



CITY OF GROSSE POINTE WOODS

MEMORANDUM

RECEIVED

Date: June 8, 2022

To: Mayor and Council

From: Frank Schulte, City Administrator *FS*

Subject: City Charter Proposed Amendment to Section 8.8 – Purchase and Sale of Property

JUN 08 2022

CITY OF GROSSE POINTE WOODS
CLERK'S DEPARTMENT

At the June 6, 2022 Committee-of-the-Whole meeting a motion was made to defer this item to City Council.

The last time City Charter Section 8.8 – Purchase and Sale of Property purchasing threshold was amended was by a vote of the residents 33 years ago (1989).

With the current purchasing threshold of \$5,000.00 requirement, it has become very difficult for city departments to efficiently complete purchases, repair city equipment, and maintain city buildings and grounds.

Changing purchase requirements for Council approval from \$5,000.00 to \$10,000.00 would adjust for inflation and minimize requests to Council. It would also enable City Administration to complete projects, make purchases and maintain the building and grounds more efficiently.

Other city's that recently approved an increase to their purchasing threshold amounts to \$10,000 or greater are as follows:

City	Council Threshold for Purchases	Source
City of Grosse Pointe	\$5,000	City Code Sec. 2-98 No specific amount in Charter, but can be changed by Ordinance and/or Resolution
Grosse Pointe Farms	\$11,000	Charter Sec. 8.8 No specific amount in Charter, but can be changed by Ordinance and/or Resolution
Grosse Pointe Park	\$5,000	City Code Sec. 2-248 No specific amount in Charter, but can be changed by Ordinance and/or Resolution
Grosse Pointe Shores	\$10,000	City Code Sec. 2-303 No specific amount in Charter, but can be changed by Ordinance and/or Resolution
Harper Woods	\$5,000	City Code Sec. 2-83 No specific amount in Charter, but can be changed by Ordinance and/or Resolution
Mt. Clemens	\$15,000	Charter Sec. 10.211 Sec.155 and City Code Sec. 12.054 City Commission to change that amount by Ordinance and/or Resolution
Eastpointe	\$15,000	City Code Sec. 2-548 No specific amount in Charter, but can be changed by Ordinance and/or Resolution
St. Clair Shores	\$15,000	City Code Sec. 2-603 No specific amount in Charter, but can be changed by Ordinance and/or Resolution

In addition, the proposed Charter amendment would give City Council the authority to change future purchasing threshold by resolution.

It is Administration's recommendation to City Council to approve the proposed City Charter Amendment-Proposed Ballot Language to Section 8.8 – Purchase and Sale of Property from \$5,000.00 to \$10,000.00 and, furthermore, request the State of Michigan Attorney General by Resolution to recommend the amendment change to the Governor to be placed on the City of Grosse Pointe Woods November 8, 2022 ballot.

Attachment

CITY OF GROSSE POINTE WOODS

WAYNE COUNTY, MICHIGAN

RESOLUTION AUTHORIZING SUBMISSION OF CHARTER AMENDMENT
BALLOT PROPOSAL TO ELECTORS

At a regular meeting of the City Council of the City of Grosse Pointe Woods, Wayne County, Michigan, held on the ____ day of _____, 2022, at 7:00 p.m.

PRESENT: _____

ABSENT: _____

The following resolution was offered by _____ and seconded by _____:

WHEREAS, pursuant to the City Charter, the City of Grosse Pointe Woods has authority to amend the City Charter in a manner provided by statute; and

WHEREAS, the Home Rule City Act, Public Act 279 of 1909, as amended, provides that an amendment to the City Charter may be proposed by the legislative body of the City on three fifths (3/5) vote of the seated members; and

WHEREAS, the City Council has determined that it is appropriate to submit a Charter Amendment to the electors of the City at the regular election to be held on November 8, 2022.

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City of Grosse Pointe Woods City Council that the following amendment to the City Charter be placed on the ballot for the election to be held in the City of Grosse Pointe Woods on November 8, 2022:

1. The Ballot language for the Charter Amendment Proposal shall be as follows:

CHARTER AMENDMENT PROPOSAL
City of Grosse Pointe Woods

A Charter amendment approved in 1989 provides that sales, purchases, and contracts of more than five thousand dollars (\$5,000.00) shall be approved by City Council with competitive bidding required above that amount unless waived by the city council. To adjust for inflation and to reduce administrative costs, it is proposed that Section 8.8 of the Charter be amended to increase from five thousand dollars (\$5,000.00) to ten thousand dollars (\$10,000.00), this threshold amount for such approvals by council, with future adjustments to this amount to be determined according to procedure established by ordinance.

Shall this amendment be adopted?

Yes [] No []

2. **Statement of the Current Wording of the Section to be Amended.** The existing language of Section 8.8 currently reads as follows:

Section 8.8 of the City Charter

Section 8.8. - Purchase and Sale of Property.

