



Staff Report

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**File #:** 22-0902

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

**DATE:** 12/07/2022

**TO:** Honorable Mayor and City Council Members

**FROM:** Finance Department

**SUBJECT:**

Ordinance amending [Chapter 3.08](#) of the Corona Municipal Code to increase the alternative procedure amount in compliance with state law, make certain other changes to the award criteria and award authority for maintenance and general services, and revise the publication requirements for non-public projects.

**EXECUTIVE SUMMARY:**

This staff report requests the City Council to approve an ordinance amending the Corona Municipal Code [Chapter 3.08](#) to increase the alternative procedure amount, change the award criteria for maintenance and general services, and to revise the publication requirements for non-public projects. The changes proposed in this amendment were presented to the City Council at the Fall Policy Workshop on September 28, 2022 and will facilitate a more streamlined and efficient procurement process for the City.

**RECOMMENDED ACTION:**

**That the:**

- a. City Council introduce by title only and waive full reading for consideration of Ordinance No. 3358, first reading of an ordinance amending [Chapter 3.08](#) of the Corona Municipal Code to increase the alternative procedure amount in compliance with state law, make certain other changes to the award criteria and award authority for maintenance and general services and materials, supplies and equipment and revise the publication requirements for non-public projects.
- b. City Council direct the City Manager, or his designee, to follow the provisions of this ordinance as follows:
  - i. For any bids or Request for Proposals that are in process as of December 7,

2022, enforce the terms of Chapter 3.08 in effect at the time the bid or Request for Proposal was issued;

- ii. For any contracts or agreements awarded on or before December 7, 2022, and which involve on-going services with new automatic or discretionary annual renewal terms and compensation limits, enforce the terms of Chapter 3.08 in effect at the time the contract or agreement was awarded, as well as any applicable specified City Council action at the time of award;
- iii. For any contracts or agreements awarded on or before December 7, 2022, and which involve a one-time project or service (e.g., a construction project or project-specific design service), enforce the terms of [Chapter 3.08](#) in effect at the time the contract agreement was awarded, as well as any applicable specified City Council action at the time of award; and
- iv. For any bids or Request for Proposals that are started after December 7, 2022 and awarded after the effective date of Ordinance No. 3358, enforce the terms of Ordinance No. 3358

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

**BACKGROUND & HISTORY:**

The City's purchasing ordinance (Chapter 3.08 of the Corona Municipal Code) governs the City's purchase of materials, supplies and equipment, as well as services (public works projects, maintenance work, general services, and professional services). For all purchases other than public works projects, state law requires local agencies to develop and adopt purchasing policies, but otherwise leaves specific requirements as to how they should be awarded to each local agency (for example, refer to Government Code 4525 and 54202). By contrast, contracts for public works projects are highly regulated by state law and generally must be awarded to the lowest bidder above certain dollar thresholds.

**ANALYSIS:**

The purchasing staff, along with staff in other departments, have identified changes to the City's procurement process that will facilitate a more streamlined process and create efficiencies in the City's procurement activities. The items listed below were presented and discussed with the City Council at the Fall Policy Workshop on September 28, 2022.

- 1. City staff is proposing to increase the alternative bidding procedure amount from \$45,000 to \$60,000. The proposed increase aligns with State Limits (Public Contract Code Chapter 2.58), formalized in January 2019.
- 2. City staff is proposing to allow non-public projects for maintenance and general services to be awarded by a request for proposals process awarding to the contractor who will best serve the interests of the city, considering, in addition to cost, their demonstrated competence,

qualifications and suitability for the project. The proposed change will allow stable and qualified contractors with sufficient resources to participate in the solicitation and give staff the flexibility to negotiate price/cost savings.

3. City staff is proposing to remove the requirement to advertise a formal non-public project in the local newspaper. The proposed change will provide a cost savings to the City budget, expedite the award of projects and save processing time for purchasing. Projects will continue to be posted on Planet Bids and emailed directly to potential bidders.

**FINANCIAL IMPACT:**

Item #3 for the removal of the requirement to advertise non-public projects in the local newspaper will save \$400-\$500 per advertisement, approximately \$18,000 per fiscal year. The remaining proposed items will not have a fiscal impact to the City as a result of the textural change proposed by this Ordinance.

**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 of updating sections of Chapter 3.08 of the Corona Municipal Code and there is no possibility that adopting these changes will have a significant effect on the environment. Therefore, no environmental analysis is required.

**PREPARED BY:** YASMIN LOPEZ, PURCHASING MANAGER

**REVIEWED BY:** KIM SITTON, FINANCE DIRECTOR

**Attachments:**

1. Exhibit 1 - Redline Ordinance (proposed changes to CMC 3.08)
2. Exhibit 2 - Clean Ordinance (final version of CMC 3.08)
3. Exhibit 3 - Government Code References