



# STAFF REPORT

DATE: 05/06/2026  
TO: Honorable Mayor and City Council Members  
FROM: Finance Department

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**2026-168**

**REQUEST FOR CITY COUNCIL ACTION  
CORONA HOUSING AUTHORITY ACTION  
CORONA UTILITY AUTHORITY ACTION**

**SUBJECT:**  
FISCAL YEAR 2026 QUARTER 3 BUDGETARY ADJUSTMENTS

**EXECUTIVE SUMMARY:**

This staff report asks the Council to consider budgetary adjustments for Fiscal Year 2026 based on the Quarter 3 results and staff recommendations for funding level changes. On a quarterly basis, staff presents an update to the City Council on the current fiscal year revenue and expenditures. As part of the process, departments review the operating and capital improvement project funding levels and provide recommendations for budgetary adjustments. For Quarter 3, staff recommend appropriating \$187,582, increasing estimated revenues by \$10,000, and authorizing budget transfers across multiple funds, as noted in Exhibit 1.

**RECOMMENDED ACTION:**

That the City Council:

- a. Appropriate \$187,582, increase estimated revenues by \$10,000, and authorize budget transfers across multiple funds, as noted in Exhibit 1 - Appropriations, Estimated Revenues, and Transfers.

- b. Authorize the City Manager, or his designee, to issue a Purchase Order to AT&T for the VESTA 911 system by Motorola Solutions in the amount of \$146,535.
  - i. Authorize the City Manager, or his designee, to approve amendments/change orders up to 10% of the purchase order amount necessary for the execution of the work.
- c. Approve the Fourth Amendment to the Maintenance and General Services Agreement with CT&T Concrete Paving, Inc. to increase the total compensation by \$200,000 for a total of \$1,025,000 per fiscal year.
  - i. Authorize the City Manager, or his designee, to issue a Change Order to the CT & T Concrete Paving, Inc. Blanket Purchase Order (B260231) in the amount of \$200,000 for a total purchase order of \$1,025,000.
- d. Approve a Change Order to increase Kalban, Inc. Purchase Order to \$488,576.
  - i. Authorize the City Manager, or his designee, to issue a Change Order to the Kalban, Inc. Purchase Order (P24238) in the amount of \$72,576 for a total purchase order of \$488,576.
- e. Authorize the City Manager, or his designee, to issue a Purchase Order to Quinn Power Systems in the amount of \$295,905 to Purchase Two Emergency Standby Generator Sets for the Airport Lift Station and a Portable Generator for various facilities.
- f. Approve the Fourth Amendment to the Maintenance and General Services Agreement with Global Power Group to increase the total compensation by \$125,000 for a total of \$380,000.
  - i. Authorize the City Manager, or his designee, to issue a Change Order to the Global Power Group Blanket Purchase Order (B260359) in the amount of \$125,000 for a total purchase order of \$380,000.
  - ii. Authorize the City Manager, or his designee, to issue annual purchase orders in the amount of \$125,000 through the term of the agreement.
- g. Approve a Change Order to increase Rockwell Engineering and Equipment Co., Inc. Purchase Order to \$200,000.
  - i. Authorize the City Manager, or his designee, to issue a Change Order to the Rockwell Engineering and Equipment Co, Inc. Blanket Purchase Order (B260343) in the amount of \$100,000 for a total purchase order of \$200,000.
- h. Approve a Change Order to increase DXP Enterprise Inc. Purchase Order to \$600,000.
  - i. Authorize the City Manager, or his designee, to issue a Change Order to the DXP Enterprise Inc. Blanket Purchase Order (B260097) in the amount of \$250,000 for a total purchase order of \$600,000.

- i. Approve Amendments to Maintenance/General Services Agreements and Change Orders with Augustine General Engineering, Inc., Valverde Construction, Inc. and Merlin Johnson Construction, Inc. for \$650,000 per fiscal year for On-Call and Emergency Repair Services for Potable Water, Reclaimed Water and Wastewater Essential Systems.
  - i. Approve the Fourth Amendment to the Maintenance and General Services Agreement with Augustine General Engineering, Inc., to increase the total compensation by \$200,000 for a total of \$650,000 per fiscal year.
    - a. Authorize the City Manager, or his designee, to issue a Change Order in the amount of \$200,000 to Augustine General Engineering, Inc., for a total of \$650,000 per fiscal year.
  - ii. Approve the Sixth Amendment to the Maintenance and General Services Agreement with Valverde Construction, Inc., to increase the total compensation by \$255,000 for a total of \$650,000 per fiscal year.
    - a. Authorize the City Manager, or his designee, to issue a Change Order in the amount of \$255,000 to Valverde Construction, Inc. for a total of \$650,000 per fiscal year.
  - iii. Approve the First Amendment to the Maintenance and General Services Agreement with Merlin Johnson Construction, Inc., to increase the total compensation by \$575,000 for a total of \$650,000 per fiscal year.
    - a. Authorize the City Manager, or his designee, to issue a Change Order in the amount of \$575,000 to Merlin Johnson Construction, Inc., for a total of \$650,000 per fiscal year.
- j. Approve the Professional Services Agreement with Astrum Utility Services, LLC for professional energy consulting services in accordance with the terms and conditions set forth in the agreement.
  - i. Authorize the City Manager, or his designee, to issue annual purchase orders in the amount of \$429,600 per fiscal year through June 30, 2028; and \$451,200 per fiscal year through June 30, 2032.
  - ii. Make a determination under Corona Municipal Code Section 3.08.140(D) that competitive bidding is not required for these services based upon the reasons provided for in this agenda report.
- k. Authorize a Memorandum of Understanding (MOU) with the Riverside Auto-Theft Interdiction Details (RAID) through June 30, 2028.
- l. Authorize the City Manager, or his designee, to issue purchase orders for the attached list (Exhibit 13) of Information Technology software renewals for Fiscal Year 2026 including any non-substantive extensions, change orders, purchase orders, and amendments up to the lesser of either \$100,000 or 10% of the original contract amount as authorized by Corona Municipal Code Section 3.08.070 (I).
- m. Receive and file the FY 2026, Quarter 3 City Manager Purchases Report.

