ORDINANCE NO. 3927

AN ORDINANCE OF THE CITY OF MESQUITE, TEXAS, AUTHORIZING THE CITY MANAGER TO APPROVE CERTAIN CHANGE ORDERS ON CONTRACTS; PROVIDING A REPEALER CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE THEREOF.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS:

<u>SECTION 1</u>. That the City Manager is hereby authorized to approve change orders pursuant to Local Government Code, Chapter 252, as amended:

- (A) On contracts if necessary to:
 - (1) Make changes in plans or specifications; or
 - (2) Decrease or increase the quantity of work to be performed or materials, equipment or supplies to be furnished.
- (B) Provided that the City Manager may approve a change order that increases a contract's price only to the extent that *appropriated* contingency funds for the project in question are available, and only to the extent that the amount of *accumulated* change orders for a contract:
 - (1) Does not exceed 25 percent of the contract price for a contract with an original contract price of \$50,000 or less.
 - (2) Does not exceed 10 percent of the contract price for a contract with an original contract price of more than \$50,000 as long as the amount of the change order itself does not exceed the maximum increase that an administrative official may be given authority to approve pursuant to Local Government Code, Chapter 252, as amended.
- (C) Provided further, that the City Manager may approve a decrease in any contract in an amount not to exceed the maximum decrease that an administrative official may be given authority to approve pursuant to Local Government Code, Chapter 252, as amended, and in accordance with the percentages authorized herein for increases in a contract amount.
- (D) It is the responsibility of the department initiating a contract to ensure that contingency funds are included in the amount requested for approval when the City Council awards the contract.

- (E) Prior to approving a change order, the City Manager shall satisfy himself that the following personnel have reviewed and approved the issuance of a change order:
 - (1) <u>Director of Initiating Department:</u> The director of the department initiating the contract shall advise the City Manager whether the proposed change is in keeping with the overall purpose or scope of the project. It is the responsibility of the initiating director to obtain the review and approval of the Budget Director and the City Attorney, and to submit the same to the City Manager for his final approval.
 - (2) <u>Budget Director:</u> The Budget Director shall advise the City Manager as to the availability of unallocated contingency funds appropriated by the City Council for the contract in question.
 - (3) <u>City Attorney:</u> The City Attorney will advise the City Manager as to whether the statutory requirements for issuance of a change order have been met.
- (F) The City Manager may delegate authority to a director initiating a contract to approve change orders, in an emergency, for the purposes and amounts provided for above, even though formal review and approval by the personnel listed in Section 1(E) has not been obtained. Prior to approving an emergency change order, the initiating director, in a written memorandum to the City Manager, shall set forth:
 - (1) The nature of the emergency requiring the requested change order which prevents the normal review and approval provided for in Section 1(E); and
 - (2) How the concerns addressed by Section 1(E) are met by the proposed change, i.e., that the proposed change order is dictated by sound principles and is cost effective; that the proposed change is consistent with the scope and purpose of the project; that sufficient appropriated contingency funds are available to cover the change order; and that the legal requirements for issuing a change order have been met.
- (G) The City Manager will advise the City Council of all change orders authorized monthly at a regularly scheduled meeting of the City Council.

SECTION 2. That all other ordinances or portions thereof in conflict with the provisions of this ordinance, to the extent of such conflict, are hereby repealed. To the extent that such ordinances or portions thereof are not in conflict herewith, the same shall remain in full force and effect.

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SECTION 3. That should any word, sentence, clause, paragraph or provision of this ordinance be held to be invalid or unconstitutional, the remaining provisions of this ordinance shall remain in full force and effect.

SECTION 4. That this ordinance shall take effect immediately from and after its passage.

DULY PASSED AND APPROVED by the City Council of the City of Mesquite, Texas, on the 22nd day of January, 2008.

John Monaco

Mayor

ATTEST:

APPROVED:

Judy Womack

City Secretary

B. J. Smith

City Attorney