

- budget authority (budget line-item authority and unencumbered budgeted balance); (f) prepare purchase order (see Procedure Number 6.04.06).
- 6.04.02. **Priority Three Requisition.** (a) The Form HCPD-01 is completed as with a Priority Four requisition, coding it Priority Three. (b) The preparer should then notify the Purchasing Department by telephone, specifying that a Priority Three requisition is being walked through. Purchasing should be provided with all details of the purchase. (c) Walk the requisition to all required stations. (d) Hand carry the requisition to Purchasing. Purchasing makes the purchase in accordance with either Article VII or Article VIII.
- 6.04.03. **Priority Two Requisition.** (a) The Form HCPD-01 is completed as with a Priority Four requisition, coding it Priority Two. (b) The preparer should then notify the Purchasing Department by telephone, specifying that a Priority Three requisition is being walked through. Purchasing should be provided with all details of the purchase. (c) Continue as with a Priority Three requisition. (d) Purchasing begins the purchase process immediately upon receiving the telephone call Step (b), and makes the purchase in accordance with either Article VII or Article VIII.
- 6.04.04. **Priority One Requisition.** (a) The Form HCPD-01 is completed as with a Priority Four requisition, coding it Priority One. (b) The preparer should then notify Purchasing by telephone, specifying that a Priority One requisition is being walked through. Purchasing all should be provided with all details of the purchase. (c) Walk the requisition to all required stations. (d) Hand carry the requisition to Purchasing. Purchasing begins the purchase immediately upon receiving the telephone call in accordance with Procedure 9.01.02.
- 6.04.05. *NOTE: For all purchases required under Priority Two and Priority Three which also require competitive bidding, an emergency must be declared in order to bypass the competitive bidding process. All Priority One purchases must meet the qualifications for emergency purchases in the pertinent statutes, as outlined in Procedure 9.01.01.*
- 6.04.06. **Purchase Order.** When the completed requisition is received in the purchasing office, a purchase order ("PO", Form HCPD-02) will be prepared. The Requisition and the PO are approved by the County Judge. The prepared PO is delivered to the vendor which is awarded the contract, in accordance with Article VII or VIII.

## VII. Competitive Bidding

7.01. **Bidding Required.** Before any person, department, official or agent of the County may purchase one or more items under a contract that requires an expenditure exceeding Fifteen Thousand Dollars (\$15,000.00), the competitive bidding requirements

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prescribed by Chapter 262, Texas Local Government Code, must be utilized with the assistance of the Purchasing Agent. In applying the competitive bidding or competitive proposals, all separate, sequential or component purchases (purchases made separately, purchases made over a period of time or purchases of component parts of an item or items that in the normal purchasing practice would be purchased in one purchase) are treated as if they are part of a single purchase and of a single contract. This requirement includes leases, installment payments and lease purchases in the event the total amount of payments will exceed Fifteen Thousand Dollars (\$15,000.00) over the life of the contract.

7.02. **Exception.** The only exceptions to the competitive bidding process outlined in this Article VII are set forth in Section 262.024, Texas Local Government Code, and Article IX herein. These exceptions shall be determined solely as provided in Article IX.

7.03. **Specifications/Procedures.**

- 7.03.01. When the purchase of one or more items requiring competitive bidding pursuant to Chapter 262, Texas Local Government Code, and this Article 7, is required, the person desiring to purchase the item shall first submit written specifications to the Purchasing Agent. The Purchasing Agent shall, upon request, assist in developing the specifications.
- 7.03.02. No specifications shall be written, which by design exclude legitimate competition between vendors. No brand names shall be utilized unless a disclaimer is used which opens the specification to competing brands of equal or superior quality.
- 7.03.03. The requisition, along with the proposed specifications and a bidding timeline, are submitted to the Commissioners Court which shall approve the form and content of the specifications and determine when the bids will be opened and when results will be submitted to the Commissioners Court.
- 7.03.04. After approval of the specifications and bidding timeline, the Purchasing Department will proceed with advertising for bids in accordance with the timeline and applicable provisions of the Local Government Code.
- 7.03.05. The Purchasing Agent may mail an Invitation to Bid form to potential vendors when, in the judgment of the Purchasing Agent, such Invitation to Bid would enhance the bidding process.
- 7.03.06. Alternative competitive proposals may be obtained on purchases of insurance and high-technology items (as defined by statute), and for items for which it is impractical to prepare detailed specifications. The procedure for this is prescribed in Sections 262.0295 and 262.030 of the Texas Local Government Code and may be utilized by the Purchasing Agent when approved by the Commissioners Court.

