

COMMISSIONERS' ORDINANCE NO. O-33-19

AN ORDINANCE AMENDING SECTION 35.51 OF THE COVINGTON CODE OF ORDINANCES, CONTRACT APPROVAL AND MANAGEMENT POLICIES, TO CREATE AN EXCEPTION FOR FEDERAL HOUSING ASSISTANCE PROGRAMS OPERATING UNDER COMMISSION APPROVED PROGRAM GUIDELINES, AND CHANGING THE MONETARY THRESHOLD FOR SMALL CONTRACTS TO REFLECT CHANGES IN STATE LAW.

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WHEREAS, the City of Covington Board of Commissioners previously approved contract management and approval policies via Commissioners' Ordinance No. O-42-18; and

WHEREAS, since that time, City staff have recognized a need to classify certain Federal Housing Assistance Programs operating under Commission approved program guidelines as "Small Contracts"; and

WHEREAS, categorizing the Federal Housing Assistance Program contracts as Small Contracts will ensure that federal grant funds are expended in a timely manner, and allow for the funds to be available to eligible recipients in the Covington community as needed; and

WHEREAS, the Covington Board of Commissioners will retain control over how the funds are expended under the Federal Housing Assistance Programs, as such programs require the Commission to adopt yearly program and underwriting guidelines; and

WHEREAS, furthermore, the Local Model Procurement Code was amended in 2019 to increase the threshold for "Small Purchase Procedures" from \$20,000.00 to \$30,0000.00, and it is recommended that the City update its contract policy, which is based on the City's Small Purchase Procedures authorized by state law, to reflect this change; and

WHEREAS, the City Manager and staff recommend that the Board of Commissioners adopt the following amendments to the City's contract approval and management policy.

NOW THEREFORE,
BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF THE CITY
OF COVINGTON, KENTON COUNTY, KENTUCKY:

Section 1

Section 35.51 of the Covington Code of Ordinances is amended to read as follows:

§ 35.51 RESPONSIBILITY AND DELEGATION OF AUTHORITY.

(A) Contracts Requiring Commission Approval. The following types of contracts or agreements shall require Board of Commissioner approval prior to execution:

1. Contracts involving an amount over \$~~[20,000.00]~~ **30,000.00**;
2. Loans or grants of City funds, including but not limited to economic development incentives, and City incentives;
3. Leases, easements, revocable licenses, or other grants of an interest in City-owned real property;
4. Receipt of Federal or State or philanthropic grants, and contracts requiring an in-kind match of City services or staff time; and
5. Intergovernmental agreements.

The Mayor shall be solely authorized to execute contracts requiring Board of Commissioner approval. If the Mayor is not available, the Vice-Mayor may execute the contract in his or her stead.

The above notwithstanding, the following types of contracts shall be exempt from requiring individual Commission approval:

Loans and/or grants of \$30,000.00 or less, which are for federal housing assistance programs with yearly program guidelines previously approved by the Board of Commissioners, and utilizing funds received from the U.S. Department of Housing and Urban Development (HUD). These include funds from the Community Development Block Grant Program (CDBG), the Home Investment Partnerships Program (HOME) and any other HUD grants awarded to the City.

(B) Small Contracts. In accordance with KRS 83A.150(9), the Board of Commissioners hereby delegates to the City Manager the authority to approve, and the Mayor the authority to execute "Small Contracts." Small Contracts are any other type of agreement not requiring Board of Commissioner approval as described above. Approval and signature of Small Contracts shall be subject to the following additional provisions:

1. If the Small Contract involves an expenditure of funds, the funds for the expenditure must be appropriated in the budget previously approved by the Board of Commissioners.
2. If the Mayor is not available, the Vice-Mayor may execute the contract in his or her stead. If the Vice-Mayor is not available, the Mayor is authorized to

appoint the City Manager as his or her designee for Small Contract signatures.

(C) The City Manager shall be responsible for providing a quarterly report to the Board of Commissioners on all contracts approved by the City Manager and the Mayor in the preceding quarter. The report shall identify the vendor, amount of the contract, date of approval, and purpose of the contract. Based on the reporting provided by the City Manager, the Board of Commissioners reserves the right to set policies on various contract categories that would otherwise be eligible for City Manager approval.

Section 2

That this ordinance shall take effect and be in full force when passed, published, and recorded according to law.

Joseph U. Meyer
MAYOR

ATTEST:

Margaret M. Ryan
CITY CLERK

Passed: 10-29-19 (Second Reading)

10-15-19 (First Reading)



Meeting Date:					
ORD.: 1ST		2ND			
OR:					
	Bowman	Downing	Smith	Williams	Meyer
Yeas					
Nays					
Present, not Voting					