

City of Woodcreek, Texas
PROCUREMENT POLICY

PURPOSE AND SCOPE

The Purchasing Policy applies to the procurement activities of the City of Woodcreek. All procurement activities for the City shall be administered in accordance with the provisions of this policy, with the express intent to promote open, transparent and fair conduct in all aspects of the procurement process.

1.0 OBJECTIVES

- 1.01 The City of Woodcreek (sometimes “City”) is committed to providing quality public service through effective teamwork, public transparency, and fairness with vendors, in order to fulfill the purchasing needs of the City in a professional, responsive, and timely manner in compliance with all City policies and applicable federal, state, and local purchasing laws. The function of public purchasing brings the responsibility to obtain the best value for the tax dollar in a fair, efficient and equitable manner. To achieve this objective, the City of Woodcreek seeks to foster as much competition as possible. In doing so, we adopt the goal of fairness by ensuring all who wish to compete for the opportunity to contract with the City of Woodcreek can do so. This Procurement Policy (sometimes “Policy”) is intended to:
- a) Give all suppliers full, fair, prompt, and courteous consideration;
 - b) Encourage open and fair competition;
 - c) Solicit supplier suggestions in the determination of clear and adequate specifications and standards;
 - d) Cooperate with suppliers and consider possible difficulties they may encounter; and
 - e) Observe strict truthfulness and highest ethics in all transactions and correspondence.
- 1.02 The City Administrator of the City of Woodcreek is responsible for ensuring that City officers and employees comply with federal, state and local statutes regulating municipal procurement in the City of Woodcreek—including competitive sealed bids, competitive sealed proposals, professional services, high technology purchases, cooperative purchases, and emergency and sole-source purchases. The City Administrator or any employee designated by the City Administrator or authorized by City ordinance (“Designee”) solicits all competitive procurements as may be required by law, evaluates or causes the evaluation of bids and proposals, and makes recommendations to the City Council for approval of awarding of City contracts.

2.0 GOVERNING AUTHORITY

The primary governing authority for the City of Woodcreek Purchasing Policy shall be the

applicable chapters of the Texas Local Government Code and the Texas Government Code, as well as applicable City Ordinances (as may be amended). All procurement activity in the City of Woodcreek shall be governed by this Policy, in accordance with all applicable state and local government codes.

3.0 ADMINISTRATOR PROCUREMENT AUTHORITY

3.01 The authority of the City Administrator for the purchasing of goods and services, greater than \$1,500.00 but less than \$50,000 shall be governed by ordinance.

The City Administrator or Designee may approve expenditures that do not exceed \$1,500.00. Expenditures subject to this exception will be reported in the monthly check registers or other internal records, and regularly monitored by the Administrator and the Governing Body.

Commented [AB1]: Would define this or specify how often--i.e. bimonthly? Biannually? And is this through a presentation to the city council by the City Administrator or finance department?

3.02 The City Administrator or Designee shall be included in all stages of procurement administration, through planning, ordering and receiving. The City Administrator or Designee oversees bids or other procurement methods; negotiates and executes contracts to deliver goods and services in a timely manner; and is responsible for ensuring compliance with State of Texas purchasing statutes and the City's purchasing policy.

4.0 GENERAL DUTIES OF CITY ADMINISTRATOR OR DESIGNEE

4.01 Observe and enforce the policies and procedures outlined in the City of Woodcreek Internal Purchasing Controls;

4.02 Advise and assist the City Council in the formulation of policies and procedures connected with the purchasing activities of the City;

4.03 Investigate and analyze research done in the field of purchasing by other governmental agencies and by private industry, in an effort to keep abreast of current developments in the fields of purchasing, prices, market conditions and new products;

4.04 Coordinate, organize, and assist city officials and employees in the specification writing process to ensure that specifications are written concisely and are not written in an exclusive manner;

4.05 Join with other governmental agencies in cooperative purchasing plans when it is in the best interest of the City;

4.06 Oversee the receipt, opening, and evaluation sealed competitive solicitations;

4.07 Prepare, or cause for the preparation, of recommendations for competitive solicitations for City Council approval;

4.08 Direct the combination of purchases of similar items whenever possible and practical, to allow for better pricing and establish a more competitive atmosphere;

- 4.09 Oversee the disposal of surplus City property;
- 4.10 Conduct regular training sessions for employees involved in the purchasing process;
- 4.11 Ensure labor contractors provide proof of liability insurance, have the necessary professional licenses should there be any required and show proof of such, and provide for the compensation of all workers under their supervision. Work shall not begin, and no payment will be processed without all proper documentation on file with the City;
- 4.12 Ensure the City will not be exposed to liability for unpaid labor under a contractors' supervision during work or after final payment has been released to the contractor. It is the sole responsibility of contractors to carry worker's compensation, adequate liability insurance, and full compensation for work provided by their staff. The City shall require a document stating these provisions be signed by the contractor thus waiving their rights to claim otherwise;
- 4.13 Ensure that the initial payments to begin contract labor work shall not exceed two-thirds of the final total bill. The final payment will only be released upon completion of the work and will require an inspection from the supervising City Official with a satisfactory report; and
- 4.14 Coordinate with all contract employees but may delegate this duty to a subordinate without relegating their ultimate responsibility of project management including securing proper documentation in advance, final inspections, and the processing of all payments.

