ORDINANCE NO. 2020-05

AN ORDINANCE AUTHORIZING AN AMENDMENT TO THE PURCHASING POLICY OF THE CITY OF LEAGUE CITY TO ALLOW THE CITY MANAGER TO PURCHASE PROPERTY FOR USE AS AN EASEMENT AND/OR RIGHT-OF-WAY FOR THE CITY UNDER CERTAIN CIRCUMSTANCES

WHEREAS, on July 14, 2015, the City Council formally approved the Purchasing Policy of the City of League City ("Policy") though Ordinance 2015-23; and

WHEREAS, in order to approve business efficiency and streamline City operations, the City Council wishes to delegate further purchase authority to the City Manager under certain circumstances.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LEAGUE CITY, TEXAS, as follows:

<u>Section 1.</u> The Purchasing Policy of the City of League City is hereby amended to AMEND section 2-102 to read as follows (changes in red):

§2-102 Signatory Authorities and Approval Thresholds

NOTE: This replaces Signatory Authority Policy and Procedure, dated October 2013.

Generally, the City is required to follow the bidding or proposal procedures outlined in Local Government Code Chapter 252 when it plans to make an expenditure of more than \$50,000. Only the City Council has the authority, or may designate the authority, to commit funds. The City Manager has approved and delegates the following authority:

A. Goods and Services

• \$0 - \$1,000 Department Designee • \$1,000.01 - \$3,000 Department Head

• \$3,000.01 - \$10,000Director

• \$10,000.01 - \$25,000Assistant City Manager

• \$25,000.01 - \$50,000City Manager

\$50,000.01 and above

City Council Authorization

B. Construction Contract Change Orders

- Per Texas Local Government Code Section 252.048, the original contract price may not be increased or decreased by more than 25%.
- An Assistant City Manager may approve a contract increase or decrease up to \$25,000 in the aggregate, not to exceed 25% of the original contract price.
- The City Manager may approve a contract increase or decrease up to \$50,000 in the aggregate, not to exceed 25% of the original contract price.
- Change orders (increase or decrease) that exceed \$50,000 must be presented to City Council for approval.

C. Purchase of real estate

The City Manager is authorized to purchase real property interests for the City, when all the following criteria are met:

- The City has sufficient funds for the purchase;
- The purchase price is no more than twenty-five percent (25%) above the appraised value of the property; and

3. The purchase price does not exceed \$50,000.

Authority to sign contracts or agreements on behalf of the City is granted and delegated as shown above. This applies to all types of documents including, but not limited to: purchase requisitions, contracts for services, leases, rental agreements, service/maintenance agreements, facility use agreements, etc.

Employees granted authority to make and approve purchases, will be held accountable for ensuring that each purchase is made in accordance with this policy and all applicable federal, state, and local law, procedures, directions, and good business practice.

City personnel should be aware that personal financial liability or disciplinary action, up to and including termination of employment, may result if an individual makes purchases without delegated authority as defined.

Special Note: This delegation of authority to obligate is not assignable to others without the express and written consent of the City Manager.

<u>Section 2.</u> The City Manager is authorized and directed to make any further changes to the Purchasing Policy of the City of League City as may be necessary to comply with state procurement law and improve business efficiency.

<u>Section 3.</u> Savings. All rights and remedies which have accrued in favor of the City under this Ordinance and amendments thereto shall be and are preserved for the benefit of the City.

<u>Section 4.</u> Severability. If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held invalid, unconstitutional or otherwise unenforceable by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision and such holding shall not affect the validity of the remaining portions thereof.

<u>Section 5.</u> Repealer. All ordinances and parts of ordinances in conflict herewith are hereby repealed but only to the extent of such conflict.

<u>Section 6.</u> It is hereby found and determined that the meeting at which this ordinance was passed was open to the public and that advance public notice of the time, place and purpose of said meeting was given as required by law.

<u>Section 7.</u> Publication and Effective Date. The City Secretary shall cause this Ordinance, or its caption, to be published in the official newspaper of the City of League City, upon passage of such Ordinance. This Ordinance shall take effect immediately upon passage.

PASSED first reading the 11th day of February, 2020.

PASSED second reading the 25th day of February, 2020.

PASSED AND ADOPTED the 25th day of February, 2020

PAT HALLISEY

Mayor

ATTEST:

City Secretary

APPROVED AS TO FORM:

NGHIEM V. DOAN City Attorney