

# Williamson County Purchasing Manual



## Purchasing Department

May 2018

## Preface

The Williamson County Purchasing Manual is designed to be a general guideline for Williamson County officials, employees, and suppliers addressing purchasing requirements and general operating procedures. This guide will benefit those individuals participating in the purchase process for commodities, services, maintenance, professional services, and construction.

The information provided here follows Williamson County Policies and laws of the State of Texas. All references to Federal, or State of Texas statutes, and Williamson County Policies in this document refer to the statutes and policies as they exist at the time of publication of this Purchasing Manual and may be amended later if necessary.

Please consider this information as your introduction to the essentials needed for purchasing goods and services on behalf of Williamson County. It is intended to reflect current procurement methods and will be updated as new business practices are identified.

This document is not all inclusive and the Purchasing Department keeps more detailed information on procedures, designated for internal use. This manual, which was approved by the Williamson County Commissioners Court, is a living document and will be updated yearly as changes arise.

If you have any questions that are not answered here, please visit the Purchasing Department website at: <https://wilco365.sharepoint.com/purchasingportal/Pages/PurchasingPortal.aspx>

The Purchasing Department may also be reached by email at [purchase@wilco.org](mailto:purchase@wilco.org), via telephone at 512-943-3553 or by visiting our location at 901 S. Austin Avenue, Georgetown, TX

It is the mission of the Purchasing Department to increase value and reduce risks by having Williamson County officials, employees, and suppliers come together to work with a purchasing process that is consistent, fair, transparent, and effective.

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# SECTION 1

## INTRODUCTION

### **A. Goals and Objectives of Public Purchasing**

It is Williamson County's policy to conduct all purchasing strictly in accordance with the laws of the State of Texas and policies adhering to these laws as approved by the Williamson County Commissioners Court.

Williamson County is dedicated to maintaining a cost-effective purchasing process with good management practices where cooperation from every County Official, Department Head and County employee is of vital importance for the process to be successful.

This includes proper planning and timely submission of purchase requests, so the process can be facilitated smoothly and at the lowest cost possible. Through our processes we strive to serve the County Taxpayers by ensuring fair and equitable treatment of everyone who interacts with the County's procurement process.

In its purchasing practices, Williamson County will consider:

- Price of the product or service;
- Quality and Reliability of the product or service;
- Product or service meets specifications;
- Delivery Terms;
- Vendor Performance.

### **B. Purchasing Law**

It is the policy of Williamson County to fully comply with all purchasing laws enacted by the Texas Legislature. It is the statutory responsibility of the Purchasing Agent to purchase all supplies, materials, and equipment required or used, and contract for repairs to property used by the County. The Purchasing Agent shall supervise all purchases and contracts for Williamson County.

Other responsibilities of the Purchasing Agent include Interlocal and Cooperative Purchasing Agreements, Disposition of Surplus and Salvaged Property, and Asset inventory reporting in collaboration with the Williamson County Auditor's Office.

Following is a list of Purchasing Statutes the County adheres to. This list is not an all-inclusive list:

- Texas Local Government Code:
  - County Purchasing Act (Chapter 262, subchapter C), Public Property Finance Act (Chapter 271, subchapter B), State Contract (sec. 262.002, and Chapter 271, subchapter D);

- Texas Government Code:
  - Interlocal Cooperation Contracts (Texas Government Code, Chapter 791), Payment for Goods and Services (Texas Government Code, Chapter 2251), Contracts with Governmental Entities, Non-Residential Bidders (Texas Government Code, Chapter 2252), Public Works Performance and Payment Bonds (Texas Government Code, Chapter 2253), Professional Services Procurement Act (Texas Government Code, Chapter 2254, subchapter A), Prevailing Wage Rate for Construction of Public Works (Texas Government Code, Chapter 2258), Contracting and Delivery Procedures for Construction Projects (Texas Government Code, Chapter 2269);
- Texas Council on Purchasing from People with Disabilities (Texas Human Resource Code, Chapter 122);
- Sales tax exemption for governmental entities (Texas Tax Code, section 151.309);
- Workers' Compensation Compliance (Workers' Compensation Rule 110.110);
- Uniform Electronic Transaction Act (Texas Business & Commercial Code, Chapter 322).

### **C. Definitions**

ADVERTISEMENT or ADVERTISE - A public notice put in a newspaper of general circulation containing information about an Invitation for Bid, Request For Proposal, or Request for Qualifications as specified in TEX. LOC. GOV'T CODE ANN., §262.025.

ADDENDUM - A document used to change the specifications, terms and/or conditions of an event.

AMENDMENT - A change or addition to a legal or statutory document.

ANNUAL TERM CONTRACT - A recurring contract for goods or services, usually in effect on a 12-month basis.

AUDITOR - Williamson County Auditor and their designated representatives.

BEST VALUE - A method of evaluating price that includes an evaluation based on the total life cycle cost of the item or service. Best value is the lowest and best overall life cycle cost proposal taking into consideration numerous factors depending on what is being procured.

BID BONDS - A deposit required of bidders to protect the County if a low bidder withdraws its bid or fails to enter into a contract.

BIDDER - A vendor that submits a bid, including anyone who acts on behalf of the vendor that submits a bid, such as agents, employees, and representatives.

BIDDERS LIST - An automated list of suppliers who have registered through Williamson County's Supplier Portal indicating an interest in submitting bids for particular categories of goods and services.

BIDSYNC - Used to set up, maintain, and analyze bidding events. It is a system for requesting bids, quotes, awarding events, developing bid lists, and maintaining the supplier portal.

CHANGE ORDER - A construction contract document that changes the contract by increasing or decreasing the cost or the time for performance or changes the goods or services to be delivered.

COMMISSIONERS COURT - Williamson County Commissioners Court.

COMMODITY CODES - A means of classifying goods and services with a unique number assigned to each description.

COMPETITIVE BIDDING - Allowing available suppliers to compete to provide goods and/or services.

COMPETITIVE PROPOSAL PROCESS - Available suppliers compete to provide goods and services in compliance with TEX. LOC. GOV'T CODE ANN., §262.030.

COMPONENT PURCHASES - Purchasing a series of component parts of goods that normally would have been purchased as a whole.

CONTRACT - A formal, written agreement executed by the County and a vendor containing the terms and conditions under which goods or services are to be furnished to the County and the County's authorized representative commits County funds.

CONTRACT MANAGEMENT - Contract Management is used to process the creation and management of contracts based on items or services purchased over the lifetime of a contract.

CONTRACTOR - A supplier, which has been awarded a contract by Williamson County.

COUNTY - Williamson County.

CYCLE TIME - The time between when a purchase requisition is assigned to a buyer for action and when an actual purchase order is placed with a vendor. Cycle time does not include the time required for delivery, or the time it takes for the Purchasing Department to make corrections to the requisition.

EMERGENCY PURCHASE - A purchase that is needed because of an emergency condition as described in TEX. LOC. GOV'T CODE ANN., §262.024(a) (1).

EMPLOYEE - Any County, district or precinct elected official, appointed official, or employee when the purchase will be funded even partially with County funds or anyone who acts on behalf of any of these persons.

END-USER DEPARTMENT - The department that ultimately uses the finished goods or services when the purchase or construction is completed.

EVENT- An electronic document (solicitation), such as an invitation for bid (IFB), request for quotes (RFQ), request for proposal (RFP) or request for qualifications (RFQ), issued by the Purchasing Department. The document contains terms and conditions for a contract and it requests (solicits) a bid or proposal for goods or services needed by the County.

FORMAL COMPETITIVE BIDDING - The bidding process (\$50,000 and above) specified in TEX. LOC. GOV'T CODE ANN., §262.023 which requires approval by the Commissioners Court.

GOODS - Includes any personal property to be purchased by the County, including equipment, supplies, material and component or repair parts.

INVITATION FOR BID or IFB - Specifications and bidding documents requesting pricing for a specified good or service, which has been advertised for bid in a newspaper.

ITEM– Any service, equipment, good, or other tangible or intangible personal property, including insurance and high technology items. This does not include professional services as defined by Texas Government Code, Section 2254.002.

LEASE - A contract for the use of personal property for a period of time in return for a specified compensation.

LOWEST RESPONSIBLE BID - The offer from the responsible bidder who submits the lowest and best bid meeting all requirements of the specifications, terms, and conditions of the invitation for bid. The lowest responsible bid includes any related costs to the County in a total cost concept. The term "responsible" refers to the financial and practical ability of the bidder to perform the contract and takes the vendor's past performance into consideration.

MODIFICATION - A document used to change the terms and/or conditions of a contract.

NEGOTIATION - A consensual bargaining process in which the County and vendors attempt to reach an agreement on differences in desired contract provisions or a potentially disputed matter for the purposes of reaching an understanding.

OFFICIAL - Any elected or appointed official and any person authorized to act on their behalf.

ORACLE - Williamson County's Financial Management System, which includes the Purchasing module.

PAYMENT BOND – A surety bond executed in connection with a contract that secures the payment requirement of a Contractor.

