



CC Regular Meeting

AGENDA ITEM REPORT

Meeting: June 3, 2025

Title: Introduction of Ordinance 25-05 Amending Chapter 2.54 (Public Projects) of Title 2 (Administration and Personnel)

Presented by: Rafael M. Fajardo, Director of Public Works/City Engineer

Recommendation: Waive full reading and introduce Ordinance 25-02, entitled “Amending Chapter 2.54 (Public Projects) of Title 2 (Administration and Personnel) of the Covina Municipal Code, Revising Procedures and Requirements for Bidding of Public Works Projects, and Finding this Ordinance to be Exempt Under the California Environmental Quality Act (CEQA)”.

EXECUTIVE SUMMARY/BACKGROUND:

On September 29, 2024, Governor Gavin Newsom approved Assembly Bill (“AB”) 2192 (Carillo), which amends portions of California’s Uniform Public Construction Cost Accounting Act (“CUPCCAA” or “Act”) (Pub. Contract Code § 22000 et seq.). The amendments, effective January 1, 2025, increase the bidding thresholds in Public Contract Code Section 22032, expand the statutory definition of “public projects,” and broaden the oversight authority of the California Uniform Construction Cost Accounting Commission (“Commission”).

DISCUSSION:

Assembly Bill 2192 (“AB 2192”), which took effect January 1, 2025, increases the bidding thresholds for public agencies that have opted into the California Uniform Public Construction Cost Accounting Act (“Act”) on Public Projects as defined in the Act.

Currently, the Act allows for a public works project in the amount of \$45,000 or less to be performed by the public agency’s force account, by negotiated contract, or by purchase order. Projects in the amount of \$175,000 or less can use informal bidding procedures as set forth in the Act. Projects that exceed \$175,000 must be put out to bid under formal bidding procedures as set forth in the Act. AB 2192, and increases the limits for each level as follows:

	Previous Threshold	AB 2192 Threshold
City Employee (Force Account)	\$45,000 or less	\$75,000 or less
Informal Bidding Process	\$175,000 or less	\$220,000 or less
Formal Bidding Process	Over \$200,000	Over \$220,000

The City previously adopted Ordinance No. 15-2043, thereby opting to be governed by the alternate bidding procedures in the Act. However, in so doing, the City adopted the informal and formal bidding amounts as they existed in 2015. Since then, those limits have been regularly increased while the City’s bidding limits have remained fixed at the 2015 levels.

It is the intent of the City Council in adopting this Ordinance to revise the City’s bidding limits for informally bid and formally bid public works contracts, to the current levels set forth in the Act, while providing that such levels will adjust automatically as those levels are revised by the State Legislature. The City Council’s further intent in adopting this Ordinance is to revise the City’s public works procurement procedures to more fully reflect the requirements of the Act, and other requirements of the California Public Contract Code, Labor Code and Civil Code applicable to public works contracts.


FISCAL IMPACT:

None.

CEQA (CALIFORNIA ENVIRONMENTAL QUALITY ACT):

Finding this ordinance to be categorically exempt under the California Environmental Quality Act (CEQA).

Respectfully submitted,



Rafael M. Fajardo
Director of Public Works/City Engineer

Report Approval Details

Document Title:	First Reading of Ordinance No. 2025-XX Amending Chapter 2.54 Public Projects - AB 2192.docx
Attachments:	- Attachment A - Ordinance 25-02.DOCX
Final Approval Date:	May 29, 2025

This report and all of its attachments were approved and signed as outlined below:

Raphael Guillen

Rafael Fajardo

Theresa Franke

Fabian Velez

Chris Marcarello