

**CITY OF WASILLA
ORDINANCE SERIAL NO. 02-63**

AN ORDINANCE OF THE WASILLA CITY COUNCIL AMENDING WMC 5.08.090.B,
CONTRACT AMENDMENTS.

BE IT ENACTED:

* **Section 1. Classification.** This ordinance is of a general and permanent nature and shall become part of the city code.


* **Section 2. Amendment of section.** WMC 5.08.090.B, Contract Amendments, is amended to read as follows:

B. A contract amendment may not be executed unless the council has approved a memorandum setting forth the changes to the essential terms of the contract if the amendment will cause the price of the contract, as amended, to exceed:

1. \$30,000; or
2. 110 percent of the original contract price **or \$30,001 which ever is greater**, if the original contract price exceeded \$30,000.

* **Section 3. Effective date.** This ordinance shall take effect upon adoption of the Wasilla City Council.

ADOPTED by the Wasilla City Council, Alaska, on October 14, 2002.



DIANNE M. KELLER, Mayor

ATTEST:



KRISTIE SMITHERS, CMC
City Clerk

[SEAL]

Bold and underline added. [CAPS AND BRACKETS, DELETED.]



CITY OF WASILLA
290 E. HERNING AVE.
WASILLA, AK 99654-7091
PHONE: (907) 373-9090
FAX: (907) 373-9092

TO: Wasilla City Council
THRU: Mayor Sarah Palin *SP*
FROM: Public Works
DATE: September 13, 2002

SUBJECT: Ordinance Serial No. 02-63

SUMMARY: This ordinance amends WMC 5.08.090 B, Contract Amendments to be consistent with the Mayor's purchasing authority of \$30,000. The current ordinance requires council approval for contract amendments between \$3,000 and \$30,000, for contracts over \$30,000. Public Works has recently recognized that the new purchasing code will result in more change orders being presented for council review, than under the previous code for medium sized contracts. The prior code required council approval for change orders over \$10,000. The current code requires change orders at 110 percent of the contract price for contracts over \$30,000. The proposed amendment would allow 110 percent or \$30,000, which ever is greater. The following table provides an illustration:

Contract Amount	Change Order Amount	Prior Code Council Approval	Current Code Council Approval	Amended Code Council Approval
30,000	3,500	No	Yes	No
50,000	6,000	No	Yes	No
75,000	8,000	No	Yes	No
100,000	10,000	Yes	Yes	No
200,000	25,000	Yes	Yes	No
350,000	35,000	Yes	Yes	Yes

Public Works believes council will be inundated with change orders under the current purchasing code. The proposed amendment will allow contract amendments up to \$30,000 without council approval, for contracts over \$30,000 that have previously received council approval. This would be consistent with the Mayor's purchasing authority.

FISCAL IMPACT: None

RECOMMENDED ACTION: Council is requested to approve Ordinance Serial NO. 02-63 that amends WMC 5.08.090 B, Contract Amendments.