PRE-BID/PROPOSAL CONFERENCE - A conference conducted by the Purchasing Department for the benefit of those wishing to submit a bid or proposal for goods or services required by the County. The conference is held to allow bidders/proposers to ask questions about the proposed contract and particularly the contract specifications.

PERFORMANCE BOND – A surety bond that provides assurance of a Contractor’s performance of a certain contract.

PROFESSIONAL SERVICES – A service directly related to professional practices including those services within the scope of the practice of accounting; architecture; optometry; medicine; land surveying; and professional engineering (as defined per Texas Government Code 2254).

PROPRIETARY INFORMATION - Information in bids or proposals to which Vendor/Suppliers claim ownership or exclusive rights and which is protected from disclosure in the Texas Open Records Act (TEX. LOC. GOV'T CODE ANN., chapter 552).

PUBLIC WORKS – Constructing, altering, or repairing a public building or carrying out or completing any public work.

PURCHASE ORDER - An order by the Purchasing Department for the purchase of goods and services on the County's standard Purchase Order and which, when accepted by the vendor without qualification becomes a contract. The vendor agrees to deliver and invoice for goods or services specified, and the County commits to accept the goods or services for an agreed upon price.

PURCHASING - The act, function, and responsibility for the acquisition of goods and services including construction and professional/personal services.

PURCHASING ACT - Chapter 262, subchapter C of the Texas Local Government Code, which governs the conduct of purchasing activity for counties.

PURCHASING AGENT -The purchasing agent appointed by and reporting to the Commissioners Court.

PROCUREMENT CARD (P-Card) - A type of credit card used for smaller purchases to achieve greater cost efficiency, control and convenience.

PROCUREMENT CARD HOLDER – County personnel who have been issued P-cards and who are authorized to make purchases in accordance with purchasing card procedures.

PROCUREMENT CARD PROGRAM ADMINISTRATOR - Located in the County Purchasing Department and is responsible for processing Cardholder applications and agreements, issuing P-Cards, providing training to Cardholders, assisting Cardholders with inquires, monitoring P-Card usage, and revoking Cardholder privileges when necessary.

PURCHASING DEPARTMENT - Williamson County Purchasing Agent and staff.

PURCHASING LAWS - The laws that govern County purchasing.

REQUEST FOR INFORMATION (RFI) - A general request to contractors for information for a potential future solicitation which is used as a research and information gathering tool for preparation of specifications and requirements. Must be issued by the Purchasing Department.

REQUEST FOR PROPOSAL (RFP) - A document requesting an offer be made by a vendor, which allows for negotiations after a proposal has been received, but before award of the contract for goods and services procured in compliance with TEX. LOC. GOV'T CODE ANN., section §262.0295 or §262.030.

REQUEST FOR QUALIFICATIONS (RFQ) - A document that requests details about the qualifications of professionals whose services must be obtained in compliance with the Professional Services Procurement Act and Texas Government Code, Chapter 2269.

REQUISITION - A request by a department to the Purchasing Department which authorizes the Purchasing Department to issue a Purchase Order and enter into a contract with a vendor to purchase goods or services for the County and the Auditor to charge the appropriate department budget. This automated form is for internal use and cannot be used by a department to order materials directly from a vendor.

RESPONSIVE - A vendor who has complied with all material aspects of the solicitation document, including submission of all required documents.

RESPONSIBLE - A vendor who has the capability to perform fully and deliver in accordance with the contract requirements based on consideration of past performance, financial capabilities, and business management.

REVERSE AUCTION - A method for procurement in which the roles of the buyer and the seller are reversed to drive purchase prices down.

SEALED BIDS - Competitive bids required to be advertised in a newspaper and submitted to the Purchasing Department in a sealed envelope or electronically via encrypted method.

SEPARATE PURCHASES - Purchases made in a series of separate purchases, goods and services that in normal purchasing practices would have been purchased in one purchase.

SEQUENTIAL PURCHASES - Purchases made over a period of time that in normal purchasing practices would be made as one purchase.

SERVICES - Includes all work or labor performed for the County on an independent contractor basis, including maintenance, construction, manual, clerical, personal or professional services.

SINGLE PURCHASE LIMIT - A dollar amount placed on P-Cards per transaction as established by the User Department Head and identified in this Manual.

SOLE SOURCE GOOD OR SERVICE - A good or service that can be obtained from only one source that is purchased in compliance with TEX. LOC. GOV'T CODE ANN., section §262.024 (a)(7) and (c).

SOLICITATION - A document (such as an IFB, RFP, RFQ, RFI) or Reverse Auction issued by the Purchasing Department that contains terms and conditions for a contract to solicit a response from vendors to provide goods or services needed by the County.

SPECIFICATIONS - A concise description of a good or service that an entity seeks to buy and the requirements the vendor must meet to be considered for the award. A specification may include requirements for testing, inspection, or preparing any item for delivery, or preparing or installing it for use. The specification is the total description of the item to be purchased.

SUPPLIER - A business entity or individual that seeks a contract to provide goods or services to the County.

USER DEPARTMENT - All County and precinct offices and subdivisions, as well as district offices when the purchases are funded even partially with County funds; the department from whose budget the contract will be paid.

VENDOR - A business entity or individual that has a contract to provide goods or services to the County.

#### **D. General Ethical Standards**

The Williamson Purchasing Department believes that the following ethical principles must govern the conduct of every person who is involved in the purchase of commodities, services, maintenance, professional services, and construction, on behalf of the Williamson County taxpayers. This code of ethics coincides with the Code of Ethics of the National Institute of Governmental Purchasing which is one of the leading Procurement Associations in North America as well as internationally recognized.

- Personal Gain – It shall be a breach of ethics to attempt to realize personal gain through public employment with Williamson County by any conduct inconsistent with the proper discharge of the employee’s duties.
- Influence – It shall be a breach of ethics to attempt to influence any public employee of Williamson County to breach the standards of ethical conduct set forth in this code.
- Conflict of Interest – It shall be a breach of ethics for any employee of Williamson County to participate directly or indirectly in procurement when the employee knows that:
  - The employee or any member of the employee’s immediate family has financial interest pertaining to the procurement;

- A business or organization in which the employee, or any member of the employee's immediate family, has a financial interest pertaining to the procurement; and
  - Any other person, business or organization with which the employee or any member of the employee's immediate family is negotiating or has an arrangement concerning prospective employment is involved in the procurement.
- Gratuities – It shall be a breach of ethics to offer, give or agree to give any employee or former employee of Williamson County, or for any employee or former employee of Williamson County to solicit, demand, accept or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation of any part of a program requirement or purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter pertaining to any program requirement or a contract or subcontract or to any solicitation or proposal therefore pending before this local government.
  - Kickbacks – It shall be a breach of ethics for any payment, gratuity or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor for any contract for Williamson County, or any person associated therewith, as an inducement for the award of a subcontract or order.
  - Contract Clause – The prohibition against gratuities and kickbacks prescribed above shall be conspicuously set forth in every contract and solicitation therefore.
  - Confidential Information – It shall be a breach of ethics for any employee or former employee of Williamson County knowingly to use confidential information for actual or anticipated personal gain, or for the actual or anticipated gain of any person.

## **E. Process**

Williamson County uses a modified purchasing model where some purchasing responsibilities are delegated to the End-users. Williamson County relies heavily on the End-users' expertise when creating specifications or evaluating goods and services.

Generally, the purchasing process begins with the End-user identifying requirements. Next steps may include issuing a requisition and/or request for IFB/RFP/RFQ (work sheet), contract generation, receipt and payment of goods and services.

For the process to work smoothly, coordination among many County departments and offices is necessary. In most cases, a contract process involves the following parties:

- Budget (works with End-user on including request in departmental budget);
- End-user/Requestor (defines requirements), Contract Administrator;

- Purchasing/Contracts (reviews the contract for compliance with purchasing procedures);
- Legal (reviews the contract for compliance with the Law and Commissioners Court policies);
- Contract Audit (verifies funds are available and reviews for compliance with County Auditor's policies);
- Commissioners Court (approves the contract);
- Auditor/Accounts Payable (processes payment of goods and/or services);
- County Treasurer (issues payment of goods and/or services).

In some cases, review and approval of the purchase from other departments may be required before a Purchase Order and/or contract can be executed. Examples of purchases requiring additional approval are as follows:

- **Technology solutions** such as software, hardware, or services must have IT approval prior to the purchase;
- **Human Resources-related purchases** such as Counselling, Benefits, services related to employees, software purchases including HR aspects, staffing, risk insurance, day laborers must be approved by Human Resources prior to the purchase;
- **Radio Equipment** must be approved by the Wireless Communications Department prior to the purchase;
- **Vehicles** must be approved by Fleet Services prior to purchase.

