



PROCUREMENT OPTIONS

CITY COUNCIL FINANCE COMMITTEE

APRIL 21, 2025

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Background

- On average, the Administrative Services Department's Purchasing Division facilitates 25 competitive solicitations annually.
 - Estimated to facilitate 30-35 this fiscal year.
- The City utilizes multiple options for procuring goods and services including competitive bids and cooperative contracts.
- The department continues to explore and evaluate the most effective options for procuring goods and services.

FY 2024-2025 Solicitations

	Project	Solicitation Type	Solicitation Status	Department
1	Summercrest Rehab	ITB	Complete	Capital Engineering
2	Lift Station Rehabilitation	ITB	Complete	Development Engineering
3	Sidewalk Program - Pleasant Manor	ITB	Complete	Capital Engineering
4	Pool Chemicals (Rebid)	ITB	Complete	Parks
5	Elk Drive Sidewalk Project	ITB	Complete	Capital Engineering
6	Parks Monument Signs	ITB	Complete	Parks
7	Newsletter Printing & Mailing Services	ITQ	Complete	Community Services
8	HVAC Replacement	ITQ	Complete	Public Works
9	Portable Toilets for City Events	ITQ	Complete	Parks
10	Hydrant Installation	ITQ	Complete	Capital Engineering
11	City Hall Renovation	CSP	Complete	Capital Engineering
12	Industrial Pump Station	CSP	Draft	Capital Development
13	Mosquito Management Services	RFP	Open	Public Works
14	Sale of Real Property (114 W. Ellison)	RFP	Open	Economic Development
15	Bluebird Meadows Drainage Improvements	ITB	Complete	Capital Engineering
16	Nuisance Abatement Services	ITQ	Complete	Development Services
17	Chisenhall Sports Complex Management	RFQ	Open	Parks
18	Consulting Services for Indoor Sports Facility Project	RFQ	Open	Economic Development
19	Animal Shelter Adoption Trailer	ITB	Open	Community Development
20	Street Maintenance Program	ITB	Complete	Public Works
21	Alsbury Intersection Improvements	ITB	Draft	Capital Engineering
22	Alsbury Phase 2	ITB	Draft	Capital Engineering
23	Offsite Records Storage	RFP	Research	City Secretary's Office
24	8" Village Creek Water Line (High Country)	ITB	Draft	Capital Engineering
25	Hooper Business Park Retention Pond	ITB	Draft	Development Services
26	12" Waterline	ITB	Draft	Capital Engineering
27	Old Town Parking (116 W. Main)	ITB	Draft	Capital Engineering
28	Shannon Creek Park	RFP	Research	Parks & Recreation

Benefits of Competitive Solicitations

- May result in ***best overall value*** when considering more than just lowest price
- Ensures compliance with Local Government Code regulations
- Offers a transparent process that promotes fairness and equality
- Open competition may offer new technology and better solutions
- Increases supplier engagement when the process is facilitated well, reducing risk

Time & Cost Analysis of Competitive Solicitations

Civic Marketplace, a cooperative purchasing platform designed specifically for local governments by current and former local government professionals, indicates that a single procurement project requires an average of **87.1 personnel hours**.

The City of Dallas's Public Works Department indicated that by implementing a cooperative contracts, they improved efficiency by 66.7% ([Civic Marketplace](#))

TxShare, a cooperative purchasing program established by the North Central Texas Council of Governments (NCTCOG) notes that running a competitive bidding process often **exceeds 90 days**. To help streamline procurement, TxShare offers support to local governments with specification development and solicitation assistance.

Based on data from our online ticketing system, the City of Burleson Purchasing Division has prepared our own time and cost analysis.



Choosing a Procurement Method

Staff consider many factors when considering the most advantageous procurement method including:

- 1. Legal & Statutory requirements**
 - Determine if the procurement is subject to specific regulations
- 2. Estimated cost of the procurement**
 - What is the current market rate?
 - Are there other cities who have recently procured this good/service? What did they pay?
 - Is this good/service available on a cooperative? Is the rate comparable? Are there discounts or rebates offered?
- 3. Nature and complexity of the purchase**
 - Assess whether the good or service is standard/off-the-shelf (ITB) or specialized/customized (RFP)
 - Consider technical complexity and project delivery needs
 - Will the award be based solely on price (sealed bid) or is it necessary to evaluate qualifications, experience or other factors (RFP, RFQ)?
- 4. Timeline & urgency**
 - Is this considered an emergency purchase?
 - Will the procurement be impacted by long lead times, seasons, etc?
- 5. Quality & performance considerations**
 - Are factors beyond price a top priority? Vendor qualifications, experience, product quality, etc.
- 6. Internal capacity & resource availability**
 - What other projects are currently being managed by procurement staff?
 - Is this a high priority procurement for our organization?
 - Does the City have the internal capacity or need for outside consultants to manage the chosen method effectively?

