



STAFF REPORT

DATE: MARCH 11, 2025

TO: MAYOR AND CITY COUNCIL

FROM: GREG GRAMMER, CITY MANAGER
ALEXA DAVIS, ASSISTANT CITY MANAGER
JESSICA SLAWSON, ASSISTANT TO THE CITY MANAGER
LAUREN PETTIT, CITY CLERK
GABRIELLE SWAIN, ADMINISTRATIVE AIDE

SUBJECT: POLICY DEVELOPMENT ITEMS – ADMINISTRATION

Staff is providing an update and seeking input from the City Council as needed on the following items:

PROCUREMENT POLICY UPDATE

Attached for the City Council's review and guidance is a memo from the City Attorney regarding an update to the City's procurement policy and the City Manager's contracting authority.

CITY COUNCIL REGIONAL COMMITTEE CALENDARS

As requested by the City Council, staff has gathered information regarding the various regional committees outlining their monthly meeting schedule as well as annual conference dates and annual membership dues.

California Contract Cities Association (CCCA)

California Contract Cities Association includes 75 member cities throughout the state, aiming to strengthen local control and Governance by advancing the benefits of the contracting model.

Annual Membership dues: \$5,029.17

Monthly meetings: Board of Directors, 3rd Wednesday of each month

California Joint Powers Insurance Authority (CJPIA)

To address shared risks, 33 cities joined forces to form the California Joint Powers Insurance Authority, filling an immediate need and developing a long-term strategy for mitigating the growing risks of public agencies.

No Membership Dues

Annual meeting of Board of Directors in July

League of California Cities (Cal Cities)

The League of California was formed to defend and expand local control through advocacy efforts in the Legislature, at the ballot box, in the courts, and through strategic outreach that informs and educates the public, policymakers, and opinion leaders.

Annual Membership dues: \$5,753

Quarterly Board of Directors meetings: Feb, Apr, Jul, Oct, Dec

Cal Cities Los Angeles Division

The Los Angeles County Division of Cal Cities is made up of 86 cities within Los Angeles County.

Annual Membership dues: \$1,023.75

Annual meetings: The Los Angeles County Division holds general membership meetings at various times throughout the year

South Bay Cities Council of Governments (SBCCOG)

The South Bay Cities Council of Governments (SBCCOG) is a joint powers authority government agency of 16 cities and Los Angeles County that share the goal of maximizing the quality of life and productivity of the South Bay subregion of Los Angeles. South Bay cities and the county maintain the qualities and characteristics that make them unique and independent, while coming together collectively to address issues of common interest for a greater good.

Annual membership dues: \$12,269

Monthly meetings: Board of Directors, 4th Thursday of each month

Southern California Association of Governments (SCAG)

SCAG is a joint powers authority under California state law, established as an association of local governments and agencies that voluntarily convene as a forum to address regional issues. Under state law, SCAG is designated as a regional transportation planning agency and a council of governments.

Annual membership dues: \$1,208

Monthly meetings: Regional Council and Committees, 1st Thursday of each month

California Association of Councils of Government (CALCOG)

CALCOG is a nonprofit, social welfare organization formed to serve regional governments.

Monthly meetings: Board meeting dates vary by time and location

Clean Power Alliance (CPA)

CPA Board members are locally elected officials who represent and serve our communities. The board works closely with our CPA staff to bring clean energy options at competitive rates to customers while adhering to local community values.

No Membership Dues

Board of Directors meetings: 1st Thursday of each month

Los Angeles County Sanitation Districts

The Los Angeles County Sanitation Districts are a public agency focused on converting waste into resources like recycled water, energy and recycled materials.

No Membership Dues

Board of Directors meetings: 3rd Wednesday of each month

West Basin Municipal Water District

The West Basin Municipal Water District mission is to provide a safe and reliable supply of high-quality water to the communities we serve.

