City of Austin
Purchasing Office, Financial Services Department
P.O. Box 1088, Austin, TX 78767

February 29, 2016

Film Society of Austin, Inc.
Rebecca Campbell
1901 E. 51st Street
Austin, TX 78723

Dear Ms. Campbell:

The Austin City Council approved the execution of a contract with your company for capital expenditures for the Public Access Facility & Channel Management in accordance with the referenced solicitation.

Responsible Department:	Telecommunications and Regulatory Affairs
Department Contact Person:	Paul Lewis
Department Contact Email Address:	Paul.Lewis@austintexas.gov
Department Contact Telephone:	(512) 974-3415
Project Name:	Public Access Facility & Channel Management
Contractor Name:	Film Society of Austin, Inc.
Contract Number:	MA 7300 NS160000014
Contract Period:	2/29/2016 – 2/28/2017
Dollar Amount	$300,000
Requisition Number:	RQM 7300 - 15122900174
Solicitation Number:	Sole
Agenda Item Number:	39
Council Approval Date:	12/17/2015

Thank you for your interest in doing business with the City of Austin. If you have any questions regarding this contract, please contact the person referenced under Department Contact Person.

Sincerely,

Jonathan Dalchau
Senior Buyer Specialist
City of Austin
Purchasing Office

CONTRACT BETWEEN THE CITY OF AUSTIN
AND
FILM SOCIETY OF AUSTIN, INC.
FOR
CAPITAL EXPENDITURES
MA 7300 NS160000014

This Contract is made by and between the City of Austin ("City"), a home-rule municipality incorporated by the State of Texas, and Film Society of Austin, Inc., a non-profit corporation, doing business as The Austin Film Society ("Contractor"), having offices at 1901 East 51st Street, Austin, Texas 78723.

SECTION 1. GRANT OF AUTHORITY, SERVICES AND DUTIES

1.1 **Engagement of the Contractor.** Subject to the general supervision and control of the City and subject to the provisions of the Terms and Conditions contained herein, the Contractor is engaged to provide the services set forth in Section 2, Scope of Work.

1.2 **Responsibilities of the Contractor.** The Contractor shall provide all technical and professional expertise, knowledge, management, and other resources required for accomplishing all aspects of the tasks and associated activities identified in the Scope of Work. In the event that the need arises for the Contractor to perform services beyond those stated in the Scope of Work, the Contractor and the City shall negotiate mutually agreeable terms and compensation for completing the additional services.

1.3 **Responsibilities of the City.** The City's Contract Manager will be responsible for exercising general oversight of the Contractor's activities in completing the Scope of Work. Specifically, the Contract Manager will represent the City's interests in resolving day-to-day issues that may arise during the term of this Contract, shall participate regularly in conference calls or meetings for status reporting, shall promptly review any written reports submitted by the Contractor, and shall approve all invoices for payment, as appropriate. The City's Contract Manager shall give the Contractor timely feedback on the acceptability of progress and task reports.

1.4 **Designation of Key Personnel.** The Contractor's Contract Manager for this engagement shall be Mirasol Enriquez, Phone: (512) 322-0145 x 3212, Email Address: mirasol@austinfilm.org. The City's Contract Manager for the engagement shall be Paul Lewis, Phone: (512) 974-3415, Email Address:paul.lewis@austintexas.gov. The City and the Contractor resolve to keep the same key personnel assigned to this engagement throughout its term. In the event that it becomes necessary for the Contractor to replace any key personnel, the replacement will be an individual having equivalent experience and competence in executing projects such as the one described herein. Additionally, the Contractor will promptly notify the City Contract Manager and obtain approval for the replacement. Such approval shall not be unreasonably withheld.

SECTION 2. SCOPE OF WORK

2.1 **Purpose.** This Contract will enable the Contractor to purchase capital equipment on a cost reimbursement basis in order to manage the City's public access facilities as described in Contract No. MA NN150000003. For purposes of this section, capital equipment is defined as physical assets for maintaining or upgrading existing operations that have a life expectancy of a minimum of one (1) year. All capital equipment purchased under this Contract will be utilized by the Contractor but will remain the property of the City.

2.2 **Tasks.** The Contractor and the City shall perform each of the following tasks:

2.2.1 When buying capital equipment, the Contractor shall comply with all federal, state and local regulations, and follow the City's purchasing processes as described in Exhibits A and B. City certified minority-owned and women-owned business enterprises (MBE/WBEs) can be searched at the following online address:

http://www.ci.austin.tx.us/smbr/vendors/certvendor.cfm

2.2.2 The Contractor shall submit invoices and supporting documentation for reimbursement of its capital equipment expenditures as described in Section 3.2 of the Contract.

2.2.3 The City will evaluate each invoice to ensure the Contractor followed the City's purchasing processes. Reimbursement payments to the Contractor will be made as described in Section 3.3 of the Contract. If the Contractor fails to comply with the City's purchasing processes, the City will notify the Contractor of such failure and may withhold payment until the City determines that the Contractor has sufficiently complied with the City purchasing process.

2.2.4 The City will advance $25,000 to the Contractor upon Contract execution in order for the Contractor to purchase needed capital equipment. The Contractor shall follow the City's purchasing processes as described in Exhibits A and B when buying capital equipment with this advance payment.

SECTION 3. COMPENSATION

3.1 **Contract Amount.** The Contractor will be paid as indicated herein. The Contractor shall be paid an amount not-to-exceed $300,000. The Contractor will be advanced $25,000 of this amount. The remaining $275,000 will be paid on a cost reimbursement basis as described in Section 2.2 of the Contract.

3.2 **Invoices.**

3.2.1 **Invoices shall contain a unique invoice number, the purchase order or delivery order number and the master agreement number if applicable, the Department's Name, and the name of the point of contact for the Department**. Invoices shall be itemized. The Contractor's name and, if applicable, the tax identification number on the invoice must exactly match the information in the Contractor's registration with the City. Unless otherwise instructed in writing, the City may rely on the remittance address specified on the Contractor's invoice. Invoices received without all required information cannot be processed and will be returned to the Contractor. Invoices shall be mailed to the below address:

	City of Austin
Department	TARA
Attn:	Paul Lewis
Address	PO Box 1088
City, State, Zip Code	Austin, TX 78767

3.2.2 Invoices shall include all supporting documentation necessary to show the Contractor flowed the City's purchasing processes in accordance with Exhibits A and B.

3.2.3 Federal excise taxes, State taxes, or City sales taxes must not be included in the invoiced amount. The City will furnish a tax exemption certificate upon request.

3.3 **Payment.**

3.3.1 All proper invoices received by the City will be paid within thirty (30) calendar days of the City's receipt of the deliverables or of the invoice, whichever is later.

3.3.2 **If payment is not timely made, (per this paragraph), interest shall accrue on the unpaid balance at the lesser of the rate specified in Texas Government Code Section 2251.025 or the maximum lawful rate; except, if payment is not timely made for a reason for which the City may withhold payment hereunder, interest shall not accrue until ten (10) calendar days after the grounds for withholding payment have been resolved.**

3.3.3 The City may withhold or off set the entire payment or part of any payment otherwise due the Contractor to such extent as may be necessary on account of:

3.3.3.1 delivery of defective or non-conforming deliverables by the Contractor;

3.3.3.2 third party claims, which are not covered by the insurance which the Contractor is required to provide, are filed or reasonable evidence indicating probable filing of such claims;

3.3.3.3 failure of the Contractor to pay Subcontractors, or for labor, materials or equipment;

3.3.3.4 damage to the property of the City or the City's agents, employees or contractors, which is not covered by insurance required to be provided by the Contractor;

3.3.3.5 reasonable evidence that the Contractor's obligations will not be completed within the time specified in the Contract, and that the unpaid balance would not be adequate to cover actual or liquidated damages for the anticipated delay;

3.3.3.6 failure of the Contractor to submit proper invoices with all required attachments and supporting documentation; or

3.3.3.7 failure of the Contractor to comply with any material provision of the Contract Documents.

The City will notify the Contractor of the reason for such withholding and give the Contractor the opportunity to remedy the failure.

3.3.4 Notice is hereby given of Article VIII, Section 1 of the Austin City Charter which prohibits the payment of any money to any person, firm or corporation who is in arrears to the City for taxes, and of §2-8-3 of the Austin City Code concerning the right of the City to offset indebtedness owed the City.

3.3.5 Payment will be made by check unless the parties mutually agree to payment by credit card or electronic transfer of funds. The Contractor agrees that there shall be no additional charges, surcharges, or penalties to the City for payments made by credit card or electronic transfer of funds.

3.4 **Non-Appropriation.** The awarding or continuation of this Contract is dependent upon the availability of funding. The City's payment obligations are payable only and solely from funds Appropriated and available for this Contract. The absence of Appropriated or other lawfully available funds shall render the Contract null and void to the extent funds are not Appropriated or available and any deliverables delivered but unpaid shall be returned to the Contractor. The City shall provide the Contractor written notice of the failure of the City to make an adequate Appropriation for any fiscal year to pay the amounts due under the Contract, or the reduction of any Appropriation to an amount insufficient to permit the City to pay its obligations under the Contract. In the event of non or inadequate appropriation of funds, there will be no penalty nor removal fees charged to th e City.