To avoid delays in the process and to ensure compliance with County policy and state law, user departments should remember the following:

1. **Only utilize purchasing strategies that do not restrict competition such as component purchases, separate purchases, and sequential purchases.** According to Texas Local Government Code §262.034(a), a County officer or employee **who intentionally or knowingly makes or authorizes separate, sequential, or component purchases to avoid the competitive bidding requirements** of Section §262.023 is committing a Class B misdemeanor. A Class B misdemeanor is punishable by fine up to \$2,000, up to 180 days in jail, or both.
2. Only engage in activities and behaviors that do not create a conflict of interest or the perception of a conflict of interest.
3. **Only commit to purchasing goods or services after the Purchasing Department issues an authorized Purchase Order.** The general rule is that a Purchase Order is required for most purchases greater than \$5,000 prior to a purchase being made. Details are noted in Section 4.C of this manual.
4. **Ensure funding is available before submitting a requisition.** The law does not allow expenditures that exceed budgets. The Purchasing Department will not process requisitions for which adequate funding is not available.

- 5. Plan purchases to minimize the use of emergency and expedited purchases.** Rush purchases are generally more expensive, and they delay other requisitions already in the system. Vendors may attempt to charge premium prices for goods and services when there is insufficient time allowed to explore alternatives. Departments and Offices are encouraged to forecast their procurement needs and services at the beginning of each fiscal year.
- 6. Ensure that purchasing policies and procedures are understood before ordering.** Departments must assure that all employees responsible for making department purchase requests have read and understand the purchasing procedures in this Manual. Departments should also ensure that End-users attend annual training provided by the Purchasing Department.
- 7. Coordinate with the Purchasing Department on receipt of goods and services.** Since the County does not have centralized receiving, each department is responsible for individually receiving goods and services.
- 8. Vendor Performance Reporting.** Departments should call or email their purchasing contact for vendor performance issues such as shortages, late delivery or damaged merchandise. End-users are also encouraged to enter vendor performance issues as well as positive feedback, into the County's vendor performance reporting system for documentation in the file. The vendor performance reporting system is located on the internal Purchasing Department SharePoint site at:

<https://wilco365.sharepoint.com/purchasingportal/Pages/PurchasingPortal.aspx>.

## SECTION 2

### PROCUREMENT PLANNING

#### A. Purpose

It is important that enough time is allowed for a purchasing request to allow for proper planning and identification of needs in advance to the submission of a purchase requisition. This is so the best goods and services possible can be obtained at competitive pricing through fair and open competition. As soon as the need arises, the End-user department should identify clearly the requirements of the goods and/or services needed, quantity of the goods and/or services as well as the time frame in which they are needed. Besides developing the specifications, the End-user, together with the Purchasing Department, should create a timeline to schedule various tasks to facilitate the purchasing process. An unrealistic time line may cause a restriction in competition causing potential price increases.

#### B. Timelines

An essential element of proper planning is to consider the “Administrative Lead Time” required when processing a competitive procurement. Administrative Lead Time is defined as the period of time from initiation of the requirement by the user to issuance of an award. For competitive sealed bidding or competitive negotiation (those greater than \$50,000), the minimum time required to prepare, solicit, evaluate, and make an award is 8 to 12 weeks depending on the complexity of the procurement. **Please remember that this period should be included in your planning.**

## SECTION 3

### SPECIFICATIONS

#### A. Definition

A specification is a document which provides vendors with clear and precise requirements and criteria of the minimum standard acceptable for goods or services they must meet to be considered for award. A specification may include requirements for testing, inspection or preparing an item for delivery, or preparing or installing it for use.

Specifications also provide purchasing personnel with a clear guideline of what product or service the End-user intends to procure so vendors can be provided with firm criteria of minimum product or service acceptability. Since the Williamson County Purchasing Department is not centralized, it is the End-user's responsibility to identify the requirements to create an effective specification document. As a result, a good specification should:

- Set the minimum acceptability of the goods or service. Too high a standard could mean wasted tax dollars. Too low a standard, and the good or service may not meet the expectations of the user;
- Promote competitive bidding. Restrictive specifications decrease competition and may lead to increased pricing;
- Include provisions for reasonable tests and inspections for acceptability of the good or service. The methods and timing of testing and inspection must be indicated in the specification. Tests should refer to nationally recognized practices and standards whenever possible;
- Provide fair and impartial award to the lowest qualified bidder or best value proposal.

While specifications may be prepared by the user department or an outside entity, the final authority and control of the specification resides with the Purchasing Department to ensure that the specification is not too restrictive, and that competition is promoted. Material changes to specifications will be coordinated with the user department.

#### B. Types of Specifications

There are several types of specifications commonly used, depending on the requirement. Specifications may also be a combination of the different types.

- Design Specifications
  - detailed descriptions of a good or service, including details of construction or production, dimensions, chemical composition, physical properties, materials, ingredients and all other details necessary to produce an item of minimum acceptability;

- usually required for construction projects, custom-produced items and many services.
- Performance Specifications
  - goods and/or services are described in terms of required performance;
  - may include details such as required power, strength of material, test methods, standards of acceptability and recommended practices.
- Combination Specifications
  - Contain elements of both design and performance specifications;
  - Some features of each are included to allow a vendor to use ingenuity to meet the performance needs of Williamson County and to acquire certain necessary design characteristics;
  - Probably most commonly used specification.
- Brand-Name Specifications
  - Lists goods or services by brand name, model and other identifying specifications to limit the bidding to a single preferred product;
  - Should be avoided and be used where ONLY one brand name item will satisfy the County's requirement as this specification discourages competition;
  - Useful for purchase of replacement parts where only the brand name will work.
- Brand-Name or Equal Specifications
  - Similar to Brand-Name specifications except that equal products are acceptable in place of the named brand;
  - Requires approval by County as an equivalent substitute.
- Qualified Products List Specifications
  - Based on a list of products, identified by manufacturer's name and model numbers which are the only acceptable items;
  - Used when quality is a critical factor and testing other products would be too time consuming or expensive.
- Standard Specifications
  - Single specification for one or more goods or services ordered on a recurring basis with the same general purpose;
  - Same specification is used each time an order is placed, or bids are advertised;

- Examples include office supplies, paper, copy machines;
- Usually more detailed than one-time specifications.

Prior to writing a specification, it is advisable to obtain an existing specification which can provide ideas and examples for Williamson County's needs. Specifications can be obtained from other governments, professional trade associations, professional purchasing associations and user knowledge.

Specification libraries that are available include:

Texas Comptroller of Public Accounts at:

<http://www.window.state.tx.us/procurement/pub/specifications-library/>

General Services Administration, Federal Supply Service – Specifications Section found at: [www.gsa.gov](http://www.gsa.gov)

Texas Department of Transportation Standard Specification Index located at: [http://www.dot.state.tx.us/gsd/purchasing/tssi\\_alpha.htm](http://www.dot.state.tx.us/gsd/purchasing/tssi_alpha.htm)

National Institute of Governmental Purchasing (contact the Purchasing Department for assistance as this is available to members only) at: <http://www.nigp.org/>

An effective specification should be:

- **Simple**: Avoid unnecessary detail but be complete enough to ensure that requirements will satisfy their intended purpose.
- **Clear**: Use terminology that is understandable to the department and bidders. Use correct spelling and appropriate sentence structure to eliminate confusion. Avoid legal jargon and acronyms whenever possible.
- **Accurate**: Use units of measure compatible with industry standards. All quantities and packing requirements should be clearly identified.
- **Competitive**: Identify at least two commercially available brands, makes, or models (whenever possible) that will satisfy the intended purpose. Avoid un-needed "extras" that could reduce or eliminate competition and increase costs.
- **Flexible**: Avoid very inflexible specifications, which prevent the acceptance of a bid that could offer greater performance for fewer dollars. Use approximate values such as dimensions, weight, speed, etc. (whenever possible) if they will satisfy the intended purpose. If approximate dimensions are used, it should be within a 10 percent rule of thumb unless otherwise stated in the specifications.

## SECTION 4

### REQUISITIONS

#### A. General Information

A requisition is an automated form generated by a Department/Office in the County Oracle System that requests (authorizes) the Purchasing Department to enter into a contract with a vendor to purchase goods or services using the requestor's budget.

Williamson County uses an automated requisitioning system, referred to as Oracle. Based on pre-established budget line items, the user department enters requisitions into Oracle. Adequate budget funds must be available in the departmental line items before the Purchasing Department can purchase the requested goods or services. Manual requisitions and purchase orders are not acceptable.

Requisitions should fully describe to the Purchasing Department what to buy, when it is required, and where the goods are to be delivered or the services to be performed. Different types of information are required depending on the type of goods or service requested.

- Department gathers necessary information to enter requisition into Oracle with complete, accurate information;
- Department approver approves requisitions which, depending on the amount or type of purchase, may require additional approvals from other departments (may include IT, Wireless, Project or Grant Auditor, Budget Office, County Judge);
- If at any time during the requisition routing process incorrect or incomplete information is detected by an approver, requisition will be returned to the originator for correction;
- The Purchasing Department verifies requisition for legal compliance with Purchasing law and County policies and creates Purchase Order;
- The Purchasing Department processes Purchase Order, and depending on the amount, may route through an approval workflow (Purchasing staff has different levels of approval depending on position and/or experience);
- The Purchasing Department electronically submits Purchase Order to vendor.

Specific instructions on entering requisitions into Oracle are not covered in this manual. The user department can contact the Purchasing Department for training.

