent, in accordance with applicable law, that a competitive market does not exist and that no competitive advantage will be gained by the public bidding process.

(C) **No bids received.** When no bids are received pursuant to either the public project informal bidding procedure or the public project formal bidding procedure.

(D) **Otherwise authorized.** Upon recommendation of the City Manager, purchasing agent and City Attorney, when otherwise authorized by this chapter or applicable law.

3.08.140 Exceptions to competitive bidding - non-public projects.

In addition to the situations described in §§ 3.08.060 through 3.08.080, competitive bidding, either formal or informal, is not required for non-public projects in the situations provided for in this section. The purchasing agent shall establish rules and regulations within the Purchasing Policies and Procedures Manual which are necessary to implement the provisions of this section. Under the conditions outlined herein and in the Purchasing Policies and Procedures Manual, any alternative procedure, including no bidding, may be used with the City Manager's approval.

(A) **Emergencies.** When the purchasing agent and the authorized contracting party, with the approval of the City Manager, determine that an emergency exists, as defined in § 3.08.010.

(B) **No competitive market.** When the purchasing agent and the authorized contracting party, with the approval of the City Manager, determines, in accordance with applicable law, that a competitive market does not exist and that no competitive advantage will be gained by the public bidding process.

(C) **State purchase.** When the purchase is made on behalf of the city by the State Department of General Services.

(D) **Purpose of bidding is otherwise accomplished.** When the purchasing agent and the authorized contracting party, with the approval of the City Manager, determine that it is in the best interest of the city and its administrative operations to dispense with public bidding for non-public projects under this chapter.

(E) **No bids received.** When no bids are received through the non-public project formal or informal bidding procedures.

(F) **Natural gas, water, and electricity.** The Utilities Director , or his or her designee, is authorized to negotiate and execute, on behalf of the city, agreements with privately owned, federally owned, state owned and locally owned entities for the wholesale purchase and sale of natural gas, water, economy energy, replacement energy, replacement capacity and transmission service to deliver such natural gas, water and energy to Corona or such other locations as may be appropriate without competitive bidding. The Purchasing Policies and Procedures Manual shall include a process by which the Utilities Director shall approve such purchases and sales through utilization of the competitive open market for such commodities.

(G) **Library information purchases.** The Director is authorized to negotiate and execute, on behalf of the city, contracts for the purchase of library books, tapes, periodicals, and other information delivery formats (e.g. microfilm, DVD, CD-ROM, and internet information) without competitive bidding, so long as each purchase is in accordance with the budget approved by the City Council and there is an unencumbered appropriation in the fund account against which the purchase is to be charged. The Purchasing Policies and Procedures Manual shall include a process by which the Director approves such purchases in a manner which identifies a competitive price which is in the best interests of the city. The Director shall not be required to select the lowest price.

(H) **Mandated expenditures.** Expenditures mandated by law or regulation, such as county booking fees, waste disposal fees, or other non-negotiable permit, use, or application fees.

(I) **Otherwise authorized.** When otherwise authorized by this chapter or applicable law.

3.08.150 Surplus materials, supplies, and equipment.

(A) **Designations by city departments.** All city departments shall submit to the

purchasing agent, at such times and in such form as he or she shall prescribe, reports showing all materials, supplies, and equipment which are deemed by that department to be surplus, in that they are no longer used or are unsuitable for city use by that department.

(B) **Transfer among departments.** The purchasing agent shall have the authority to transfer to another department any materials, supplies, and equipment designated by a department as surplus.

(C) **Sale, exchange, or trade.** The purchasing agent, or his or her designee, shall have authority to sell as surplus all materials, supplies, and equipment which cannot be used by any department or which have become unsuitable for city use, or to exchange the same for, or trade in the same on, new materials, supplies, and equipment. The sale of surplus materials, supplies, and equipment shall be made by public auction pursuant to applicable law and any rules and regulations provided for in the Purchasing Policies and Procedures Manual. In addition, the purchasing agent may approve the sale of any surplus materials, supplies, or equipment by means other than public auction, upon a finding that the sale in such alternative manner is in the best interests of the city and is supported by documentation sufficient to establish that the city is receiving compensation at least equal to the fair market value of the materials, supplies, or equipment. The City Council shall approve by resolution any sale, exchange, or trade of materials, supplies, and equipment with an estimated value of \$220,000 or more.

(D) **Abandonment or destruction.** Except as otherwise prohibited by applicable law, the City Manager shall have the authority, with the consent of the Finance Director, to authorize the abandonment or destruction of materials, supplies, and equipment which have no commercial value or which will require an expenditure of funds for continued care, handling, maintenance, or storage which exceeds the estimated proceeds of sale. The authorization shall be in writing and shall be countersigned by the City Manager and Finance Director.

(E) **Donation.** Except as otherwise prohibited by applicable law, the City Council may, by resolution, establish a procedure for the City Manager and Finance Director to approve the donation of materials, supplies, and equipment which have no commercial value or which will require an expenditure of funds for continued care, handling, maintenance, or storage which exceeds the estimated proceeds of sale. Donations may be made to charitable, civic, or non-profit organizations, as well as other public agencies, and shall be done in a fair and equitable manner. In its resolution, the City Council shall establish rules and regulations to govern the fair and equitable donation of materials, supplies, and equipment. The resolution shall also indicate that the City Manager and Finance Director shall not approve any donation without first making a finding that the materials, supplies, and equipment are surplus to the needs of the city, that they either have no commercial value or will require an expenditure of funds for continued care, handling, maintenance, or storage which exceeds the estimated proceeds of sale, and that the donation is in the best interests of the city.

(F) **City officials and employees.** Surplus supplies and equipment may be sold to the public if so prescribed by the City Manager and/or the City Council. City officials and employees, and their immediate families, however, shall not be eligible to purchase such surplus items;

provided, however, that retired service animals may be purchased by their primary handler.