

**PETERSBURG BOROUGH  
ORDINANCE #2022-11**

**AN ORDINANCE AMENDING CHAPTER 4.04, ENTITLED PURCHASING, OF THE  
PETERSBURG MUNICIPAL CODE (PMC) TO INCREASE PURCHASING AUTHORIZATION  
LIMITS FOR ADMINISTRATIVE OFFICERS OF THE BOROUGH AND THE BOROUGH  
MANAGER, TO AMEND EXCEPTIONS TO BIDDING, AND TO AMEND PMC SECTIONS  
3.12.020 AND 3.48.020 TO ACCOUNT FOR THE CHANGES TO CHAPTER 4.04**

**WHEREAS**, PMC Section 4.04.020 currently authorizes administrative officers of the Borough to approve purchases costing \$5,000 or less, and the Borough Manager to approve purchases costing more than \$5,000 but less than \$30,000; and

**WHEREAS**, as currently written, PMC Section 4.04.020 requires administrative officers of the Borough to complete a purchase authorization form, and for the Borough Manager to manually approve any such form, for purchases costing over \$5,000 before the purchase may take place; and

**WHEREAS**, any such purchase must be made within budgetary guidelines and appropriated funds, regardless of the amount of the purchase; and

**WHEREAS**, the Petersburg Borough Assembly feels these monetary limits, initially adopted by the City of Petersburg Council in March of 2004, are both outdated relative to the current cost of goods, and too restrictive in the present economy, where it is sometimes necessary to act quickly to obtain goods and services within the required timeframe; and

**WHEREAS**, the Assembly believes that the Borough Manager is best suited to establish individual authorized purchasing limits for the Borough's administrative officers, and thus wishes to delete the specified administrative officer purchasing limits and grant the Borough Manager the authority to establish those limits, subject to the overall purchasing limitations established in PMC 4.04.020B and C; increase the current monetary purchasing limits from \$5,000 to \$10,000 for administrative officers, granting the borough manager discretion to permit a higher establish authorized purchasing limit, up to \$XXXXXX, for any administrative officer; and

**WHEREAS**, the Assembly further wishes to increase the purchasing limit from \$30,000 to \$75,000 for the Borough Manager; and

**WHEREAS**, in addition, the Assembly wishes to amend 4.04.040A to increase the exception to competitive bidding for purchases costing \$30,000 or more to \$75,000 or more, but less than \$150,000, upon Assembly resolution; and

**WHEREAS**, the Assembly wishes to amend PMC sections 3.12.020 (Borough Clerk) and 3.48.020 (Parks and Recreation Director) to account for the changes to Chapter 4.04 contained in this ordinance.

**THEREFORE, THE PETERSBURG BOROUGH ORDAINS**, Sections 4.04.020, and 4.04.040, 3.12.020 and 3.48.020 of Chapter 4.04 of the Petersburg Municipal Code are hereby amended as follows. The language proposed for addition is in red and underlined, and the language proposed for deletion is struck through.

**Section 1. Classification:** This ordinance is of a general and permanent nature and shall be codified in the Petersburg Municipal Code.

**Section 2. Purpose:** The purpose of this ordinance is to increase purchasing authorization limits for administrative officers and the Borough Manager, and to amend exceptions to bidding as set out in PMC Sections 4.04.020 and 4.04.040, and to amend the expenditure language of PMC Sections 3.12.020 and 3.48.020 in accordance with the amendments to Chapter 4.04 set forth in this ordinance.

**Section 3. Substantive Provisions:**

**4.04.020 Authorization and when competitive bidding is required.**

A. An administrative officer or their designee shall be authorized to make a purchases costing in an amount not exceeding the officer's authorized purchasing limit ~~\$5,000.00~~ \$10,000.00 or less without the permission of the borough manager, a written purchase order ~~excepting that the borough manager may, at the manager's discretion, increase an officer's authorized purchasing limit from \$10,000.00 to an amount not exceeding \$XXXXXXX. An administrative officer's authorized purchasing limit shall be established at the discretion of the borough manager, subject to the limitations of paragraphs B and C below, and An increase in the purchasing limit granted by the manager hereunder shall be documented in a writing signed by the manager and provided to the borough finance department.~~ The coding and approval for the purchases shall be the responsibility of the administrative officer or their designee.

B. A purchase costing more than ~~five thousand dollars~~ \$10,000.00 an officer's authorized purchasing limit but less than ~~thirty thousand dollars~~ \$75,000.00 shall be authorized by the borough manager, such authorization to be in the form of a written purchase order. In the event of the borough manager's absence, the manager shall delegate the authority to the acting borough manager with the approval of the mayor, or in the mayor's absence, the deputy mayor.

C. Purchases costing ~~\$30,000.00~~ \$75,000.00 or more shall be made only after competitive bids have been solicited. The borough assembly, by resolution, may waive bid requirements for purchases costing ~~\$30,000.00~~ \$75,000.00 or more, but less than \$150,000.00, subject to section 4.04.040.

D. Competitive bid procedures for purchases estimated to cost \$150,000.00 or more may not be waived by the assembly except if the borough manager, as incident commander, implements the Petersburg emergency preparedness plan.

**4.04.040 Exceptions to bidding.**

Competitive bidding shall not be required for the following:

A. Purchases at a sales price of ~~\$30,000.00~~ \$75,000.00 or more, but less than \$150,000.00, upon assembly resolution as set out in section 4.04.020 C.;

*[There are no changes to paragraphs B-I]*

**3.12.020 - Borough clerk.**

The borough clerk is an administrative officer of the borough appointed by the manager, with the approval of the assembly, to serve a term not to exceed five years with compensation to be from time to time determined by the assembly. An employment contract with an administrative officer may be terminated only for just cause. In addition to duties and responsibilities specified by state statute, Borough Charter and Code, or as directed by the manager, the clerk shall:

*[There are no changes to paragraphs A-J].*

K. Approve departmental expenditures in accordance with subsection 4.04.020A. of this Code. up to \$5,000.00. Expenditures exceeding \$5,000.00 shall require prior approval of the manager.

**3.48.020 - Parks and recreation director.**

*[There are no changes to paragraphs A-C]*

D. The parks and recreation director may approve departmental expenditures in accordance with subsection 4.04.020A. of this Code. up to \$5,000.00. Expenditures exceeding \$5,000.00 shall require prior approval of the city manager.

**Section 4. Severability:** If any provision of this ordinance or any application to any person or circumstance is held invalid, the remainder of this ordinance and application to any person and circumstance shall not be affected.

**Section 5. Effective Date:** This ordinance shall be effective immediately upon final passage.

**PASSED AND APPROVED** by the Petersburg Borough Assembly, Petersburg, Alaska this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
**Jeigh Stanton Gregor, Vice Mayor**

**ATTEST:**

\_\_\_\_\_  
**Debra K. Thompson, Borough Clerk**

Adopted:  
Published:  
Effective: