



## CITY OF GRAND PRAIRIE RESOLUTION

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**MEETING DATE:** 08/19/2025

**PRESENTER:** Thao Vo, Director of Management Services

**TITLE:** A Resolution of the City of Grand Prairie, Texas, Adopting a Revised Competitive Bidding Threshold and Increasing the City Manager's Contract Authority to \$100,000 in Alignment with Senate Bill 1173, Effective September 1, 2025

**REVIEWING COMMITTEE:** (Reviewed by the Finance & Government Committee on 08/05/2025)

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### **PURPOSE OF REQUEST:**

To adopt a revised competitive bidding threshold of \$100,000 and to authorize the City Manager to approve contracts and expenditures up to that same amount, consistent with Senate Bill 1173, effective September 1, 2025.

### **BACKGROUND:**

Under current law, the City Manager may approve purchases or contracts up to \$50,000 without requiring formal City Council approval. This threshold is tied to the State of Texas' competitive bidding requirements.

In 2025, the Texas Legislature passed Senate Bill 1173, which increases the competitive bidding threshold for cities to \$100,000, effective September 1, 2025. This means cities may approve expenditures up to that amount without undergoing a full public bidding process, although all applicable procurement and transparency rules still apply.

This resolution accomplishes two objectives. First, it formally adopts the \$100,000 competitive bidding threshold as City policy to ensure consistency with state law and provide clear direction to departments. While the City has historically followed the limits set in the Local Government Code, the adoption of this threshold via resolution reinforces the City's intent to align its procurement framework with current statutory authority.

Second, the resolution allows the City Manager's administrative approval authority to match the new state limit. Increasing this threshold helps streamline city operations by reducing delays for routine contracts and purchases that fall within the new state guidelines. However, the Council will still review and approve all contracts over \$100,000 or those with broader policy implications.

**ATTACHMENTS / SUPPORTING DOCUMENTS:**

- None

**BODY**

**A RESOLUTION OF THE CITY OF GRAND PRAIRIE, TEXAS, ADOPTING A REVISED COMPETITIVE BIDDING THRESHOLD OF \$100,000 AND INCREASING THE CITY MANAGER'S ADMINISTRATIVE APPROVAL AUTHORITY FOR CONTRACTS AND EXPENDITURES TO THE SAME AMOUNT, IN ALIGNMENT WITH SENATE BILL 1173 EFFECTIVE SEPTEMBER 1, 2025**

**WHEREAS**, Section 2-54(4)(e) of the City Code authorizes the City Manager to make expenditures and sign contracts on behalf of the City, provided such authority is granted by resolution of the City Council and does not exceed the competitive bidding threshold established under state law; and

**WHEREAS**, the 89th Texas Legislature passed Senate Bill 1173, which raises the state law threshold requiring competitive bidding for municipalities from \$50,000 to \$100,000, effective September 1, 2025; and

**WHEREAS**, the City Council desires to adopt the revised \$100,000 competitive bidding threshold as City policy to ensure internal consistency and provide administrative clarity; and

**WHEREAS**, the City Council desires to increase the City Manager's administrative approval authority to align with the new statutory limit, ensuring that purchasing and contracting operations remain efficient and legally compliant.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND PRAIRIE, TEXAS, THAT:**

**SECTION 1.** The City hereby adopts a revised competitive bidding threshold of \$100,000, effective September 1, 2025, consistent with the provisions of Senate Bill 1173.

**SECTION 2.** The City Manager is hereby authorized to approve expenditures and execute contracts on behalf of the City of Grand Prairie in an amount not to exceed \$100,000, effective September 1, 2025, provided such expenditures and contracts are otherwise in conformity with the City Charter, City Code, and applicable state law.

**SECTION 3.** This resolution shall supersede any prior resolutions in conflict herewith and shall be in full force and effect from and after September 1, 2025.

**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF GRAND PRAIRIE, TEXAS, ON THIS THE 19TH DAY OF AUGUST 2025.**