3.5 **Final Payment and Close-Out.**

3.5.1 The making and acceptance of final payment will constitute:

3.5.1.1 a waiver of all claims by the City against the Contractor, except claims (1) which have been previously asserted in writing and not yet settled, (2) arising from defective work appearing after final inspection, (3) arising from failure of the Contractor to comply with the Contract or the terms of any warranty specified herein, (4) arising from the Contractor's continuing obligations under the Contract, including but not limited to indemnity and warranty obligations, or (5) arising under the City's right to audit; and

3.5.1.2 a waiver of all claims by the Contractor against the City other than those previously asserted in writing and not yet settled.

SECTION 4. TERM AND TERMINATION

4.1 **Term of Contract.** The Contract shall become effective on the date executed by the City ("Effective Date") and shall be in effect for a term of 12 months.

4.1.1 Upon expiration of the Contract, the Contractor agrees to hold over under the terms and conditions of this Contract for such a period of time as is reasonably necessary to re-solicit and/or complete the project (not to exceed 120 calendar days unless mutually agreed on in writing).

4.2 **Right To Assurance.** Whenever one party to the Contract in good faith has reason to question the other party's intent to perform, demand may be made to the other party for written assurance of the intent to perform. In

the event that no assurance is given within the time specified after demand is made, the demanding party may treat this failure as an anticipatory repudiation of the Contract.

4.3 **Default.** The Contractor shall be in default under the Contract if the Contractor (a) fails to fully, timely and faithfully perform any of its material obligations under the Contract, (b) fails to provide adequate assurance of performance under the "Right to Assurance paragraph herein, (c) becomes insolvent or seeks relief under the bankruptcy laws of the United States or (d) makes a material misrepresentation in Contractor's Offer, or in any report or deliverable required to be submitted by Contractor to the City.

4.4 **Termination For Cause.**. In the event of a default by the Contractor, the City shall have the right to terminate the Contract for cause, by written notice effective ten (10) calendar days, unless otherwise specified, after the date of such notice, unless the Contractor, within such ten (10) day period, cures such default, or provides evidence sufficient to prove to the City's reasonable satisfaction that such default does not, in fact, exist. The City may place Contractor on probation for a specified period of time within which the Contractor must correct any non-compliance issues. Probation shall not normally be for a period of more than nine (9) months, however, it may be for a longer period, not to exceed one (1) year depending on the circumstances. If the City determines the Contractor has failed to perform satisfactorily during the probation period, the City may proceed with suspension. In the event of a default by the Contractor, the City may suspend or debar the Contractor in accordance with the "City of Austin Purchasing Office Probation, Suspension and Debarment Rules for Vendors" and remove the Contractor from the City's vendor list for up to five (5) years and any Offer submitted by the Contractor may be disqualified for up to five (5) years. In addition to any other remedy available under law or in equity, the City shall be entitled to recover all actual damages, costs, losses and expenses, incurred by the City as a result of the Contractor's default, including, without limitation, cost of cover, reasonable attorneys' fees, court costs, and prejudgment and post-judgment interest at the maximum lawful rate. All rights and remedies under the Contract are cumulative and are not exclusive of any other right or remedy provided by law.

4.5 **Termination Without Cause.** The City shall have the right to terminate the Contract, in whole or in part, without cause any time upon thirty (30) calendar days prior written notice. Upon receipt of a notice of termination, the Contractor shall promptly cease all further work pursuant to the Contract, with such exceptions, if any, specified in the notice of termination. The City shall pay the Contractor, to the extent of funds Appropriated or otherwise legally available for such purposes, for all goods delivered and services performed and obligations incurred prior to the date of termination in accordance with the terms hereof.

4.6 **Fraud.** Fraudulent statements by the Contractor on any Offer or in any report or deliverable required to be submitted by the Contractor to the City shall be grounds for the termination of the Contract for cause by the City and may result in legal action.

SECTION 5. OTHER DELIVERABLES

5.1 **Insurance**: The following insurance requirements apply.

5.1.1 **General Requirements.**

5.1.1.1 The Contractor shall at a minimum carry insurance in the types and amounts indicated herein for the duration of the Contract and during any warranty period.

5.1.1.2 The Contractor shall provide a Certificate of Insurance as verification of coverages required below to the City at the below address prior to Contract execution and within fourteen (14) calendar days after written request from the City.

5.1.1.3 The Contractor must also forward a Certificate of Insurance to the City whenever a previously identified policy period has expired, or an extension option or holdover period is exercised, as verification of continuing coverage.

5.1.1.4 The Contractor shall not commence work until the required insurance is obtained and has been reviewed by City. Approval of insurance by the City shall not relieve or decrease the liability of the Contractor hereunder and shall not be construed to be a limitation of liability on the part of the Contractor.

5.1.1.5 The City may request that the Contractor submit certificates of insurance to the City for all subcontractors prior to the subcontractors commencing work on the project.

5.1.1.6 The Contractor's and all subcontractors' insurance coverage shall be written by companies licensed to do business in the State of Texas at the time the policies are issued and shall be written by companies with A.M. Best ratings of B+VII or better.

5.1.1.7 All endorsements naming the City as additional insured, waivers, and notices of cancellation endorsements as well as the Certificate of Insurance shall be mailed to the following address:

City of Austin
Purchasing Office
P. O. Box 1088
Austin, Texas 78767

5.1.1.8 The "other" insurance clause shall not apply to the City where the City is an additional insured shown on any policy. It is intended that policies required in the Contract, covering both the City and the Contractor, shall be considered primary coverage as applicable.

5.1.1.9 If insurance policies are not written for amounts specified in Paragraph 5.1.2, Specific Coverage Requirements, the Contractor shall carry Umbrella or Excess Liability Insurance for any differences in amounts specified. If Excess Liability Insurance is provided, it shall follow the form of the primary coverage.

5.1.1.10 The City shall be entitled, upon request, at an agreed upon location, and without expense, to review certified copies of policies and endorsements thereto and may make any reasonable requests for deletion or revision or modification of particular policy terms, conditions, limitations, or exclusions except where policy provisions are established by law or regulations binding upon either of the parties hereto or the underwriter on any such policies.

5.1.1.11 The City reserves the right to review the insurance requirements set forth during the effective period of the Contract and to make reasonable adjustments to insurance coverage, limits, and exclusions when deemed necessary and prudent by the City based upon changes in statutory law, court decisions, the claims history of the industry or financial condition of the insurance company as well as the Contractor.

5.1.1.12 The Contractor shall not cause any insurance to be canceled nor permit any insurance to lapse during the term of the Contract or as required in the Contract.

5.1.1.13 The Contractor shall be responsible for premiums, deductibles and self-insured retentions, if any, stated in policies. All deductibles or self-insured retentions shall be disclosed on the Certificate of Insurance.

5.1.1.14 The Contractor shall endeavor to provide the City thirty (30) calendar days written notice of erosion of the aggregate limits below occurrence limits for all applicable coverages indicated within the Contract.

5.1.2 **Specific Coverage Requirements.** The Contractor shall at a minimum carry insurance in the types and amounts indicated below for the duration of the Contract, including extension options and hold over

periods, and during any warranty period. These insurance coverages are required minimums and are not intended to limit the responsibility or liability of the Contractor.

5.1.2.1 **Commercial General Liability Insurance.** The minimum bodily injury and property damage per occurrence are $500,000 for coverages A (Bodily Injury and Property Damage) and B (Personal and Advertising Injuries). The policy shall contain the following provisions and endorsements.

5.1.2.1.1 Contractual liability coverage for liability assumed under the Contract and all other Contracts related to the project.

5.1.2.1.2 Contractor/Subcontracted Work.

5.1.2.1.3 Products/Completed Operations Liability for the duration of the warranty period.

5.1.2.1.4 Waiver of Subrogation, Endorsement CG 2404, or equivalent coverage.

5.1.2.1.5 Thirty (30) calendar days Notice of Cancellation, Endorsement CG 0205, or equivalent coverage.

5.1.2.1.6 The City of Austin listed as an additional insured, Endorsement CG 2010, or equivalent coverage.

5.1.2.2 **Business Automobile Liability Insurance.** The Contractor shall provide coverage for all owned, non-owned and hired vehicles with a minimum combined single limit of $500,000 per occurrence for bodily injury and property damage. Alternate acceptable limits are $250,000 bodily injury per person, $500,000 bodily injury per occurrence and at least $100,000 property damage liability per accident. The policy shall contain the following endorsements:

5.1.2.2.1 Waiver of Subrogation, Endorsement CA0444, or equivalent coverage.

5.1.2.2.2 Thirty (30) calendar days Notice of Cancellation, Endorsement CA0244, or equivalent coverage.

5.1.2.2.3 The City of Austin listed as an additional insured, Endorsement CA2048, or equivalent coverage.

5.1.2.3 **Worker's Compensation and Employers' Liability Insurance**. Coverage shall be consistent with statutory benefits outlined in the Texas Worker's Compensation Act (Section 401). The minimum policy limits for Employer's Liability are $100,000 bodily injury each accident, $500,000 bodily injury by disease policy limit and $100,000 bodily injury by disease each employee. The policy shall contain the following provisions and endorsements:

5.1.2.3.1 The Contractor's policy shall apply to the State of Texas.

5.1.2.3.2 Waiver of Subrogation, Form WC420304, or equivalent coverage.

5.1.2.3.3 Thirty (30) calendar days Notice of Cancellation, Form WC420601, or equivalent coverage.

5.1.2.5 **Endorsements.** The specific insurance coverage endorsements specified above, or their equivalents must be provided. In the event that endorsements, which are the equivalent of the required coverage, are proposed to be substituted for the required coverage, copies of the equivalent endorsements must be provided for the City's review and approval.

