

Item D-1

Review of Procurement Law and Procedures

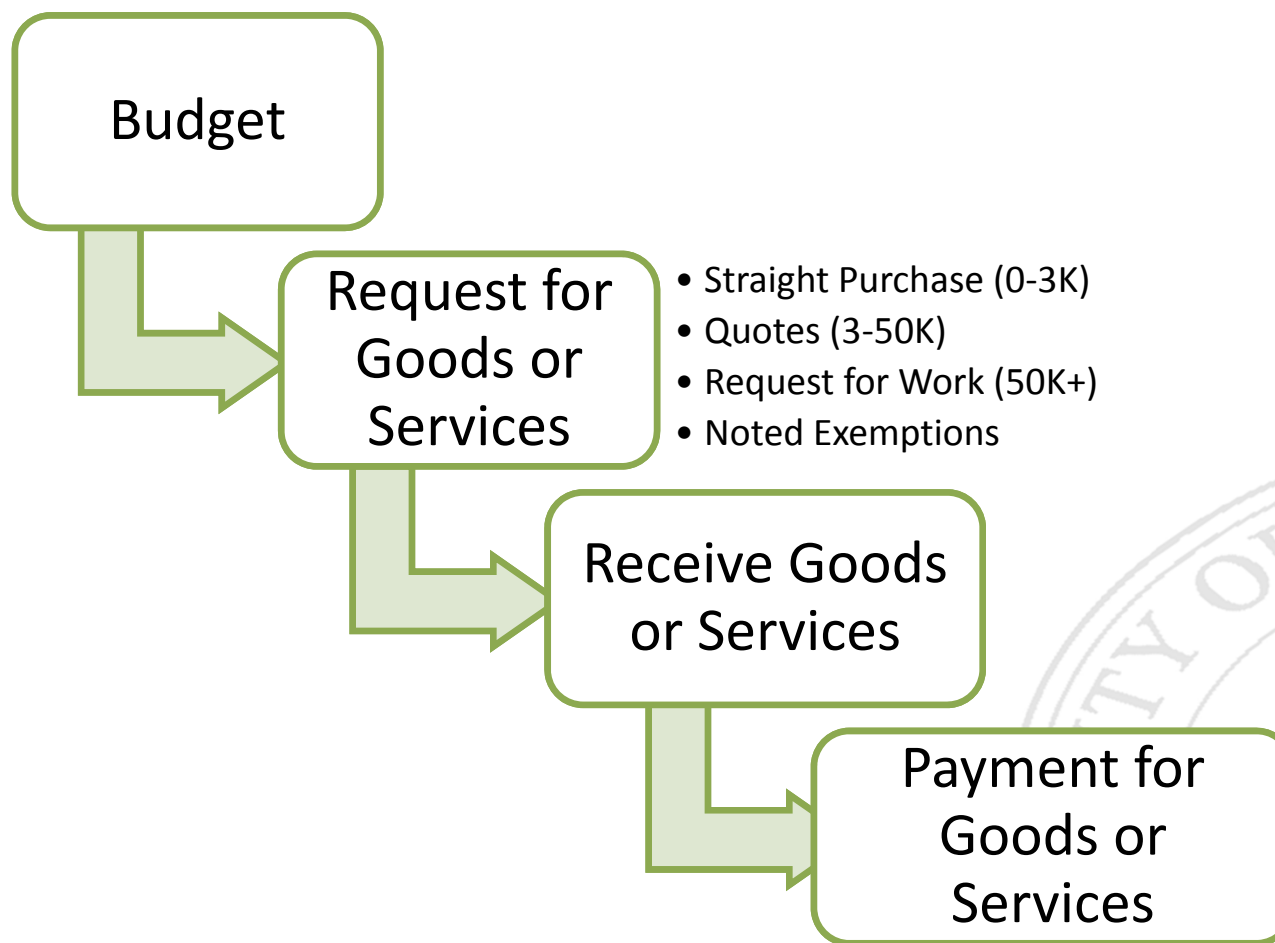


Purchasing Strategy

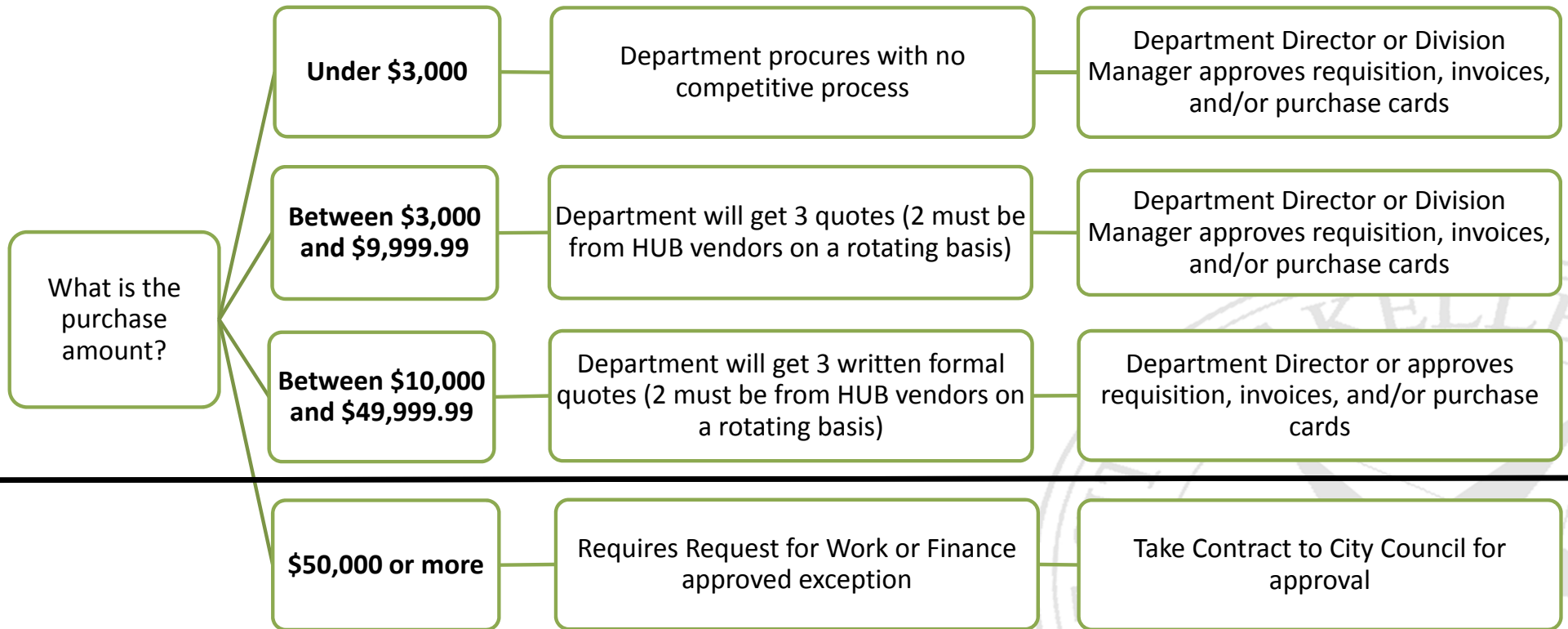
- Legal
 - Compliance with State Code
 - Compliance with Purchasing Policy (adopted September 5, 2017)
- Transparent
 - eBid system
 - How to do business website
 - Budget process
- Ensure Service Delivery
- Seek Best Value



Procurement Timeline



Purchasing Authorities



Centralized and Decentralized

- Centralized
 - Internal team of purchasing agents, buyers, etc.
 - All procurement and compliance activity controlled by team
 - Extensive communication and understanding of needs
 - Turn around time / service delivery concern
 - Typical of larger organization
 - Helps ensure “small” purchases stay within legal thresholds
- Decentralized (Keller process)
 - Purchases and compliance responsibility of departments
 - Departments decide good or service to use
 - Procurement cards integral to success
 - Minimizes delays in service delivery
 - Purchasing Agent assists with large procurement needs
 - Finance reviews procurement activity



Exemptions to Competitive Process

- ***Professional Services***
 - Emergency / Public Health and Safety
 - Policy recommends soliciting quotes
 - Sole Source / Captured parts
 - Utilities
 - City participates in TCAP
 - Alternative to Bidding Options
 - Cooperative / Interlocal
 - Construction Manager at Risk (CMAR)
 - Competitive Sealed Bid
- * - Any contract over \$50,000 requires Council approval



Request for Work Process

- Request Types –
 - Request for Qualifications (RFQ)
 - Request for Proposals (RFP)
 - Competitive Sealed Bid