No Membership Dues

No monthly or annual meetings

ANNUAL CONFERENCES:

	Jan – Mar	Apr – Jun	Jul - Sep	Oct - Dec
California Contract Cities Association (CCCA)	Legislative Tour, Sacramento (Jan 6-8, 2025)	Annual Municipal Seminar, Indian Wells (May 15-18, 2025)	Fall Educational Summit (Sep 5-7, 2025)	
California Joint Powers Insurance Authority (CJPIA)				Risk Management Educational Forum, Carlsbad (Oct 1-3, 2025)
League of California Cities (Cal Cities)		City Leaders Summit, Sacramento (Apr 23-25, 2025)		Annual Conference, Long Beach (Oct 8-10, 2025)
South Bay Cities Council of Governments (SBCCOG)	Annual General Assembly, Carson (Mar 27, 2025)			
Southern California Association of Governments (SCAG)		Regional Conference & General Assembly, Palm Desert (May 1-2, 2025)		
California Association of Councils of Government (CALCOG)	Regional Leadership Forum, Sacramento (Mar 5-7, 2025)			

CITY USE OF ARTIFICIAL INTELLIGENCE (AI)

Generative Artificial Intelligence (AI) is an emerging branch of AI technology that can generate content such as text, data, audio, images, video, and other products at the request of a human user. At the March 26, 2024, Policy Development Session, the City Council considered the use of AI technology within City operations and directed staff to Policy Development Session – March 11, 2025

return with a draft policy. At the September 24, 2024 meeting, the City Council adopted a Generative Artificial Intelligence Policy, which is now available on the City's [Generative AI Policy Webpage](#).

This policy aims to establish guidelines for the responsible use of AI technologies within the City of Rolling Hills Estates. By doing so, the policy aims to harness AI's potential to enhance public services, improve efficiency, and drive innovation while upholding values such as transparency, accountability, fairness, privacy, and inclusivity. City staff can utilize AI within defined boundaries through this policy, maintaining an ethical and transparent standard.

Under the parameters of the current policy, City staff is exploring the use of AI in various aspects of municipal work. For instance, Generative AI is currently used to support social media content and draft emails and correspondence. City staff continues its research into AI-based solutions to include support for minute-taking during Committee and Commission meetings, as well as for tracking recurring tasks and deadlines to improve organization and workflow management. By integrating AI into City operations, the City aims to optimize resources, enhance efficiency, and enhance the quality of service delivery to the community. In the coming month, a general AI training will be offered to staff to highlight the policy as well as productive, ethical uses of AI within City operations. Additionally, staff is researching different AI solutions that could potentially support various departmental functions, with the goal of determining whether the City should expand its technology budget to incorporate these advanced systems. For example, chatbots can be added to a City's website to assist online visitors in finding correct information or contacts; AI solutions can also be used for minutes-taking purposes, or a system such as OpenGov can offer the ability for data analysis or budget management.

City Council Consideration: Staff is seeking further input from the City Council on the use of generative AI.

NATURE CENTER PROJECT UPDATE

Over the past two years, staff has been working with our team of consultants, who completed the architectural, structural, and engineering plans (including Plan Check review by Willdan Engineering) for the Nature Center project. Last year, the City Council also approved a contract with Transtech Engineers to assist staff in project bidding and for construction management services. Last spring, staff placed this project out to bid in which the City only received two bids, both over \$5 million. Both bids were rejected by Council and staff was directed to divide the project into smaller elements that would allow the project to be rebid with the outdoor classroom and walkway down into the canyon being additive alternatives that could be built in the future as more funding becomes available.

The cost of constructing this project was previously estimated at \$3 million, for which the City had obtained funding support; however, given that bids received in 2024 far exceed the initial estimation, there continues to be a funding gap. Professional services costs (architect and engineering) budgeted or expended to date are \$850,000. This also

includes consultant services for preparing bid documents, project and construction management, payroll certification and inspection services, along with continued architect firm costs. Based upon prior bid amounts received to date, the Nature Center construction cost, which includes contractor costs, is estimated at \$5 million. There would be cost savings of about \$700,000 if the outdoor education deck and the ramp were not included in the initial phase of the project, for an estimated cost of \$4.3 million. Contractor costs include general conditions and requirements, contractor fee, bonds, and insurance. A contingency established is estimated at \$500,000, based on construction costs. Furnishings, equipment, and interpretive design are expected to be approximately \$500,000, with the Palos Verdes Peninsula Land Conservancy contributing a large portion toward the education element.

