CITY OF PALMER, ALASKA

ORDINANCE NO. 550

AN ORDINANCE AMENDING PMC 3.20.100 S, (REGARDING CONTRACT AMEND-MENTS) OF THE PALMER MUNICIPAL CODE.

THE CITY OF PALMER, ALASKA, ORDAINS:

<u>Section 1.</u> Classification. This ordinance shall be of a permanent nature and shall become a part of the City of Palmer Code of Ordinances.

<u>Section 2.</u> Severability. If any provisions of this ordinance, or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

<u>Section 3.</u> PMC 3.20.100 S is amended to read as follows:

- S. Contract Amendments--When Permitted <u>and Procedures</u>. Contract amendments shall not be used to avoid procurement by the competitive procedures established under this chapter. Except for emergency personal property purchases authorized under Sections 3.20.040 and 3.20.120, contracts for supplies, services, professional services and construction may be amended by the manager only for the following reasons (1-6) and subject to the following procedures (7 and 8):
- 1. To change the quantity ordered or date of delivery under a contract for supplies, where necessary to meet unforeseen city requirements;
- 2. To change the quantity of services or professional services to be rendered or to change the scope of a project under a contract for services or professional services, where necessary to meet unforeseen changes in city requirements;
- 3. To change the scope of a project or the scope of services or professional services under a construction contract to meet unforeseen city requirements or to change the specifications under a construction contract because unforeseen conditions render the original specifications impracticable;
- 4. To change the time for completing a project under a contract for services, professional services or construction;
- 5. To correct an error in contract specifications made by the city in good faith or to resolve a good faith dispute between the city and a contractor as to a party's rights and obligations under the contract; or
- 6. To change administrative provisions of a contract without materially altering the contract terms governing the quantity or quality of supplies, services, professional services or construction furnished the city.
- 7. Contract Amendments--Council Approval. Council approval shall be required to enter into any amendment of a contract: (1) which causes the total contract price, including where the total cost of the amendment, to exceeds (a) two thousand five hundred dollars in all cases of supplies or services,

- (b) five thousand dollars in all cases of professional services, and (c) ten thousand dollars in all cases of construction. Where such amounts are exceeded, the manager shall provide the council shall approve the contract amendment by approving a memorandum setting forth any modifications to the essential terms of the contract.
- <u>8.</u> Contract Amendments--Availability of Funds. No contract amendment that will increase the contract price may be approved or executed unless the city treasurer or finance director has certified in writing that funds are available for the city's performance under the contract as amended.

Section 4. Publication and Effective Date. This ordinance shall become effective immediately upon its adoption. Publication shall be by making copies available to the public, and further it shall be published by being printed and included in the Palmer Municipal Code at its next regular supplementation and printing. Publication may also be made by posting a copy hereof on the City Hall bulletin board for a period of ten (10) days following its adoption. A notice of public hearing shall be given by such posting at least five (5) days before final passage.

First Reading:

August 10, 1999

Public Hearing &

Second Reading:

August 24, 1999

Adopted by the City Council of the City of Palmer, Alaska, this 24th day of August, 1999.

ENRY P. GUINOTTE, Mayor

Donald L. Moore Interim City Clerk