

AGENDA ITEM SUMMARY FORM

MEETING DATE: 12 November 2024

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AGENDA CONTENT: Discussion and possible action on possible changes to the City's procurement and

vendor selection process.

AGENDA ITEM SECTION: Regular Agenda

BUDGETED AMOUNT: N/A FUNDS REQUESTED: N/A

FUND: N/A

EXECUTIVE SUMMARY:

This agenda item is presented to City Council to encourage discussion and solicit feedback on the vendor selection process done through municipal procurement as set out in Angleton ordinances and the Texas Local Government Code. The municipal expenditure of more than \$50,000.00 requires compliance with Chapter 252 Texas Local Government Code. This discussion arises from the city council consideration of the selection process for the contractor to perform the city hall annex refurbishment and construction of improvements. That procurement was based on the City's publication seeking Requests for Proposals (RFP) for services.

The City's purchasing guidelines can be found in Chapter 2, Article V (Sections 141-151) of the City's Code of Ordinances These guidelines are in compliance with Chapter 252 – Purchasing and Contracting Authority of Municipalities, of the Texas Local Government Code (LOCAL GOVERNMENT CODE CHAPTER 252. PURCHASING AND CONTRACTING AUTHORITY OF MUNICIPALITIES).

For general procurement of goods or services (special rules may apply to construction procurement e.g. Construction Manager at Risk), a contract must be awarded to:

- (a) the lowest responsible bidder, or
- (b) the bidder who provides goods or services at the "best value." TEX. LOC. GOV'T CODE §252.043.

When determining "best value," the city may consider factors set out by statute other than the purchase price of the goods and services, including among other things: (1) the reputation of the bidder and the bidder's goods or services; (2) the quality of the bidder's goods or services; (3) the bidder's past relationship with the city; and (4) any other lawful criteria.

In Texas, the "lowest responsible bidder" refers to the vendor who submits the lowest price bid while also meeting all the necessary qualifications and requirements set out in the bid specifications. So not solely the cheapest price but also the bidder's overall competency to complete the project.

Alternatively, the City may participate in Cooperative Purchasing Programs as set out in Chapter 271 of the Local Government Code. These programs include Buyboard, Houston Galveston Area Cooperative Purchasing Program and TexasSmartBuy. All permissible by both City Ordinance and State law and regularly used by the City. Cooperative purchasing programs help the City save money by leveraging the buying power of members to negotiate better prices and eliminates the need for bidding.

Separate state laws apply to seeking professional services as set out in the Professional Services Procurement Act in Chapter 2254 of the Texas Government Code. Professional services include a list of services which include accounting landscape architecture, land surveying professional engineering real estate appraising, certified public accountants, architects, land surveyors, legal services, and more. The city may not seek professional services by competitive bidding.

When selecting a vendor, the City's process is to assemble a bid submittal review team if necessary (only necessary when the City is not selecting the lowest responsible bidder) to review bids received and to score the submittals based on the scoring criteria enumerated within the bid solicitation, or to apply the criteria for "best value" as set out above. (this was the method for the procurement of the city hall annex construction company). The City has a policy for creation of the review team and the scoring, however, scoring when considering vendors is dictated by the form of procurement.

RECOMMENDATION:

Staff recommends City Council provide input on any suggested procedural changes to the existing vendor selection process and possible modifications of City policies in place