Estimated costs based on 2024 bid results

Estimated Costs	Amount
Professional Services	\$850,000
Total Estimated Construction Cost <i>per bid results</i>	\$5,000,000
Contingency 10%	\$500,000
Furnishings/Education	\$500,000
Total Project Cost	\$6,850,000

*Includes costs currently incurred

Estimated with no ramp/outdoor classroom deck

Estimated Costs	Amount
Professional Services	\$850,000
Total Estimated Construction Cost <i>w/ no alternatives</i>	\$4,300,000
Contingency 10%	\$500,000
Furnishings/Education	\$500,000
Total Project Cost	\$6,150,000

*Includes costs currently incurred

Funding for this project is available through various grants, private donations (fundraising), and Park Facilities Fees. Grant funds that have been secured to date total \$2.4 million. The City’s Measure A allocation has increased from \$267,863 in 2023 to \$318,482 as of February 2025. We anticipate incremental increases of approximately \$50,000 in this fund each year it is not used. Palos Verdes Peninsula Land Conservancy will contribute toward the project as it relates to education components and associated furnishings. Additionally, at the 2023 Policy Development Session, the City Council approved utilizing the City’s Park Facilities Fees, which are currently budgeted at \$1.2 million. Measure W funds have been allocated in the amount of \$120,000 for stormwater pollution prevention portions of the project.

Funding Identified/Allocated:

Funding	Amount
City Park Facility Fees budgeted or expended to date	\$387,000
CA State Dept Parks & Rec (Allen)	\$1,200,000
LA County-Hahn commitment	\$500,000
Prop 68 - Per Capita Program	\$177,952
Prop 68 - Urban Area	\$5,040
Outdoor Enviro Ed Grant	\$40,000
Measure A	\$318,482
Rolling Hills Partnership (Prop 68)	\$177,952
Rolling Hills Partnership (Prop 68-urban area)	\$1,156
Estimate PVPLC contribution	\$500,000
Allocated City contribution (2025/26 Measure W)	\$120,000
Allocated City contribution (Park Facility Fees)	\$1,200,000
Total Funds Allocated/Granted	\$4,627,582

As a result of escalating costs, the remaining balance to fund the entire project (including the outdoor classroom deck and ramp) is estimated at \$2.2 million. There remains a funding gap of \$1.5 million for construction of the Nature Center only (excluding the outdoor classroom deck at ramp). Staff is seeking other grants and partnerships to support this project. This includes a \$500,000 grant through Rivers and Mountains Conservancy which is pending review, as well as large donor opportunities.

The City has a current Park Facilities Fee fund balance of approximately \$460,000. Additional Park Facilities Fees revenue related to the completion of the development project at 927 Deep Valley is expected to be \$1.18 million over the next 12-18 months, which will provide an overall fund balance of \$1.6 million. Most of these Park Facilities Fees have been or will be allocated to anticipated projects this and next fiscal year, including the allocation of \$1.2 million toward the Nature Center Project. Upon completion and occupancy of the recently approved Residences at Peninsula Center Project, the City will receive an additional \$1.35 million in Park Facilities Fees. Additionally, staff has worked with the Pepper Tree Foundation Fundraising Committee to identify large donations to be raised for the Nature Center, which, if successful, could raise up to nearly \$2.4 million, as was reviewed by the City Council/Pepper Tree Board of Directors at their August 13, 2024 meeting.

The closure of the Nature Center building due to its deteriorating condition necessitates action to construct a new facility. To allow the project to move forward and reduce costs, staff is recommending that the outdoor classroom and canyon walkway (ramp) be removed from the bid package with construction of those elements postponed to a later date.

City Council Consideration:

Staff is seeking input from the City Council on soliciting bids for the Nature Center Project, focusing on the main building construction and excluding the ramp and outdoor classroom deck components, unless specific donations are secured to fund these elements. Staff will provide an update to the City Council/Pepper Tree Foundation Board of Directors in the coming months.

