



STAFF REPORT

DATE: 09/03/2025
TO: Honorable Mayor and City Council Members
FROM: Finance Department

2025-351

REQUEST FOR CITY COUNCIL ACTION

SUBJECT:

CITY COUNCIL ADOPTION OF ORDINANCE NO. 3419, SECOND READING OF AN ORDINANCE OF THE CITY OF CORONA, CALIFORNIA TO UPDATE THE CITY'S PURCHASING REGULATIONS

EXECUTIVE SUMMARY:

This staff report recommends that the City Council adopt Ordinance No. 3419, second reading of an Ordinance, to update the City's purchasing regulations.

RECOMMENDED ACTION:

That the City Council adopt Ordinance No. 3419, second reading of an Ordinance, amending Chapter 3.08 of the Corona Municipal Code to update the City's purchasing regulations.

BACKGROUND & HISTORY:

The first reading of Ordinance No. 3419, to update the City's purchasing regulations, occurred at the City Council meeting on August 20, 2025. Two versions of the Ordinance were presented for the Council's consideration with different levels of City Manager approval authority. The Council approved Option B with City Manager approval levels at \$125,000 for all purchase types. Additionally, the City Council directed staff to include language in the Corona Municipal Code (CMC) to provide a quarterly report about the approval authority exercised by the City Manager.

ANALYSIS:

Ordinance No. 3419 makes the following changes to the purchasing limits:

1. Non-Public Projects (Any type of purchase not classified as “Public Project” or “Materials, Supplies, and Equipment.” Generally, maintenance and professional services.): City Manager authorization up to \$125,000. These items are awarded based on the best interests of the City, taking into consideration demonstrated competence, qualifications, suitability for the project, and cost.
2. Public projects (Construction, reconstruction, erection, alteration, renovation, improvement, demolition, installation, and repair work involving any publicly owned, leased, or operated facility. Painting or repainting of any publicly owned, leased, or operated facility.): City Manager authorization up to \$125,000. This purchasing activity is awarded to the lowest responsive and responsible bidder.
3. Materials, supplies, and equipment (Articles, components, apparatus, and/or machinery required to complete a project or facilitate day-to-day operations.): City Manager authorization up to \$125,000. This purchasing activity is awarded to the lowest responsive and responsible bidder.

Position	Current Limits	Proposed Non-Public Projects	Proposed Public Projects	Proposed Materials, Supplies, and Equipment
Department Directors	\$60,000	\$75,000	\$75,000	\$75,000
Public Works Director, Utilities Director, and Assistant City Manager	\$75,000	Same as Department Directors	Same as Department Directors	Same as Department Directors
City Manager	\$100,000	\$125,000	\$125,000	\$125,000
City Council	>\$100,000	>\$125,000	>\$125,000	>\$125,000
How Awarded?		Best interests of the City (see item #1 above)	Lowest responsive and responsible bidder	Lowest responsive and responsible bidder

Ordinance No. 3419 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
- Increases the authorization for public project emergency purchasing, up to \$500,000

- The maximum total of a change order is to be equal to the lesser of \$125,000 or 10% of the original contract amount
- 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

At the August 20, 2025, meeting, the Council directed staff to include language in the CMC requiring quarterly reporting on the use of the City Manager's authority. Based on this direction, the attached Ordinance was updated to reflect that change.

In addition, at the May 21, 2025, meeting, the City Council provided direction to limit the City Manager's signing authority delegation to thirty (30) days. This process change will be reflected in the Purchasing Manual as follows:

Delegation of Department Director Authority. The purchasing manual will define the delegation procedures, including a limit of thirty (30) days, per the City Council's direction.

Ordinance No. 3419 was first read on August 20, 2025. With the Council's approval of the second reading, the changes will become effective in 30 days, or October 3, 2025. Once approved, staff will complete revisions to the 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)
2. Exhibit 2 – Ordinance No. 3419 (Clean)