- n. Adopt Resolution No. 2026-027, approving the City of Corona Position Library and Compensation Plan and repealing all prior Plans, including Resolution No. 2026-015, effective May 16, 2026.

That the Corona Utility Authority review, ratify, and to the extent necessary, direct that the City Council take the related actions above.

### **BACKGROUND & HISTORY:**

On a quarterly basis, the Finance Department provides a budget update to the City Council. As part of the quarterly process, departments provide operating and Capital Improvement Project (CIP) adjustments that need to be addressed in the fiscal year (FY). The Finance Department prepares a consolidated request for the City Council's consideration.

### **ANALYSIS:**

Item a - Appropriate \$187,582, increase estimated revenues by \$10,000, and authorize budget transfers across multiple funds as noted in Exhibit 1 - Appropriations, Estimated Revenues, and Transfers.

### **Appropriations**

1. American Society for the Prevention of Cruelty to Animals (ASPCA) 2025 National Shelter Initiative Grant

The Animal Control Division has been awarded \$10,000 ASPCA Grant (Grant No. 202512-34159) for Animal Outcomes. The grant provides \$8,000 in community engagement including advertisements and events, and \$2,000 for a dog behaviorist including staff and volunteer training focused on establishing and managing playgroups for dogs.

The animal shelter faces two significant challenges, limited public visibility and limited enrichment opportunities for the animals in our care. Despite our deep commitment to serving the community and saving animal lives, many residents still express surprise upon learning that our shelter exists. Our small size and low visibility location makes it difficult to attract potential adopters, volunteers, and donors. The acceptance of this grant money has the potential to positively impact approximately 2,600 animals each year through improved visibility, reduced stress, and increased chances for adoption. By helping more people discover our shelter and by enhancing the quality of life for the animals in our care, we can create lasting changes for the animals in our care.

Staff requests an appropriation and an offsetting revenue in the amount of \$10,000 to Police Department's operating budget within General Fund 110.

2. Convert Existing Forensic Truck into Unarmed Aircraft System (UAS) Truck

Increased service demands associated with new development within the Temescal Valley benefit area have created a need for enhanced aerial response capabilities to support public safety operations. The establishment of a dedicated Unmanned Aircraft System (UAS) response unit will improve incident assessment, situational awareness, and response times within the Temescal Corridor. To implement this expanded service in a cost-effective manner, an existing City vehicle will be converted into a UAS response unit, including necessary equipment installation and minor interior modifications. The UAS unit will be assigned to and operated from the Temescal Public Safety Facility (3777 Bedford Canyon Road), located within the benefit area, and will be dedicated to serving development-related service demands. Accordingly, Development Impact Fee (DIF) funding will be applied to the equipment and conversion components that support growth-related public safety needs, consistent with DIF requirements.

Staff requests an appropriation of \$25,000, from the Temescal Canyon Police Facilities Fund 208 to the Police Equipment Acquisition, Operating and Maintenance Project No. 86450 to convert an existing forensic vehicle to a UAS response unit to enhance response capabilities and support operational needs in the Temescal Canyon area.

### 3. Reconfiguration of Property and Evidence Room

Increased service demands associated with new developments have created a need to enhance workspace configuration within the Department's evidence handling operations to maintain service levels and operational efficiency. The scope of work includes the construction of an interior wall with a secure door to relocate technician workstations outside of the primary evidence storage area. Additional improvements may include sealing an unneeded door and replacing existing oversized desks with appropriately sized workstations with built-in storage, based on recommendations from Building Maintenance.

These modifications will support the Department's ability to accommodate increased workload associated with growth, improve workflow, and maintain best practices for evidence handling. Separating administrative workspaces from stored property and evidence will also reduce potential exposure to hazardous materials and enhance overall operational integrity.

Staff an appropriation in the amount of \$15,000 from the Law Enforcement Development Fee Fund 213 to the Police Equipment Acquisition Operating and Maintenance Project No. 86450 to support reconfiguration of workspace in the main evidence storage area to improve functionality and support growing operational needs.

### 4. CFD Administration Services

Due to updated vendor pricing for contracted support services, a \$360 increase in the professional contract services budget is required to cover projected expenditures without interruption to services.

Staff requests an appropriation of \$360 from the CFD 2016-3 Zone 32 NH Sherborn Fund 280 to the Community Services operating budget for increased costs for CFD administration services.