CITY COUNCIL CHAMBER/CITY HALL RENOVATION UPDATE

In 2019, interior spaces of City Hall were remodeled to accommodate workplace efficiency and a new conference room. These upgrades were considered a priority as they improved functionality and efficiency while providing better service to the public. In 2023, the roofs on the City Hall and Council Chamber buildings were replaced, dry rot was repaired, and the full exterior of the buildings was repainted. Additionally, extensive repairs were completed on the equipment room at the east-end of the building at that time.

At the 2024 Policy Development Session, the City Council reviewed the status of the City Council Chamber/City Hall Renovation projects and provided staff direction to proceed with planning for the renovation City Council Chamber as the priority. The Council Chamber serves as a multi-purpose room not only hosting City Council, Commission and Committee meetings but also as the City's Emergency Operation Center and a site for community meetings, trainings, and workshops. Additionally, Council Chamber restrooms are open during business hours to support visitors to City Hall and adjacent Chandler and Pepperwood Parks.

A renovation of the Council Chamber would accommodate ADA accessibility, meet energy efficiency standards, improve utilization of the space, and optimize the area for potential EOC use. This project could be funded through multiple funding sources including Park Facilities Fees and PEG fees. A recommended scope to consider includes:

1. Bathrooms/Plumbing: Addressing sound, heating and ventilation and ongoing odor concerns.
2. A/V Upgrades: Necessary upgrades to accommodate enhancing the public meeting experience to include possibly hybrid meetings.
3. Storage and A/V rooms: Maximize efficiency of the space.
4. Dais and staff desk renovation: To accommodate ADA requirements.
5. Update windows and sliding glass doors for energy efficiency and accessibility.
6. Replace lighting, ceiling, wall and window coverings, furniture and flooring.
7. Assess if seismic retrofit is needed.

An initial scope of work with a design architect in 2016 resulted in plans and drawings developed for the City Council Chamber. Staff intends to reengage the prior architect through Interior Architects to review the plans and update with any code changes and furnishing updates, as well as any new elements that may not have been incorporated in the initial design. This service is expected to cost approximately \$25,000. A final design would be presented to the City Council for review and approval.

Following the completion of the Council Chamber work, the remaining portions of City Hall will be reviewed in the following fiscal year for needed upgrades, which include energy efficiency and ADA accommodations, as well as painting, ceiling, flooring and restroom renovations.

No City Council action is needed at this time.

ELECTRONIC BICYCLES (E-BIKES) OUTREACH AND REGULATIONS

The City of Rolling Hills Estates has worked with the Los Angeles County Sheriff's Department – Lomita Station, Palos Verdes Peninsula Unified School District and the South Bay Cities Council of Governments in addressing e-bike concerns and safety. Over the last year, the Lomita Station Community Relations Team trained local Lomita Station deputies on e-bike classifications and safety topics. Similarly, patrols of the City's bridle trails are conducted by the Lomita Station Community Relations Team and Lomita Sheriff Station Posse.

E-bike educational resources are regularly shared through the City's website, e-newsletters, social media, and various City events. City staff continues to coordinate meetings and e-bike education efforts with the South Bay Cities Council of Governments (SBCCOG) in working toward a pilot e-bike sticker program for participating schools within the Palos Verdes Unified School District. In the fall, City staff, SBCCOG, and representatives from the Lomita Sheriff's Station and Palos Verdes Estates Police Department were invited to speak at the Parent Teacher's Association (PTA) leadership meeting to discuss e-bike safety, trends, partnerships, and the e-bike registration pilot program. The meeting was well received, and staff is working toward additional PTA meetings to speak with parents more about e-bike classifications, and overall safety.

Most recently, SBCCOG applied for and been awarded a grant under the Safe Streets and Roads for All (SS4A) to support e-bike safety in the region. This includes the potential for assistance with additional e-bike safety events and initiatives for the Palos Verdes Peninsula area. The SS4A grant program is part of the U.S. Department of Transportation Department. Funds have not yet been disbursed and the timeline for availability remains uncertain due to federal executive orders.

