

ADOPTION OF A RESOLUTION AUTHORIZING THE CITY MANAGER OR DESIGNEE TO EXECUTE CERTAIN AGREEMENTS

January 28, 2014

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above. Following is a matrix showing the current city manager / agency head contracting authority for certain other Orange County agencies:

City/Agency	Amount	City/Agency	Amount
Anaheim	\$100,000	Yorba Linda	\$75,000
Irvine	\$100,000	Stanton	\$25,000
Santa Ana	\$25,000	Orange	\$30,000
Brea	\$50,000	Tustin	Unlimited up to current budget allocation
Dana Point	\$35,000	OCFA	\$100,000
OCTA	\$250,000	OCSD	\$100,000

The efficient operation of the City would be enhanced by increasing the threshold up to which the City Manager is authorized to enter into personal services contracts, and contracts for the purchase of supplies and equipment, on behalf of the City. Authority to execute such agreements up to \$50,000 is in line with other Orange County cities and agencies of similar size.

In conjunction with this action, Staff is requesting that the City Council also include express authority for the City Manager to execute agreements on behalf of the City providing for indemnification by the City of the other party to the agreement (a) where the value of the agreement, other than indemnification, does not exceed fifty thousand dollars (\$50,000.00) and City Council approval of the agreement is not otherwise required, or (b) for the use of public or private property by the City, provided, however, that any such indemnity provision shall be specifically limited to claims, losses, damages, or injuries arising from the City's use of such property.

The proposed Resolution would not apply to public works construction contracts. Pursuant to Chapter 2.52 of the Garden Grove Municipal Code, the City Manager currently has authority to award public works construction contracts in amounts up to \$50,000. Staff intends to bring forward an ordinance to the City Council in the near future to update the Municipal Code provisions pertaining to public works construction contract bid procedures and bid threshold amounts in accordance with current State law. The proposed Resolution does not alter the City's current bidding requirements that are otherwise applicable to the purchase of supplies and equipment.

FINANCIAL IMPACT

There is no financial impact.

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RECOMMENDATION

It is recommended that the City Council:

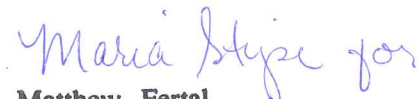
- Adopt the attached Resolution increasing the City Manager's, or his designee's, authorized contracting authority for agreements for personal services, and for the purchase of supplies and equipment, from \$25,000 to \$50,000 and expressly delegating authority to the City Manager to execute agreements on behalf of the City providing for indemnification by the City of the other party to the agreement in specified circumstances.



KINGSLEY OKEREKE
Finance Director

Attachment: Resolution

Recommended for Approval



Matthew Fertal
City Manager

GARDEN GROVE CITY COUNCIL

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE
AUTHORIZING THE CITY MANAGER OR DESIGNEE TO EXECUTE CERTAIN
AGREEMENTS

WHEREAS, delegation of authority to the City Manager to enter into certain agreements is integral to the efficient functioning of City government and facilitates being able to meet the City's legal responsibilities in providing services to the community;

WHEREAS, in 1985, the City Council granted the City Manager the authority to execute various small development and planning related agreements in an amount of up to \$15,000 per year per contractor;

WHEREAS, in 1993, the City Council expanded this authority to personal services contracts in general, at the same \$15,000 per year per level;

WHEREAS, in 2004, through the adoption of Resolution No. 8596-04, the City Council increased this amount to its current level of \$25,000;

WHEREAS, the current threshold of \$25,000 has remained the same for ten (10) years and is less than that of the city managers/agency heads for many other cities and public agencies in Orange County;

WHEREAS, agreements which the City Manager is otherwise authorized to enter into on behalf of the City sometimes provide for indemnification by the City of the other party to the agreement;

WHEREAS, the City Council desires to clarify the authority delegated to the City Manager to execute agreements on behalf of the City providing for indemnification by the City of the other party to the agreement in specified circumstances; and

WHEREAS, the efficient operation of the City would be enhanced by increasing the threshold up to which the City Manager is authorized to enter into personal services contracts, and contracts for the purchase of supplies and equipment, on behalf of the City and expressly delegating authority to the City Manager to execute agreements on behalf of the City providing for indemnification by the City of the other party to the agreement in specified circumstances.

NOW, THEREFORE THE CITY COUNCIL OF THE CITY OF GARDEN GROVE DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Repeal of prior Resolutions. Resolution No. 8596-04 is hereby repealed.

Section 2. Agreements for Personal Services and the Purchase of Supplies and Equipment. The City Manager, or the City Manager's designee, shall have the authority to execute all agreements for personal services, and for the purchase of supplies and equipment, up to the total sum of fifty thousand dollars (\$50,000.00), provided, however, that the cumulative total payable to an individual person or entity under agreements approved by the City Manager, or the City Manager's designee, pursuant to this authority shall not exceed fifty thousand dollars (\$50,000.00) in any single fiscal year.

Section 3. Indemnity Provisions in Agreements. Subject to the recommendation of the Risk Manager and the approval as to form by the City Attorney, the City Manager, or the City Manager's designee, shall have the authority to execute agreements on behalf of the City providing for indemnification by the City of the other party to the agreement (a) where the value of the agreement, other than indemnification, does not exceed fifty thousand dollars (\$50,000.00) and City Council approval of the agreement is not otherwise required, or (b) for the use of public or private property by the City, provided, however, that any such indemnity provision shall be specifically limited to claims, losses, damages, or injuries arising from the City's use of such property.