#### 5. Financial Audit and Compliance Audit

To maintain compliance with applicable financial reporting and audit requirements, staff requests an appropriation of \$8,860 from the Successor Agency Fund 475 to the Finance Department's operating budget for the financial and compliance audit services provided by The Pun Group, which was erroneously omitted. These services provide independent review of financial records and transparent reporting.

#### 6. USACE License for Potholing and Soil Testing in the Prado Flood Control Basin

The Butterfield Drive Reclaimed Water Flow Control Station Project involves the construction of a dedicated flow control station designed to deliver reclaimed water from the Western Riverside County Regional Wastewater Authority (WRCRWA) Treatment Plant into the City's reclaim water distribution system. This project supports the City's efforts to reduce reliance on imported water and improve local water supplies. The final design is subject to the approval and permit issuance from the United States Army Corps of Engineers (USACE). The project is partially funded by Title XVI Water Reclamation and Reuse Program administered by the United States Bureau of Reclamation, which reimburses 25 percent of eligible project costs. The remaining 75 percent of design and construction costs are funded through a Cooperative Agreement with the Riverside County Flood Control and Water Conservation District. However, costs associated with obtaining the USACE license are ineligible for reimbursement or cost-match, as federal grant funds cannot be used to pay another federal agency.

Staff requests an appropriation in the amount of \$50,000 from the Reclaimed Water Utility Fund 567 to the Butterfield Drive Reclaimed Water Flow Control Station-Ineligible, Capital Improvement Project No. UT-2023-03, to cover the administrative costs charged by USACE for the review of the final project design for permit issuance.

#### 7. Field Lighting Maintenance at Various Parks

To maintain safe and reliable field lighting conditions, support evening park use and recreational programming, and extend the useful life of existing infrastructure, field lighting maintenance is required at Santana Park, Eagle Glen Park, Butterfield Park, Mountain Gate Park, and Promenade Park.

Staff requests an appropriation of \$68,361.58 from various funds to the Community Services operating budget to complete necessary field lighting maintenance. The funding will be distributed to the appropriate accounts, as detailed in the table below, to address routine maintenance requirements, ensure safe and reliable lighting conditions, and extend the useful life of existing infrastructure. Maintaining adequate field lighting is essential to support evening park use, recreational programming, and overall public safety at these facilities.

<b>Fund</b>	<b>Park</b>	<b>District</b>	<b>Amount</b>
235	Mountain Gate Park	CFD 2016-3 Zone 12	\$469.00
236	Eagle Glen Park	CFD 2018-1	\$21,000.00
237	Butterfield Park	CFD 2018-2	\$15,000.00
238	Santana Park	CFD 2017-2	\$24,765.14
265	Promenade Park	CFD 2016-3 Zone 19	\$5,954.94
297	Mountain Gate Park	CFD 2016-3 Zone 8	\$1,172.50
		<b>Total</b>	<b>\$68,361.58</b>

#### 8. LMD 84-2 Zone 14 Tree Planting

To maintain landscape standards and enhance streetscape aesthetics within LMD 84-2 Zone 14, additional tree planting is required along Hidden Valley, Norco Hills, and Ranch Vista.

Staff requests an appropriation in the amount of \$10,000 from LMD 84-2 Zone 14 Fund 461 to the Community Services operating budget to support the installation of approximately 57 trees in these areas. LMD Zone 14 has a sufficient reserve balance.

### Transfers

#### 9. Budgetary transfer in the amount of \$5,000,000 from various projects to the Sidewalk, Curb and Gutter Repair/Replacement/Maintenance, Operating and Maintenance Project No. 70730.

A total of \$4,000,000 will be reallocated from a combination of completed, deferred, or alternatively funded capital projects, as well as \$1,000,000 from the General Government Department to establish citywide sidewalk repairs. These funds, including General Fund 110 and Measure X Fund 120, will support a comprehensive effort to address approximately 5,100 locations requiring vertical displacement repairs of ¾-inch or greater in a single phase. In conjunction with ongoing efforts by Street Maintenance staff to perform grinding at 2,290 locations with minor displacements

(1/4”–3/4”), this project prioritizes pedestrian safety and accessibility by accelerating the City’s response to the exponentially growing number of sidewalk deficiencies.

Breakdown of transfers from various projects is as follows:

<b>Project No</b>	<b>Project/Department Name</b>	<b>Funding Source</b>	<b>Amount</b>
ST-2015-01	Magnolia Avenue Bridge and Roadway Widening	General Fund (110)	393,231.23
ST-2012-02	Auto Center Drive/Burlington Northern Santa Fe Railroad Grade Separation	General Fund (110)	1,136,178.79
ST-2016-02	Citywide Alley Improvements	General Fund (110) / Measure X Fund (120)	2,408,746.25
ST-2014-01	Gilbert Avenue Public Improvements	General Fund (110)	10,842.00
ST-2025-08	Railroad Street Improvements	General Fund (110)	20,400.00
ST-2025-05	Citywide ADA and Sidewalk Improvements	Measure X Fund (120)	30,601.73
N/A	General Government	General Fund (110)	1,000,000.00
		<b>Total</b>	<b>5,000,000.00</b>

10. Budgetary transfer in the amount of \$938,676 from the Citywide ADA and Sidewalk Improvements, Capital Improvement Project No. ST-2025-05 to the 6<sup>th</sup> Street Beautification and Revitalization, Capital Improvement Project No. ST-2022-02 within the Measure X Fund 120.