Staff is also tracking any proposed state legislation pertaining to the regulation of e-bikes.

No City Council action is needed at this time.

EMERGENCY MANAGEMENT UPDATE

City emergency preparedness efforts are ongoing, with a focus on wildfire readiness in recent months. Below are additional items for the City Council's information:

Emergency Operations Plan Update:

An Emergency Operations Plan is a key part of a local agency emergency management program that considers authority, roles, and functions performed during an incident. The

plan provides structure and a standardized process to follow when a local agency responds to and recovers from a disaster event. Staff is currently working with a consultant, as approved and budgeted by the City Council at its July 9, 2024, meeting, to develop the Plan. Staff expects to return to the City Council in early summer for the review of the final Plan.

Multi-jurisdictional Hazard Mitigation Plan Update:

A Local Hazard Mitigation Plan is required per the Federal Disaster Mitigation Act of 2000 that must be adopted by local cities, counties, and special districts every five years. The Plan is intended to identify certain risks related to natural disasters and develop mitigation strategies to reduce vulnerabilities that will ultimately protect life, property, and the environment.

Through the leadership of the Peninsula Public Safety Committee and Ad-hoc Committee, which includes Councilmember Schmitz and City Manager Greg Grammer, City staff received direction to pursue a Palos Verdes Peninsula Multi-jurisdictional Hazard Mitigation Plan, which includes two Geological Hazard Abatement Districts in the City of Rancho Palos Verdes. Staff received a Cal OES/FEMA reimbursable grant award in the amount up to \$349,298. In February of 2025, the City, as lead agency, awarded a contract to Black and Veatch for Plan development services in the amount of \$250,672. A Memorandum of Understanding Agreement for the joint project and cost sharing was coordinated and approved by each Palos Verdes Peninsula City Council.

City staff is coordinating a kick-off meeting where representatives from each city department will be assigned to a working group for plan development. The Ad-hoc Committee of the Peninsula Public Safety Committee will also be part of milestone meetings for updates. Community meetings will be held throughout the process to receive important public and stakeholder input on the Plan. The comprehensive plan is expected to take several months to complete and must ultimately be approved by Cal OES/FEMA and adopted by each city's governing body.

Cal OES/FEMA Grant Application – Defensible Space Community Incentive Program

City staff has applied for a Cal OES/FEMA grant application through CalOES/FEMA's Post Fire grant funding. Under the grant program, staff is proposing a Defensible Space Community Incentive Program that aims to educate residents on wildfire mitigation through wildfire education and compliance with AB 3074 – ember resistant zone (0 - 5ft) requirements through incentivizing participation utilizing a community grant match.

As proposed, the program would provide up to \$2,500 in a reimbursement grant for an approved Defensible Space property plan application and implementation. If the City receives approval of the program, the grant funding could support up to 100 residents in assisting with brush clearance / defensible space creation (0 - 100ft, with emphasis on 0 - 5ft) on their property.

Public education and outreach are key components of the grant proposal, which will focus on developing and distributing educational materials like brochures, videos, and online resources. These materials will inform residents about wildfire mitigation best practices

and the importance of defensible space (0-100ft), including the creation of Zone 0 (0 – 5ft) ember-resistant zones as required by California Assembly Bill 3074. To raise awareness and encourage community participation, a comprehensive public relations campaign will be launched through social media, newsletters, and press releases. Additionally, community workshops and stakeholder meetings will educate property owners about their role in reducing wildfire risks.

This education initiative, coupled with the defensible space incentive program, serves as a robust wildfire mitigation strategy. By creating buffer zones that minimize flammable material, these efforts can significantly reduce the risks of ember ignitions, protect homes and the environment from airborne embers, and enhance the effectiveness of firefighting operations.

The total grant award applied for this project is \$296,250, in which there is a 25% City match of \$98,750, for a total project amount of \$395,000. The City's match is expected to include in-kind staff time and cost reimbursement for grant administration through a contracted grant consultant. The City's grant application is currently under review by Cal OES and staff will learn more about the grant award determination in the coming months.

