

**ORDINANCE NO. 5983**

**AN ORDINANCE AMENDING FAIRBANKS GENERAL CODE SECTIONS  
54-40 FORMAL WRITTEN CONTRACTS AND 54-247 INFORMAL  
PURCHASING TO INCREASE THE PURCHASING THRESHOLD**

**WHEREAS**, FGC Sec. 54-40 states when a purchase requires a formal written contract; and

**WHEREAS**, FGC Sec. 54-247 states when a purchase requires competitive sealed bidding or competitive sealed proposals; and

**WHEREAS**, there has been significant cost increases, and the current monetary limits on purchases by the administering authority do not reflect such increases.

**NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF FAIRBANKS, ALASKA**, as follows:

**SECTION 1.** Fairbanks General Code Section 54-40 Formal Written Contracts, is amended as follows [new text in **underlined bold** font; deleted text in ~~strikethrough~~ font]:

**Sec. 54-40. Formal Written Contracts.**

All contracts awarded under the provisions of this chapter which exceed ~~\$10,000.00~~ **\$25,000.00** shall be memorialized in a formal, written contract, unless otherwise provided in this chapter.

**SECTION 2.** Fairbanks General Code Section 54-247 Informal Purchasing, is amended as follows [new text in **underlined bold** font; deleted text in ~~strikethrough~~ font]:

**Sec. 54-40. Informal Purchasing.**

(a) When the value of purchases for supplies, services or construction is estimated to be less than ~~\$10,000.00~~ **\$25,000.00**, the use of competitive sealed bidding or competitive sealed proposals are not required. Oral or written quotes may be obtained by the purchasing agent and the award made to the lowest responsive and responsible bidder. When competitive purchasing is deemed to be impractical, a written statement citing the reasons must be included in the purchase file by the purchasing agent.

(b) To assist departments in making incidental purchases estimated to be less than ~~\$10,000.00~~ **\$25,000.00**, the purchasing agent or the mayor may adopt other procedures, which do not require competitive sealed bids or proposals, but shall require competition that is practicable under the circumstances. Such procedures may include:

- (1) Limited or local purchase orders;
- (2) Petty cash;

- (3) Charge accounts;
- (4) Impress funds.

**SECTION 3.** That the effective date of this Ordinance shall be the 22nd day of June 2015.

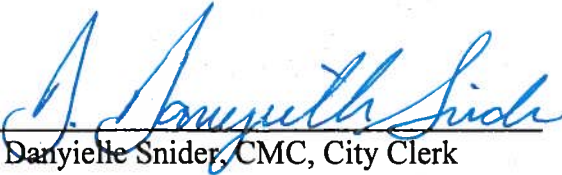


**John Eberhart, City Mayor**

AYES: Cleworth, Pruhs, Walley, Staley, Matherly, Gatewood  
NAYS: None  
ABSENT: Eberhart  
ADOPTED: June 22, 2015

ATTEST:

APPROVED AS TO FORM:



D. Danyielle Snider, CMC, City Clerk



Paul J. Ewers, City Attorney