A total of \$938,676 will be transferred from the Citywide ADA and Sidewalk Improvements, Capital Improvement Project No. ST-2025-05 to the 6<sup>th</sup> Street Beautification and Revitalization, Capital Improvement Project No. ST-2022-02 for Phase 2 Design. The transferred funds will support staff as they prepare the request for proposal (RFP) to solicit for professional design services for Phase 2. The Citywide ADA and Sidewalk Improvements Project will remain, as project will be funded through Community Development Block Grant (CDBG) Fund 431 to address annual curb return and sidewalk repairs.

11. Budgetary transfer in the amount of \$450,000 from the Skyline Trail Amenities, Capital Improvement Project No. FC-2025-16 to the Auburndale Amenities Improvements, Capital Improvement Project No. FC-2023-01.

A total of \$450,000 will be transferred from the Skyline Trail Amenities, Capital Improvement Project No. FC-2025-16 to the Auburndale Amenities Improvements,

Capital Improvement Project No. ST-2022-02 project within Dwelling Development Tax Fund 289. The transferred funds will support the upcoming construction phase for the Auburndale Amenities Improvements. The Skyline Trail Amenities Project will remain, as project will be funded through forthcoming discretionary grant funds.

Item b. Authorize the City Manager, or his designee, to issue a Purchase Order to AT&T for the VESTA 911 system by Motorola Solutions in the amount of \$146,535.

The VESTA 911 system is currently the City's primary tool for managing all 911 calls and is critical to public safety operations. It serves as the primary computer system for Public Safety Dispatchers, enabling them to receive, process, and route emergency 9-1-1 calls quickly and accurately. The current system has reached the end of its useful life and requires replacement to maintain reliability, cybersecurity compliance, and operational continuity. Failure to replace the system could result in operational, legal, and public safety risks.

In 2022, the Public Safety Dispatch Center used a portion of the City's Allotment, \$611,000, state-issued NG-911 (Next Generation 911) funding to facilitate the emergency replacement of our failing, non-cyber-secure voice logging system. This emergency use resulted in state funds not fully covering the needed VESTA 911 replacement; the City must pay the remaining \$146,535 to AT&T.

All competitive bidding requirements have been met through the State's California Multiple Award Schedule (CMAS) contract 6136-2020 and the purchase order of \$146,535 will be funded through the Emergency 911 Phone System Replacement, Capital Improvement Project No. TC-2016-01.

Item c. Approve the Fourth Amendment to the Maintenance and General Services Agreement with CT&T Concrete Paving, Inc. to increase the total compensation by \$200,000 for a total of \$1,025,000 per fiscal year.

The Public Works Department has experienced a 38% increase in lifted sidewalk locations across the City requiring removal and replacement during the current fiscal year to date. Staff requests an increase of \$200,000 to the purchase order, consisting of \$165,000 for the Street Team and \$35,000 for Community Services, to support continued repair and replacement efforts.

Funding is available in the Sidewalk, Curb and Gutter Repair/Replacement/Maintenance, Operating and Maintenance Project No. 70730 within Measure A Fund 227 for the Street Team allocation, and the Community Services operating budget for Community Services costs.

Item d. Approve a Change Order to increase Kalban, Inc. Purchase Order to \$488,576. The Contract Change Order (CCO) No. 1 is necessary to address critical structural sidewalk failures adjacent to proposed curb ramp locations that exceed the City's standard maintenance capabilities. While the original project scope focused on ADA curb ramp compliance, field inspections identified approximately 2,352 square feet of major

sidewalk displacements within school zones and nearby project areas requiring full-depth reconstruction rather than surface grinding.

These locations qualify for Community Development Block Grant (CDBG) funding, and the required supplemental funding of \$72,576 is available within CDBG Fund 431 under Citywide ADA and Sidewalk Improvement Project No. ST-2025-05. Incorporating these high-priority repairs into Kalban, Inc.'s existing contract allowed the City to leverage established unit pricing and avoid additional mobilization costs associated with a separate procurement.

Kalban, Inc. completed the expanded scope within the original 30-day performance period, resulting in a revised total contract amount of \$488,576.00. This change ensures improved pedestrian safety and ADA accessibility while maintaining fiscal and operational efficiency.

Items e. Authorize the City Manager, or his designee, to issue a Purchase Order with to Quinn Power Systems for in the amount of \$295,905 to Purchase Two Emergency Standby Generator Sets for the Airport Lift Station and a Portable Generator for various facilities.

The Utilities Department (UD) is responsible for the uninterrupted, 24-hour operation and maintenance of vital City infrastructure, including water treatment facilities, wells, booster stations and lift stations. Providing reliable backup power is essential, particularly for critical facilities.

55 essential UD facilities have an existing stationary generator available in the event of an emergency. However, there are still 12 facilities currently not equipped with backup power. UD recommends procurement of an additional towable generator capable of being used at any facility. Quinn Power has a 288 kW Caterpillar XQ330 model towable generator set readily available with no lead time. Generator lead times typically run from 12-18 months.