Equestrian Preparedness

In addition to ongoing equine preparedness efforts provided in the Mid-Year Accomplishments Report, staff has engaged in further emergency preparedness planning discussions with the Emergency Equine Subcommittee. Equine evacuation readiness is of top priority and concern for equestrians. While the City contracts with the Los Angeles County Department of Animal Care and Control (DACC) for overall contract services, they are also integral in equine / large animal evacuation and sheltering. The City entered into a Memorandum of Understanding Agreement in 2022 with DACC for the utilization of equine sheltering at Ernie Howlett Park if deemed appropriate based on the incident or disaster.

Over the years, staff has worked to better understand the needs of the equine community, including the number of horses and their locations in the City for emergency planning and resource allocation purposes. In 2019, the City conducted a voluntary horse census gathering important data from our local stables and some residential horse counts. It would be beneficial to update this information and potentially garner more specific information for the purpose of emergency preparedness and consideration of large animal evacuation planning. All information obtained would be for the purpose of emergency / disaster planning only.

Emergency management best practices for evacuations consider early departure, especially when there is a direct threat to the area. For horses and large animal owners, having access to trailers and large towing vehicles is crucial. While DACC has some capacity for equine evacuation, it is highly recommended that the equestrian community have trailers readily accessible to ensure fast response times. Staff is working with the Emergency Equine Subcommittee to navigate how this applies locally. A consideration discussed by the Subcommittee is to allow for the storage and parking of equine trailers

on private property as an evacuation preparedness measure. This would require a review of the City's current code requirements related to the parking and storage of trailers and possible amendments.

Additionally, staff is working with DACC and the other Palos Verdes Peninsula cities to organize a future horse trailering clinic and encourages the community to establish a network of equestrian resources for mutual support. Helpful resources are available on the City's equestrian preparedness webpage as a reference

City Council Consideration: Staff is seeking City Council direction on conducting a new horse census and potential code amendment to allow the storage of trailers on private property for emergency access.

Future Emergency Preparedness Planning

The Palos Verdes Peninsula cities have worked on several joint emergency planning efforts and continue to seek opportunities to collaborate for regional emergency preparedness. Additional emergency preparedness goals and strategies include:

- **Evacuation and Sheltering Study:** There is interest in better understanding points of ingress and egress of the Palos Verdes Peninsula, including traffic studies and best practices for mass evacuations. Staff is researching grant opportunities to support this project with plans to engage an emergency planning consultant. Findings would then be incorporated into future emergency preparedness strategies and evacuation protocols for the region.
- **Palos Verdes Peninsula Community Safety Drill:** Discussions are underway for a comprehensive community safety exercise aiming to involve the greater Palos Verdes Peninsula. The exercise will focus on facilitating resident-driven emergency preparedness activities, improving communication and collaboration between first responders, and engaging the community through outreach efforts leading up to the event. Staff of the PVP cities will be working toward scheduling a date and time that ensures optimal coordination between City staff and public safety agencies.

WORKPLACE VIOLENCE PREVENTION PROGRAM AND SECURITY MEASURES AT CITY FACILITIES

The City has maintained a workplace violence prevention policy under the guidance of the California Joint Powers Insurance Authority (CJPIA). Recently, to comply with California state law SB 553, the City developed and implemented an updated comprehensive Workplace Violence Prevention Policy. This policy aims to ensure the safety of City employees and the public at City facilities.

As part of our ongoing commitment to workplace safety, the City has successfully implemented various security measures. Panic buttons have been installed in strategic locations throughout City Hall and the City Council Chamber, providing an immediate alert

system in case of emergencies. Additionally, all City employees complete training each year on how to respond in crisis situations.

Recently, the City secured the services of security guards for the City Hall and Maintenance Yard facilities. Staff continues to research opportunities to further strengthen its security measures. This includes expanding panic button capabilities to maintenance and tennis facilities, increasing the frequency and scope of safety training and drills, and completing a comprehensive security site assessment. The assessment, coordinated through a CJPIA contractor, will help identify any remaining vulnerabilities and inform other potential security enhancements. To maintain a consistent, long-term security presence at City Hall and the maintenance facility, the City Council may wish to discuss implementing ongoing contracted security services. Furthermore, there are discussions about expanding the existing security camera network, as provided in the Administrative Services Department's report.

