

MEMORANDUM

TO: Mayor and City Councilmembers
Steve Parker, City Manager

FROM: Ashley Bruns, Purchasing Manager

DATE: September 2, 2025

RE: Update to City's Purchasing Policy – Threshold Clarifications and Adjustments
Pursuant to Bill 1173

Purpose:

To request Council approval to update the City's Purchasing Policy to incorporate clarifications and increase purchasing thresholds in accordance with recent changes to state law under Bill 1173.

Background:

Bill 1173, recently signed into law and effective September 1, 2025, amends public procurement standards by increasing the threshold limits for formal bidding processes for local agencies. These changes aim to align with inflation-adjusted standards.

In response to this legislation, staff has reviewed the City's current purchasing policy and recommends updates to:

- Reflect new dollar thresholds for informal and formal procurements.
- Provide clarification on procurement roles, approvals, and competitive bidding exemptions.
- Ensure compliance with applicable state laws and regulations.

Key Proposed Changes:

1. Purchasing Thresholds:
 - o Formal Bidding Requirement: Raised from \$50,000 to \$100,000+.

Fiscal Impact:

PURCHASING

No direct fiscal impact. These policy updates aim to improve procurement efficiency and flexibility while maintaining transparency and competitive fairness.

Recommendation:

Staff recommends that the City Council adopt the attached resolution approving the revised City Purchasing Policy as updated to comply with Bill 1173 and authorize staff to implement the changes accordingly.

Attachment:

1. Resolution – Approving Updated Purchasing Policy
2. Revised City Purchasing Policy
3. Bill 1173