 - *Request for Applications (RFA)*
 - *Request for Information (RFI)*
- Process –



Request for Qualifications (RFQ)

- Use to procure professional/skilled labor
 - Consultants/professional studies
 - Design/engineering work
 - Other professional services
- Cannot consider cost
- Cost and scope are negotiated after most qualified selected
- City approves contract
 - Council approves over \$50,000
 - City Manager under \$50,000



Request for Proposal (RFP)

- Use to procure non-professional labor
 - Auditor
 - Landscape
 - Janitorial
- Based upon best value
 - Must document when not using lowest bid (CMAR etc.)
- Can negotiate “Best and Final” offer for cost and scope
 - Has to be done equitably and cannot reveal other request prices
- City approves contract
 - Council approves over \$50,000
 - City Manager under \$50,000



Competitive Sealed Bid

- Used to procure a product
 - Construction
 - Equipment
- Based upon best value
 - Must document when not using lowest bid
- No cost or scope negotiation
- City approves contract
 - Council approves over \$50,000
 - City Manager under \$50,000



Non-Compliance of LGC 252

- Contract Voided
- Taxpayer may sue to stop the contract performance
- Employee or City Official
 - Class B Misdemeanor (180 days in jail and/or \$2,000 fine)
 - Removal from office and may not hold again for 4 years in city



Additional Resources

- [*TML Procurement Handbook*](#)
- [City of Keller Purchasing Website](#)
- [Local Government Code Chapter 252](#)
- [Government Code Chapter 2254 - Professional Services](#)
- [Government Code 2269 - Construction Contracting](#)





Questions?

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