Recently, the generator at the Airport Lift Station has reached the end of its service life, is now considered obsolete, and can no longer provide reliable operation. UD requires a replacement generator for this critical lift station. UD recommends procurement of a new Caterpillar 30 kW Model D30 generator for this replacement.

Funding for the recommended action is available in the Emergency Generators at Various Locations, Operating and Maintenance Project No. 71930 within the Water Utility Fund 570 and the Sewer Utility Fund 572. Funding for future years will be recommended through the annual budget process.

Items f. Approve the Fourth Amendment to the Maintenance and General Services Agreement with Global Power Group to increase the total compensation by \$125,000 for total of \$380,000.

The Utilities Department (UD) and the Community Services Department (CSD) oversee the maintenance of emergency generators at various City locations. A third-party contractor provides preventive maintenance services and as-needed repairs. These generators are critical to ensuring uninterrupted, 24-hour operation of essential UD infrastructure, including water treatment facilities, wells, booster stations and lift stations.

On October 6, 2021, City Council awarded Notice Inviting Bids (NIB) 22-001RH for Generator Preventative Maintenance and As-Needed Repairs to Global Power Group, Inc. (GPG) in the amount of \$220,000. On June 18, 2025, the agreement was amended to increase compensation to \$255,000 per fiscal year. The contract is shared by both UD and CSD.

In the current fiscal year, UD has experienced a significant increase in repair needs and generator rentals. Rentals are typically required when existing generators are undergoing repair, and extended rental periods have been necessary due to long lead times for parts. Long-term rentals were required at two lift stations and one water reclamation facility. In addition, generator rentals are needed to support capital improvement projects, such as the Water Reclamation Facility No. 2 (WRF 2) Motor Control Center Replacement, which included a significant overhaul of electrical equipment at WRF 2.

To meet operational needs and maintain reliable backup power at critical facilities, UD and CSD request approval of the Fourth Amendment to the Maintenance and General Services Agreement with Global Power Group to increase total compensation to \$380,000 per fiscal year through June 30, 2027.

Funding for the recommended action is available in the Proposed Fiscal Year 2026 Utilities Department Operating Budget within the Water Utility Fund 570, Sewer Utility Fund 572, and Reclaimed Water Utility Fund 567. Funding for future years will be recommended through the annual budget process.

Item g. Approve a Change Order to increase Rockwell Engineering and Equipment Co., Inc. Purchase Order to \$200,000.

Rockwell Engineering and Equipment Co., Inc., is the exclusive sales, service, and parts provider of Vaughan products for the City which are identified in the Utilities Department's PCC 3400 Exclusive Standard Equipment and Products List. Since 2019, Rockwell has provided the standard equipment for Vaughan chopper pumps, such as centrifugal pumps and motors, utilized throughout the wastewater infrastructure. The Utilities Department (UD) has experienced an increase in pump replacements at several wastewater sites, including Arantine Hills Lift Station and Water Reclamation Facility 1, for pumps that were previously rebuilt and have reached the end of their useful life. Additionally, costs for materials and supplies have increased as UD continues to purchase redundant pumps to ensure adequate backup capacity. The Finance Department orders critical spares for the

warehouse from Rockwell Engineering and Equipment Co., Inc. to ensure continued reliability. Staff recommends increasing the annual purchase order total for Rockwell Engineering and Equipment Co., Inc., to \$200,000 for Fiscal Year 2026 and all subsequent years to accommodate the City's needs.

Funding for the recommended action is available in the Proposed Fiscal Year 2026 Utilities Department Operating Budget within the Water Utility Fund 570, Sewer Utility Fund 572, and Reclaimed Water Utility Fund 567. Funding for future years will be recommended through the annual budget process.

Item h. Approve a Change Order to increase DXP Enterprise Inc. Purchase Order to \$600,000.

DXP Enterprise, Inc. is the exclusive local distributor of KSB submersible pump and repair kits. KSB submersible pumps are identified in the Utilities Department's PCC 3400 Exclusive Standard Equipment and Products List, approved through Resolution 2022-046 on June 15, 2022. The Utilities Department has seen a higher volume of pump failures recently, specifically KSB Submersible Pumps and Seepex Positive Displacement Pumps. This trend, coupled with the climbing costs of repair kits to rebuild or purchase new pumps, and emergency rentals, has led to significant recurring expenses. Additionally, the Finance Department orders items from DXP Enterprise, Inc., for stocking critical spares at the warehouse. Staff recommends increasing the annual purchase order total for DXP Enterprises, Inc., to \$600,000 for Fiscal Year 2026 and all subsequent years, to accommodate the increased needs.

Funding for the recommended action is available in the Proposed Fiscal Year 2026 Utilities Department Operating Budget within the Water Utility Fund 570, Sewer Utility Fund 572, and Reclaimed Water Utility Fund 567. Funding for future years will be recommended through the annual budget process.

Item i. Approve Amendments to Maintenance/General Services Agreements and Change Orders with Augustine General Engineering, Inc., Valverde Construction, Inc. and Merlin Johnson Construction, Inc. for \$650,000 per fiscal year for On-Call and Emergency Repair Services for Potable Water, Reclaimed Water and Wastewater Essential Systems.