There are three basic types of requisitions for processing: routine, priority (expedited) and emergency.

**Routine requisitions:** These requisitions are for routine, repetitive, low dollar items and are processed using normal procedures. Purchase orders and contracts are routine types of purchases. Routine requisitions are normally processed within twenty-four (24) hours of arriving in the purchasing queue. Processing may be extended if

incomplete documentation was provided by the End-user and further clarification must be obtained.

**Priority (expedited) requisitions:** These requisitions are given a degree of precedence over other requisitions.

**Emergency requisitions:** These are for emergency purchases that meet the definitions outlined in the statute (Texas Local Government Code, §262.024(a) (1)).

**Requisition Timeline:** Routine requisitions will be processed within twenty-four (24) hours. Priority and Emergency Requisitions will be processed as quickly as possible to receive item(s) and/or service(s) in a timely manner. Processing time may be extended due to requisition complexity or researching the requested item(s) and/or service(s).

**Commodity Code(s):** Requisitions will be required to identify a “commodity code.” Commodity Codes are standard classification codes for products and services used to detail where money is spent within the County. Williamson County utilizes the National Institute of Governmental Purchasing (NIGP) 5-digit commodity code system to track Countywide bidding thresholds.

## **B. Routine**

### **1. Contract Items**

This is a requisition submitted to order contract goods or services from an existing Williamson County contract, Cooperative Purchasing contract or Interlocal Agreement with another agency. Before entering a requisition, the Department must research and identify certain information that must be included in the requisition. Contact the Purchasing Department for information regarding contract item description, pricing, and availability. This information is critical to ensure that the correct item is ordered **Non-Contract Items (Off-contract purchase requisition).**

### **2. Non-Contract Items (Off -contract purchases)**

This is a requisition submitted to order goods or services where there is not a previously competitively bid contract, whether through a County bid or purchasing cooperative. The requisition will become a Purchase Order contract specifying the exact terms and conditions. Before entering a requisition, the Department must research and identify certain information that must be included in the requisition. This information is critical to ensure that the correct item is ordered.

## **C. Purchases not requiring a Purchase Order**

In most instances, purchases should be made using an on-line requisition; however, there are specific types of purchases where the use of an on-line requisition is not efficient or effective.

Per TLGC 113.90, the County must issue a requisition for materials and supplies prior to the purchase being made. Additionally, it is County Policy that a Purchase Order is required prior to a purchase for all procurement of goods (other than materials and

supplies) or services. This is to ensure that commodities can be monitored so the County does not exceed the \$50,000 bidding threshold (TLGC 262.023).

Exceptions to the Purchase Order requirement where a Purchase Order is not required or must be entered after the purchase was made, are as follows:

- A Purchase Order is not required for:
  - Purchases on a Procurement Card (see Procurement Card (P-Card) policy);
  - Postage (except for rental/lease fees for postage machines);
  - Travel and/or Training;
  - Shipping (if not included on Purchase Order);
  - Bonds;
  - Subscriptions/Publications (non-software purchases, to include Internet subscriptions);
  - Notary Fees;
  - Certifications and Memberships;
  - Utilities (i.e. Electricity; Natural Gas; Water; Sewage; Broadband Internet, both fixed-line and mobile; Telephone and Cable Service; etc.);
  - Tort Claims;
  - Health Benefits Payments;
  - Court related Fees;
  - Risk Management Premiums;
  - Appraisal district fees;
  - Indigent Assistance (Rent/Utilities, Court-appointed attorneys, etc.);
  - Licenses and Permits;
  - Refunds;
  - Employee Reimbursements (Reimbursement Form must be submitted to the Auditor's Office with proper documentation);
  - Court-Appointed Attorney Fees and related expenses, Professional Services mandated by the Court, Investigative Services, Psychological Evaluations, Transcription services (to include Transcripts), Substitute Court Reporters, Statement of Facts, Interpreter Services, Guardianship and Ad item expenses;
  - Professional Services (as per TGC 2254) **NOTE:** non-bond funded expenditure where PSAs cross the County fiscal year still require Purchase Orders.
- A Purchase Order may be entered after the purchase was made:
  - Repair services at the time the service is performed (i.e. equipment repairs, vehicle repairs etc., includes purchase and/or replacement of any parts);
  - Goods and Services purchased during an Emergency (i.e. public calamity) - **NOTE:** a purchase order must be entered **as soon as possible**, after the purchase was made **and** the purchase must be exempted during the next possible Commissioners Court meeting;

Purchases for supplies and materials for which a purchase order was not issued prior to the purchase, must be approved by the County Judge. Please complete the *County Judge Approval Form* located on the Auditor's Portal for these purchases.

## SECTION 5

### NEGOTIATED OR NON-BID PURCHASES

#### A. Items Less than \$50,000

- **Commodity Purchases** exceeding \$5,000 and below \$50,000 are generally requested via purchase requisition. Three (3) written quotes must be obtained, evaluated and provided as backup with the purchase requisition, by the End-user Department, unless items are listed on a Purchasing Cooperative or purchased through an Interlocal Agreement (ILA) approved by the Williamson County Commissioners Court. End-users are still encouraged to ensure that the purchase provides the best value to the County. Commissioners Court approval is not required unless the accompanying documentation requires a signature by the County.
- **Purchases of services** exceeding \$5,000 and below \$50,000 are generally requested via purchase requisition. Three (3) written quotes must be obtained, evaluated and provided as backup with the purchase requisition, by the End-user Department. If a purchase is over \$5,000 the Legal Department may require, depending on the risk, that a service agreement be issued. In most cases the vendor's service agreement can be utilized with slight revisions made by the County's Legal Department. Any service agreements must be approved by the Commissioners Court.

#### B. Items less than \$5,000

Commodity purchases under \$5,000 should be bought using a Procurement Card (P-Card). In the event the Department doesn't have a P-Card, Department will submit a Requisition for the purchase. This may include verifying the department recommended vendor and the vendor's pricing and delivery methods as well as ensuring that the purchase is legal. Purchasing Department staff will assist Departments and Offices with product goods/services and vendor search when necessary. Purchasing Department staff, after verifying all information within the Requisition, will issue the Purchase Order without further competition.

P-Cards allow organizations to procure goods and services in a timely manner.

#### C. Items Over \$50,000

For items that exceed \$50,000, one of the following methods must be used.

- Use of other local government contracts or cooperative agreements.
- Invitation For Bids/Request For Proposals or other Alternative Delivery Method.

All items above \$50,000 requiring a competitive bidding process are advertised on the Williamson County electronic bidding Portal BidSync at [www.bidsync.com](http://www.bidsync.com).

The Purchasing Department will use the backup provided in the specifications to develop the materials and competitively solicit a bid or proposal.

Departments are also encouraged to utilize the BidSync Quick Quote feature to allow for easier access by the general public to procurement opportunities under \$50,000.

#### **D. Emergency Purchases**

Emergency purchases are authorized in extremely limited circumstances. The purchase of any goods or services needed because of an emergency condition shall comply with the provisions of the Texas Local Government Code, §262.024(a) (1), which allows the Commissioners Court to exempt procurement (from the presumption of bidding but not from obtaining necessary, although expediated, approvals) for an emergency defined as:

- an item that must be purchased in a 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;
- an item necessary to preserve or protect the public health or safety of the residents of the County; or
- An item necessary because of unforeseen damage to public property.

Depending upon the time of the emergency and type of purchases necessary, one of the following procedures should be followed in accordance with County policy:

- If an emergency situation arises in which materials or services must be purchased and obtained without administrative delay, emergency purchasing may be authorized.
- The decision-making process will be conducted on an individual case basis by the Purchasing Agent using an emergency purchase request form.
- End users must still identify funding sources and work within a set budget

#### **Process**

- The department head experiencing the emergency should contact a vendor who can furnish the supplies/services immediately and obtain the price.
- The department head should then contact the Purchasing Department for approval, specifying the details of the situation, the vendor contacted, and the cost of the materials or services.
- The department head or designated employee must submit a requisition to the Purchasing Department before a Purchase order can be issued.
- If the emergency purchase is approved, the Purchasing Department may promptly research other known sources for availability or prices. If the suggested vendor is found to be the best, all factors considered, the Purchasing Department will issue the Purchase Order to the vendor. The

- requesting department will work with the vendor on the delivery of the items/services.

All emergency exemption orders must be processed through the Purchasing Department.

For items less than \$50,000, the Purchasing Agent may authorize any action to be taken, including using the P-Card for an emergency. The Purchasing Agent may allow the P-Cards to be increased to cover emergency purchases.

For items that exceed \$50,000, the Purchasing Department will submit the and agenda item for Commissioners Court approval.

In all instances where an emergency purchase is necessary, the Department Head or Elected Official of the requesting department must provide adequate confirmation justifying that the purchase is an emergency which may require additional approval from Legal, Auditor and/or a member of the Commissioners Court.

For after-hours (Monday through Friday, before 8 a.m. and after 5 p.m., nights, holidays and weekends) emergency purchases, the Department should email or call the Purchasing Agent. On the first working day after the emergency purchase, the Department shall enter a requisition or if using a P-Card, provide the required receipts and provide written documentation to the Purchasing Agent concerning the details of the emergency purchase.

