



# Ordinance Fact Sheet

**TO:** CITY COUNCIL

**DATE:** July 8, 2024

**FROM:** CITY ATTORNEY

**SUBJECT: AN ORDINANCE OF THE CITY OF PASADENA AMENDING TITLE 4, CHAPTER 4.08 OF THE PASADENA MUNICIPAL CODE, THE PURCHASING ORDINANCE**

## TITLE OF PROPOSED ORDINANCE

**AN ORDINANCE OF THE CITY OF PASADENA AMENDING TITLE 4, CHAPTER 4.08 OF THE PASADENA MUNICIPAL CODE, THE PURCHASING ORDINANCE**

## PURPOSE OF ORDINANCE

As directed by the City Council on April 8 and June 17, 2024, this proposed ordinance amends a variety of provisions of Chapter 4.08 of the Pasadena Municipal Code, the Purchasing Ordinance.

## REASON WHY LEGISLATION IS NEEDED

This legislation is needed to:

1. Increase the threshold for contracts that require City Council approval to those contracts over \$250,000 (last updated to \$75,000 in 1984);
2. Increase the formal procurement threshold from \$25,000 to \$75,000;
3. Increase the informal procurement threshold from \$3,000 to \$10,000;
4. Amend definitions to conform to current requirements (Section 4.08.020);
5. Remove the requirement to have checks with blank amounts to be provided to vendors (Section 4.08.040);
6. Amend the publication requirement pertaining to bids, to allow for publication a trade journal in lieu of a newspaper of general circulation, where appropriate (Section 4.08.060);

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7. Amend the means for which bids are to be submitted, in view of the online bid submittal processes now used (Section 4.08.090);
8. Remove the requirement to pre-determine the use of a particular form of contract, such as a purchase order (Section 4.08.100);
9. Require the Director of Finance (in lieu of the City Manager) to report on procurement activity annually each fiscal year (in lieu of calendar year), including procurements with small and local businesses (Section 4.08.151);
10. Remove the requirement to encumber funds for all contracts (Section 4.08.180);
11. Exempt projects involving municipal affairs from Public Contract Code requirements, as Public Contract Code Section 1100.7 allows charter cities to pass an ordinance exempting themselves from the Public Contract Code, where applicable (new Section 4.08.175);
12. Amend various references to operating companies generally, instead of naming each operating company individually;
13. Clarify that City Attorney approval as to form is required for specifications, solicitations, and contracts; and
14. Amend various sections of the Purchasing Ordinance to make clarifying, clerical, and conforming changes.

#### **PROGRAMS, DEPARTMENTS OR GROUPS AFFECTED**

The Finance Department will implement this ordinance.

#### **FISCAL IMPACT**

There is no direct fiscal impact as a result of this ordinance.

#### **ENVIRONMENTAL DETERMINATION**

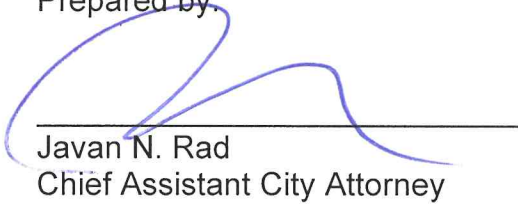
On April 8 and June 17, 2024, the Council found that this ordinance is exempt from review under the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15061(b)(3), the "Common Sense" exemption that CEQA applies

only to projects which have the potential for causing a significant effect on the environment.

Respectfully submitted,

  
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