The Utilities Department (UD) Below Ground Maintenance division is responsible for the maintenance of approximately 740 miles of potable and reclaimed waterlines and 470 miles of sewer lines throughout the City. UD uses both in-house staff and contractors to install mainlines and repair ruptured or leaking water and sewer lines. City Council awarded Maintenance General Service Agreements (MGSAs) to three contractors - Augustine General Engineering, Inc., Valverde Construction, Inc., and W.A. Rasic Construction Company, Inc. - under RFP 21-057RH for On-Call and Emergency Repair Services for Potable Water, Reclaimed Water and Wastewater Essential Systems.

UD recently became aware of multiple pending "willful" OSHA violations involving W.A. Rasic Construction Company, Inc. As a result, the MGSA with this contractor has been cancelled effective April 14, 2026. To manage on-call and emergency repair services in

the interim, UD executed an agreement with Merlin Johnson Construction, Inc. through an exception to bid for \$75,000. Merlin Johnson has demonstrated reliability and strong performance on previous City projects. In 2025, Merlin Johnson assisted UD with an emergency repair of a 30-inch water main and staff was very satisfied with the contractor's responsiveness, workmanship, and professionalism. Their pricing is also comparable to UD's current rates with existing contractors.

To enable the three existing contractors to absorb the anticipated workload, including additional emergency repair needs, UD requests the following amendments:

- a. Approve the Fourth Amendment to the Maintenance and General Services Agreement with Augustine General Engineering, Inc., to increase the total compensation by \$200,000 for a total of \$650,000 per fiscal year.
- b. Approve the Sixth Amendment to the Maintenance and General Services Agreement with Valverde Construction, Inc., to increase the total compensation by \$255,000 for a total of \$650,000 per fiscal year.
- c. Approve the First Amendment to the Maintenance and General Services Agreement with Merlin Johnson Construction, Inc., to increase the total compensation by \$575,000 for a total of \$650,000 per fiscal year.

Funding for the recommended action is available in the Waterline Infrastructure, Operating and Maintenance Project No. 71930 within the Water Utility Fund 570, Sewer Line Infrastructure, Operating and Maintenance Project No. 71950 within the Sewer Utility Fund 572, and Reclaimed Waterline Infrastructure, Operating and Maintenance Project No. 73900 within the Reclaimed Water Utility Fund 567. Funding for future years will be recommended through the annual budget process.

Item j. Approve the Professional Services Agreement with Astrum Utility Services, LLC for professional energy consulting services in accordance with the terms and conditions set forth in the agreement.

The Electric Division of the Utilities Department (UD) provides electric service to approximately 1,905 Greenfield (Bundled) customers and 918 Direct Access customers. In order to provide reliable, competitively priced, and sustainable energy to its customers, the City participates in the wholesale power market operated by the California Independent System Operator (CAISO). Participation in CAISO requires specialized expertise in wholesale power market operations, regulatory compliance, power supply portfolio management, and long-term load forecasting. The City must also maintain renewable energy power purchase agreements to meet the state's environmental compliance requirements. Effective participation in these markets requires an expert understanding of CAISO market rules and operations, as well as familiarity with the City's load profile and existing power supply portfolio.

Astrum Utility Services, LLC (Astrum) has provided energy consulting support to the City since 2002, developing a detailed understanding of the City's load profile, power supply portfolio, and market participation strategies. In 2020, a formal Request for Proposals (RFP No. 21-015RH) was issued to solicit qualified consultants. The competitive process, which included broad outreach and evaluation of multiple proposals, resulted in the

selection of Astrum as the most qualified firm to provide the broad scope of work of a professional energy consultant. The initial agreement, approved by City Council in December 2020, has since been amended to extend the term and adjust compensation in response to increased workload and regulatory changes, with the most recent extension carrying the agreement through June 30, 2026.

During the term of its engagement with the City, Astrum has provided excellent services supporting the City's participation in wholesale power markets, regulatory compliance activities, and long-term resource planning

Staff believes that an exception to competitive bidding is warranted for this purchase pursuant to Corona Municipal Code Section 3.08.140(D), which states as follows:

(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 nonpublic projects under this chapter.

Astrum has maintained a longstanding working relationship with the City and specializes in municipal energy consulting. Astrum has extensive experience working with similarly sized publicly owned utilities (POU) that face operational, regulatory, and market constraints like those experienced by the City. This experience enables Astrum to provide relevant insights and practical solutions based on strategies implemented by comparable utilities, and can help coordinate efforts and share best practices that support competitive power supply strategies and effective market participation. Astrum also provides ongoing management of the City's Power Purchase Agreements, including monitoring contract compliance, coordinating with counterparties, managing energy imbalances, and tracking Renewable Energy Credits.

The City's electric utility operates in a complex regulatory and wholesale energy market environment involving agencies such as the CAISO, the United States Energy Information Administration, California Public Utilities Commission, California Energy Commission, and California Air Resources Board. Compliance with these agencies requires specialized expertise and adherence to frequent reporting and regulatory deadlines. Maintaining a consultant already familiar with the City's operations allows UD to respond efficiently to these requirements and avoid delays or compliance risks.

Astrum's familiarity with the City's load profile and power supply portfolio helps ensure the City can effectively manage energy procurement risks and make informed decisions regarding long-term power supply planning. Additionally, several upcoming regulatory and legislative changes will impact POUs, such as the Renewable Portfolio Standard requirements, the state's goal of achieving Zero Carbon Energy, as well as expanded Resource Adequacy requirements. These developments will require additional analysis, planning, and reporting, which are included in the scope of services and proposed rates.

Staff recommends the approval of a Professional Services Agreement with Astrum to provide professional energy consulting services to ensure continuity of services, leverage Astrum’s established institutional knowledge, and position the City to effectively address current and upcoming state and industry requirements.

Funding for the recommended action is available in the Proposed Fiscal Year 2027 Utilities Department Operating Budget within the Direct Access Electric Utility Fund 576 and Greenfield Electric Utility Fund 578. Funding for future years will be recommended through the annual budget process. The anticipated cost is \$429,600 annually for FY 2027–28 and FY 2028–29, \$451,200 annually for FY 2029–30 and FY 2030–31, with an optional two-year renewal for FY 2031–32 and FY 2032–33.

Item k. Authorize MOU a Memorandum of Understanding (MOU) with the Riverside Auto-Theft Interdiction Details (RAID) through June 30, 2028.

The Corona Police Department has been invited to participate in the Riverside Auto-Theft Interdiction Detail (RAID), a multi-agency task force focused on reducing vehicle theft and apprehending professional auto thieves. RAID partners with state and regional agencies to share intelligence, investigate organized theft operations, identify “chop shops,” track theft trends, increase stolen vehicle recovery, and provide public education. RAID also conducts ownership-verification inspections and works with the District Attorney’s Office to enhance felony prosecutions.

For the task force assignment, CPD will designate one investigator for a minimum two-year term under RAID supervision. RAID will reimburse 70 percent of salary and benefits, provide an annual overtime bank of 400 hours, and supply vehicles, equipment, training, and operational support. The MOU will be effective upon signature and will remain in effect through December 31, 2028, with either party able to terminate with 30 days’ notice.

Joining RAID aligns with the City of Corona Strategic Plan by enhancing vehicle theft prevention (Goal 4: Safe Community), strengthening interagency collaboration (Goal 6: High Performing Government), and supporting succession planning and specialized career development for sworn personnel (CPD Strategic Plan Goal 2).

The Police Department will reassign duties within existing staff, and no additional appropriation will be required.

Reimbursement for salary and benefit expenses will be provided annually in an amount not to exceed a sum equivalent to 70% of the salary of a Senior Detective at top step. Overtime reimbursement will be provided by RAID in an amount not to exceed four hundred (400) hours annually at assigned task force members salary rate.

<b>Estimated Reimbursement</b>	<b>Annually</b>
<b>70% Salary</b>	<b>100,613.06</b>
<b>70% Benefits</b>	<b>73,270.83</b>
<b>100% of OT (@ max of 400 hrs)</b>	<b>65,132.00</b>
<b>Estimated total revenue:</b>	<b>239,015.89</b>

Estimated revenues have been included in the Fiscal Year 2027 Proposed Budget.

Item l. Authorize the City Manager, or his designee, to issue purchase orders for the attached list (Exhibit 13) of Information Technology software renewals for Fiscal Year 2026 including any non-substantive extensions, change orders, purchase orders, and amendments up to the lesser of either \$100,000 or 10% of the original contract amount as authorized by Corona Municipal Code Section 3.08.070 (l).

The list was previously approved on June 4, 2025, at the time of the FY 2026 budget adoption, and again on February 6, 2026 during the Quarter 2 Budget update. However, the list is now being brought forth for Council approval once again to clearly identify the vendors listed for each of the renewal and replacement services.

The City relies on a diverse array of software and hardware solutions to maintain essential operations. To streamline the procurement process and eliminate the need for repeated City Council approvals for routine annual renewals and necessary replacements of existing software and hardware, staff recommends approving the attached comprehensive list of items exceeding \$55,000. This consolidated approach enhances efficiency, maximizes cost savings, and ensures uninterrupted service by facilitating timely renewals and replacements without requiring ongoing Council review for each item. This practice aligns with common municipal procedures across California, where cities such as Murrieta employ similar bulk approval mechanisms for annual technology maintenance agreements, subscriptions, and replacements to ensure operational continuity and procurement efficiency. Additionally, the City leverages cooperative purchasing agreements, such as those offered through GSA and NASPO, when available, to secure the most competitive pricing and optimize cost savings for these renewals and replacements.

The City's ability to maintain operational continuity depends on ongoing annual maintenance payments or subscriptions for software and hardware, as well as periodic replacements to ensure systems remain functional and up-to-date. Many vendors are the sole providers of support and replacement components for their proprietary products, including software, hardware, and related professional services. Furthermore, due to stringent security requirements for credit card processing and online payment gateways, financial software vendors often maintain exclusive partnerships with specific third-party providers. These partnerships ensure compliance with certifications and evolving security standards, effectively designating those providers as sole sources for the associated applications and hardware.

Item m. Receive and file the FY 2026, Quarter 3 City Manager Purchases Report.

