

RESOLUTION NO. 2008-24

A RESOLUTION ESTABLISHING PROCEDURES FOR PURCHASES UNDER \$5000.

WHEREAS, the Garibaldi Municipal Code (GMC) 3.10.040 delegates contracting power to city staff for the procurement of budgeted equipment, supplies and services which costs under \$5,000; and

WHEREAS, the council feels that additional policies shall be adopted to formalize past practices and to increase checks and balances; NOW THEREFORE

THE COMMON COUNCIL OF THE CITY OF GARIBALDI RESOLVES AS FOLLOWS:

Section 1. Any purchase or contract over \$5,000 requires the authorization of the City Council.

Section 2. The City Administrator shall have authority to enter into contracts for amounts up to \$5,000.

Section 3. Department Heads shall have authority to enter into contracts or make purchases for goods or services on behalf of the City up to \$500 provided the purchase is one for which the Department Head has budget responsibility and accountability.

Section 4. Department Head purchases over \$500 shall require the completion of a purchase order signed by the City Administrator, provided the purchase is one for which the Department Head has budget responsibility and accountability. The following expenditures shall be exempt from this requirement:

- A. Salaries and related employee benefits (FICA, federal, state and local withholding, health insurance, worker's compensation, retirement plan contributions, etc.);
- B. Utilities (electricity, telephone, cable, gas, internet, etc.);
- C. State fees;
- D. Emergencies requiring immediate repair of vehicles, equipment or property, provided the purchase is reported orally and in writing as soon as possible to the City Administrator with an explanation of the reason for the purchase.

Section 5. Purchases shall not be structured or split so as to avoid the requirements of this section.

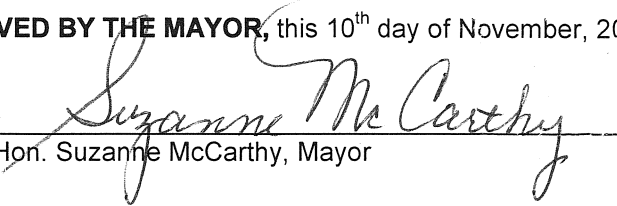
Section 6. City staff shall, when seeking to purchase goods, improvements or services:

- A. Operate within the adopted or amended budget or seek additional budget authority from the City Council;
- B. Consider the possibility of additional charges being assessed after an order has been placed (i.e. equipment repair) so as not to conflict with these provisions or the provisions in the public contracting code;
- C. Plan purchase requirements sufficiently in advance so that orders can be placed in economical quantities;
- D. Purchase goods, improvements or services in accordance with adopted policies, procedures and state laws;
- E. Submit a requisition, purchase order, check request or other approved form to the City Administrator, unless exempted.
- F. Receive and inspect all goods received and return any unsatisfactory items in a timely manner and within the time required to obtain repayment or reimbursement.
- G. Comply with any requirement for preserving warranty information.

Section 7. The City Administrator is instructed to send this policy to current and/or new vendors with whom the provisions of this resolution would apply.

Section 8. This resolution shall be effective upon passage by the City Council and signed approval by the Mayor.

PASSED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR, this 10th day of November, 2008.



Hon. Suzanne McCarthy, Mayor

ATTEST:


Kevin M. Greenwood, Administrator