- 7.04. Selection of successful bidder.
- 7.04.01. In competitive bidding, informal bids or proposals, the evaluation of the bids and proposals and the selection of vendors shall be done with the view to obtain the best value for the money spent. The vendor selected shall be responsible bidder who submits the lowest and best bid.
- 7.04.02. The Purchasing Agent shall present the bids to the Commissioners Court at a meeting at the Commissioners Court.
- 7.04.03. In the event two (2) responsible bidders submit the lowest and best bid, the Commissioners Court shall decide between the two (2) by drawing lots in a manner prescribed by the County Judge or reject all bids and publish a new notice.
- 7.04.04. No contract shall be awarded to a bidder who is not the lowest dollar bidder meeting the specifications unless, before the award, each lower bidder is given notice of the proposed award and is given an opportunity to appeal before the Commissioners Court and present evidence concerning the lower bidder's responsibility.
- 7.04.05. In the event the Alternative Competitive Proposal Procedure or Alternative Multistep Competitive Proposal Procedure are utilized, as provide in Procedure 7.02.06, the lowest responsible bidder selected in accordance therewith may be determined through negotiation with parties submitting proposals.
- 7.04.06. In the event that information on costs of the repair, maintenance or repurchase of earth-moving, material-handling, road maintenance or construction equipment is requested in a bid notice or specifications, such information can be considered by the Commissioners Court in selecting the most responsible bidder.
- 7.04.07. In considering the purchase of road construction materials, the location for pickup and delivery, and the cost to the County for hauling or delivering the materials may be considered in selecting the most responsible bidder.
- 7.04.08. Multiple contracts may be awarded for the purchase of road construction materials if more than one bidder submits the lowest and best bid or a particular type or location of material.

**7.05. Changes in plans and specifications.** When there are changes in plan specifications or proposals after a contract is made or if it becomes necessary to increase or decrease the quantity of items purchased, the Commissioners Court may make those changes; provided, however, the total contract price may not be increased unless the cost of the change can be paid from available funds. If a change order involves an increase or decrease in cost of Fifteen Thousand Dollars (\$15,000.00) or less, the Commissioners Court may grant general authority to an employee to approve the change orders; provided, however, that the original contract price may not be increased by more the twenty-five percent (25%) unless the change order is necessary to comply

with a federal or state statute, rule, regulation, or judicial decision enacted, adopted, or rendered after the contract was made. The original contract price may not be decreased by eighteen percent (18%) or more without the consent of the contractor.

VIII. Non-bid Purchases

8.01. **Purchases Under Delegated Authority.** For purchases, the authority for which is delegated under Article V hereof:

- 8.01.01. An authorized person submits a Form HCPD-01 to Purchasing, together with the invoice for the goods or services acquired. *Note: the completed requisition must be completed and dated prior to the purchase being made, but need only be submitted to Purchasing once the purchase is completed.*
- 8.01.02. Purchasing checks the Requisition in accordance with Procedure 6.04.01, and forwards it to the County Judge, along with a PO for approval. After the approval of the County Judge, the Requisition and PO are forwarded to the County Auditor payment. It is the Department's responsibility to confirm, in advance, that there is budget authorization and a sufficient unincumbered budget balance to cover the purchase, and to request a budget amendment or line item transfer if necessary.
- 8.01.03. When an emergency occurs outside of regular office hours, a County official or department head may release a verbal order to the vendor and then complete and submit a Requisition to Purchasing with a written explanation of the emergency.
- 8.01.04. When a purchase is made under this procedure without proper budget authority, the cost of the purchase shall be the personal responsibility of the highest-level person ordering/approving such purchase within the requesting department.
- 8.01.05. The Purchasing Department shall periodically review purchases made under this procedure for repetitive, component or sequential purchases are being made in violation of the competitive bidding laws and these Policies.

8.02. **Non-Delegated Purchases Not Exceeding \$5,000.00.**

- 8.02.01. An authorized person shall complete a Form HCPD-01 which shall include the listing of at least three (3) potential suppliers, together with verbal or telephone quotations from such suppliers. Vendors who are located throughout the County and state should be contacted. A record of all quotations (written or taken by telephone) shall be maintained. The list of vendors contacted should be rotated so that over time, all vendors are contacted approximately equally.
- 8.02.02. The Requisition is processed in the normal manner and submitted to Purchasing.

8.02.03. Purchasing verifies the Requisition, approves same, and, after approval of the County Judge, issues a PO to the most responsible vendor, as determined by the Purchasing Agent. If the approved quotation is not the lowest quotation, the reason must be stated in writing on the Requisition.

8.02.04. If the Requisition is disapproved for any reason, the Requisition is returned to the user with a written reason for the disapproval.

8.02.05. The Purchasing Agent shall establish policies requiring the random verification of telephone or oral quotations, and may, whenever the Purchasing Agent deems appropriate, solicit additional oral, telephone or written quotations before authorizing a purchase.