Such future enhancements may require additional funding, which will be presented to the City Council for consideration as part of the upcoming budget process. Through these proactive measures, the City seeks to maintain and enhance a safe and secure environment for all who work in or visit city facilities.

City Council Consideration: The City Council may wish to provide further input and direction on added security measures for City facilities.

Attachment:

- A- City Attorney Procurement Policy Memo
- B- 2025 RHE Special Event Calendar

MEMORANDUM

TO: Mayor and City Council
FROM: Donald M. Davis, City Attorney
DATE: March 11, 2025
RE: **Procurement Policy Update – City Manager Contracting Authority**

Introduction

The City Manager's office and the City Attorney's office are reviewing the City's current procedures and regulations governing the procurement of materials, equipment, supplies, services, and contracting for public works projects. At present, these matters are addressed in Rolling Hills Estates Municipal Code (RHEMC) Chapter 3.32 (Purchasing System) and Chapter 3.38 (Public Project Bidding). We anticipate amending both Chapters to reference and incorporate a "Procurement Policy" that will be adopted by City Council resolution, which will make future updates easier and faster than the code amendment process.

For the purposes of the Study Session, we are looking for some preliminary direction from the City Council on potential revisions to the financial thresholds for determining when procurements may be authorized directly by the City Manager and when City Council approval is needed.

Discussion

A. Legal Framework for Delegation of Contract Authority to the City Manager.

1. Purchases of Materials, Equipment, Supplies.

California Government Code sections 54202 requires that the City adopt policies and procedures governing the purchase of materials, equipment and supplies, and further requires that all municipal purchases must be in accordance with the adopted policies and procedures. The statute does not require that the policies and procedures be adopted by ordinance, nor does it mandate any specific provisions be included in the policies and procedures. Rather, it simply states that the adopted policies and procedures cannot be inconsistent or conflict with state law, which is a basic requirement of all City policies and regulations. Accordingly, the delegation of contract authority to the City Manager for the purchase of materials, equipment and supplies is at the discretion of the City Council.

2. Contracting for Services (Non-Public Works).

California Government Code sections 4529.10 and following and section 53060 authorize the City to contract for certain professional and special services (non-public works) without competitive bidding; provided, however, that such services are procured under a fair, competitive selection process. Here again, no specific procurement provisions are mandated by these statutes, and as such, the delegation of contract authority to the City Manager for these service contracts is at the discretion of the City Council.

3. Public Works Contracting.

The City has adopted the Uniform Public Construction Cost Accounting Act (UPCCAA) by reference in RHEMC Chapter 3.38. The UPCCAA establishes certain estimated dollar thresholds which

determine the specific procurement process to be followed, and each applicable processes is also generally outlined in the UPCCAA. The financial thresholds are periodically updated to reflect inflation and other cost changes and at present are: (a) \$75,000 or less to be performed by force account, negotiated contract, or purchase order; (b) \$75,000+ to \$220,000 to be let by informal bidding; and (c) \$220,000+ or more to be let by formal bidding. The UPCCAA provides that the authority to approve public works contracts less than \$220,000 may be delegated to the City Manager, but action on formal bids must be taken by the “governing body” (i.e., the City Council). (See Public Contract Code § 22034(c) and (d).)

B. Current Delegation of Contract Authority to City Manager and Proposed Revisions.

As noted above, with the exception of public works contracts subject to formal bids or costs above \$220,000, contracting authority for the procurement of all other public works, as well as materials, equipment, supplies and non-public works service contracts, may be delegated to the City Manager or other appropriate person. The table below summarizes the current contract authority delegated to the City Manager and provides a revised amount for City Council consideration and direction.