Failure to promptly notify the Purchasing Department and input a requisition for the emergency could affect the County's ability to approve the claim for payment.

#### **E. Discretionary Exemption Purchases**

Section §262.024 of the Texas Local Government Code list procurements that may be exempted from competitive bidding requirements:

- items for which competition is precluded because of the existence of patents, copyrights, secret processes or monopolies;
- films, manuscripts, or books;
- electric power, gas, water and other utility services;
- captive replacement parts of components for equipment;
- vehicle and equipment repairs.

By law, sole source goods and services require a signed statement from the Purchasing Agent as to the existence of only one source, specifically noting which type of listed sole source good or service is being purchased. The statement will be submitted for acceptance by Commissioners Court and must be reflected in the Court's meeting minutes.

The sole source process requires for the requesting department to submit various documents such as:

- Sole Source Justification;
- Written quote from vendor;
- Letter of justification from the vendors on company letterhead and signed by an authorized representative establishing why they are a sole source;
- Notarized sole source affidavit completed by the vendor;
- Signed letter of recommendation from the requesting Department Head/County Official;
- If Technology related purchase, written approval from IT;
- If Human Resources related purchase, written approval from HR.

Upon receipt of the documents and determination that a sole source purchase is justified, an RFI is posted in BidSync publicly for 14 days by the Purchasing Department to inform vendors of the intent to award a sole source purchase. If no vendors responses are received, the Purchasing Agent creates a sole source certification letter which must be approved by the Commissioners Court.

#### **F. Procurement Card Purchases**

In accordance with Texas Local Government Code §262.011(l), the County Purchasing Agent may have assistants to aid in the performance of the Agent's duties. Any person who is authorized by the County Purchasing Agent to use a County Purchasing Card (P-Card) while making a County purchase is considered an assistant of the County Purchasing Agent to the extent the person complies with the rules and procedures prescribed for the use of County Purchasing Cards as adopted by the Purchasing Agent.

Williamson County provides the P-Cards for immediate access to goods and/or services and to expedite the traditional requisition process. Those individuals who have been issued P-Cards (Cardholders) may initiate a transaction within the limits of the P-Card policy and receive goods or services.

The Purchasing Agent has designated a Procurement Card Administrator as Williamson County's Coordinator for the Procurement program who assigns, determines usage and control of the Procurement Cards. The Procurement Card Program Administrator shall also maintain all records of P-Card requests, dollar limitations, Cardholder transfers and any lost/stolen/destroyed P-Card information.

Detailed information about usage of the P-Card can be found in the Procurement Card Manual on SharePoint Purchasing portal located at

<https://wilco365.sharepoint.com/purchasingportal/Pages/PurchasingPortal.aspx>

## SECTION 6

### COMPETITIVELY BID PURCHASES

#### A. Competitive Bidding and Proposals

Competitive bids and competitive proposals are utilized to stimulate competition, prevent favoritism, and secure the best services and supplies, at the lowest and best price so public monies are spent properly and legally.

Additionally, the competitive bid or proposal process is used to provide those vendors qualified and responsible, who desire to do business with the County, fair and equitable treatment.

Texas Local Government Code §262 which outlines the following general requirements for formal sealed bids for purchases exceeding \$50,000:

- IFBs and RFPs are advertised based on the County's specifications and conditions of purchase (outlined in the solicitation) at least once a week in a newspaper of general circulation, with the first advertisement date occurring at least 14 days before the specified opening date.
- The County's specifications (solicitations) stipulate the date and hour bids or proposals are received. **After that date and time, no further bids or proposals are accepted.**
- Vendors are encouraged to submit an electronic response through BidSync. Hardcopy responses will be accepted. **It is the responsibility of the vendor to test any system for submission of an electronic bid or proposal prior to the deadline for submission of responses.**
- The solicitations are opened and read aloud at the specified date and hour and submitted to an evaluation team; the selected vendor is recommended to the Commissioners Court for award. Generally, the lowest responsive bid or proposal representing the best value is accepted, but only one bid or proposal may be awarded, unless the solicitation notes that multiple awards will be made.
- If no bid or proposal is acceptable, the entire bidding process may be repeated or terminated.

The term "Formal Competitive Bidding" generally applies to public purchasing which requires approval of the contract by the Commissioners Court when the solicitation process complies with either:

- Texas Local Government Code, section 262.023; or
- Texas Government Code, Chapter 2269, Subchapter C.

Williamson County uses BidSync for scheduling, maintaining, and analyzing bidding events.

Williamson County's BidSync portal is a web interface that allows registered suppliers to bid on solicitations, control event notification settings, and view bid history.

This process provides all bidders the opportunity to bid on the same items on equal terms and have bids or proposals evaluated according to the same standards as set forth in the specifications and required by statute.

#### **B. Competitive Bidding General Requirements:**

- Sealed bids are solicited through an Invitation for Bid (IFB) for contracts expected to exceed \$50,000. The IFB is the document used to solicit bids from vendors in response to the County's specifications and contractual terms and conditions.
- The awarded IFB, and in some cases the IFB and an ensuing agreement, (signed by the County Judge) form the contract between Williamson County and the vendor.
- Competitive Bids cannot be negotiated. Price is generally the sole determining factor (with a few exceptions) for a contract to be awarded if the vendor's product or services meet the requirements of the specification.
- The IFB method is the preferred method for procuring goods and non-personal services. It is used when the requirement can be clearly defined, is readily available, and is an off-the-shelf type of requirement.

#### **C. Competitive Proposals General Requirements:**

- Sealed Proposals are used to procure insurance, high technology items, landscape maintenance, travel management and recycling services.
  - "High technology" goods or services means goods or services of a highly technical nature, including: data processing equipment and software and firmware used in conjunction with data processing equipment; telecommunications, radio and microwave systems; electronic distributed control systems, including building energy management systems; and technical services related to those goods and services.
- RFPs must be advertised in the same manner prescribed for competitive bidding.

While the competitive proposal (RFP) process is similar to the competitive bidding (IFB) process, there are notable differences:

- The RFP uses performance standards rather than the description of the goods or services and specifies the relative importance of price and other factors used to evaluate the proposal.

- Vendors submit unique proposals to meet the requirements outlined in the RFP. Proposals may incorporate entirely different approaches to accomplish the same performance. After proposals are received, the County may communicate or seek clarification with as many suppliers that are deemed “responsive” to find the best possible proposal from each supplier and award to those suppliers.
- RFP results in a negotiated contract.
- Cost is not the only determining evaluation factor, however, its relative importance to other evaluation factors must be specified in the RFP and considered in recommending the award.
- Proposals received are opened publicly but the contents are not disclosed until the award.
- Proposal contents that are trademarked or proprietary may remain confidential pursuant to the Texas Public Information Act.

In addition to the items outlined in §262.030 above, proposals are often used to procure professional or personal services as defined by the Professional Services Procurement Act (Chapter 2254 of the Government Code). It is permissible to use a competitive proposal to obtain qualifications and rates charged for professional/personal services from interested professionals. However, the County must meet the requirement specified in Chapter 2254 that “a governmental entity may not select a provider of professional services or award a contract for the services on the basis of competitive bids . . .”

#### **D. Invitation For Bid (IFB) / Request For Proposals (RFP) Process**

This section of the Manual outlines the steps needed to process sealed bids and proposals. Since many of the steps are similar, the description will be combined.

The IFB/RFP process consists of the following:

- IFB/RFP Preparation;
- Bid/Proposal Receipt and Opening;
- Bid/Proposal Evaluation;
- Negotiation (RFP only);
- Contract Award.

Each stage has specific requirements, many of which are required by law and are discussed briefly in this section of the Manual.

## **1. Solicitation Process**

The IFB/RFP preparation begins with the submission of a IFB/RFP/RFQ worksheet in addition to a specification outlining the item(s) and/or services that a Department wishes to procure. The specification is developed and submitted to the Purchasing Department as outlined in Section 3 of this Manual. The Purchasing Department will work with the Department to ensure that it is as open and competitive as possible. When the specification is finalized, the Purchasing Department will assemble it into an IFB or RFP.

The main difference between a specification for an IFB and an RFP is that the IFB specification will describe an item; whereas in an RFP, the specification will be in terms of performance and will often include a statement of work to be performed.

## **2. Advertisement of Solicitation**

By law, the County must advertise the solicitation for competitive purchases in a newspaper of general circulation in Williamson County. The first advertisement must occur a minimum of 14 days before the bid/proposal opening date specified in the solicitation. The newspaper advertisement must include:

- The specifications describing the services to be purchased, or a statement of where the specifications may be obtained;
- The time and place for receiving and opening bids/proposals and the name and position of the employee to whom the bids/proposals are sent;
- Whether the bidder should use lump-sum or unit pricing;
- The type of bond required of the bidder; and
- The method of payment by the County.

