



## CITY OF GROSSE POINTE WOODS

### MEMORANDUM

**Date:** May 5, 2025

**To:** Mayor and Council

**From:** Frank Schulte, City Administrator FS

**Subject:** Adjustments to Sections 2-674 and 2-677 Purchasing Threshold

On January 9, 2023, city council adopted amendments to City Code Sections 2-674 and 2-677 following the voters' approval of the amendment to Chapter 8. – General Finance – Budget, Audit, Purchasing: *Section 8.8. – Purchase and Sale of Property* of the City Charter at the November 8, 2022 election. The City Code amendments state that a written contract or purchase order, competitive bidding, and City Council approval are required for all purchases and sales of personal property and all public improvement contracts exceeding \$10,000, and any future adjustments to this amount can be made by council resolution.

In 2022, inflation was 6.5%, which decreased to 3.4% in 2023 and has further declined to 2.9% in 2024. Despite these decreases in inflation, purchasing power has diminished due to increases in the cost of goods and services. Recently, Grosse Pointe Farms and Grosse Pointe Park raised their purchase thresholds to the amounts shown in the below chart.

Raising the purchase threshold from \$10,000 to \$20,000 would account for inflation and allow the City Administrator to complete projects, make purchases as well as maintain city buildings and grounds more efficiently. This adjustment would also align with the amounts set by Grosse Pointe Farms and Grosse Pointe Park, which are similar-sized cities.

City of Grosse Pointe	\$5,000	City Code Sec. 2-98 Changed by Ordinance and/or Resolution
Grosse Pointe Farms	\$20,000	Charter Sec. 8.8 Changed by Ordinance and/or Resolution
Grosse Pointe Park	\$25,000	City Code Sec. 2-248 Changed by Ordinance and/or Resolution
Grosse Pointe Shores	\$10,000	City Code Sec. 2-303 Changed by Ordinance and/or Resolution
Harper Woods	\$5,000	City Code Sec. 2-83 Changed by Ordinance and/or Resolution
St. Clair Shores	\$15,000	City Code Sec. 2-603 Changed by Ordinance and/or Resolution

Administration is recommending that City Council approve by resolution amending the purchasing threshold in City Code Sections 2-674 and 2-677 from \$10,000 to \$20,000.



## CITY OF GROSSE POINTE WOODS

### CERTIFIED RESOLUTION

#### **A RESOLUTION AMENDING THE PURCHASING THRESHOLD FROM \$10,000 TO \$20,000 IN ACCORDANCE WITH SECTIONS 2-674 AND 2-677 OF THE CITY ORDINANCES**

At a regular meeting of the City Council of the City of Grosse Pointe Woods on May 5, 2025, at 7:00 p.m. in the Robert E. Novitke Municipal Complex at 20025 Mack Plaza Dr., Grosse Pointe Woods, MI, with those present and absent being,

PRESENT: Mayor Bryant  
Council Members: Brown, Gafa, Granger, Koester, McConaghy, Motschall  
ABSENT: None

The following resolution was offered by Council Member \_\_\_\_\_, seconded by Council Member \_\_\_\_\_:

WHEREAS: City Charter, Section 8.8. - Purchase and Sale of Property, states that 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), with future adjustments to this amount to be determined according to procedure established by ordinance, Council approval is required and formal sealed bidding must be obtained unless Council unanimously votes that no advantage to the City would result from competitive bidding, and

WHEREAS: City Code Sections 2-674 and 2-677 indicate that adjustments to the amount of the \$10,000 purchasing threshold "may be made by council resolution," and

WHEREAS: The City Administrator has requested that the purchasing threshold amount of \$10,000 be increased to \$20,000 due to inflation and the increased costs of goods during the past three years, and

WHEREAS: Two neighboring communities have increased their respective purchasing thresholds to \$20,000 and \$25,000 to increase efficiencies in the purchasing process, and

WHEREAS: Raising the purchasing threshold from \$10,000 to \$20,000 will allow the City Administrator to make purchases to complete projects and maintain city buildings and grounds more efficiently; now therefore be it

NOW, THEREFORE LET IT BE RESOLVED: That the purchasing threshold referenced in City Code Sections 2-674 and 2-677 shall be and are hereby changed from ten thousand dollars (\$10,000) to twenty thousand dollars (\$20,000).

AYES: Brown, Bryant, Gafa, Granger, Koester, McConaghy, Motschall  
NAYS: None  
ABSENT: None

Resolution declared adopted.

STATE OF MICHIGAN )  
 ) SS.  
COUNTY OF WAYNE )

CERTIFICATION

I, Paul P. Antolin, Clerk of the City of Grosse Pointe Woods, do hereby certify that the foregoing is a true and correct copy of a Resolution adopted by the City Council of the City of Grosse Pointe Woods at the regular meeting held on May 5, 2025.

\_\_\_\_\_  
PAUL P. ANTOLIN, CITY CLERK  
Signature

\_\_\_\_\_  
DATE