



Date: September 11, 2007

To: Honorable Mayor and Members of the City Council

From: Councilmember Rae Gabelich, Eighth District *RG*
Councilmember Gerrie Schipske, Fifth District *GS*
Councilmember Dee Andrews, Sixth District *DA*
Councilmember Tonia Reyes Uranga, Seventh District *TRU*

Subject: AGENDA ITEM: Approval of City Contracts

The City has made great strides in restoring fiscal responsibility from a time of structural deficits. However, there continue to be daunting budget challenges, and as the Mayor has stated in his Budget Recommendations, "our City now lives paycheck-to-paycheck."

Therefore, the Council has an even greater responsibility to review and evaluate how the City is spending our limited resources.

Currently, the City Council is required to approve any contract of \$100,000 or more. Contracts of less than that amount are approved by the City Manager for most City departments, without Council review.

Given the need to exercise greater fiscal discipline, we believe the Council should review and approve all contracts of \$50,000 or more. In addition, the Council should be updated regularly on new projects that have an impact on the City's budget.

Recommended Action:

Request the City Attorney to prepare an amendment to LBMC Code Section 2.84.010 relative to authority of city purchasing agent and others to contract, reducing the authorization amount to \$50,000; and

Request the City Manager to provide a monthly report to the City Council of contracts approved that are \$50,000 or greater cumulative in a fiscal year, including in the report the department and program the contract serves.