

RESOLUTION NO. 23 - 15

A RESOLUTION OF MOUNT VERNON CITY COUNCIL AUTHORIZING THE CITY ADMINISTRATOR OF THE CITY OF MOUNT VERNON, TEXAS TO ENTER INTO AGREEMENTS AND EXECUTE DOCUMENTS, AGREEMENTS, AND CONTRACTS NOT EXCEEDING \$50,000 ON BEHALF OF THE CITY OF MOUNT VERNON, TEXAS

WHEREAS, the Mount Vernon City Council wishes to delegate additional authority to the City Administrator of the City of Mount Vernon, Texas created under the authority contained in Section 22.071 Local Government Code, Vernon's Texas Codes Annotated; and

WHEREAS, the City Council desires the City Administrator to execute documents without necessitating a Resolution or other authorization, subject to the City Council's sole discretion to designate the Mayor, to execute such documents; and

WHEREAS, the City Council has investigated and determined that it would be advantageous and beneficial to the citizens of the City of Mount Vernon, Texas to authorize the City Administrator as provided herein;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOUNT VERNON, TEXAS:

The City Administrator of Mount Vernon, Texas is hereby authorized by the Mount Vernon City Council, without further requirements or authorization, to execute any and all documents, agreements, and contracts that:

- are related to expenditures not exceeding \$50,000, which have been approved by the City Council through the adoption of the Annual Budget; or
- are related to routine general operations of the City that do not incur a cost exceeding \$50,000.

This authorization does not preclude the City Council, in its sole discretion, from authorizing the Mayor to execute such documents.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF MOUNT VERNON, TEXAS, on this 11th day of September, 2023.

Brad Hyman, Mayor

ATTEST:

Kathy Lovier, City Secretary



CITY OF MOUNT VERNON

PURCHASING POLICY

Approved 9/11/2023

1.0 Governing Authority

The primary governing authority for the City of Mount Vernon Purchasing Policy shall be the Local Government Code. All procurement activity shall be governed by the City of Mount Vernon Purchasing Policy, City Fiscal and Budget Policies, and in accordance with applicable state and local government codes.

All purchase approval (s) of the City rest with the City Council for purchases of \$50,000 or more. Authority for purchasing of goods and services is delegated to the City Administrator provided the purchase does not exceed \$50,000.

To ensure proper oversight, all purchases and requisitions in excess of \$25,000 but not more than

\$50,000 shall be reported to City Council.

2.0 Purchasing Code of Ethics

We Will:

- Eliminate personal dishonesty and a misuse of public trust;
- Eliminate all conflicts of interest;
- Conduct ourselves in a manner that maintains personal honor and professional integrity;
- Maintain transparency by communicating all of our operations and actions;
- Attend technical and professional training to maintain government compliance with all federal, state, and local statutes, rules, and regulations;
- Eliminate tasks or processes that create a lack of fairness or displays partiality; and
- Eliminate the acceptance of gifts or making personal purchases based on business relationships, because it is considered dishonest and a misuse of our professional position.

3.0 Objectives

The Finance Director is responsible for assisting and consulting with City Departments in complying with federal, state and local statutes regulating competitive sealed bids, competitive sealed proposals, professional services,

cooperative purchases, emergency and sole/one source purchases. The Finance Director shall assist all departments in solicitations in which the total project or individual purchase is in excess of \$50,000. The user departments shall make recommendations to the Mayor and City Council.

The Finance Department is a functional support department and should be included in all pre-purchase planning meetings for purchases less than \$50,000. This is to ensure compliance with the State of Texas competitive bid statutes and the City's purchasing policies. The Finance Director issues solicitations and purchase order (PO's) in a timely manner. The Finance Director will assist at any stage of the purchasing process as requested.

3.1 General Duties of the Finance Director

- Observe and enforce the policy and procedures outlined in the City of Mount Vernon Purchasing Policy or as directed by the City Administrator or his/her designee;
- Support, organize and assist departments in the specification writing, so that specifications are written concisely and are not written in an exclusive manner;
- Join with other governmental agencies in cooperative purchasing plans when it is in the best interest of the City;
- Attend formal solicitation pre-opening and opening meetings and assist as requested;
- Act in an advisory role as a non-voting member on evaluation committees;
- Assist in preparing and coordinating solicitation results with user department director reporting recommended award of competitive solicitations to City Council;
- Combine purchase of similar items whenever possible and practical, to allow for better pricing and establish a more competitive atmosphere;
- Assist department heads in the disposition of scrap materials and properly dispose of City assets and/or property;
- Conduct regular training sessions for staff involved in the purchasing process;
- To recommend to the City Administrator and City Council those policies and/or procedures which are required to safeguard public funds while acquiring goods and services necessary to provide the citizens and vendors with a complete trust of the purchasing process; and

- To ensure responsible vendors are given a fair opportunity to compete for the City's business by using transparent methods and/or practices and by using specifications which encourages competition.

4.0 Competitive Purchasing Requirements

Under no circumstances shall multiple requisitions be used in combination to avoid other applicable bidding requirements or City Council approval.

Historically Underutilized Business, (HUBs) Local Government Code Chapter 252.0215 - Competitive bidding in relation to HUB vendors states that a municipality in making an expenditure of more than \$3,000 but less than \$50,000 shall contact at least two historically underutilized business on a rotating basis, based on information provided by the comptroller pursuant to Texas Government Code, Chapter 2161. If the list fails to identify a historically underutilized business in the county in which to municipality is situated, the municipality is exempt from this section.

