

**An Ordinance of the City of Plano, Texas, amending Section 2-9(b)(1), Lawsuits and risk management, of Article I, In General, of Chapter 2, Administration, of the Code of Ordinances of the City of Plano, Texas to revise the authority of the City Manager to compromise and settle all claims or lawsuits in favor of or against the city, and amending Section 2-12, Procurement Code, of Article I, In General , of Chapter 2, Administration, of the Code of Ordinances of the City of Plano, Texas, and amending Section 2-27, Contracts-Change orders, of Article II, City Manager, of Chapter 2, Administration, of the Code of Ordinances of the City of Plano, Texas to revise the authority of the City Manager to enter into and execute contracts and approve expenditures; and providing a repealer clause, a severability clause, a savings clause, and an effective date.**

**WHEREAS**, the City Council wishes to encourage efficiency in city business transactions; and

**WHEREAS**, the City Manager currently has authority to compromise and settle all claims or lawsuits in favor of or against the city up to fifty thousand dollars (\$50,000.00), and the City Council wishes to increase that authority to one hundred thousand dollars (\$100,000.00); and

**WHEREAS**, the City Manager currently has authority to enter into and execute contracts for the lease or purchase of goods and services and to execute change orders which do not exceed fifty thousand dollars (\$50,000.00), and the City Council wishes to increase that authority to one hundred thousand dollars (\$100,000.00); and

**WHEREAS**, it is in the best interests of the City of Plano to broaden the authority of the City Manager to compromise and settle all claims or lawsuits in favor of or against the city in an amount not to exceed one hundred thousand dollars (\$100,000.00); and

**WHEREAS**, it is in the best interests of the City of Plano to broaden the authority of the City Manager to enter into and execute any contract and approve any expenditure of city funds in an amount not to exceed one hundred thousand dollars (\$100,000.00), to enter into agreements and execute conveyance documents for the purpose of acquiring or conveying real property interests valued at an amount not to exceed one hundred thousand dollars (\$100,000.00), and to execute and release liens on behalf of the City; and

**WHEREAS**, upon full review and consideration of all matters related and attendant thereto, the City Council is of the opinion that Section 2-9(b)(1), Lawsuits and risk management, of Article I, In General, of Chapter 2, Administration, Section 2-12, Procurement Code, of Article I, In General, of Chapter 2, Administration, and Section 2-27, Contracts-Change orders, of Article II, City Manager, of Chapter 2, Administration, of the Code of Ordinances of the City of Plano, Texas should be further amended as provided herein.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF PLANO, TEXAS, THAT:**

**Section I.** Section 2-9(b)(1), Lawsuits and risk management, of Article I, In General, of Chapter 2, Administration, of the Code of Ordinances of the City of Plano, Texas, is hereby amended and it shall read in its entirety as follows:

“Sec. 2-9. Lawsuits and risk management.

(b). Settlement authority.

(1) The city manager or his designee has authority to compromise and settle all claims or lawsuits in favor of or against the City of Plano up to one hundred thousand dollars (\$100,000.00). The city council expressly reserves authority to compromise and settle all claims or lawsuits in favor of or against the City of Plano in excess of one hundred thousand dollars (\$100,000.00). Further, except as provided by this section, the city council reserves and retains its right and powers under paragraph [r], Section 3-07 of the City Charter to compromise and settle all claims or lawsuits in favor of or against the city, regardless of the settlement amount.”

**Section II.** Section 2-12, Procurement Code, of Article I, In General, of Chapter 2, Administration, of the Code of Ordinances of the City of Plano, Texas, is hereby amended and it shall read in its entirety as follows:

“Sec. 2-12. Procurement code.

- (a) Applicability. This section applies to expenditure of public funds as permitted by sections 252 and 271 of the Local Government Code of the state and sections 2254 and 2269 of the Government Code of the state, without regard to their source, and to the disposal of city materials.
- (b) Compliance with grants, gifts, bequests, agreements. Nothing in this section shall prevent the city from complying with the terms and conditions of any grant, gift, bequest, or cooperative agreement; nor restrict or limit the discretion of the city manager in seeking city council review and approval of any specific contract or contracts.
- (c) Authorization of contracts by city manager. The following contracts may be entered into and executed on behalf of the city by the city manager or his designees without further council authorization provided there are budgeted funds to cover the cost to the city:
  - (1) Change orders subject to any restrictions imposed by state law; and
  - (2) Contracts for the lease or purchase of goods or services in an amount equal to or less than one hundred thousand dollars (\$100,000.00), unless otherwise excepted by state law.
- (d) Purchasing division; duties. The purchasing division will serve as the central procurement office of the city, and will have the right to determine which method of purchase provides the best value for the city, adopt operational procedures consistent with sound business practices and state law, governing the procurement and management of all materials, services, and construction to be procured by this city and the disposal of materials no longer needed by the city.”

**Section III.** Section 2-27, Contracts-Change orders, of Article II, City Manager, of Chapter 2, Administration, of the Code of Ordinances of the City of Plano, Texas, is hereby amended and it shall read in its entirety as follows:

“Sec. 2-27. Contract Authority.

- (a) The purpose of this section is to delegate authority to the city manager or designee to make purchases, execute contracts and approve change orders and contracts for expenditures provided there are budgeted funds to cover the cost to the city.

(b) The city manager or his designee may, unless otherwise excepted by state law:

- (1) Enter into and execute any contract or approve any expenditure wherein the amount of city funds to be expended does not exceed one hundred thousand dollars (\$100,000.00);
- (2) Enter into and execute any change order subject to any restrictions imposed by state law;
- (3) Enter into contracts and conveyance documents for the purpose of conveying and acquiring real property interests of the City of Plano valued at up to one hundred thousand dollars (\$100,000.00); and
- (4) Execute and release liens on behalf of the city.”

**Section IV.** It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses, and phrases of this Ordinance are severable, and if any phrase, clause, sentence, or section of this Ordinance shall be declared unconstitutional or invalid by any court of competent jurisdiction, such unconstitutionality or invalidity shall not affect any other remaining phrase, clause, sentence, paragraph or section of this Ordinance.

**Section V.** All provisions of the Code of Ordinances of the City of Plano, codified or uncodified, in conflict with the provisions of this Ordinance are hereby repealed, and all other provisions of the Code of Ordinances of the City of Plano, codified or uncodified, not in conflict with the provisions of this Ordinance shall remain in full force and effect.

**Section VI.** The repeal of any Ordinance or part of Ordinances effectuated by the enactment of this Ordinance shall not be construed as abandoning any action now pending under or by virtue of such Ordinance or as discontinuing, abating, modifying or altering any penalty accruing or to accrue, or as affecting any rights of the municipality under any section or provisions at the time of passage of this ordinance.

**Section VII.** This Ordinance shall become effective immediately upon its passage.

**DULY PASSED AND APPROVED** this the 23rd day of August, 2021.

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John B. Muns, MAYOR

ATTEST:

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Lisa C. Henderson, CITY SECRETARY

APPROVED AS TO FORM:

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Paige Mims, CITY ATTORNEY