5.2 **Equal Opportunity.**

5.2.1 **Equal Employment Opportunity.** No Contractor or Contractor's agent shall engage in any discriminatory employment practice as defined in Chapter 5-4 of the City Code. No Bid submitted to the City shall be considered, nor any Purchase Order issued, or any Contract awarded by the City unless the Contractor has executed and filed with the City Purchasing Office a current Non-Discrimination Certification. The Contractor shall sign and return the Non-Discrimination Certification attached hereto as Exhibit C. Non-compliance with Chapter 5-4 of the City Code may result in sanctions, including termination of the contract and the Contractor's suspension or debarment from participation on future City contracts until deemed compliant with Chapter 5-4.

5.2.2 **Americans With Disabilities Act (ADA) Compliance.** No Contractor, or Contractor's agent shall engage in any discriminatory employment practice against individuals with disabilities as defined in the ADA.

5.3 **Acceptance of Incomplete or Non-Conforming Deliverables.** If, instead of requiring immediate correction or removal and replacement of defective or non-conforming deliverables, the City prefers to accept it, the City may do so. The Contractor shall pay all claims, costs, losses and damages attributable to the City's evaluation of and determination to accept such defective or non-conforming deliverables. If any such acceptance occurs prior to final payment, the City may deduct such amounts as are necessary to compensate the City for the diminished value of the defective or non-conforming deliverables. If the acceptance occurs after final payment, such amount will be refunded to the City by the Contractor.

5.4 **Delays.**

5.4.1 The City may delay scheduled delivery or other due dates by written notice to the Contractor if the City deems it is in its best interest. If such delay causes an increase in the cost of the work under the Contract, the City and the Contractor shall negotiate an equitable adjustment for costs incurred by the Contractor in the Contract price and execute an amendment to the Contract. The Contractor must assert its right to an adjustment within thirty (30) calendar days from the date of receipt of the notice of delay. Failure to agree on any adjusted price shall be handled under the Dispute Resolution process specified herein. However, nothing in this provision shall excuse the Contractor from delaying the delivery as notified.

5.4.2 Neither party shall be liable for any default or delay in the performance of its obligations under this Contract if, while and to the extent such default or delay is caused by acts of God, fire, riots, civil commotion, labor disruptions, sabotage, sovereign conduct, or any other cause beyond the reasonable control of such Party. In the event of default or delay in Contract performance due to any of the foregoing causes, then the time for completion of the services will be extended; provided, however, in such an event, a conference will be held within three (3) business days to establish a mutually agreeable period of time reasonably necessary to overcome the effect of such failure to perform.

5.5 **Rights to Proposal and Contractual Material.** All material submitted by the Contractor to the City shall become property of the City upon receipt. Any portions of such material claimed by the Contractor to be proprietary must be clearly marked as such. Determination of the public nature of the material is subject to the Texas Public Information Act, Chapter 552, Texas Government Code.

5.6 **Publications.** All published material and written reports submitted under the Contract must be originally developed material unless otherwise specifically provided in the Contract. When material not originally developed is included in a report in any form, the source shall be identified.

SECTION 7. MISCELLANEOUS

7.1 **Place and Condition of Work.** The City shall provide the Contractor access to the sites where the Contractor is to perform the services as required in order for the Contractor to perform the services in a timely and efficient manner in accordance with and subject to the applicable security laws, rules, and regulations. The Contractor acknowledges that it has satisfied itself as to the nature of the City's service requirements and specifications, the location and essential characteristics of the work sites, the quality and quantity of materials, equipment, labor and facilities necessary to perform the services, and any other condition or state of fact which could in any way affect performance of the Contractor's obligations under the Contract. The Contractor hereby releases and holds the City harmless from and against any liability or claim for damages of any kind or nature if the actual site or service conditions differ from expected conditions.

7.2 **Workforce.**

7.2.1 The Contractor shall employ only orderly and competent workers, skilled in the performance of the services which they will perform under the Contract.

7.2.2 The Contractor, its employees, subcontractors, and subcontractor's employees may not while engaged in participating or responding to a solicitation or while in the course and scope of delivering goods or services under a City of Austin contract or on the City's property:

7.2.2.1 use or possess a firearm, including a concealed handgun that is licensed under state law, except as required by the terms of the Contract; and

7.2.2.2 use or possess alcoholic or other intoxicating beverages, illegal drugs or controlled substances, nor may such workers be intoxicated, or under the influence of alcohol or drugs, on the job.

7.2.3 If the City or the City's representative notifies the Contractor that any worker is incompetent, disorderly or disobedient, has knowingly or repeatedly violated safety regulations, has possessed any firearms, or has possessed or was under the influence of alcohol or drugs on the job, the Contractor shall immediately remove such worker from Contract services, and may not employ such worker again on Contract services without the City's prior written consent.

7.3 **Compliance with Health, Safety, and Environmental Regulations.** The Contractor, its Subcontractors, and their respective employees, shall comply fully with all applicable federal, state, and local health, safety, and environmental laws, ordinances, rules and regulations in the performance of the services, including but not limited to those promulgated by the City and by the Occupational Safety and Health Administration (OSHA). In case of conflict, the most stringent safety requirement shall govern. The Contractor shall indemnify and hold the City harmless from and against all claims, demands, suits, actions, judgments, fines, penalties and liability of every kind arising from the breach of the Contractor's obligations under this paragraph.

7.4 **Significant Event.** The Contractor shall immediately notify the City's Contract Manager of any current or prospective "significant event" on an ongoing basis. All notifications shall be submitted in writing to the Contract Manager. As used in this provision, a "significant event" is any occurrence or anticipated occurrence which might reasonably be expected to have a material effect upon the Contractor's ability to meet its contractual obligations. Significant events may include but not be limited to the following:

7.4.1 disposal of major assets;

7.4.2 any major computer software conversion, enhancement or modification to the operating systems, security systems, and application software, used in the performance of this Contract;

7.4.3 any significant termination or addition of provider contracts;

7.4.4 the Contractor's insolvency or the imposition of, or notice of the intent to impose, a receivership, conservatorship or special regulatory monitoring, or any bankruptcy proceedings, voluntary or involuntary, or reorganization proceedings;

7.4.5 strikes, slow-downs or substantial impairment of the Contractor's facilities or of other facilities used by the Contractor in the performance of this Contract;

7.4.6 reorganization, reduction and/or relocation in key personnel;

7.4.7 known or anticipated sale, merger, or acquisition;

7.4.8 known, planned or anticipated stock sales;

7.4.9 any litigation against the Contractor; or

7.4.10 significant change in market share or product focus.

7.5 **Right To Audit.**

7.5.1 The Contractor agrees that the representatives of the Office of the City Auditor or other authorized representatives of the City shall have access to, and the right to audit, examine, or reproduce, any and all records of the Contractor related to the performance under this Contract. The Contractor shall retain all such records for a period of three (3) years after final payment on this Contract or until all audit and litigation matters that the City has brought to the attention of the Contractor are resolved, whichever is longer. The Contractor agrees to refund to the City any overpayments disclosed by any such audit.

7.5.2 The Contractor shall include this provision in all subcontractor agreements entered into in connection with this Contract.

7.6 **Stop Work Notice.** The City may issue an immediate Stop Work Notice in the event the Contractor is observed performing in a manner that is in violation of Federal, State, or local guidelines, or in a manner that is determined by the City to be unsafe to either life or property. Upon notification, the Contractor will cease all work until notified by the City that the violation or unsafe condition has been corrected. The Contractor shall be liable for all costs incurred by the City as a result of the issuance of such Stop Work Notice.

7.7 **Indemnity.**

7.7.1 Definitions:

7.7.1.1 "Indemnified Claims" shall include any and all claims, demands, suits, causes of action, judgments and liability of every character, type or description, including all reasonable costs and expenses of litigation, mediation or other alternate dispute resolution mechanism, including attorney and other professional fees for:

7.7.1.1.1 damage to or loss of the property of any person (including, but not limited to the City, the Contractor, their respective agents, officers, employees and subcontractors; the officers, agents, and employees of such subcontractors; and third parties); and/or;

7.7.1.1.2 death, bodily injury, illness, disease, worker's compensation, loss of services, or loss of income or wages to any person (including but not limited to the agents, officers and employees of the City, the Contractor, the Contractor's subcontractors, and third parties),

7.7.1.2 "Fault" shall include the sale of defective or non-conforming deliverables, negligence, willful misconduct, or a breach of any legally imposed strict liability standard.