IFBs and RFPs are publicly posted on the Williamson County BidSync portal at: [www.bidsync.com](http://www.bidsync.com)

During the solicitation period, the County may hold a pre-bid (pre-proposal for RFPs) conference to discussing solicitation requirements and answering questions of prospective bidders (Respondents). The Purchasing Department supervises the pre-bid (pre-proposal) conference and the Department is asked to provide staff to attend the conference and answer technical questions. The solicitation may be amended during this period based on clarifications and answers to questions from the pre-bid (pre-proposal) conference. Amendments will be posted on the BidSync Portal.

## **3. Bid/Proposal Receipt and Opening**

Bidders may electronically submit sealed bids/proposals as described in the solicitation. Electronic sealed bids/proposals are preferred; however hard copy bids/proposals will be accepted by the Purchasing Department and are stamped with the date and time received. The Time Stamp Clock in the Purchasing

Department serves as the official time clock for identifying the date and time bids/proposals were received in the Purchasing Department. The bidder (Respondent) must submit the bid/proposal by the date and time specified in the solicitation to be accepted. Late bids/proposals are not accepted and are returned unopened to the bidder.

**Bids:** According to Texas Local Government Code §262.026, the County official who makes purchases for the County shall open the bids on the date specified in the notice. Sealed bids will be opened publicly by the Purchasing Department and will be documented. The date specified in the notice may be extended by the Purchasing Agent. A bid that has been opened may not be changed to correct an error in the bid price.

In accordance with Texas Local Government Code §262.0235, electronic responses to solicitations is permitted based on adopted rules by Commissioners Court. Electronic response information is provided through BidSync.

**Proposals:** In accordance with Texas Local Government Code §262.030, proposals shall be opened so as to avoid disclosure of contents to competing offerors and be kept secret during the process of negotiation. All proposals that have been submitted shall be available and open for public inspection after the contract is awarded, except for trade secrets and confidential information contained in the proposals and identified as such. In the event that a request for disclosure of identified trade secrets and/or confidential information is received by Williamson County, the Proposer shall be notified of the request. It is the responsibility of the Proposer to assert any exceptions to disclosure directly to the Office of the Texas Attorney General.

#### **4. Bid / Proposal Evaluation**

**Bids:** The End-user Department will evaluate all bids with assistance from the Purchasing Department and a joint recommendation will be made to Commissioners Court. A recommendation letter and any other documentation from the Department will be submitted with the agenda request. The Purchasing Department will be responsible for placing the item on the Commissioners Court agenda.

Bids will be evaluated based on the following factors: (1) the relative prices of the bids, including the cost of items such as repair and maintenance (heavy equipment) or delivery and hauling (road construction materials); (2) compliance of goods and services offered with specifications; and (3) the responsibility of the vendor, including the vendor's safety record if Commissioners Court has adopted a definition of safety that is included in the bid, and the past performance of the vendor.

When the lowest priced bid is not the best bid, the requesting Department works with the Purchasing Department to develop and document clear justification for not selecting the lowest bidder. This documentation must be presented to the Commissioners Court for their approval.

**Proposals:** The Purchasing Department facilitates/supervises the evaluation process performed by the user department and/or committee. Evaluators shall use the evaluation factors and the points and/or weights specified in the RFP in evaluating the proposals. Typical evaluation factors include:

- Quality, availability, and adaptability of the supplies, materials, equipment, or contractual services to the particular use required;
- Number and scope of conditions attached to the respondent's proposal;
- Ability, capacity, and skill of the respondent to perform the contract or provide the service required;
- Whether the respondent can perform the contract or provide the service promptly, or within the time required, without delay or interference;
- Character, responsibility, integrity, reputation, and experience of the respondent;
- Quality of performance of previous contracts or services;
- Any previous or existing noncompliance by the respondent with specification requirements relating to information;
- The sufficiency of the financial resources and ability of the respondent to perform the contract or provide the service;
- The ability of the respondent to provide future maintenance, repair parts, and service for the use of the contract;
- Personnel Qualifications;
- Demonstrated corporate experience and qualifications in performing work outlined in RFP; and
- Cost.

Additional general best value evaluation factors:

- Installation costs;
- Life cycle costs;
- Quality and reliability of the goods and services;
- Indicators of probable vendor performance under the contract such as past vendor performance, the vendor's financial resources and ability to perform, the vendor's experience or demonstrated capability and responsibility, and the vendor's ability to provide reliable maintenance agreements and support;
- Cost of any employee training associated with purchase;
- Effect of a purchase on agency productivity;
- Vendor's anticipated economic impact to the state or a subdivision of the state, including potential tax revenue and employment; and
- Factors relevant to determining the best value for the state in the context of a specific purchase.

## **5. Negotiations / Best and Final Offer (BAFO)**

The Purchasing Department will supervise all negotiations. Any negotiations with offerors should be coordinated with the Purchasing Department. Departments negotiating directly may jeopardize the progress of the County evaluation committee.

All offerors must be accorded fair and equitable treatment with respect to any opportunity for discussion and revision of proposals and submittal of a “Best and Final Offer” (BAFO).

After the negotiations are complete, the assigned Purchasing Department staff (in limited situations) may request the qualified offerors to submit a BAFO by a specified date and to a specified location. Based on the negotiations, the BAFO must allow the offeror to:

- Modify the initial offer;
- Update pricing based on changes the User department/County has made; and
- Include any added inducements that will improve the overall score in accordance with the evaluation plan of the RFP.

## **6. Contract Award**

### **Bids**

In accordance with Local Government Code, §262.027, the Purchasing Agent shall recommend contract award to Commissioners Court. Commissioners Court may approve the recommendation, consider another recommendation or reject all bids and authorize the Purchasing Agent to re-bid the goods and/or services.

Chapter 262.027 further specifies that if two responsible bidders submit the lowest and best bid, the Commissioners Court shall decide between the two by drawing lots in a manner prescribed by the County Judge.

In addition, a contract may not be awarded to a bidder who is not the lowest priced bidder meeting specifications unless, before the award, each lower bidder is given notice of the proposed award and is given an opportunity to appear before the Commissioners Court and present evidence concerning the lower bidder's responsibility.

### **Proposals**

The final stage is to request the approval of a contract for award from Commissioners Court. The Purchasing Agent will present the contract for award to the Commissioners Court for approval.

## SECTION 7

### COOPERATIVE PURCHASES

#### **A. Explanation and Law**

Texas statute authorizes local governments to participate in cooperative purchasing programs to increase efficiency in the purchasing process, generate cost savings through aggregated purchasing volume, and reduce administrative costs.

The Interlocal Cooperation Act (Texas Government Code Chapter 791) allows local governments to contract with and between each other to provide governmental functions and services, and to join in contracting with others to provide goods and services through an interlocal or cooperative purchasing agreement.

Each interlocal agreement must be approved by the Commissioners Court. The County participates in the purchasing programs of various local, state, and national purchasing cooperatives.

#### **B. Examples of Purchasing Cooperatives**

- Texas Association of School Boards (BuyBoard)
- Houston Area Council of Governments (HGAC)
- The Cooperative Purchasing Network (TCPN)
- National Joint Powers Alliance (NJPA)
- Texas Interlocal Purchasing System/Texas-Arkansas Purchasing System (TIPS/TAPS)
- Purchasing Solutions Alliance (PSA)
- US Communities
- Choice Partners
- TXSmart Buy/TXMAS/TPASS
- Texas Department of Information Resources (DIR)
- General Services Admission (GSA)
- Tarrant County Cooperative Purchasing Program
- Interlocal agreements with various governmental agencies:
  - Cities: Austin, Cedar Park, Ft. Worth, Georgetown, Leander, Round Rock
  - Counties: Bastrop, Brazoria, Denton, Fort Bend, Hood, Montgomery, Tarrant, Tom Greene
  - Other: Montgomery County Hospital District

Before requesting Commissioners Court approval of an Interlocal Agreement, purchasing cooperatives are vetted by the Purchasing and Legal Department to ensure they comply with the County's legal requirements as prescribed by Texas law.

## SECTION 8

### CONSTRUCTION

#### A. Introduction

Section §262.011 (e) of the Texas Local Government Code states that "The County Purchasing Agent shall supervise all purchases made on competitive bid..."

Section §271.055 of the Texas Local Government Code Subchapter B (Notice to Bidders):

(a) An issuer must give notice of the time, date, and place at which the issuer will publicly open the bids on a contract for which competitive bidding is required by this subchapter and read the bids aloud. The notice must be given in accordance with Subsection (b) or in accordance with: The County Purchasing Act (Subchapter C, Chapter 262), if the issuer is a County.

If an issuer gives notice under this subsection, the notice must:

Be published once a week for two (2) consecutive weeks in a newspaper, as defined by Subchapter C, Chapter 2051, Government Code, that is of general circulation in the area of the issuer, with the date of the first publication to be before the 14<sup>th</sup> day before the date set for the public opening of the bids and the reading of the bids aloud; and

State that plans and specifications for the work to be done or specifications for the machinery, supplies, equipment, or materials to be purchased are on file with a designated official of the issuer and may be examined without charge.