The City Administrator shall be responsible for the purchase and sale of all city personal property. Except when no advantage to the city would result, competitive prices shall be obtained for all purchases of personal property and public improvements contracts, and the purchase made or contract awarded according to procedure established by ordinance. All purchases and sales of personal property and all public improvement contracts shall be evidenced by written contract or purchase order. In such sales or purchase or contracts, in excess of five thousand dollars (\$5,000.00),[:]

(1) the sale or purchase shall be approved by the Council,

(2) formal sealed bids shall be obtained unless the Council by formal unanimous resolution of those present at the meeting, based upon the written recommendation of the City Administrator, determines that no advantage to the city would result from competitive bidding, and

(3) the requirements of [Section 13.6](#) shall be complied with. The Council may authorize the making of public improvements or the performance of any other city work by any city agency without competitive bidding.

The purchase and sale of all city property shall be subject to the provisions of [Section 5.9](#).

Detailed purchasing, sale and contract procedure shall be established by ordinance.

The purchase or sale of real property by the city shall be authorized by appropriate action of the Council, provided that the city may not sell any park, except where such park is not required under an official master plan of the city, cemetery, or any part thereof, unless approved by a majority of the electors voting thereon at any general or special election.

3. **Redline of Current Wording for Section 8.8.** Existing Section 8.8 of the City Charter showing the proposed amendment in redline shall read:

Section 8.8. - Purchase and Sale of Property.

The City Administrator shall be responsible for the purchase and sale of all city personal property. Except when no advantage to the city would result, competitive prices shall be obtained for all purchases of personal property and public improvements

contracts, and the purchase made or contract awarded according to procedure established by ordinance. All purchases and sales of personal property and all public improvement contracts shall be evidenced by written contract or purchase order. In such sales or purchase or contracts, in excess of ~~five ten~~ thousand dollars (~~\$5,000.00~~) (\$10,000), with future adjustments to this amount to be determined according to procedure established by ordinance[:]

(1) the sale or purchase shall be approved by the Council,

(2) formal sealed bids shall be obtained unless the Council by formal unanimous resolution of those present at the meeting, based upon the written recommendation of the City Administrator, determines that no advantage to the city would result from competitive bidding, and

(3) the requirements of [Section 13.6](#) shall be complied with. The Council may authorize the making of public improvements or the performance of any other city work by any city agency without competitive bidding.

The purchase and sale of all city property shall be subject to the provisions of [Section 5.9](#).

Detailed purchasing, sale and contract procedure shall be established by ordinance.

The purchase or sale of real property by the city shall be authorized by appropriate action of the Council, provided that the city may not sell any park, except where such park is not required under an official master plan of the city, cemetery, or any part thereof, unless approved by a majority of the electors voting thereon at any general or special election.

* * *

6. **Wording if the Amendment is Approved.** That upon adoption of the proposed amendments, the affected provision of the City Charter would read as follows:

Section 8.8. - Purchase and Sale of Property.

The City Administrator shall be responsible for the purchase and sale of all city personal property. Except when no advantage to the city would result, competitive prices shall be obtained for all purchases of personal property and public improvements contracts, and the purchase made or contract awarded according to procedure established by ordinance. All purchases and sales of personal property and all public improvement contracts shall be evidenced by written contract or purchase order. In such sales or purchase or contracts, in excess of ten thousand dollars (\$10,000.00), with future adjustments to this amount to be determined according to procedure established by ordinance,[:]

(1) the sale or purchase shall be approved by the Council,

(2) formal sealed bids shall be obtained unless the Council by formal unanimous resolution of those present at the meeting, based upon the written recommendation of the City Administrator, determines that no advantage to the city would result from competitive bidding, and

(3) the requirements of [Section 13.6](#) shall be complied with. The Council may authorize the making of public improvements or the performance of any other city work by any city agency without competitive bidding.

The purchase and sale of all city property shall be subject to the provisions of Section 5.9.

Detailed purchasing, sale and contract procedure shall be established by ordinance.

The purchase or sale of real property by the city shall be authorized by appropriate action of the Council, provided that the city may not sell any park, except where such park is not required under an official master plan of the city, cemetery, or any part thereof, unless approved by a majority of the electors voting thereon at any general or special election.

7. The City Clerk shall transmit a copy of the proposed amendment to the Governor of the State of Michigan for approval and transmit a copy of such proposed amendment to the Attorney General of the State of Michigan for approval, as required by law.

8. The City Clerk is hereby directed to do all things necessary to provide for the submission of the aforesaid proposition to the electors of the City at the regular election on November 8, 2022.

AYES:

NAYS:

ABSENT:

ABSTENTIONS:

The resolution declared _____.

Paul Antolin, City Clerk

CERTIFICATION

I, Paul Antolin, Clerk of the City of Grosse Pointe Woods, do hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the City Council on _____, 2022, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting have been kept and will be, or have been, made available as required by said Act.

Paul Antolin, City Clerk