7.7.2 **THE CONTRACTOR SHALL DEFEND (AT THE OPTION OF THE CITY), INDEMNIFY, AND HOLD THE CITY, ITS SUCCESSORS, ASSIGNS, OFFICERS, EMPLOYEES AND ELECTED OFFICIALS HARMLESS FROM AND AGAINST ALL INDEMNIFIED CLAIMS DIRECTLY ARISING OUT OF, INCIDENT TO, CONCERNING OR RESULTING FROM THE FAULT OF THE CONTRACTOR, OR THE CONTRACTOR'S AGENTS, EMPLOYEES OR SUBCONTRACTORS, IN THE PERFORMANCE OF THE CONTRACTOR'S OBLIGATIONS UNDER THE CONTRACT. NOTHING HEREIN SHALL BE DEEMED TO LIMIT THE RIGHTS OF THE CITY OR THE CONTRACTOR (INCLUDING, BUT NOT LIMITED TO, THE RIGHT TO SEEK CONTRIBUTION) AGAINST ANY THIRD PARTY WHO MAY BE LIABLE FOR AN INDEMNIFIED CLAIM.**

7.8 **Claims.** If any claim, demand, suit, or other action is asserted against the Contractor which arises under or concerns the Contract, or which could have a material adverse effect on the Contractor's ability to perform thereunder, the Contractor shall give written notice thereof to the City within ten (10) calendar days after receipt of notice by the Contractor. Such notice to the City shall state the date of notification of any such claim, demand, suit, or other action; the names and addresses of the claimant(s); the basis thereof; and the name of each person against whom such claim is being asserted. Such notice shall be delivered personally or by mail and shall be sent to the City and to the Austin City Attorney. Personal delivery to the City Attorney shall be to City Hall, 301 West 2nd Street, 4th Floor, Austin, Texas 78701, and mail delivery shall be to P.O. Box 1088, Austin, Texas 78767.

7.9 **Notices.** Unless otherwise specified, all notices, requests, or other communications required or appropriate to be given under the Contract shall be in writing and shall be deemed delivered three (3) business days after postmarked if sent by U.S. Postal Service Certified or Registered Mail, Return Receipt Requested. Notices delivered by other means shall be deemed delivered upon receipt by the addressee. Routine communications may be made by first class mail, telefax, or other commercially accepted means. Notices to the City and the Contractor shall be addressed as follows:

To the City:	To the Contractor:
City of Austin, Purchasing Office	Film Society of Austin, Inc. (dba Austin Film Society & Austin Studios)
ATTN: Tracy Franklin, Contract Administrator	ATTN: Mirasol Enriquez
P O Box 1088	1901 East 51st Street
Austin, TX 78767	Austin, TX 78723

7.10 **Confidentiality.** In order to provide the deliverables to the City, Contractor may require access to certain of the City's and/or its licensors' confidential information (including inventions, employee information, trade secrets, confidential know-how, confidential business information, and other information which the City or its licensors consider confidential) (collectively, "Confidential Information"). Contractor acknowledges and agrees that the Confidential Information is the valuable property of the City and/or its licensors and any unauthorized use, disclosure, dissemination, or other release of the Confidential Information will substantially injure the City and/or its licensors. The Contractor (including its employees, subcontractors, agents, or representatives) agrees that it will maintain the Confidential Information in strict confidence and shall not disclose, disseminate, copy, divulge, recreate, or otherwise use the Confidential Information without the prior written consent of the City or in a manner not expressly permitted under this Contract, unless the Confidential Information is required to be disclosed by law or an order of any court or other governmental authority with proper jurisdiction, provided the Contractor promptly notifies the City before disclosing such information so as to permit the City reasonable time to seek an appropriate protective order. The Contractor agrees to use protective measures no less stringent than the Contractor uses within its own business to protect its own most valuable information, which protective measures shall under all circumstances be at least reasonable measures to ensure the continued confidentiality of the Confidential Information.

7.11 **Advertising.** The Contractor shall not advertise or publish, without the City's prior consent, the fact that the City has entered into the Contract, except to the extent required by law.

7.12 **No Contingent Fees.** The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure the Contract upon any agreement or understanding for commission, percentage,

brokerage, or contingent fee, excepting bona fide employees of bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the City shall have the right, in addition to any other remedy available, to cancel the Contract without liability and to deduct from any amounts owed to the Contractor, or otherwise recover, the full amount of such commission, percentage, brokerage or contingent fee.

7.13 **Gratuities.** The City may, by written notice to the Contractor, cancel the Contract without liability if it is determined by the City that gratuities were offered or given by the Contractor or any agent or representative of the Contractor to any officer or employee of the City with a view toward securing the Contract or securing favorable treatment with respect to the awarding or amending or the making of any determinations with respect to the performing of such contract. In the event the Contract is canceled by the City pursuant to this provision, the City shall be entitled, in addition to any other rights and remedies, to recover or withhold the amount of the cost incurred by the Contractor in providing such gratuities.

7.14 **Prohibition Against Personal Interest in Contracts.** No officer, employee, independent consultant, or elected official of the City who is involved in the development, evaluation, or decision-making process of the performance of any solicitation shall have a financial interest, direct or indirect, in the Contract resulting from that solicitation. Any willful violation of this section shall constitute impropriety in office, and any officer or employee guilty thereof shall be subject to disciplinary action up to and including dismissal. Any violation of this provision, with the knowledge, expressed or implied, of the Contractor shall render the Contract voidable by the City.

7.15 **Independent Contractor.** The Contract shall not be construed as creating an employer/employee relationship, a partnership, or a joint venture. The Contractor's services shall be those of an independent contractor. The Contractor agrees and understands that the Contract does not grant any rights or privileges established for employees of the City.

7.16 **Assignment-Delegation.** The Contract shall be binding upon and enure to the benefit of the City and the Contractor and their respective successors and assigns, provided however, that no right or interest in the Contract shall be assigned and no obligation shall be delegated by the Contractor without the prior written consent of the City. Any attempted assignment or delegation by the Contractor shall be void unless made in conformity with this paragraph. The Contract is not intended to confer rights or benefits on any person, firm or entity not a party hereto; it being the intention of the parties that there be no third party beneficiaries to the Contract.

7.17 **Waiver.** No claim or right arising out of a breach of the Contract can be discharged in whole or in part by a waiver or renunciation of the claim or right unless the waiver or renunciation is supported by consideration and is in writing signed by the aggrieved party. No waiver by either the Contractor or the City of any one or more events of default by the other party shall operate as, or be construed to be, a permanent waiver of any rights or obligations under the Contract, or an express or implied acceptance of any other existing or future default or defaults, whether of a similar or different character.

7.18 **Modifications.** The Contract can be modified or amended only in writing signed by both parties. No pre-printed or similar terms on any Contractor invoice, order or other document shall have any force or effect to change the terms, covenants, and conditions of the Contract.

7.19 **Interpretation.** The Contract is intended by the parties as a final, complete and exclusive statement of the terms of their agreement. No course of prior dealing between the parties or course of performance or usage of the trade shall be relevant to supplement or explain any term used in the Contract. Although the Contract may have been substantially drafted by one party, it is the intent of the parties that all provisions be construed in a manner to be fair to both parties, reading no provisions more strictly against one party or the other. Whenever a term defined by the Uniform Commercial Code, as enacted by the State of Texas, is used in the Contract, the UCC definition shall control, unless otherwise defined in the Contract.

7.20 **Dispute Resolution.**

7.20.1 If a dispute arises out of or relates to the Contract, or the breach thereof, the parties agree to negotiate prior to prosecuting a suit for damages. However, this section does not prohibit the filing of a lawsuit to toll the running of a statute of limitations or to seek injunctive relief. Either party may make a written request for a meeting between representatives of each party within fourteen (14) calendar days after receipt of the request or such later period as agreed by the parties. Each party shall include, at a minimum, one (1) senior level individual with decision-making authority regarding the dispute. The purpose of this and any subsequent meeting is to attempt in good faith to negotiate a resolution of the dispute. If, within thirty (30) calendar days after such meeting, the parties have not succeeded in negotiating a resolution of the dispute, they will proceed directly to mediation as described below. Negotiation may be waived by a written agreement signed by both parties, in which event the parties may proceed directly to mediation as described below.

7.20.2 If the efforts to resolve the dispute through negotiation fail, or the parties waive the negotiation process, the parties may select, within thirty (30) calendar days, a mediator trained in mediation skills to assist with resolution of the dispute. Should they choose this option, the City and the Contractor agree to act in good faith in the selection of the mediator and to give consideration to qualified individuals nominated to act as mediator. Nothing in the Contract prevents the parties from relying on the skills of a person who is trained in the subject matter of the dispute or a contract interpretation expert. If the parties fail to agree on a mediator within thirty (30) calendar days of initiation of the mediation process, the mediator shall be selected by the Travis County Dispute Resolution Center (DRC). The parties agree to participate in mediation in good faith for up to thirty (30) calendar days from the date of the first mediation session. The City and the Contractor will share the mediator's fees equally and the parties will bear their own costs of participation such as fees for any consultants or attorneys they may utilize to represent them or otherwise assist them in the mediation.

7.21 **MBE/WBE Procurement Program.**

7.21.1 All City procurements are subject to the City's MBE/WBE Procurement Program found at Chapters 2-9A, 2-9B, 2-9C and 2-9D of the City Code. The Program MBEs/WBEs full opportunity to participate in all City contracts.

7.21.2 The City of Austin has determined that no goals are appropriate for this Contract. **Even though no goals have been established for this Contract, the Contractor is required to comply with the City's MBE/WBE Procurement Program, Chapters 2-9A, 2-9B, 2-9C and 2-9D, of the City Code, as applicable, if areas of subcontracting are identified.**

7.21.3 If any service is needed to perform the Contract and the Contractor does not perform the service with its own workforce or if supplies or materials are required and the Contractor does not have the supplies or materials in its inventory, the Contractor shall contact the Department of Small and Minority Business Resources (DSMBR) at (512) 974-7600 to obtain a list of MBE and WBE firms available to perform the service or provide the supplies or materials. The Contractor must also make a Good Faith Effort to use available MBE and WBE firms. Good Faith Efforts include but are not limited to contacting the listed MBE and WBE firms to solicit their interest in performing on the Contract; using MBE and WBE firms that have shown an interest, meet qualifications, and are competitive in the market; and documenting the results of the contacts.