Construction procurements may use the IFB format and process or any other alternative delivery method allowed by Government Code 2269. The alternative delivery methods include Competitive Sealed Proposal, Design Build, and Construction Manager at Risk. There is however, more emphasis on the following items:

- Bonding Requirements;
- Safety Records; and
- Prevailing Wage Labor Rates.

## **B. Process**

The Process followed for construction IFBs is similar to other IFBs with some notable exceptions that are discussed below.

### **1. Preparation of Documents**

The Department will prepare IFB/RFP/RFQ worksheet along with the description of the proposed project that includes items such as specifications, drawings, surveys, etc. The Purchasing Department will review all documents and provide comments for incorporation into the final documents.

The Department will work with the Purchasing Department to coordinate the issue date, pre-bid conference date and opening date.

The Purchasing Department releases the advertisement to the newspaper and posts the bid to the BidSync website.

The project manuals and drawings associated with construction bids are extensive documents and uploaded to the BidSync website. The contractor may download these documents from BidSync.

### **2. Advertisement**

According to Local Government Code §271.025, the County must advertise for bids and the advertisement must include a notice that:

- describes the work;
- states the location at which the bidding documents, plans, specifications, or other data may be examined by all bidders; and
- states the time and place for submitting bids and the time and place that bids will be opened.

The advertisement must be published at least twice in one or more newspapers of general circulation in the County or counties in which the work is to be performed. The first publication must be on or before the 14th day before the first date bids may be submitted.

### **3. Award**

The Purchasing Agent will present the recommendation to the Commissioners Court. Once the award is approved, the Purchasing Department coordinates preparation of award documents.

### **C. Procurement of Architect / Engineering / Land Surveying Services - Request for Qualifications**

The Professional Services Procurement Act (Government Code 2254) requires that architect, engineering and land surveying services be procured using a two-step process. According to the Act, the entity (County) shall:

- first select the most highly qualified provider of those services on the basis of demonstrated competence and qualifications; and
- then attempt to negotiate with that provider a contract at a fair and reasonable price.

If a satisfactory contract cannot be negotiated with the most highly qualified provider of architectural, engineering, or land surveying services, the entity shall:

- formally end negotiations with that provider;
- select the next most highly qualified provider; and
- attempt to negotiate a contract with that provider at a fair and reasonable price.

The entity shall continue the process to select and negotiate with providers until a contract is entered according the Williamson County Professional Services Act as mandated by the Auditor's Office.

The Road and Bridge Department or Facilities Department develops the Request for Qualifications (RFQ). The RFQ document generally contains the following sections:

- General Information outlining the purpose of the RFQ, identifying the issuing office, describing the problem and defining the County's expectations for the selected service provider;
- Submittal of Statement of Requirements that identifies the conditions for submittal of a Statement of Qualifications (SOQ) including the number of copies required, date required and format, provisions related to preparation of the SOQ, date and time of pre-RFQ conference, how addenda will be issued, format requirements and process to be followed in accepting the SOQ;
- Qualifications providing a detailed description of the types of tasks that the selected vendor is expected to perform and the requisite qualifications to perform the tasks;
- Timeline for procurement with anticipated procurement milestone and project start dates;
- Information Required from Service Provider outlining the specific format and content to be used in submitting the SOQ; and
- Selection Criteria that defines the criteria that will be used to evaluate the SOQ. Cost cannot be used as selection criteria.

Respondents are encouraged to submit their SOQs into BidSync. Sealed SOQs can be submitted to the Purchasing Department. Under the supervision/facilitation of the Purchasing Department, an evaluation committee will evaluate and conduct possible interviews. The Road and Bridge or Facilities Department will conduct negotiations and once a contract has been reached, the Purchasing Department will prepare the agenda request for Commissioners Court approval to award the contract.

#### **D. Alternative Delivery Methods for Construction Projects**

In accordance with Government Code §2269; **Contracting and Delivery Procedures for Construction Projects: Construction Manager-Agent**. A governmental entity may use the construction manager-agent method for the construction, rehabilitation, alteration, or repair of a facility; a governmental entity using the construction manager-agent method may, under the contract between the governmental entity and the construction manager-agent, require the construction manager-agent to provide administrative personnel, equipment necessary to perform duties under this section, and on-site management and other services specified in the contract. A construction manager-agent represents the governmental entity in a fiduciary capacity.

In accordance with Government Code §2269; **Construction Manager at Risk (CMAR)** methods may be used. The governmental entity shall select or designate an engineer or architect who shall prepare the construction documents for the project and who has full responsibility for complying with Chapter 1001 or 1051, Occupations Code, as applicable. §2269; the governmental entity shall select the construction manager-at-risk in either a one-step or two-step process.

In accordance with Government Code §2269; **Design-Build Contracts for Facilities**, a governmental entity may use the design-build method for the construction, rehabilitation, alteration, or repair of a facility. The governmental entity shall prepare a request for qualifications that includes general information on the project site, project scope, budget, special systems, selection criteria, and other information that may assist potential design-build firms in submitting proposals for the project. The governmental entity shall evaluate statements of qualifications and select a design-build firm in two phases: (1) the governmental entity shall prepare an RFQ and evaluate each Offeror's experience, technical competence, and capability to perform, the past performance of the submitted by the team or firm in response to the RFQ, except that cost-related or price-related evaluation factors are not permitted. (2) the governmental entity shall evaluate the information submitted by the offerors based on the selection criteria stated in the RFQ and the results of an interview.

#### **E. Wage Rate Determination**

Wage determinations for construction projects shall be verified in accordance with the Davis Bacon Act at the following link: <http://www.wdol.gov/> . The construction wage rates are determined by job project and title.

## **SECTION 9**

### **PROFESSIONAL AND PERSONAL SERVICES**

#### **A. Request for Qualifications (PROFESSIONAL SERVICES)**

The Professional Services Procurement Act (Chapter 2254 of the Texas Government Code) applies to acquisition of the following services: accounting; architecture; landscape architecture; land surveying; medicine; optometry; professional engineering; real estate appraisal; or nursing.

Award of a contract for these professional services may not be based on competitive bids but rather on the basis of demonstrated competence and qualifications, and a fair and reasonable price. A Request for Qualifications (RFQ) is the normal course to consider for Professional Services.

#### **B. Requests for Proposals for Professional and Personal services**

The Purchasing Department processes RFPs for professional and personal services. The difference between this and regular RFPs is whether the professional service is one of those defined in Government Code 2254 Professional and Consulting Services. According to 2254, Professional Services are accounting, architecture, landscape architecture, land surveying, medicine, optometry, professional engineering, real estate appraising and professional nursing. The contract shall be awarded based on demonstrated competence and qualifications for a fair and reasonable price.

## SECTION 10

### **FEDERALLY-FUNDED PROCUREMENT PROJECTS**

#### **A. Grants**

Grants are administered via written contract between the County and the granting authority. Texas Government Code section 2261.002 (1) includes grants in its definition of a contract for which the recipient of the grant is required to perform a specific act or services, supply a specific type of product, or both.

#### **B. Supplies, Equipment and Services**

All procurement of supplies, equipment and services utilizing Federal Funds (e.g., Federal Grant or Contract) shall be made in accordance with all applicable federal rules and regulations such as the Federal Acquisition Regulations (FAR), Federal Office of Management and Budget (OMB) Circular A-102, and OMB Circular A-110. The user department is responsible for providing the Purchasing Agent a copy of all procurement requirements in the grant document in a timely manner.

#### **C. SAMS (System for Awards Management)**

All vendors, prior to award with federal funds, are “required” to be searched with the Excluded Parties List System also known as System for Awards Management (SAMS) at the following link:

<https://www.sam.gov/portal/public/SAM/#1>

## SECTION 11

### **CONTRACT MANAGEMENT, ADMINISTRATION AND MODIFICATION**

#### **A. Contract Management**

This aspect of the procurement process is one of the most important and is frequently overlooked. The user department is on the “front line” and has the best capability to monitor and document contractor performance/compliance. To accomplish this, the following is recommended:

- Assign Department personnel who have frequent interactions with the contractor to monitor and document performance;
- Require assigned personnel to coordinate with the Purchasing Department to read and fully understand the contract requirements;
- Coordinate with the Purchasing Department as soon as possible after contract award to identify the types of non-performance and non-compliance to be documented and the documentation requirements. Documentation at a minimum should include the details of each instance of non-performance, such as: date, location, description of the non-compliance, how the vendor was notified of non-compliance and the name of the vendor’s representative who was notified. The Purchasing Department tracks vendor performance via the Vendor Performance Report (VPR) located on the internal SharePoint Purchasing Portal. Documentation received via the VPR will be documented in the vendor file.

All documentation of non-compliance must be shared with the Contract Specialist who is assigned to monitor all contracts for performance in collaboration with the user department. If there has been poor performance or non-compliance with the contract, the Contract Specialist will be responsible to initiate corrective action with the vendor. The Contract Specialist will also coordinate with the user department to document whether the terms of corrective action have been met.

The Contract Specialist will take all steps related to obtaining compliance with the contract but will consult with the Legal Department before taking any steps toward suspension or termination of the contract. The Contract Specialist will coordinate with the Legal Department on developing any letters, notices and other communication related to termination or suspension.

