



Memorandum

To: Honorable Mayor Jeff Cheney and Members of the Frisco City Council

Cc: Wes Pierson, City Manager
E.A. Hoppe, Assistant City Manager

From: Daniel Ford, Director of Administrative Services

Date: July 2, 2024

Subject: Consider and act upon adoption of an Ordinance amending Frisco's Code of Ordinances, Ordinance No. 06-03-31, as amended, granting purchasing authority to the City Manager or his/her designee for all budgeted items not exceeding \$100,000. (Administrative Services/DF)

Action Requested: City Council amending Frisco's Code of Ordinances, Ordinance No. 06-03-31, as amended, granting purchasing authority to the City Manager or his/her designee for all budgeted items not exceeding \$100,000.

Background Information: This proposed amendment to ordinance 06-03-31 would grant purchasing authority to the City Manager or his/her designee for all budgeted items not exceeding \$100,000. This would raise the City Council's approval threshold from the current amount of \$50,000 to \$100,000. The formal bid threshold, which is set by Texas Local Government Code, would remain \$50,000.

In 2017, City Council approved a threshold increase from \$25,000 to \$50,000. Then, as is now, the request is being made to streamline the contract approval process, expedite routine non-controversial purchases, and to reduce the administrative burden on staff, while maintaining compliance and transparency. Purchasing consent agenda items taken to City Council have increased as follows:

FY 2018	117
FY 2019	152
FY 2020	160
FY 2021	195
FY 2022	187
FY 2023	222
FY 2024	245 (projected)

In addition, the administrative time for putting council items together, the increase to \$100,000 would reduce processing time by two weeks or more for items that fall between \$50,000 and \$100,000. Also, as the City has grown, so have routine maintenance contracts (such as facilities and software maintenance). The increase will allow more flexibility and efficiency to handle these agreements.

The City Charter provides that City Council may, by ordinance, set a limit on the City Manager's general authority to approve contracts for expenditures on behalf of Frisco. This requested ordinance amendment would formalize the increase from \$50,000 to \$100,000, in accordance with state law. If approved, the ordinance would be an amendment to Chapter 2 (Administration), Article II, Division I, Section 2-21 Purchasing.

Financial Considerations: N/A

Legal Review: Ryan Pittman of Abernathy, Roeder, Boyd & Hullett has reviewed the Ordinance Amendment and approved as to form.

Alternatives: City Council could choose not to approve at this time.

Supporting Documents: Proposed Ordinance.

Staff Recommendation: Staff recommends approval of this item.