



CITY OF MARSHALL AGENDA ITEM REPORT

Meeting Date:	Tuesday, July 27, 2021
Category:	NEW BUSINESS
Type:	ACTION
Subject:	Consider Purchasing Policy Changes
Background Information:	<p>Over the past few months staff have been working on updating the current purchasing policy. This document hasn't been updated since 2011 and has been long overdue (updates in 2016 only addressed title changes). Included in the council packet is the current policy, a redline version, and a clean updated policy version. There are many proposed changes, and a summary of the major changes are below.</p> <p>Major changes include;</p> <ul style="list-style-type: none"> • The day-to-day procedures have been taken out to be included in an internal procedure's manual. Day-to-day procedures change more frequently than policy reviews are done and to ensure compliance with documented internal controls, procedures are fluid documents that are updated frequently throughout the year. • The Uniform Contracting Law was updated to mirror State Statute. • The Change Order Administrative Procedure was added to the policy. • The Electronic Bidding Policy was added to the policy. • The Withholding Certificates section was added to the policy as this is a current practice prior to issuing final payments to contractors IC134 are required. • The Wastewater Spending Authority exemption was added to the policy to ensure that the necessary spending to have continuity of operations. Disruptions in the wastewater plant could cause negative impacts to the community without this exemption. • The purchasing card section was added to offer more efficient payment methods to departments. • The Professional Services amount was changed from 5,000 to 25,000 as professional services has expanded and increased in cost over the past 10 years. This amount brings the threshold into more realistic values and in line with overall spending authority. <p>Also included in the packet is a summary of information that was gathered from comparable cities on their purchasing policy limits.</p> <p>The Ways and Means Committee met on July 21st to review the current proposed changes. The committee recommended the policy go to the full council for consideration.</p>
Fiscal Impact:	
Alternative/ Variations:	
Recommendations:	Approve Purchasing Policy Changes