[INSERT TABLE]

SUBJECT	CODE/STATE LAW	CURRENT AMOUNT	PROPOSED AMOUNT
Materials, Equipment, Supplies (Non-Emergency)	RHEMC 3.32.070	\$10,000	\$25,000 w/o prior Council budget approval \$100,000 w/ prior Council budget approval
Materials, Equipment, Supplies (Emergency)	RHEMC 3.32.130	\$30,000 \$30,000+ to \$100,000 w/Mayor or Councilmember countersigning	\$100,000 \$100,000+ to \$200,000 w/Mayor or Mayor Pro-Tem countersigning
Services (Non-Public Works)	RHEMC 3.38.050	\$25,000	\$50,000 w/o prior Council budget approval \$100,000 w/ prior Council budget approval
Public Works Projects			
Force Account, Negotiated Contract, Purchase Order	RHEMC 3.38.050	\$25,000	\$50,000 w/o prior Council budget approval \$50,000+ to \$75,000 w/ prior Council budget approval
Informal Bids	RHEMC 3.38.050	\$25,000	\$75,000+ to \$220,000 w/ prior Council budget approval

City Manager Contracting Authority
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Formal Bids	RHEMC 3.38.050	N/A	N/A (must be approved by Council)
Emergency Public Works	RHEMC 3.38.050 Public Contract Code §§ 22035, 22050	\$25,000	\$100,000 (subject to Council vote to waive informal bids for work between \$75,000 and \$100,000)

2025 Special Event Calendar (WORKING DRAFT)

*City Sponsored Events listed in **blue** font

*Council Events listed in **bold black** font

Mon. January 13

Sat. February 8

Sat. February 22

Fri. February 28

Tue. March 11 (TBD)

Thu. March 27

Tue. April 22

Wed. April 23

Sun. April TBA

W.-F. April 23 - 25

Thu.-F. May 1 - 2

Sat. May 10

Wed. May 14

Thu.-Su. May 15 – 18

Sat. May TBA

Sat. May 17

Sun. May 18 (TBA)

Sat. May 31

Sat. June 21

Sat. & Sun. June 14 - 15

Fri. June TBA

Sat. July 19

Tue. August 5

Thu. August 7

Sat. August 16

Sat. August TBA

F.-Su. September 5 - 7

F.-Su. September 5 - 7

Sat. September 13

Sun. September 28

W.- F. October 1 – 3

W.- F. October 8 – 10

F.- Su. October 10 - 12 (Tentative)

Sun. October TBA

TBA November TBA

Sat. December 6

Thu. December 11

Equestrian Recognition - Shirley Kline (MAYOR)

Palos Verdes Girls Softball League Opening Day

Silver Spur Little League Opening Day at EHP (**MPT this year**)

PVPHS Walk for Life

City Council Policy Development Session

SBCCOG Annual General Assembly

PVP Assoc. of Realtors Peninsula Mayors Panel

Earth Day (Tentative)

Ridgecrest Intermediate 5k

Cal Cities City Leaders Summit

SCAG Regional Conference & General Assembly (Desert Springs)

Mayor's Breakfast Ride

PVP Chamber of Commerce's State of the Peninsula Breakfast

CCCA Annual Municipal Seminar (Indian Wells)

PVPLC Chandler Preserve Nature Walk

Kids to Parks Day

Rotary Club – South Bay Beer and Wine Festival

Annual Hills Are Alive Race

Movie Night: Movie TBD

PV Street Fair (PV Chamber of Commerce)

PVP Assoc. of Realtors Scholarship Softball Tournament

Concert in the Park: Band TBD

National Night Out

LA Division League of CA Cities Installation Dinner (6:00-8:30 pm)

Movie Night: TBD

Remember the Music Festival - organized by Betty's Foundation

Portuguese Bend Horse Show

CCCA Fall Educational Summit (Oceanside)

68th RHE City Celebration

Palos Verdes Trails 5k – organized by Strides In Recovery

CJPIA Annual Risk Management Forum (Carlsbad)

Cal Cities Annual Conference and Expo (Long Beach)

Tracy Austin Doubles Tennis Tournament (Tentative)

Prepared Peninsula Expo

South Bay Children's Health Center Champions for Children 5k

Annual Peninsula Parade of Lights

RHE Holiday Party