Exemptions to Competitive Solicitations

Procurement Exemption	Description	Examples
Cooperative Contracts	Contracts that have been competitively solicited by a purchasing cooperative and are available for use by other governmental entities.	<ul style="list-style-type: none"> • Sourcewell O'Reilly Auto Parts • Tx Smart Buy Library Books • BuyBoard M-Pak
Interlocal Agreements	Formal agreements between two or more governmental entities to share resources or services. One entity may use another's existing contract (often called "piggybacking") if it includes proper documentation and approval.	<ul style="list-style-type: none"> • DataProse Utility Billing City of Plano • Stripe-A-Zone Pavement Marking City of Grand Prairie • DiVal-Hoyt SCBA Equipment City of Frisco
Sole Source	Items that are available from only one source because of patents, copyrights, secret processes, or national monopolies; requires documentation.	<ul style="list-style-type: none"> • Pressure Pave Patented high-performance resurfacing system • Asterra Patented satellite leak detection technology • ASAP EMS Mule
Protecting Public Health/Safety	Purchases necessary to preserve or protect the public health or safety of the municipality's residents.	<ul style="list-style-type: none"> • Mosquito abatement services
Unforeseen Damage to Public Machinery, equipment, or other property	Emergency or natural disaster circumstances	
Personal Services	Services delivered directly by the contracted individual, with payment mainly for their personal labor.	<ul style="list-style-type: none"> • Plaza A/V Services • Project U Event Planning Services
Professional Services	Services that are primarily intellectual rather than manual, requiring advanced knowledge, skill, and expertise—such as those provided by architects, attorneys, and accountants.	<ul style="list-style-type: none"> • Architectural Design • Geotechnical Services

Current Cooperative and Interlocal Partners

Interlocal Agreements
Cleburne
Denton
Frisco
Fort Worth
Grand Prairie
Hurst
McKinney
Midlothian
North Richland Hills
Southlake
Waxahachie
Johnson County
Tarrant County

Purchasing Cooperative Agreements	
BuyBoard	Choice Partners
Department of Information Resources (DIR)	Equalis Group
General Services Administration (GSA)	Houston-Galveston Area Council (HGAC)
NASPO Value Point	North Central Texas Council of Governments (NCTGOG)
TxShare	NPPgov
Omnia Partners	Purchasing Cooperative of America (PCA)
Sourcewell	Texas Smartbuy
TIPS	

Cost Comparison

Current Market Value vs Cooperative Contract Pricing Examples

Market Value	Cooperative Contract
Bobcat Hydraulic Breaker Attachment/Parts \$15,307.00 MSRP	Bobcat BuyBoard Contract #685-22 \$12,110.32
Savings: \$3,196.68 24% discount off MSRP	

Market Value	Cooperative Contract
M-Pak Police Uniforms & Duty Gear \$90,000 in items at list price	M-Pak BuyBoard Contract #698-23 \$72,000 annual contract
Savings: \$18,000 annually 24% discount off list price	

Alternative Methods for Construction

Procurement Method	Definition	Example Project Use Cases	City Example Project Use Cases	City of Burleson Past Projects
Best-Value Competitive Bidding	<p>Evaluates price along with additional factors such as contractor experience, project approach, past performance, and timeline to determine the best overall value rather than just the lowest bid.</p> <p>Safety record may also be considered but requires adoption of written definition by the governing body.</p>	Infrastructure improvements, road reconstruction, complex municipal facility renovations, technology system installations where both cost and quality are critical.	City of Southlake solicited for bids based on best value for their Water Distribution System Improvements (2023)	All Invitation to Bid (ITB) documents have 'best value' language built in. We are evaluating how to make this language more robust & when to include evaluation criteria in these documents.
Competitive Sealed Proposals	Evaluates price and other factors like qualifications and experience; allows negotiation	Construction of a new municipal building, technology system upgrades, complex construction renovations	<p>City of Fort Worth issued proposals for a municipal complex renovation project (2024)</p> <p>City of Grapevine issued proposals for a public safety renovation (2024)</p>	<p>City Hall Renovation (2025)</p> <p>Industrial Pump Station (2025)</p> <p>West Side Lift Station (2024)</p> <p>Fire Station 1 Renovation (2024)</p>
Construction Manager-Agent (CMA)	An agent oversees the project for the owner, with subcontractors bid separately	Renovations requiring owner oversight without a general contractor, multiple-phased capital improvement projects	Plano used CMA for a phased renovation of city facilities (2024).	No solicitations leveraging this method to date
Construction Manager-at-Risk (CMAR)	A contractor acts as both manager and constructor, guaranteeing a maximum price – Architecture/Design engagement required before soliciting for a CMAR	Building a new fire station or library, large-scale facility construction	City of Allen used the CMAR method for their library expansion project (2024)	<p>BRiCK Renovation (2024)</p> <p>Police Department Building (2025)</p>
Design-Build	Combines design and construction into one contract with a single entity. Cities must hire an independent engineer or architect to protect their interests during execution.	Building recreational facilities, new municipal utility plants, libraries, fire & police stations	<p>Rockwall County Annex (2023)</p> <p>City of Kyle Park Restrooms (2023)</p>	Municipal Court (2016)
Job Order Contracting (JOC)	Contracts for small, recurring projects with fixed unit prices for various construction tasks	Repairs to HVAC systems in multiple city buildings, minor renovations across facilities	City of Mansfield used a JOC for routine municipal building maintenance (2024)	Actively seeking ways to leverage this method

Advantages of Procurement Options

- Alternative Construction Methods

- Allows the City to utilize various methods where feasible and practical.
- Can help expedite projects in certain cases and be more cost effective.
- Helps evaluate best value services.

- Cooperative Contracts

- Allows the City to leverage discounts and rebates that offered through purchasing cooperative programs.
- Allows the City to participate on larger procurements that have better pricing by taking advantage of a larger entities buying power.
- Can expedite the purchase of goods and services that are critical.
- Can save time and money in staff resources.
- Interlocal Agreements allow the City to get good pricing and utilize local and regional vendors.

Next Steps

- Continue procuring goods and services through the competitive bid process and using best value where applicable and feasible.
 - Conduct local outreach efforts.
- Utilize alternative construction methods on capital projects where feasible and are the most advantageous to the City.
- Continue to utilize cooperative contracts where they are most advantageous for the City.
 - Shop Coops/conduct price comparisons.
 - Utilize lead agency model.
- Expand the use of Interlocal Agreements to take advantage of larger entities buying power and leverage local and regional vendors.

Questions
