

The logo of the City of El Segundo, featuring a circular seal with a central figure and the text 'CITY OF EL SEGUNDO' around the perimeter.

CITY OF  
**EL SEGUNDO**

# **Item D.13 Procurement & Signature Authority Updates**

**January 21, 2025**

# Background

- Procurement requirements set forth primarily in three ESMC Chapters: 1-7, 1-7A, and 7C.
- ESMC Chapter 1-7 (Purchasing): outlines procedures and thresholds for the procurement of goods and services (non-construction).
- ESMC Chapter 1-7A prescribes dollar limits for approving purchases for staff and management.
- ESMC Chapter 1-7C implements the Uniform Public Construction Cost Accounting Act, which allows streamlined bidding processes for lower cost public works projects at specified thresholds.
  - The State Legislature periodically updates the thresholds (e.g. AB 2192 in 2024)

# AB 2172 Public Works Changes

Procurement Required	Old Threshold	New Threshold
Direct contract	\$60,000 or less	\$75,000 or less
Informal bidding	\$200,000 or less	\$220,000 or less
Formal bidding	More than \$200,000	More than \$220,000

# Non-Construction Procurement Updates

Authority	Old Threshold	New Threshold
Manager	\$5,000 or less	\$7,500 or less
Director	\$25,000 or less	\$35,000 or less
City Manager	\$50,000 or less	\$75,000 or less
City Council	More than \$50,000	More than \$75,000



# Signature Authority Updates

Authority	Old Threshold	New Threshold
Director	\$25,000 or less	\$35,000 or less
City Manager	\$50,000 or less, unless authorized by City Council*	\$75,000 or less unless City Council authorization*
Mayor	No limit	No limit

# Recommendations

- Approve ordinance for first reading.
- Schedule second reading for February 4, 2025 meeting or as soon thereafter.