

HIDALGO COUNTY, TEXAS
ADMINISTRATIVE POLICY MANUAL

Procedure: PPP.1
Page: 8 of 18
Date Authorized: 07/31/2018
Supersedes: 03/20/2018
12/19/2017
09/26/2017
11/22/2016
06/26/2012
06/30/2009

order; provided, however, that the original contract price may not be increased by more than 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.

VII. NON-BID PURCHASES

7.01. Purchases Not Exceeding \$3,500.00

7.01.01 An authorized person shall complete a Form HCPD-01/Electronic Requisition: (Note: Purchasing Department encourages, recommends, and suggest the "better business practice" of soliciting pricing to achieve a "best value" results. In addition, users are under notice that a Requisition not exceeding the new \$3,500.00 limit needs to be inclusive of the entire goods or services required as a PO increase may not be eligible for consideration and/or approval.

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

7.01.03 Purchasing verifies the Requisition, approves same, and 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.

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

7.01.05 The Purchasing Agent shall establish policies requiring the random verification or telephone or written quotations before authorizing a purchase.

7.02 Purchases Between \$3,500.01 and \$50,000.00 (Revision to the \$25,000.00 Statutory Bidding Limited was enacted to \$50,000.00 pursuant to the State of Texas' 81st Legislature-Regular Session, HB 987 (SB 624 identical), Texas Local Government Codes 262 (various clauses), 271 (various clauses), effective June 22, 2009.

7.02.01 An authorized person shall complete a Form HCPD-01 which shall include the listing of at least three (3) potential supplies, 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.

HIDALGO COUNTY, TEXAS
ADMINISTRATIVE POLICY MANUAL

Procedure: PPP.1
Page: 9 of 18
Date Authorized: 07/31/2018
Supersedes: 03/20/2018
12/19/2017
09/26/2017
11/22/2016
06/26/2012
06/30/2009

- 7.02.02 The Requisition is processed in the normal manner and submitted to Purchasing.
- 7.02.03 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.
- 7.02.04 If the Requisition is disapproved for any reason, the Requisition is returned to the User with a written reason for the disapproval.
- 7.02.05 The Purchasing Agent shall establish policies requiring the random verification of Written quotation, and may, whenever the Purchasing Agent deems appropriate, solicit additional written quotations before authorizing a purchase.

7.03 Information Contained in Quotes. For all oral or written quotations obtained, the following information must be exchanged between the vendor and the County;

- 7.03.01 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.
- 7.03.02 Information obtained for 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.

7.04 Selection of Vendor. In selecting the most responsible vendor, the Purchasing Agent will consider such matters as price (all other factor being equal, the lowest price should always be taken), relative quality of goods and services (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.

HIDALGO COUNTY, TEXAS
ADMINISTRATIVE POLICY MANUAL

Procedure: PPP.1
Page: 10 of 18
Date Authorized: 07/31/2018
Supersedes: 03/20/2018
12/19/2017
09/26/2017
11/22/2016
06/26/2012
06/30/2009

VIII. EMERGENCY AND SOLE SOURCE PURCHASES, OTHER EXEMPT PURCHASES

8.01 Emergency Defined, Procedures.

8.01.01 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.

8.01.02 The following procedures must be followed for Priority One purchases;

- a. Qualification. The purchase must qualify as an emergency purchase under the definition in Procedures 9.01.01, or 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. Otherwise, the purchase is completed by telephone, and the PO is completed after the fact and delivered to the vendor.

HIDALGO COUNTY, TEXAS
ADMINISTRATIVE POLICY MANUAL

Procedure: PPP.1
Page: 11 of 18
Date Authorized: 07/31/2018
Supersedes: 03/20/2018
12/19/2017
09/26/2017
11/22/2016
06/26/2012
06/30/2009

- 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.
- b. Evening, 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 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 Procedure 9.01.02(d)(ii) , above, attaching the invoices, bills of materials, receipts or other documents related to the purchase.
- c. 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 reason listed in Procedure 9.01.01.
- d. 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.

8.02 Sole Source Defined, Procedures.

8.02.01 A purchase qualifies as "Sole Source" purchase when the item or service requested can only be obtained from one source, including;

- a. Item from which competition is precluded because of the existence of patents, copyrights, secret processes, or monopolies;
- b. Films, manuscripts or books;
- c. Electric power, gas or other utility services

HIDALGO COUNTY, TEXAS
ADMINISTRATIVE POLICY MANUAL

Procedure: PPP.1
Page: 12 of 18
Date Authorized: 07/31/2018
Supersedes: 03/20/2018
12/19/2017
09/26/2017
11/22/2016
06/26/2012
06/30/2009

- d. Captive replacement parts or components for equipment.