7.22 **Subcontractors.**

7.22.1 If the Contractor identified Subcontractors in an MBE/WBE Program Compliance Plan or a No Goals Utilization Plan, the Contractor shall comply with the provisions of Chapters 2-9A, 2-9B, 2-9C, and 2-9D, as applicable, of the Austin City Code and the terms of the Compliance Plan or Utilization Plan as approved by the City (the "Plan"). The Contractor shall not initially employ any Subcontractor except as provided in the Contractor's Plan. The Contractor shall not substitute any Subcontractor identified in the Plan, unless the substitute has been accepted by the City in writing in accordance with the provisions of Chapters 2-9A, 2-9B, 2-9C and 2-9D, as applicable. No acceptance by the City of any Subcontractor shall constitute a waiver of any rights or remedies of the City with respect to defective deliverables provided by a Subcontractor. If a Plan has been approved, the Contractor is additionally required to submit a monthly Subcontract Awards and

Expenditures Report to the Contract Manager and the Purchasing Office Contract Compliance Manager no later than the tenth calendar day of each month.

7.22.2 Work performed for the Contractor by a Subcontractor shall be pursuant to a written contract between the Contractor and Subcontractor. The terms of the subcontract may not conflict with the terms of the Contract, and shall contain provisions that:

7.22.2.1 require that all deliverables to be provided by the Subcontractor be provided in strict accordance with the provisions, specifications and terms of the Contract.

7.22.2.2 prohibit the Subcontractor from further subcontracting any portion of the Contract without the prior written consent of the City and the Contractor. The City may require, as a condition to such further subcontracting, that the Subcontractor post a payment bond in form, substance and amount acceptable to the City;

7.22.2.3 require Subcontractors to submit all invoices and applications for payments, including any claims for additional payments, damages or otherwise, to the Contractor in sufficient time to enable the Contractor to include same with its invoice or application for payment to the City in accordance with the terms of the Contract;

7.22.2.4 require that all Subcontractors obtain and maintain, throughout the term of their contract, insurance in the type and amounts specified for the Contractor, with the City being a named insured as its interest shall appear; and

7.22.2.5 require that the Subcontractor indemnify and hold the City harmless to the same extent as the Contractor is required to indemnify the City.

7.22.3 The Contractor shall be fully responsible to the City for all acts and omissions of the Subcontractors just as the Contractor is responsible for the Contractor's own acts and omissions. Nothing in the Contract shall create for the benefit of any such Subcontractor any contractual relationship between the City and any such Subcontractor, nor shall it create any obligation on the part of the City to pay or to see to the payment of any moneys due any such Subcontractor except as may otherwise be required by law.

7.22.4 The Contractor shall pay each Subcontractor its appropriate share of payments made to the Contractor not later than ten (10) calendar days after receipt of payment from the City.

7.23 **Jurisdiction And Venue.** The Contract is made under and shall be governed by the laws of the State of Texas, including, when applicable, the Uniform Commercial Code as adopted in Texas, V.T.C.A., Bus. & Comm. Code, Chapter 1, excluding any rule or principle that would refer to and apply the substantive law of another state or jurisdiction. All issues arising from this Contract shall be resolved in the courts of Travis County, Texas and the parties agree to submit to the exclusive personal jurisdiction of such courts. The foregoing, however, shall not be construed or interpreted to limit or restrict the right or ability of the City to seek and secure injunctive relief from any competent authority as contemplated herein.

7.24 **Invalidity.** The invalidity, illegality, or unenforceability of any provision of the Contract shall in no way affect the validity or enforceability of any other portion or provision of the Contract. Any void provision shall be deemed severed from the Contract and the balance of the Contract shall be construed and enforced as if the Contract did not contain the particular portion or provision held to be void. The parties further agree to reform the Contract to replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision. The provisions of this section shall not prevent this entire Contract from being void should a provision which is the essence of the Contract be determined to be void.

7.25 **Holidays.** The following holidays are observed by the City:

Holiday	Date Observed
New Year's Day	January 1
Martin Luther King, Jr.'s Birthday	Third Monday in January
Presidents Day	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Veterans Day	November 11
Thanksgiving Day	Fourth Thursday in November
Friday after Thanksgiving	Friday after Thanksgiving
Christmas Eve	December 24
Christmas Day	December 25

If a Legal Holiday falls on Saturday, it will be observed on the preceding Friday. If a Legal Holiday falls on Sunday, it will be observed on the following Monday.

7.26 **Survivability of Obligations.** All provisions of the Contract that impose continuing obligations on the parties, including but not limited to the warranty, indemnity, and confidentiality obligations of the parties, shall survive the expiration or termination of the Contract.

7.27 **Non-Suspension or Debarment Certification.** The City of Austin is prohibited from contracting with or making prime or sub-awards to parties that are suspended or debarred or whose principals are suspended or debarred from Federal, State, or City of Austin Contracts. By accepting a Contract with the City, the Vendor certifies that its firm and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the General Services Administration List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.

7.28 **Incorporation of Documents. Section 0100, Standard Purchase Definitions**, is hereby incorporated into this Contract by reference, with the same force and effect as if they were incorporated in full text. The full text versions of this Section are available, on the Internet at the following online address: http://www.austintexas.gov/sites/default/files/files/Finance/Purchasing/standard-purchase-definitions.pdf.

In witness whereof, the parties have caused duly authorized representatives to execute this Contract on the dates set forth below.

FILM SOCIETY OF AUSTIN, INC. (DBA AUSTIN FILM SOCIETY)

By: _____
Signature

Name: REBECCA CAMPBELL
Printed Name

Title: EXECUTIVE DIRECTOR

Date: 2/8/16

CITY OF AUSTIN

By: _____
Signature

Name: JONATHAN DALCHAU
Printed Name

Title: SENIOR BUYER SPECIALIST

Date: 2/29/2016

List of Exhibits

Exhibit A	2013 City of Austin FSD Purchasing Office Operating Policies and Procedures Manual
Exhibit B	Competitive Purchasing Methods Chart
Exhibit C	Non Discrimination Certification

EXHIBIT A

2013

City of Austin FSD Purchasing Office



Operating Policies and Procedures Manual

September 2013

Municipal Building
124 W. 8th Street
Austin, TX 78701-2302
Map to Municipal Building

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Document Change History

Version	Date	Summary of Policy and Procedure Edits
2	07/08/13	Dollar Limitation Changes made to pages 10, 11, 12, 14, 16, 18, 22. Additional information added to page 42. New title to pages 104, 106.
2.01	3/20/14	Fixed typo in Microstrategy link

Table of Contents

Operating Policies and Procedures Manual 6
Purchasing Authority Levels and Policies 8
Purchasing at a Glance 10
Purchases $.01 to $150 12
Policy 12
Procedure 14
Purchases $150.01 to $3,000 16
Policy 16
Procedure 18
Purchases $3,000.01 to $5,000 20
Policy 20
Procedure 22
Purchases $5,000.01 to $50,000 24
Policy 24
Procedure 26
Purchases $50,000.01 to City Manager's Authority 28
Policy 28
Procedure 30
Purchases Over City Manager's Authority 32
Policy 32
Procedure 34
Purchases Exempt From Competitive Bidding 36
Policy 36
Procedure 40
Revenue Generating Contracts 42

Policy 42
Competitive Purchasing Methods 44
Request for Quotation (RFQ) 46
Policy 46
Procedure 48
Invitation for Bid (IFB) 52
Policy 52
Procedure 53
Invitation for Bid - Best Value (IFB-BV) 60
Policy 60
Procedure 62
Request for Application (RFA) 68
Policy 68
Procedure 69
Request for Proposal (RFP) 76
Policy 76
Procedure 77
Request for Qualifications (RFQS) 84
Policy 84
Procedure 86
Non-Competitive Purchasing Methods 93
Emergency Purchasing 95
Policy 95
Procedure 97
Sole Source Purchasing 99
Policy 99
Procedure 101
Example: Sole Source Letter 103
Personal, Professional and Planning Service Purchasing 104

Policy 104
Procedure 106
Interlocal Purchasing 108
Policy 108
Procedure 110
Cooperative Purchasing 112
Policy 112
Procedures 115
Cooperative Purchasing 118
Description of Approved Cooperatives 118
Miscellaneous Purchasing Procedures 120
Request for Information (RFI) 122
Policy 122
Procedure 123
General Accounting Expenditure (GAX) Purchase 126
Policy 126
Anti-Lobbying 128
Policy 128
Procedure 129
Pre-Solicitation Meeting 132
Policy 132
Procedure 134
Local Business Presence 136
Policy 136
Procedure 138
Additional Information 139
Forms 142
Example of Certificate of Exemption Form 144
Reporting 1 – Procurement Code Explanations 148

Reporting 2 – Sustainability Code Explanations 152
Acronyms 156
For questions or comments contact: 160
Where do I go for help with Advantage? 160
Where do I go for help with eCapris? 160

City of Austin FSD Purchasing Office

Operating Policies and Procedures Manual

Objective

The Purchasing Office's primary objective is to procure materials, supplies, and services needed to support and reach organizational goals for all internal customers within the City of Austin. Purchasing is responsible for procuring goods and services from the most responsive and responsible vendor(s) using the appropriate procurement methodology.

