

CITY OF LAKE ELMO  
WASHINGTON COUNTY, MINNESOTA

RESOLUTION NO. 2002-113  
RESOLUTION AUTHORIZING MINOR MODIFICATION  
TO PURCHASING POLICY

WHEREAS, the City of Lake Elmo has an established policy governing purchases of supplies, equipment and other materials necessary to provide services to the residents;

WHEREAS, the City's purchasing policy was last updated on May 21, 1996;

WHEREAS, the current purchasing policy contains a requirement that purchases in excess of \$50 require the completion and submittal of a purchase requisition;

WHEREAS, the Lake Elmo City Council recognizes the need to increase the purchase requisition provision from \$50 to \$200.


NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LAKE ELMO, MINNESOTA THAT:

1. The purchasing policy dated April 17, 1979 and last revised on May 21, 1996 shall be modified as follows:
  - a. For all purchases \$200.00 to \$1000, whether budgeted or unbudgeted, three written quotes shall be obtained and attached to the purchase requisition for approval by the City Administrator.
  - b. For all purchases \$200.00 to \$1000, the Department Head shall submit a purchase requisition to the Finance Director, signed and approved by the Department Head and City Administrator.
  - c. For all purchases \$200.00 to \$1000, the purchase requisition signed by the Department Head and City Administrator, along with the three written quotes shall be submitted to the Finance Director, attached to the invoice for the purchase and retained in accordance with the record retention schedule.
2. Staff and Department Heads will comply with the City's purchasing policy requirements.

ADOPTED, by the Lake Elmo City Council on the 15<sup>th</sup> day of October, 2002.

  
\_\_\_\_\_  
Lee Hunt, Mayor

ATTEST:

  
\_\_\_\_\_  
Mary L. Kueffner, City Administrator

**CITY OF LAKE ELMO  
PURCHASING POLICY**

**1. DEFINITIONS:**

Capital Purchase - Purchase of any physical property of value greater than \$500.00 and an expected life of 5 years or more.

Capital Improvement Plan - A 5 year plan to purchase new or replacement equipment of facilities; revised annually.

Capital Improvement Request Form - The form submitted by the Department for approval of C.I.P. purchases. Copy attached hereto.

**2.** For all purchases above \$50.00, the Department Head shall submit a purchase requisition to the Finance Director.

**3. LEVELS OF CONTROL:**

**EXPENSES to \$200**

Purchases within budget based on Discretion of Department Head.

**EXPENSES \$200 - \$500**

Budgeted

Department Head can approve purchase based on three quotations.

Unbudgeted

Administrator takes request with price quotations to City Council for approval.

**EXPENSES \$500 - \$1000**

Budgeted

Department Head obtains three quotes. City Administrator or Finance Director approves purchase.

Unbudgeted

Administrator takes request with written price quotes to City Council for approval.

**EXPENSES \$1000 - \$25,000**

Budgeted & Identified

Written quotes mandatory to City Council; Council may require sealed bids; Council approves purchase.

Unbudgeted or Not Identified In Budget

Written quotes and budget status mandatory to City Council; Council may require sealed bids; Council approves purchase.

EXPENSES OVER \$25,000

Sealed bids mandatory; Proper bid and contract procedures followed; Council approves issuance of bids and purchase.

Note A: If sealed bids are not received, written quotes may be obtained up to \$25,000. State statutes require sealed bids over \$25,000.

Note B: An emergency expenditure that is required to restore operational capabilities can be approved by the City Administrator or Finance Director. A written explanation of the expenditure is added to the claims for City Council review.

Note C: Exception to the sealed bid requirement for joint government purchasing allows the city to authorize those if the proper sealed bid procedure has been followed by the authority who has accepted the bids initially.

4. All purchases on the Capital Improvement Plan (C.I.P.) shall be referred to the Maintenance Advisory Committee (M.A.C.) for review and recommendation to the City Council. Department Head will complete a Capital Improvement Request form and submit to City Administrator for approval. Approved form is submitted to the M.A.C. for review. Other capital purchases may also be referred to the M.A.C. by the Council.
5. Petty cash funds may be established to handle small City purchases where the City does not have an account with the supplier.

|                        |   |         |
|------------------------|---|---------|
| Fire Department        | - | \$50.00 |
| City Office            | - | \$50.00 |
| Maintenance Department | - | \$50.00 |
| Parks Department       | - | \$50.00 |
6. City Council members will continue to have \$500.00 authorization for emergency purchases subject to subsequent Council approval.
7. All expenses will be approved with claims by City Council.
8. The City's purchasing policy will be amended as State Statutes are revised.

Adopted: April 17, 1979  
Revised: December 11, 1979  
Confirmed: January 15, 1983  
Revised: July 21, 1987  
Revised/Adopted: February 16, 1988  
Revised/Adopted: March 2, 1993  
Revised/Adopted: June 21, 1994  
Revised/Adopted: May 21, 1996