The objectives of contract management are to:

- Ensure the contract requirements are satisfactorily performed before payment;
- Properly discharge of the responsibilities of both parties;

- Identify any material breach of contract by assessing the difference between contract performance and material non-performance;
- Determine if corrective action is necessary and take action if required; and
- Resolve any disputes.

## **B. Contract Administration**

The statement of work is the guide for contract administration. Therefore, planning for contract administration occurs before issuance of the solicitation. Effective contract administration minimizes or eliminates problems and potential claims and disputes.

Good contract management ensures that the contract requirements are satisfied, that the goods and services are delivered in a timely manner, and that the financial interests of the County are protected.

The Contract Specialist is responsible for tracking all procurement related contracts and associated documents.

During the term of the contract, the awarded contractor must submit accurate progress payment information, to include payments made to its Subcontractor(s), Sub Supplier (s) or Sub Consultant(s), with each invoice submitted to the County for payment.

## **C. Contract Modifications**

According to Texas Local Government Code, §262.0305, after award of a contract, but before the contract is made, the Purchasing Agent, designated Purchasing employee or Project Manager may negotiate a contract modification if it is in the County's best interests, does not substantially change the scope of the contract or cause the contract amount to exceed the next lowest bid. The Commissioners Court must approve the modified contract for it to be effective.

The Commissioners Court may also make changes in plans, specifications or proposals after a contract is made or if it becomes necessary to increase or decrease the quantity of items purchased. The total contract price may not be increased unless the cost of the change can be paid from available funds.

The Commissioners Court has the authority to make change orders to a contract that involves an increase or decrease costing less than \$50,000. In certain circumstances however, the Commissioners Court designates a County employee (i.e. Project Manager) to approve change orders up to a certain amount but below \$50,000. The original contract price may not be increased by more than 25 percent (unless change is needed to comply with law or judicial decision) or decreased price by 18 percent or more without the contractor's agreement.

The Purchasing Agent will bring contract modifications to Commissioners Court for approval on all contracts executed through the Commissioners Court.

The Commissioners Court may approve modifications to contracts if the changes do not increase the contract price and are within the general scope of the contract including changes to any of the following:

- Drawings, designs, or specifications when the goods to be furnished are to be specially manufactured for the County in accordance with the drawings, designs, or specifications.
- Shipping or packing method.
- Delivery location
- Correction of administrative errors or other mistakes that do not affect the price or scope of the contract and that do not result in additional expense to the contractor.

## SECTION 12

### RECEIPT OF GOODS

#### **A. Verify Order**

Since the County does not have centralized receiving, Departments receive items. When a shipment is received, the employee receiving the shipment should perform the following steps:

- Open the shipment promptly (within 24 hours) and inspect the shipment;
- Verify that the order belongs to their Department by matching the Purchase Order number assigned in Oracle to the Purchase Order number on the delivery slip. If there is no purchase order number and it does not belong to your Department, the Purchasing Department may be contacted to help identify where it should be delivered;
- Compare the actual items and quantities delivered to the items and quantities on the delivery slip and match it with the items and quantities on the Purchase Order. Note any differences in quantity and any items that have been back ordered;
- Verify whether shipping (if charged) is applicable or not;
- If the item received is a fixed asset that must be tracked and reported, department(s) must contact the Auditor's Office so it can be added to the asset database.

If there are differences or items are back ordered, contact the vendor to resolve the issue. If there are no differences, receive all items and submit payment request to Accounts Payable. If there are issues with the order which cannot be resolved by the user department, involve the Purchasing Department for assistance.

#### **B. Damaged Goods**

When a shipment arrives, the user department must inspect the condition of all cartons. If freight is undamaged, the department receiving shipment should sign the freight bill. If freight is visibly damaged, the receiving Department must instruct the freight line driver to:

- Note the damage on the freight bill; and
- Sign the freight bill.

If there is concealed damage, save the shipping cartons so that the Purchasing Department can notify the freight line and request an "inspection and report of concealed damage." A receiving report noting the damage should be completed.

All boxes and packing materials should be kept in the event of visibly damaged and concealed damage freight shipments. Damaged freight must be reported to the freight line within 15 days after delivery. After 15 days, the freight line is no longer liable for the damage.

All goods not received properly or not in compliance with the contract should be documented and reported to the Purchasing Department as soon as possible so that the vendor can be notified and instructed as to corrective action.

Damaged goods should not be returned to the freight line, or the vendor, unless specifically requested to do so and then only if a claim has been filed or if authorization has been given by the vendor and/or the Purchasing Department.

## **SECTION 13**

### **FIXED ASSETS**

#### **A. General Information**

Texas Local Government Code Sec. 112.002 states that the County Auditor shall prescribe the system of Accounting for the County. Consequently, it is the responsibility of the County Auditor to create and maintain the Williamson County Asset Policy which is located at the County Auditor SharePoint Portal at the following link:

<https://wilco365.sharepoint.com/AuditorsPortal/SitePages/Home.aspx>

It is the responsibility of the Purchasing Agent, on July 1 of each year, to file with the County Auditor and each of the members of the Commissioners Court an inventory of all property on hand belonging to the County and each subdivision.

#### **B. Disposal of Salvage and Surplus Property**

The Texas Local Government Code 263.152 dictates the Disposition of Salvage and Surplus Property.

The Auditors Office handles a portion of the process, such as tracking of the assets and ensuring that the correct forms are sent to the Purchasing Department for placing transactions on the Commissioners Court agenda, if applicable, each week.

Texas Local Government Code subsection 262.011 (j) requires the County Purchasing Agent, with the approval of the Commissioners Court, to transfer County supplies, materials and equipment from a subdivision, department, officer or employee of the County that are not needed or used by another subdivision, department, officer or employee requiring the supplies or materials or use of the equipment. The County Purchasing Agent shall furnish to the County Auditor a list of the transferred supplies, material and equipment.

It is the responsibility of the Purchasing Agent, on July 1 of each year, to file with the County Auditor and each of the members of the Commissioners Court an inventory of all property on hand belonging to the County and each subdivision.

##### **1. Delegation of Authority for certain items**

The Purchasing Agent has been delegated authority by the Commissioners Court to transfer or dispose of the following items without having to return them to Commissioners Court for approval:

- Personal property (not real property);
- Items damaged beyond reasonable repair or which would be a hazard to the public if sold in an auction;
- Items which will be sold through auction or destroyed;
  - Disposable items (i.e. furniture, supplies),
  - Items of low value which would not generate any revenue if sold in auction.
- Trade-Ins (items traded in as a discount for a new asset or an asset which malfunctioned and was replaced by the manufacturer with the same item).

## **2. Items requiring Commissioners Court approval before disposal or transfer**

The following items are **not** included in the delegated authority given to the Purchasing Agent and will be sent through Commissioners Court for approval:

- Large or Capital Assets which may have a budgetary impact on the receiving department;
- Real Property;
- Vehicles;
- Computers, laptops, tablets or other technology related items;
- Large quantity of items (i.e. large number of furniture of the same kind, furniture collection of an entire office or building etc.);
- Donations;
- Lost or stolen items;
- Items requested by Commissioners Court.

This delegation of authority does not include abandoned property such as evidence or items from law enforcement investigations or legal cases which will be disposed of through a separate process administered by the Sheriff's Office. All items will be separately recorded according to their funding (i.e. General Fund items, Road and Bridge Fund items) to avoid comingling of budgeted funds.

## **3. Online Auction**

### **a. Procedure**

Williamson County utilizes GovDeals, Rene Bates, and PropertyRoom (Sheriff's Office only) as its online auctioneers. The Fleet Department processes auction requests for vehicles. The Warehouse Manager manages all other auction items except seized and stolen property which are handled by the Sheriff's Office.

Before each online auction the Purchasing Department advertises in the newspaper in accordance to TLGC 263.153. The remaining online auction process is handled by the Williamson County Warehouse staff.

**b. Advertising process**

When advertising for Auctions, Departments must first have a list of assets being auctioned to the Auditor's Office. The Fleet Department and the Warehouse which is part of the ITS department may assist in providing specifics to the items related to their area of responsibility. Following are instructions for advertisement:

The Warehouse auction runs for two (2) weeks beginning on Wednesday and ending on a Wednesday. As per Texas Local Government Code 263.153 - the Purchasing Department, under direction of the Commissioners Court, publishes a notice of sale of surplus or salvage property in at least one newspaper of general circulation in the County if the estimated value of surplus or salvage property exceeds \$500.

The notice is published after the 30<sup>th</sup> day but before the 10<sup>th</sup> day before the date of the sale.

For all property with the estimated value of not more than \$500 the requirement of publishing a newspaper advertisement is waived as the posting on the licensed auctioneer's site for at least ten (10) days, unless the property is sold before the 10<sup>th</sup> day, is sufficient.

To ensure timely processing by the paper, the Purchasing Department will attempt to send the list of items one (1) week prior to the first ad scheduled or as soon as the list is received by the Purchasing Department. Items may be summarized in groups and specific details are not necessary.