

Management Committee

Meeting date: January 28, 2015

Subject: Summary of End of Year 2014 and First Quarter Procurements

District(s), Member(s): All

Policy/Legal Reference: Council Policy 3-3 Expenditures

Staff Prepared/Presented: Micky Gutzmann 651.602.1742

Division/Department: Contracts and Procurement

Background

Council Policy 3-3 – Expenditures authorizes the Regional Administrator to approve awards not exceeding \$500,000 for all purchases of budgeted goods and services. In addition, the Regional Administrator is authorized to approve construction contracts where:

- a) the value of the contract does not exceed \$2,500,000;
- b) the construction project was included in the Council-adopted capital budget;
- c) the cost of the project is less than the Engineer's Probable Construction Costs plus 10%;
and
- d) sufficient funds are available in the capital budget to complete the project.

The delegation authority of the Regional Administrator to approve awards for all purchases of budgeted goods and services was increased from \$250,000 to \$500,000 in October of 2013. Related to this increase in authority, the Council requested a report on any contracts valued between \$100,000 and \$250,000 and \$250,000 and \$500,000.

To satisfy this requirement a report that summarizes procurements for the preceding quarter is presented to the Council through the Management Committee at the end of each quarter. The report gives a breakdown of the number of procurements executed during the reporting period grouped by value, and details of all procurements which have a value greater than \$100,000 but less than or equal to \$500,000.

Procurements valued at greater than \$500,000 are generally approved individually by the Council, except for those construction contracts that meet the criteria given above. The Management Committee requested a quarterly summary of contracts over \$500,000.

The Year End 2014 Procurement Summary Information is attached