At the meeting of August 20, 2025, the City Council approved an ordinance making changes to the Corona Municipal Code CMC relative to the City's purchasing and procurement policies. Part of those changes included a provision to provide the City Council a quarterly report summarizing the instances during the preceding quarter wherein the City Manager exercised his purchasing authority. Specifically, section

3.08.040(M) of the CMC reads as follows: "Quarterly Reporting (\$75,001 to \$125,000 Purchases). No less often than quarterly, a written report shall be presented to the City Council which lists purchases, contracts or agreements authorized by the City Manager, or his or her designee, between \$75,001 to \$125,000. The report shall include the dollar amount, date, approving employee title, brief description of services or items purchased, and the vendor, contractor or other entity." The attached report includes this information for Fiscal Year 2026, quarter three.

Item n. Adopt Resolution No. 2026-027, approving the City of Corona Position Library and Compensation Plan and repealing all prior Plans, including Resolution No. 2026-015, effective May 16, 2026.

State regulations for public employers require disclosure of position classifications and corresponding compensation. In an effort to ensure position compliance updates and for even greater transparency, the City Council regularly adopts and updates the Position Library and Compensation Plan, a document that includes a list of all authorized employment positions for the City and their corresponding compensation ranges ("Plan").

The Plan provides added organizational efficiency and permits departments to continue streamlining operations without impacting service levels. Additionally, it allows members of the public to see what any given position, even those not currently filled, is paid. To this end, it is essential to note that this document is strictly a resource of all employment positions, and the positions listed will not necessarily be budgeted or funded in any given fiscal year. A list of full-time budgeted positions is located on the City's website and within the City's Operating Budget.

A formatting update has been made to the Position Library and Compensation Plan to remove the part-time and full-time columns, as FTE allocations change throughout the year; this update will eliminate recurring administrative clean-up .

Specific updates to the City of Corona Position Library and Compensation Plan have been made to reflect the removal of the following classifications: Trails Planner, Senior Regulatory Compliance Specialist, and Utilities Operations Analyst. Additionally, the following classifications have been added: Deputy City Manager, Tree Maintenance Inspector, Utilities Regulatory Compliance Manager, and Lead Regulatory Compliance Specialist. Finally, administrative corrections were made to the compensation grades, specifically the corresponding letters which reflect the position's placement into their respective employee groups: City Management Fellow and Risk Management Analyst.

**FINANCIAL IMPACT:**

Approval of recommended actions will have financial impacts as noted below. There is sufficient fund balance or working capital available in each of the respective funds for approval of the recommended actions.

Fund No.	Fund	Appropriations	Estimated Revenue Increase	Net Impact
110	General Fund (110)	10,000	10,000	-
208	Temescal Canyon Police Facilities Fund (208)	25,000	-	25,000
213	Law Enforcement Development Fee Fund (213)	15,000	-	15,000
235	CFD 2016-3 Zone 12 Lemon Grove Fund (235)	469	-	469
236	CFD 2018-1 Special Tax B (Bedford) Fund (236)	21,000	-	21,000
237	CFD 2018-2 Special Tax B Sierra B Fund (237)	15,000	-	15,000
238	CFD 2017-2 Valencia Spec Tax B Fund (238)	24,765	-	24,765
265	CFD 2016-3 Zone 19 Cresta/Promenade Fund (265)	5,955	-	5,955
280	CFD 2016-3 Zone 32 Nh Sherborn Fund (280)	360	-	360
297	CFD 2016-3 Zone 8 Karen parker Fund (297)	1,173	-	1,173
461	LMD 84-2 Zone 14 Landscape Maint Fund (461)	10,000	-	10,000
475	Successor Agency Fund (475)	8,860	-	8,860
567	Reclaimed Water Utility Fund (567)	50,000	-	50,000
	<b>Total</b>	<b>\$187,582</b>	<b>\$10,000</b>	<b>\$177,582</b>

Approval of the recommended actions b through n will not have an additional financial impact.

**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 is to approve budgetary adjustments for Fiscal Year 2026, and there is no possibility that approval of the recommended actions will have a significant effect on the environment. Therefore, no environmental analysis is required.

**PREPARED BY:** Luis Navarro, Budget Supervisor

**REVIEWED BY:** Bruce Foltz, Finance Director

**ATTACHMENTS:**

1. Exhibit 1 – Appropriations, Estimated Revenues, and Transfers
2. Exhibit 2 – ASPCA Grant Agreement
3. Exhibit 3 – AT & T Quote
4. Exhibit 4 – Kalban, Inc. – Contract Change Order No. 1

5. Exhibit 5 – Quinn Quote – XQ330
6. Exhibit 6 – Quinn Quote – D30
7. Exhibit 7 – Global Power Group – MSGA Fifth Amendment
8. Exhibit 8 – Augustine General Engineering – MGSA Fourth Amendment
9. Exhibit 9 – Valverde Construction – MGSA Sixth Amendment
10. Exhibit 10 – Merlin Johnson Construction – MGSA First Amendment
11. Exhibit 11 – Astrum Utility Services – Professional Services Agreement
12. Exhibit 12 – MOU with Riverside Auto-Theft Interdiction Detail (RAID)
13. Exhibit 13 – IT Renewal-Placement Items FY25-26 Revised
14. Exhibit 14 – FY 2026, Q3 City Manager Purchases Report
15. Exhibit 15 – Resolution No. 2026-027, Position Library and Compensation Plan
16. Exhibit 16 – Position Library and Compensation Plan – Redline
17. Exhibit 17 – CT&T Concrete Paving, Inc. – MGSA Fourth Amendment