Refer to Local Government Code 252.0215

4.1 Procedures for Purchases less than \$1,000

The user Department Director and/or designee approves all purchases. Purchases can be made utilizing the procurement card, direct billing or with a purchase order.

4.2 Procedures for Purchases of \$1,000 to less than \$5,000

The Department Director must approve all purchase requisitions. The requisition is sent to the Finance Director for issuance of a purchase order. Once a purchase order is issued, the user department places the order and/or picks up the materials. The Finance Director shall assist at any stage of the process as requested.

4.3 Procedures for Purchases of \$5,000 to less than \$50,000

The user Department Director and/or designee gains three written quotes. The Department Director and Finance Director approves all purchase requisitions.

The requisition is sent to the Finance Director for issuance of a purchase order. Once a purchase order is issued the user department places the order and/or picks up the materials. The Finance Director shall assist at any stage of the process as requested.

4.4 Procedures for Purchases of \$50,000 and over

Unless otherwise exempted by applicable State Law, solicitation whose aggregate total cost is

\$50,000 or more, must be processed as a competitive solicitation. The purchasing process for all purchases of \$50,000 and over must begin with a conference between the Department Director and the Finance Director. Texas Local Government Code, Subchapter B, Section 252.021 defines the requirements for competitive bids. Purchases of \$50,000 and over will be taken to City Council as a Financial Transaction. The user Department Director shall be responsible for recommendation and preparation to City Council.

Texas Local Government Code, Section 252.062, states:

- (a) A municipal officer or employee commits an offense if the officer or employee intentionally or knowingly makes or authorizes, separate, sequential or component purchases to avoid the competitive bidding requirements of Section 252.021. An offense under this subsection is a Class B Misdemeanor.
- (b) A municipal officer or employee commits an offense if the officer or employee intentionally or knowingly violates Section 252.021 other than by conduct described by Subsection (a). An offense under this subsection is a Class B Misdemeanor.
- (c) A municipal officer or employee commits an offense if the officer or employee intentionally or knowingly violates this chapter, other than by conduct described by subsection (a) or (b). An offense under this subsection is a Class C Misdemeanor.

4.5 Award of Contract

The City of Mount Vernon shall award based on criteria deemed in the best interest/value of the City. Texas Local Government Code, Section 252.043, states in part:

(a) If the competitive sealed bidding requirement applies to the contract for goods or services, the contract must be awarded to the lowest responsible bidder or to the bidder who provides goods or services at the best value for the municipality.

(b) Before awarding a contract under this section, a municipality must indicate in the bid specifications and requirements that the contract may be awarded either to the lowest responsible bidder or to the bidder who provides goods or services at the best value for the municipality.

4.6 Professional Services

Personal and professional services are exempted from the competitive bidding process, and are procured through the use of Request for Qualifications (RFQ) documents. The Finance Director is available to consult with departments regarding the preparation of information; however, the presentation of technical and qualifications aspects of personal and/or professional services included in the RFQ documents is the sole responsibility of the requesting department.

(a) Texas Government Code, Chapter 2254, Professional and Consulting Services: states in part that contracts for the procurement of defined professional services may not be awarded on the basis of competitive bids. Instead they must be awarded on the basis:

- Of demonstrated competence and qualifications to perform the services;
- For a fair and reasonable price; and
- May not exceed any maximum provided by law.

(b) Professional Services for the purposes of Texas Government Code, Chapter 2254 are defined as those services within the scope of the practice, as defined by state law, of accounting, architecture, landscape architecture, land surveying, medicine, optometry, professional engineering, real estate appraising, or professional nursing, or provided in connection with the professional employment or practice of a person who is licensed or registered as a certified public accountant, an architect a landscape architect, a land surveyor, a physician, including surgeon, an optometrist or a professional engineer, a state certified or stated licensed real estate appraiser or a registered nurse.

4.7 Information Technology

All requests for computer equipment, software, telecommunications and/or related services or supplies should be submitted to the Finance Director for review or technical evaluation. The Finance Director will determine compatibility, best source or investigate alternatives and will recommend purchase. No purchase for computer related equipment or supplies are allowed without the Finance Director's approval.

4.8 Grant Funding

All requests for grants are to be approved by the City Administrator and/or City Council. The awarded department is encouraged to contact the City Administrator prior to beginning the purchasing process.

4.9 Cooperative Purchases

Cooperative purchasing occurs when two or more governmental entities coordinate some or all purchasing efforts to gain the best overall value for the entities. Cooperative purchasing can occur through inter-local agreements, state contracts, and/or joint purchases. The Finance Director will assist the user departments to determine best method/cooperative for the purchase.

Refer to Local Government Code 271 Subchapter D

5.0 General Exemptions

The State Legislature has exempted certain items from sealed bidding in the law.

5.1 Emergency Purchases

Valid emergencies are those that occur as a result of an unforeseen breakdown or damage of equipment, a procurement necessary to protect the public's safety, health, and/or procurement made due to public calamity. When this situation occurs, the department shall contact the Finance Director and conduct the procurement of supplies and services in accordance with the City's Purchasing Policy and Texas Local Government Code.

5.2 Sole Source Purchases

Sole-source purchase are items that are available from only one source because of patents, copyrights, secret process or natural monopolies as defined by the local government code.

When a department has identified a specific item with unique features or characteristics essential and necessary to the requesting department and no alternative products are available, a detailed written justification must be included with the purchase requisition along with the Department Director approval.

Refer to Local Government Code 252.022 (a) 7 for sole source purchases.

Refer to Local Government Code 252.022 for a complete listing of General Exemptions.