Central Purchasing Responsibilities

- To make purchases within the guidelines established by State of Texas statutes, City of Austin charter provisions, City of Austin Administrative Bulletins and any requirements set by the funding source or agency
- To purchase the required goods or services that best meet the City or Department's need
- To obtain the most advantageous pricing for goods or services
- To establish contracts which provide a continuing supply of goods and services
- To ensure that public funds and assets are safeguarded against any misappropriation
- To maintain the integrity of the solicitation process in a fair and open manner while ensuring Minority Business Enterprises / Women Business Enterprises (MBE/WBE) are given an equal opportunity to compete
- In accordance with the City of Austin's Anti-Lobbying and Procurement Ordinance, all respondents will be provided with equal access to information and equal opportunity to present information
- To provide quality customer service that satisfies our customers and citizens

Departmental Purchasing Responsibilities

- To provide clear, concise, and competitive specifications or scope of work for the procurement of goods and services
- To obtain proper Budget, Finance and departmental authorizations prior to submitting requisitions or requests to Central Purchasing

- To respond to communication from Central Purchasing in a timely and efficient manner
- To ensure all expenditures exceeding departmental authority are processed by Central Purchasing
- To ensure the competitive process is maintained by avoiding separate and sequential purchases
- When obtaining informal bids or quotes, the department shall contact at least two MBE/WBEs on a rotating basis, if MBE/WBEs are available
- To ensure all expenditures are authorized and have available funding

Purchasing Authority Levels and Policies

Operating Policies and Procedures Manual

Purchasing at a Glance

The following dollar limits generally apply for City Purchases.

From	To	Method	Advantage3 Document	Approval	Notes
$0.01	$150.00	Petty Cash Or Request For Check (GAX)	None	Department	Purchase made based on a single quote; may be done as reimbursement to employee with Petty Cash; or by processing a request for a check with a GAX, (For specifically granted exceptions. To view the list of exceptions, click HERE.)
$150.01	$3,000.00	Purchasing Credit Card Or Departmental Purchase Order	None Or PO	Department	Purchase made based on a single quote. To find out more about the Purchasing Credit Card, click HERE.
$3,000.01	$5,000.00	Departmental Purchase Order	PO	Department	Purchase made by Department based on three quotes (2 from a certified Woman or Minority Owned Business).

$5,000.01	$50,000.00	Central Purchase Order or Master Agreement	RQM >> MA** RQS>>CT	Department*/ Central Buyer	*Department or Central Buyer may conduct an informal solicitation - Request For Quotations (RFQ); Central Buyer reviews and makes award; one time purchases are done with Central Purchase Order (CT); **recurring requirements are placed on Master Agreements (MA).
$50,000.01	$57,000.00 (FY 2014)	Central Purchase Order or Master Agreement	RQM >> MA** RQS>>CT	Purchasing Officer or Designee	Central Buyer conducts formal (advertised) solicitation. Purchases are done with Central Purchase Order (CT); **recurring requirements are placed on Master Agreements (MA).
$57,000.01 (FY 2014)	Approval	Central Purchase Order or Master Agreement	RQM >> MA** RQS>>CT	City Council	Central Buyer conducts formal (advertised) solicitation. Results are submitted to the City Council for award by means of a Request for Council Action (RCA). One time purchases are done with Central Purchase Order (CT); **recurring requirements are placed on Master Agreements (MA).

* RFQ's resulting in a MA, must be solicited by the Central Buyer. Departments can only issue RFQ's which result in a CT.

** If an MA has an aggregate total (initial period + extension options) which exceeds Council Limit, the Central Buyer must take that MA to Council on an amendment RCA.

Operating Policies and Procedures Manual

Purchases $.01 to $150

Policy

Purchases $150 or less for items not on an existing master agreement are procured by department personnel. If the item(s) or service total is $150 or less, then one informal quote is required, and justification is based on professional experience of the requestor. Departments should always use their best professional judgment and utilize ethical practices when selecting a vendor.

Typically, purchases $150 or less are processed through procurement card, General Accounting Expenditure (GAX), or petty cash. Petty cash may be done as reimbursement to the employee. For more information, reference the City's General Accounting Expenditure Payment Process, procurement card, and/or petty cash policies.

It is recommended that purchases $150 or less be directed first toward MBE/WBE firms then towards local firms, if any are available to fulfill the need.

A single purchase may not be purposely divided, split or separated into smaller components to stay within this dollar amount. This includes using more than one of the methods listed above, i.e., do not combine petty cash and the procurement card to process a single acquisition, or multiple procurement cards.

Procurement Methods

- Quotes (i.e., obtained informally by phone, fax, email, or in person)
- Order direct and make the payment using one of these methods:
  - Procurement Card
  - Petty Cash
  - GAX
  - Purchase Order

Governing Policy

Administrative Bulletin 95-04: Procurement Card Policy

Administrative Bulletin 93-01: Petty Cash Policy

General Accounting Expenditure Payment Process

Related Links

ProCard

http://purchweb.ci.austin.tx.us/intranet/Works/Works.cfm

ProCard Administrative Bulletin

http://cityspace.ci.austin.tx.us/departments/hrm/policies-procedures/bulletins/95-04.pdf

Petty Cash

http://cityspace.ci.austin.tx.us/departments/hrm/policies-procedures/bulletins/93-01.pdf

GAX

http://purchweb.ci.austin.tx.us/intranet/purcman1/gax.cfm

Operating Policies and Procedures Manual

Purchases $.01 to $150

Procedure

Stage	Conditional Statement	Responsible Party	Step	Procedure
1		Department	1	Determines a need
			2	Obtains proper authorizations
			3	Obtains informal quote and makes recommendation based on professional experience
			4	Proceeds with purchase using appropriate method

Operating Policies and Procedures Manual

Purchases $150.01 to $3,000

Policy

Purchases $150.01 to $3,000 for items not on an existing agreement are procured by department personnel or Purchasing Buyer. If the item(s) or service total does not exceed $3,000, then one informal quote is required and justification is based on the professional experience of the requestor. Departments should always use their best professional judgment and utilize ethical practices when selecting a vendor.

Typically, purchases $3,000 or less are processed through a procurement card or purchase order.

It is recommended that purchases $150.01 to $3,000 be directed first toward MBE/WBE firms then towards local firms, if any are available to fulfill the need.

A single purchase may not be purposely divided, split or separated into smaller components to stay within this dollar amount. This includes using more than one of the methods listed above, i.e., do not combine purchase order and the procurement card to process a single acquisition, or multiple procurement cards.

Procurement Methods

- Quote (i.e., obtained informally by phone, fax, email, or in person)
- Order directly and make the payment using one of these methods
  - Procurement Card
  - Purchase Order (PO) (http://purchweb.ci.austin.tx.us/intranet/purchresource.cfm)

Governing Policy

Administrative Bulletin 95-04: Procurement Card Policy

General Accounting Expenditure Payment Process

Related Links

ProCard

http://purchweb.ci.austin.tx.us/intranet/Works/Works.cfm

ProCard Administrative Bulletin

http://cityspace.ci.austin.tx.us/departments/hrm/policies-procedures/bulletins/95-04.pdf

Operating Policies and Procedures Manual

Purchases $150.01 to $3,000

Procedure

Stage	Conditional Statement	Responsible Party	Step	Procedure
1		Department	1	Determines a need
			2	Obtains proper authorizations
			3	Obtains informal written quote and makes recommendation based on professional experience
			4	Proceeds with purchase using appropriate method

Operating Policies and Procedures Manual

Purchases $3,000.01 to $5,000

Policy

Purchases $3,000.01 to $5,000 for items not on an existing agreement are procured by department personnel or purchasing Buyer. A minimum of three informal quotes is required.

It is recommended that calls be directed first toward MBE/WBE firms then towards Local firms. As per the local government code, a municipality, in making an expenditure of more than $3,000 but less than $50,000, shall contact at least two MBE/WBE firms on a rotating basis. If there are not three responses or no MBE/WBE vendors for the selected quantity, then you may select additional vendors.

If a minimum number of bid responses cannot be obtained, a written justification must be included in the bid file. A single purchase may not be purposely divided, split or separated into smaller components to stay within this dollar amount. This includes using more than one of the methods listed below, i.e., do not combine purchase order and the procurement card to process a single acquisition.

Departments should always use their best professional judgment and utilize ethical practices when selecting a vendor.

Procurement Methods

- Quote (i.e., obtained informally by phone, fax, email, or in person)
- Order directly and make the payment using one of these methods:
  - Procurement Card
  - Purchase Order (PO)

Governing Policy

Local Government Code, Sec. 252.0215. Competitive Bidding In Relation To Historically Underutilized Business

Administrative Bulletin 95-04: Procurement Card Policy

General Accounting Expenditure Payment Process

Related Links

ProCard
http://purchweb.ci.austin.tx.us/intranet/Works/Works.cfm

ProCard Administrative Bulletin
http://cityspace.ci.austin.tx.us/departments/hrm/policies-procedures/bulletins/95-04.pdf

Operating Policies and Procedures Manual

Purchases $3,000.01 to $5,000

Procedure

Stage	Conditional Statement	Responsible Party	Step	Procedure
1		Department	1	Determines a need
			2	Obtains proper authorizations
			3	Obtains informal written quote and makes recommendation based on professional experience
			4	Proceeds with purchase using appropriate method

Operating Policies and Procedures Manual

Purchases $5,000.01 to $50,000

Policy

Purchases that are $5,000.01 to $50,000 and are not on an existing master agreement are procured by a Purchasing Buyer. A minimum of three informal quotes are required.