5.0 COMPETITIVE PURCHASING REQUIREMENTS

Under no circumstances shall multiple requisitions be used to circumvent City Council approval or local and state procurement legal requirements.

There shall be no spending of restricted funds without prior approval from the City Council or otherwise in accordance with applicable law or policy requirements.

5.01 Procedures for Purchases of \$4,999 or less

Purchases under \$5,000 may be made through a simplified requisitions process. Items not subject to this process include utility bills, lease payments, membership dues, employee reimbursements, travel fees, and fuel.

Commented [CZ2]: These look more like vendor payments and reimbursements, not procurements.

5.02 Procedures for Purchases Of \$5,000 to \$50,000

All purchases \$5,000 or greater but less than \$50,000 must be processed in accordance with the following procedure:

- a) Purchases totaling \$5,000 to \$50,000 will require three or more quotes, when available. Two "no" quotes returned equal one quote for purposes of calculating this amount; and

- b) All quotations received must be provided in writing or by electronic mail from the vendor and available for review by the City Administrator or Designee, and the City Council.

5.03 Historically Underutilized Businesses

Local Government Code Chapter 252 Competitive bidding in relation to Historically Underutilized Business (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 HUB vendors, as defined by Chapter 252, on a rotating basis. If the list fails to identify a disadvantaged business in the county in which the City is situated, the City is exempt from this requirement.

5.04 Purchases of more than \$50,000

Except as otherwise provided by applicable State law, procurement for item(s) whose aggregate total cost is more than \$50,000 must be processed as competitive solicitations pursuant to Chapter 252 of the Texas Local Government Code, including but not limited to local and state cooperative purchasing programs.

5.05 Professional Services

Personal and professional services are exempt from the competitive bidding process and are procured through the solicitation of Request for Qualifications (RFQ). Texas Government Code Chapter 2254 shall be complied with when soliciting professional services as defined therein. The City Administrator will or will cause the gathering, preparation, presentation and submission of recommendations to the City Council regarding the technical and qualifications aspects of personal or professional services included in the RFQ documents, for City Council approval.

5.06 Change Orders

Changes made to previously approved procurements must come back to council for their consideration and approval. Every attempt shall be made to limit change orders and to establish a final expected cost prior to finalizing written agreements or providing payments.

If changes in plans or specifications are necessary after the performance of the contract is begun or if it is necessary to decrease or increase the quantity of work to be performed or of materials, equipment, or supplies to be furnished, the governing body of the municipality may approve change orders making the changes.

6.0 CODE OF ETHICS

6.01 By participating in the procurement process, City officers and employees of the City of Woodcreek agree to:

- a.) Avoid the intent and appearance of unethical or compromising practice in relationships, actions, and communications;

- b.) Demonstrate loyalty to the City of Woodcreek by diligently following the lawful instructions of the City Council, using reasonable care, and only authority granted;
- c.) Refrain from any private business or professional activity that would create a conflict between personal interests and the interests of the City of Woodcreek;
- d.) Refrain from soliciting or accepting money, loans, credits, or prejudicial discounts, and the acceptance of gifts, entertainment, favors, or services from present or potential suppliers that might influence, or appear to influence purchasing decisions;
- e.) Never discriminate unfairly by the dispensing of special favors or privileges to anyone, whether as payment for services or not; and never accept for themselves or for family members , favors or benefits under circumstance which might be construed by reasonable persons as influencing the performance of Governmental duties;
- f.) Engage in no business with the City of Woodcreek, directly or indirectly, which is inconsistent with the conscientious performance of Governmental duties;
- g.) Handle confidential or proprietary information belonging to the City of Woodcreek or suppliers with due care and proper consideration of ethical and legal ramifications and governmental regulations;
- h.) Never use any information gained confidentially in the performance of Governmental duties as a means of making private profit;
- i.) Promote positive supplier relationships through courtesy and impartiality in all phases of the purchasing cycle;
- j.) Know and obey the letter and spirit of laws governing the purchasing function and remain alert to the legal ramifications of purchasing decisions;
- k.) Expose corruption and fraud wherever discovered; and
- l.) Uphold these principles, ever conscious that public office is a public trust.

7.0 COMPLIANCE AND OTHER REQUIREMENTS

- 7.01 Any authorized representative of The City of Woodcreek who spends funds on behalf of the City must follow the procedures outlined in this document.
- 7.02 Failure to follow these guidelines may be considered grounds for disciplinary action, including the termination of employment or contract without severance depending on the severity of the misconduct.
- 7.03 Certain actions are considered unlawful by State and Local code, while this document is a set of guidelines for City policy. Authorized representatives of the City of Woodcreek

are expected to always follow State and Local law in the expenditure and management of City funds.

- 7.03 As a municipal corporation, the City is exempt from paying sales tax. Authorized personnel making purchases on behalf of the City are required to notify vendors, stores, and the like and make them aware of this exemption by providing the proper exemption documentation.
- 7.04 Nothing in this Policy shall be construed as waiving or altering the mandates of State Law.
- 7.05 Verbal agreements will not be legally binding; a written contract or purchase agreement must be secured prior to the release of City funds.
- 7.06 W-9s must be obtained from all labor contractors prior to their start of work.