

CITY OF PALO ALTO
 CONTRACT SOLICITATION AND AWARD LIMITS SUMMARY
 PAMC §2.30 *et seq.* (for full detail, *see* PAMC).
 Effective November 25, 2024

CONTRACT TYPE	COMPETITIVE SOLICITATION PROCESS (TOTAL ESTIMATED COST PER CONTRACT TERM)		AWARDING/SIGNATURE AUTHORITY			
	INFORMAL*	FORMAL**	DESIGNATED EMPLOYEES (PAMC § 2.30.230)	PURCHASING MANAGER (PAMC § 2.30.200)	CITY MANAGER (PAMC § 2.30.210)	CITY COUNCIL (PAMC § 2.30.250)
Public Works PAMC § 2.30.300	\$10,001 – \$85,000	Over \$85,000	N/A	Up to \$85,000 ^Ω /yr (up to 3 years)	Up to \$250,000 ^Ω /yr (up to 3 years)	Over \$250,000/yr <u>or</u> over 3 years
Purchase of Goods PAMC § 2.30.310	\$10,001 – \$50,000	Over \$50,000	Up to \$10,000 (up to 1 year)	Up to \$85,000 ^Ω /yr (up to 3 years)	Up to \$250,000 ^Ω /yr (up to 3 years)	Over \$250,000/yr <u>or</u> over 3 years
General Services PAMC § 2.30.320	\$10,001 – \$50,000	Over \$50,000	Up to \$10,000 (up to 1 year)	Up to \$85,000 ^Ω /yr (up to 3 years)	Up to \$85,000 ^Ω /yr (up to 3 yrs***)	Over \$85,000/yr <u>or</u> over 3 years***
Prof. Services PAMC § 2.30.330	\$50,001 - \$85,000	Over \$85,000	N/A	Up to \$85,000 ^Ω /yr (up to 3 years)	Up to \$85,000 ^Ω /yr (up to 3 years)	Over \$85,000/yr or over 3 years

*Informal Procedure: § 2.30.400 – Requires solicitation of 3 bids.

§ 2.30.360, subdivisions (i) and (r) create exceptions for all contracts below \$10,000 in total expenditure and for professional services contracts below \$50,000 in total expenditure.

**Formal Procedure: §§ 2.30.410 and 2.30.420 – Posting on City website at least 5 days before bid date. Special procedures apply for design-build projects (see § 2.30.490)

*** 7 year limit for: Software/hardware purchase and maintenance contracts (§ 2.30.210(l)) and contracts to lease personal property (i.e. equipment) (§ 2.30.210(c)).

^Ω For the 1st year of a 3-year term contract, the annual “up to” dollar amount **INCLUDES** any contingencies/change orders/additional services and **EXCLUDES** any sales/use tax. For the 2nd and 3rd year of a 3-year term contract, the annual “up to” dollar amount **INCLUDES** any contingencies/change orders/additional services **PLUS** any unexpended carryover from the previous contract year(s) (**meaning**, the unexpended carryover can total more than the annual “up to” amount) and **EXCLUDES** any sales/use tax. (PAMC §§ 2.30.200, 2.30.210.)