As per the City Charter, Chapter VII, Section 15, “All contracts or purchases involving more than five thousand dollars ($5,000.00) shall be let to the bid deemed most advantageous to the city after there has been an opportunity for competitive bidding...”

It is recommended that calls be directed first toward MBE/WBE firms then towards Local firms. As per the local government code, a municipality, in making an expenditure of more than $3,000 but less than $50,000, shall contact at least two MBE/WBE firms on a rotating basis. If there are not three responses or no MBE/WBE vendors for the selected quantity, then you may select additional vendors.

If a minimum number of bid responses cannot be obtained, a written justification must be included in the bid file. A single purchase may not be purposely divided, split or separated into smaller components to stay within this dollar amount. This includes using more than one of the methods listed below, i.e., do not combine purchase order and the procurement card to process a single acquisition.

Departments should always use their best professional judgment and utilize ethical practices when selecting a vendor.

Procurement Methods

- Quote (i.e., obtained informally by phone, fax, email, or in person)
- Request for Quotations
- Cooperatives

Governing Policy

Local Government Code, Sec. 252.0215 Competitive Bidding In Relation To Historically Underutilized Business

City Charter, Chapter VII, Section 15: Purchase Procedure

Notes

Austin Water Utility (AWU) has been granted administrative authority by the Purchasing Officer to procure goods and services to $50,000 and the Austin Housing Finance Corporation is authorized to execute contracts up to $250,000 or a level set annually by their Board of Directors.

Departments may obtain their own quotes for a spot purchase. However, the Purchasing Buyer must issue the purchase order (CT) or Master Agreement (MA).

Operating Policies and Procedures Manual

Purchases $5,000.01 to $50,000

Procedure

Stage	Conditional Statement	Responsible Party	Step	Procedure
1		Department	1	Determines a need
			2	Obtains proper authorizations
			3	Submits requisition with supporting documentation to Buyer
2	If documents are incomplete	Buyer/ Department Buyer	1	Reviews documentation for completeness and accuracy
			2	Works with department personnel to achieve desired language
			3	Develops solicitation documents
			4	Solicits for responses
			5	Reviews quotes and prepares bid tab
			6	Forwards bid tab and responsive bids to Central Purchasing along with requisition
3		Buyer	1	Issues the CT or MA

Operating Policies and Procedures Manual

Purchases $50,000.01 to City Manager's Authority

Policy

Unless specifically exempted, procurements for purchases $50,000.01 to City Manager's authority must be made by a competitive method. As per Sec. 252.021 of the Local Government Code, before a municipality may enter into a contract that requires an expenditure of $50,000.01 to City Manager's authority from one or more municipal funds, the municipality must:

- comply with the procedure prescribed for competitive sealed bidding or competitive sealed proposals;
- use the reverse auction procedure;
- use the competitive sealed proposal procedure for the purchase of goods or services, including high technology items and insurance; or
- use a method that is in the best value for the municipality.

If the competitive sealed bidding requirement applies to the contract for goods or services, the contract must be awarded to the lowest responsible bidder or to the bidder who provides goods or services at the best value for the municipality.

In determining the best value for the municipality, the municipality may consider:

- the purchase price;
- the reputation of the bidder and of the bidder's goods or services;
- the quality of the bidder's goods or services;
- the extent to which the goods or services meet the municipality's needs;
- the bidder's past relationship with the municipality;
- the impact on the ability of the municipality to comply with laws and rules relating to contracting with historically underutilized businesses and nonprofit organizations employing persons with disabilities;
- the total long-term cost to the municipality to acquire the bidder's goods or services; and
- any relevant criteria specifically listed in the request for bids or proposals.

A single purchase may not be purposely divided, split or separated into smaller components to stay under this dollar amount.

Procurement Methods

In determining the best value for the municipality, the municipality may consider:

- Invitation for Bid (IFB)
- Invitation for Bid – Best Value (IFB-BV)
- Request for Proposals (RFP)
- Request for Qualifications (RFQS)
- Purchases Exempt from Competitive Solicitation
- Cooperative Contracts

Governing Policy

City Charter, Chapter VII, Section 15: Purchase Procedure

Local Government Code, Chapter 252: PURCHASING AND CONTRACTING AUTHORITY OF MUNICIPALITIES

Notes

Negotiation of contracts is permitted for:

- Emergency purchases when there is insufficient time to solicit bids;
- Proprietary purchases or purchases of items for which there is only one source of supply; and,
- Purchases by means of competitive sealed proposals.

Operating Policies and Procedures Manual

Purchases $50,000.01 to City Manager's Authority

Procedure

Stage	Conditional Statement	Responsible Party	Step	Procedure
1		Department	1	Determines a need
			2	Obtains proper authorizations
			3	Submits requisition with supporting documentation to Central Purchasing
2	If documents are complete	Buyer	1	Reviews documentation for completeness and accuracy
			2	Works with department personnel to achieve desired language
			3	Develops solicitation documents
			4	Advertises and solicits for responses
			5	Reviews bids for accuracy and completeness
			6	Evaluates bids, creates tabulation and forwards to department for review and approval
3		Department	1	Reviews bids, prepares recommendation of award and forwards to Buyer
4	If award exceeds the City Manager's authority	Buyer	1	Prepares a Request for Council Action (RCA) and forwards to city council for approval.
			2	Issues a CT or MA

Operating Policies and Procedures Manual

Purchases Over City Manager's Authority

Policy

In addition to the requirements for purchases $50,000.01 or more, purchases over the City Manager's authority require the approval of the City Council.

As per the City Charter, "Before the city makes any purchase or contract for supplies, materials, equipment or contractual services, opportunity shall be given for competition unless exempted by state statute. The City Manager shall have the authority to contract for expenditures without further approval of the council for an expenditure that does not exceed forty-three thousand dollars annually."

"Contracts for personal or professional services shall not be let on competitive bids and each such contract, or amendment to a contract, involving more than forty-three thousand dollars annually shall be approved by the council. The City Manager may not contract for personal or professional services under the manager's authority if the Manager knows or reasonably should know that the Contractor's full scope of work will exceed the limit of the Manager's authority. The amount of the forty-three thousand dollar annual limitation shall be modified each year with the adoption of the budget to increase or decrease in accordance with the most recently published federal government, Bureau of Labor Statistics Indicator, Consumer Price Index (CPI-W U.S. City Average) U.S. City Average. The most recently published Consumer Price Index on May 4, 2002, shall be used as a base of 100 and the adjustment thereafter will be to the nearest one thousand dollars ($1,000.00)."

Some recommendations for award may require approval from a board or commission specific to that department, for example: the Water and Wastewater Commission, the Electric Utility Commission, the Parks Board. The Buyer should check with their department to see if Board approval is needed before proceeding with award of a contract.

A single purchase may not be purposely divided, split or separated into smaller components to stay under this dollar amount.

Procurement Methods

In determining the best value for the municipality, the municipality may consider:

- Invitation for Bid (IFB)
- Invitation for Bid – Best Value (IFB-BV)
- Request for Proposals (RFP)
- Request for Qualifications (RFQS)
- Purchases Exempt from Competitive Solicitation
- Cooperative Contracts

Governing Policy

City Charter, Chapter VII, Section 15: Purchase Procedure

Local Government Code, Chapter 252: PURCHASING AND CONTRACTING AUTHORITY OF MUNICIPALITIES

Operating Policies and Procedures Manual

Purchases Over City Manager's Authority

Procedure

Stage	Conditional Statement	Responsible Party	Step	Procedure
1		Department	1	Determines a need
			2	Obtains proper authorizations
			3	Submits requisition with supporting documentation to Central Purchasing
2	If documents are complete	Buyer	1	Reviews documentation for completeness and accuracy
			2	Works with department personnel to achieve desired language
			3	Develops solicitation documents
			4	Advertises and solicits for responses
			5	Reviews bids for accuracy and completeness
			6	Evaluates bids, creates tabulation and forwards to department for review and approval
3		Department	1	Reviews bids, prepares recommendation of award and forwards to Buyer
4	If award exceeds the City Manager's authority	Buyer	1	Prepares a RCA and forwards to city council for approval.
			2	Issues a CT or MA

Operating Policies and Procedures Manual

Purchases Exempt From Competitive Bidding

Policy

Chapter 252 of the Local Government Code requires that municipalities comply with the procedures established for competitive sealed bids or proposals before entering into a contract requiring an expenditure of $50,000.01 or more, unless the expenditure falls within an exemption listed in Section 252.022. As per Sec. 252.022 of the Local Government Code, municipalities are exempt from competitive bidding resulting from expenditures for:

