

**N.D.A.G. Letter to Alexander (July 29, 1985)**

July 29, 1985

Mr. Robert E. Alexander  
City Attorney  
City of Beulah  
P. O. Box 249  
Beulah, North Dakota 58523

Dear Mr. Alexander:

Thank you for your letter of July 3, 1985, requesting clarification as to several apparently conflicting state statutes discussing the situation where a member of a city governing body has an interest in the contract with that particular city.

This question has occurred several times in the past. I have enclosed several past letters of this office which interpret these statutes so as to eliminate any apparent conflict and confusion.

Essentially, the prohibition contained in N.D.C.C. § 48-02-12 applies only to a contract involving the alteration, repair or construction of a building belonging to political subdivisions where the estimated costs exceed \$25,000.00. In such an instance, a city officer may not have any interest in said contract regardless of whether other members of the city governing body approve the officer's participation in such contract. However, where the contract involved does not fall within the purview of N.D.C.C. § 48-02-12, then the provisions of N.D.C.C. §§ 40-13-05, 40-13-05.1, and 12.1-13.03 apply. Essentially, these latter statutes allow interested city officers to continue their involvement in contracts involving that city where such involvement is approved by the other members of the city governing body.

Sincerely,

Nicholas J. Spaeth

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