**8.03. Purchases Between \$5,000.01 and \$15,000.00.**

8.03.01. An authorized person shall complete a Form HCPD-01 which shall include the listing of at least three (3) potential suppliers, together with written, firm quotations from such suppliers. Vendors who are located throughout the County and state should be contacted. A record of all quotations shall be maintained. The list of vendors contacted should be rotated so that over time, all vendors are contacted approximately equally.

8.03.02. The Requisition is processed in the normal manner and submitted to Purchasing.

8.03.03. Purchasing verifies the Requisition, approves same, and, after obtaining approval of the County Judge, issues a PO to the most responsible vendor, as determined by the Purchasing Agent. If the approved quotation is not the lowest quotation, the reason must be stated in writing on the Requisition.

8.03.04. If the Requisition is disapproved for any reason, the Requisition is returned to the user with a written reason for the disapproval.

8.03.05. The Purchasing Agent shall establish policies requiring the random verification of written quotations, and may, whenever the Purchasing Agent deems appropriate, solicit additional written quotations before authorizing a purchase.

**8.04. Information Contained In Quotes.** For all oral or written quotations obtained, the following information must be exchanged between the vendor and the County:

8.04.01. Information related to the prospective vendor should include a description of the item (or items), the quantity required (in standardized units, if applicable), the required delivery date, the last date quotations will be accepted, and the terms and conditions of purchase. The vendor shall be informed that the price quotations are *required* to be honored during the stated period.

8.04.02. Information obtained from the prospective vendor *must* include the name, address and telephone/telecopier numbers of the vendor, the total or unit price, as specified, the date through which the quoted price will be effective, the name of the representative providing the quote, and the specific (i.e... name brand and model number) product offered. For written quotations, this information must be included on the face of the written proposal.

8.05. **Selection of Vendor.** In selecting the most responsible vendor, the Purchasing Agent will consider such matters as price (all other factors being equal, the lowest price should always be taken), relative quality of good or service (if more than one vendor can deliver at an acceptable price, the relative quality should be considered), reliability of vendor (based on actual, documented experience of purchasing agent, not on intuition or rumor), ability to service items purchased, other relevant factors as determined by the Purchasing Agent.

IX. Emergency and Sole Source Purchases, Other Exempt Purchases

9.01. **Emergency Defined, Procedures.**

9.01.01. Emergency (Priority One) purchases are governed by Tex. Loc. Govt. Code § 262.024(a)(1), (2) & (3) and are not utilized at all, except:

- a. In the case of public calamity if it is necessary to make the purchase promptly to relieve the necessity of the citizens or to preserve the property of the County;
- b. To purchase an item necessary to preserve or protect the public health or safety of the residents of the County; or
- c. To purchase an item necessary because of unforeseen damage to public property.

9.01.02. The following procedures *must* be followed for Priority One purchases:

- a. Qualification. The purchase must qualify as an emergency purchase under the definition in Procedure 9.01.01, or in Tex. Loc. Govt. Code § 262.024.
- b. Designation. The designation of *Priority One* indicates a situation of such urgency that the normal purchasing procedure must be modified in the interest of speed, and therefore no competitive bids or quotations are required.
- c. Normal Working Hours. All emergency purchases occurring during normal working hours are processed through the Purchasing Department as follows:
  - i. The using department will notify the purchasing office by telephone immediately, with as much information as

- possible about the emergency purchase required, so that the purchasing action can be initiated immediately.
- ii. Simultaneously, a purchasing requisition is prepared and hand carried through the normal channels.
  - iii. The Purchasing Department or using department head contacts as many vendors as are necessary to arrange the emergency purchase. If time permits, the PO is completed in accordance with Procedure 6.04.06. Otherwise, the purchase is completed by telephone, and the PO is completed after the fact and delivered to the vendor.
  - iv. The buyer requests expedited delivery, and if not available, the using department or Purchasing arranges to pick up the emergency purchase from the vendor.
- d. Evenings, Weekends and Holidays. For other than normal working hours, when purchasing support is unavailable, emergency purchases shall be processed as follows:
- i. The responsible official of the using department takes whatever steps are necessary to procure needed supplies, services or equipment to relieve the emergency situation. If possible, only those goods or services needed during the evening, weekend or holiday are procured.
  - ii. On the first working day following the emergency, the responsible official prepares a requisition and hand-carries it to the purchasing office, as described in Procedure 9.01.02(d)(ii), above, attaching the invoices, bills-for materials, receipts or other documents related to the purchase.
- e. Certification. The official in charge of the using department must certify in writing on the next business day, or as soon thereafter as possible, that the purchase involved was necessary because of one of the reasons listed in Procedure 9.01.01.
- f. Commissioners Court Approval. If a competitive bid would normally have been required under Article VII hereof to accomplish the purchase, the Commissioners Court must, by order, accept the certification of the official and enter it into the minutes of the Commissioners Court at its next meeting, together with authorization of the exception from the requirements of Article VII.