8.02.02 Sole Source purchases are handled the same as other purchases, with these exceptions:

- a. If the requesting department determines that the item is a Sole Source item, a statement must be attached to the Form HCPD-01 stating that a sufficient number of vendors have been contacted to determine that only one practical source of supply exists. The Requisition is otherwise completed in the normal manner.
- b. If the Purchasing Department concurs that the item is a Sole Source purchase, a similar statement must also be attached to the requisition. If the Purchasing Department does not concur, the requisition is to be returned to the requesting department with an explanation of the reasons therefor.
- c. For Sole Source purchases in amounts which otherwise require competitive bidding under Article VII thereof, the Purchasing Agent shall tender to the Commissioners' Court a signed statement stating the reasons that the item is a Sole Source purchase. If the Commissioners' Court concurs that the item is Sole Source purchase, it shall, be order, enter the statement into its minutes, and grant an exception from the requirements of Article VII.
- d. Purchases of items described in Procedures 9.02.01(d) are hereby deemed Sole Source, and are exempted from the requirements of these procedures.
- e. After the requisition is approved, a PO is prepared.

8.03 Other Exempt Purchases. In addition to emergency and Sole Source purchases, the following purchases may be exempted from the procedures outlined in Article VII, and the procedures outlined in Article VIII, provided that, for purchases falling under Article VII, and order of the Commissioners Court is entered authorizing the exception, and for purchases falling under Article VIII, the Purchasing Agent approves the exception in writing;

8.03.01 A personal or professional service

8.03.02 Any work performed and paid for by the day, as the work progresses;

8.03.03 Any land or right-of-way (including a lease of land or a building, in accordance with Attorney General Opinion No. MW-535 (1982));

HIDALGO COUNTY, TEXAS
ADMINISTRATIVE POLICY MANUAL

Procedure: PPP.1
Page: 13 of 18
Date Authorized: 07/31/2018
Supersedes: 03/20/2018
12/19/2017
09/26/2017
11/22/2016
06/26/2012
06/30/2009

- 8.03.04 Any item of food, provided however, that in lieu of competitive bidding for purchases over \$5,000.00, the procedures outlined in Procedure 8.03 are followed at intervals established by the Commissioners Court;
- 8.03.05 Personal Property sold at auction by state licensed auctioneer, at a going out of business sale conducted in accordance with Texas Business & Commerce Code Chapter 17, Subchapter F, or by a political subdivision of this state, or an entity of the federal government;
- 8.03.06 Any work performed under a contract for community and economic development made by a county under Tex. Loc. Govt. Code §381.004; or
- 8.03.07 The renewal or extension of a lease or of an equipment maintenance agreement if (1) the lease or agreement has gone through the competitive bidding or quote procedures within the preceding twelve (12) months, (b) the renewal or extension is the first renewal or extension of the lease or agreement.

IX. COOPERATIVE PURCHASING

9.01 State Cooperation. The requirements of Article VII and Article VIII may be satisfied by compliance with the procedures and requirements of Tex. Loc .Govt. Code § 271.081-271.083.

9.02 Local Cooperation. The County shall, whenever advantageous to do so, enter into cooperative purchasing arrangements with other local governments pursuant to the Interlocal Cooperation Act, Tex. Govt. Code Ch. 791. In the event such an arrangement is made, purchases thereunder shall be made in accordance with the more strict requirements of relevant statutes and purchasing policies. For example, the County is not required to address the issue of Historically Underutilized Businesses ("HUB"), but municipalities must do so in purchases over \$3,000.00; therefore, in a cooperation agreement with a municipality, purchases over such amount must follow state statutes governing the use of HUBs.

X. BONDS

10.01 May Be Required. The County may, and if mandated by statute, shall, require a bid bond, a performance bond and/or a payment bond, to the extent permitted by applicable state statutes, for any contracts, by including such requirement in the bid specifications or request for proposals. Any such bond so required shall be executed with a surety company authorized to do business in the State of Texas.

10.02 Bid Bond. If a contract is for the construction of public works or is a contract exceeding One Hundred Thousand Dollars (\$100,000.00) the bid specifications or request for