



City of Harrisonburg, Virginia

Department of Finance

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TO: Kurt Hodgen, City Manager
FROM: Larry Propst, Director of Finance
DATE: June 19, 2017
RE: Purchasing Thresholds

Summary: Consider amending the city's Purchasing and Contracting Policy Manual effective July 1, 2017.

Background: Staff is requesting the approval to amend Sections 4-3-44(c), 4-3-45(6), 4-3-68, 4-3-70(3) and 4-3-71(2) of the city's Purchasing and Contracting Policy Manual to increase the various purchasing thresholds. The current thresholds were last updated in July 2004.

Key Issues: This update will align the city with the purchasing thresholds of other similarly sized localities. Staff has also identified areas of efficiencies in the purchasing process such as reducing the number of requisitions and purchase orders that are processed by increasing the thresholds. Purchasing staff has a good working relationship with departments and will continue to assist and encourage departments to obtain best pricing even when formal quotes, proposals or bids are not required.

Environmental Impact: None

Fiscal Impact: None.

Prior Actions: None.

Alternatives: (1) Approve the requested amendments as requested, (2) Approve the requested amendments with changes, (3) Do not approve the requested amendments.

Community Engagement: None.

Recommendation: Staff recommends approval of the amendments.

Attachments: Sections of the Purchasing and Contracting Policy Manual.

Review:

The initiating Department Director will place in Legistar, in sequence of transmittal, the names of each department that must initial their review in order for this item to be placed on the City Council agenda. The completion of review only addresses the readiness of the issue for Council consideration. This does not address the recommendation for approval or denial of the issue.

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