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MEMORANDUM

TO: HONORABLE MAYOR AND CITY COUNCIL
FROM: JOSHUA TETZLAFF, CITY ADMINISTRATOR
SUBJECT: CITY ADMINISTRATOR PURCHASING AND CONTRACTING AUTHORITY
DATE: APRIL 1, 2025

The City Charter, in Section 6.04, calls out the City Administrator as the Chief Purchasing Agent of the City. As such, the City Charter calls out that all purchases and contracts to a certain amount, as set annually by the City Council, can be made directly by the City Administrator without prior approval from Council. Amounts above set amount shall come to the City Council for prior approval. This is a common power given within cities to allow the flow of normally business to happen without having to wait for approval every two weeks.

The exact language reads as follows:

Section 6.04. PURCHASES AND CONTRACTS. The City Administrator shall be the chief purchasing agent of the City. All City purchases and contracts shall be made or let by the City Administrator when the amount involved does not exceed an amount established at least annually by the City Council by resolution. All other purchases shall be made and all other contracts let by the City Council after recommendation of the City Administrator has first been obtained. Contracts shall be made in compliance with the laws of the State of Minnesota, and whenever competitive bids are required, the contract shall be let to the lowest responsible bidder consistent with the laws of the State of Minnesota. All contracts, bonds and instruments of any kind to which the City is a party shall be signed by the Mayor and the City Administrator on behalf of the City and shall be executed in the name of the City. The City Council may by ordinance adopt further regulations for the making of bids and the letting of contracts.

Speaking with City Attorney Scott Riggs, he provided an example resolution from the City of Faribault, who authorizes the City Administrator to spend up to \$25,000 on purchases and contracts discussed during the budget and CIP process, and \$10,000 on all other purchases. It is those numbers I used in the attached draft resolution for you to consider.

As stated, this is a general power granted by the Charter to allow for the flow of every day businesses, especially in the context of purchases that have been discussed by the Council previously and have been budgeted for. Going forward, this will be brought back annually at the first meeting of each year for the City Council to review and approval.

Recommendation

Staff recommends approval of Resolution #25-03-17-04, Approving the City Administrator Purchasing and Contracting Authority.