- a procurement made because of a public calamity that requires the immediate appropriation of money to relieve the necessity of the municipality's residents or to preserve the property of the municipality;
- a procurement necessary to preserve or protect the public health or safety of the municipality's residents;
- a procurement necessary because of unforeseen damage to public machinery, equipment, or other property;
- a procurement for personal, professional, or planning services;
- a procurement for work that is performed and paid for by the day as the work progresses;
- a purchase of land or a right-of-way;
- a procurement of items that are available from only one source, including:
    - items that are available from only one source because of patents, copyrights, secret processes, or natural monopolies;
    - films, manuscripts, or books;
    - gas, water, and other utility services;
    - captive replacement parts or components for equipment;
    - books, papers, and other library materials for a public library that are available only from the persons holding exclusive distribution rights to the materials; and
    - management services provided by a nonprofit organization to a municipal museum, park, zoo, or other facility to which the organization has provided significant financial or other benefits;
- a purchase of rare books, papers, and other library materials for a public library;

- paving drainage, street widening, and other public improvements, or related matters, if at least one-third of the cost is to be paid by or through special assessments levied on property that will benefit from the improvements;
- a public improvement project, already in progress, authorized by the voters of the municipality, for which there is a deficiency of funds for completing the project in accordance with the plans and purposes authorized by the voters;
- a payment under a contract by which a developer participates in the construction of a public improvement as provided by Subchapter C, Chapter 212;
- personal property sold:
    - at an auction by a state licensed auctioneer;
    - at a going out of business sale held in compliance with Subchapter F, Chapter 17, Business & Commerce Code;
    - by a political subdivision of this state, a state agency of this state, or an entity of the federal government; or
    - under an Interlocal contract for cooperative purchasing administered by a regional planning commission established under Chapter 391;
- services performed by blind or severely disabled persons;
- goods purchased by a municipality for subsequent retail sale by the municipality;
- electricity; or
- advertising, other than legal notices.

Senate Bill 7 amended Chapter 252 of the Local Government Code to exempt from the requirements of such Chapter expenditures made by a municipally owned electric utility for any purchases made in accordance with procurement procedures adopted by a resolution of its governing body. The Austin City Council has adopted Resolution No. 040610-02 to establish circumstances which could give rise to a finding of critical business need that are:

- emergency situations, including procurements necessary to protect the public health or safety in response to a public calamity;
- procurement necessary because of unforeseen damage to public equipment, machinery, or other property;
- procurement for personal, professional, or planning services;
- purchase of land or interests in land;
- a procurement of items that are available from only one source; and
- any procurement necessary to protect the competitive interests or position of Austin Energy.

Governing Policy

City Charter, Chapter VII, Section 15: Purchase Procedure

Local Government Code, Chapter 252: PURCHASING AND CONTRACTING AUTHORITY OF MUNICIPALITIES

Senate Bill 7 as implemented by Council Resolution 040610-02

Related Links

ProCard
http://purchweb.ci.austin.tx.us/intranet/Works/Works.cfm

ProCard Administrative Bulletin
http://cityspace.ci.austin.tx.us/departments/hrm/policies-procedures/bulletins/95-04.pdf

GAX
http://purchweb.ci.austin.tx.us/intranet/purcman1/gax.cfm

Requirements

Departments should utilize competitive procurement processes for the goods or services any time the User determines a competitive procurement to be in the best interest of the City. Departments should always use their best professional judgment and utilize ethical practices when selecting a vendor.

For exemptions defined under Chapter 252, a Certificate of Exemption must be completed and signed by the Department's Director, with Assistant City Manager (ACM) approval required for purchases $50,000.01 or more.

For Austin Energy (AE) purchases designated as a Critical Business Need, a signature by AE General Manager or designee is required regardless of purchase amount. However, AE may choose to use Certificate of Exemption Form or the existing process outlined under Council Resolution No. 040610-02.

Some purchases/contracts are required to be reviewed and approved by a Department's Board and Commission prior to going before Council for authorization for execution of a contract. Each Board and Commission has a separate schedule and should be factored into the timeline of the purchase.

Exclusions

Brand specific purchases are not considered to be a sole source purchase and should therefore be competitively bid as brand specific or Buyer's approved equivalent. If purchasing a specific brand, a justification is required from the Department explaining why only that brand (and not an approved equivalent) meets the Department's needs/requirements.

Operating Policies and Procedures Manual

Purchases Exempt From Competitive Bidding

Procedure

Stage	Conditional Statement	Responsible Party	Step	Procedure
1		Department	1	Exemption occurs as defined above
			2	Prepares a requisition and Certificate Of Exemption Form justifying using the exempt process
			3	Obtains proper authorization
			4	Forwards to Purchasing: ▪ copy of purchase request with suggested vendor ▪ cost and funding information ▪ quote from vendor ▪ authorized Certificate of Exemption
2		Buyer	1	Reviews Certificate of Exemption Form and Scope of Work for accuracy
			2	Submits Certificate of Exemption Form and Scope of Work to Contract Administration team for the development of a Contract
3		Buyer	1	Checks the State Comptroller's website https://ourcpa.cpa.state.tx.us/coa/Index.html to verify name and address of recommended vendor
	If aggregate purchase >$25,000		2	Gets System for Award Management (SAM) for Contract file https://www.sam.gov/portal/public/SAM/

Stage	Conditional Statement	Responsible Party	Step	Procedure
	If purchase has element of service and exceeds administrative authority		3	Obtains the prior approval of the Department of Small and Minority Business Resources (SMBR) using the “MBE/WBE Utilization Form and Utilization Plan for Sole Source and Professional Services”
4		Contract Administrator working with Buyer	1	Develops/ Negotiates Contract with Contractor and obtains an insurance certificate (if applicable); Once finalized, provides Buyer with original copy of the Contract along with the Insurance Certificate
5	If Contract exceeds administrative authority	Buyer	1	Submits an RCA, RCA Summary, and Certificate of Exemption Form to Agenda Coordinator and Deputy Purchasing Officer
			2	Attends RCA Summary meeting to explain the purchase being made
			3	Obtains Council approval (in the form of Council Action email notification sent from Agenda Coordinator)
			4	Emails a copy of Award Letter to the Office of the City Clerk using the email address “Contracts”
			5	Creates the MA or (CT) in Advantage3 and code it as a “Personal, Professional, Planning Services” (code 55)
			6	Creates the Contract file and submits for upload to Electronic Data Interchange (EDIMS) (see process for EDIMS)
			7	Sends a copy of the Contract to Contractor and Department

Operating Policies and Procedures Manual

Revenue Generating Contracts

Policy

A revenue contract is a binding agreement between a governmental body and another party that defines the terms under which revenue will be received. A revenue generating contract can be established using various competitive solicitation methods. The same rules are applicable to each type of solicitation in regards to advertisement and award; however, revenue generating contracts regardless of dollar amount, require Council approval when the revenue exceeds the City Manager's Authority.

Governing Policy

Administrative Bulletin 84-07

Requirements

All revenue contracts must be competitively bid and issued by Central Purchasing.

Some recommendations for award may require approval from a board or commission specific to that department, for example: the Water and Wastewater Commission, the Electric Utility Commission, the Parks Board. The Buyer should check with their department to see if Board approval is needed before proceeding with award of a contract.

Procurement Methods

- Invitation for Bid (IFB)
- Invitation for Bid – Best Value (IFB-BV)
- Request for Proposals (RFP)
- Request for Qualifications (RFQS)

Exclusions

Revenue neutral contracts are not required to go to City Council if the estimated revenue exceeds City Manager's Authority.

Competitive Purchasing Methods

Operating Policies and Procedures Manual

Request for Quotation (RFQ)

Policy

The Request for Quotation (RFQ) is an informal process for obtaining quotes for goods and non-professional services. RFQ may be used when the aggregate cost of a good or service is estimated to cost is $3,000.01 to $50,000. Requests for Quotations are informal and are not subject to advertisement or a public bid opening.

Governing Policy

City Charter Article VII, Paragraph 15

Requirements

RFQ may be conducted using a variety of methods:

- the department may gather pricing information by phone, fax or email and issue the purchase order if the purchase is within the departmental purchasing authority, OR
- the department may gather pricing information by phone, fax or email and forward to the Buyer for creation of the purchase order if the purchase is greater than the departmental purchasing authority, OR
- the Buyer may receive a requisition from a department, and conduct the solicitation outside of the financial system using phone, fax or email to collect pricing information, OR
- the Buyer may receive a requisition from a department, and use the financial system to issue the RFQ.

On Department dollar level procurements, you may solicit bids over the phone. It is recommended that calls be directed first toward MBE/WBE firms then towards Local firms. As per the local government code, a municipality, in making an expenditure of more than $3,000 but less than $50,000, shall contact at least two MBE/WBE firms on a rotating basis. If there are not three responses or no MBE/WBE vendors for the selected quantity, then you may select additional vendors.

If a minimum number of bid responses cannot be obtained, a written justification must be

included in the bid file. A single purchase may not be purposely divided, split or separated into smaller components to stay within this dollar amount. This includes using more than one of the methods listed below, i.e., do not combine purchase order and the procurement card to process a single acquisition.

A single purchase may not be purposely divided, split or separated into smaller components to stay within the RFQ dollar limits. Any quote greater than or equal to $50,000 shall be cancelled and a formal solicitation will be issued.

Departments should always use their best professional judgment and utilize ethical practices when selecting a vendor.

Notes

The “Buying for the City” online training course provides information to department staff on how to conduct quotes and how to prepare requisitions for use by the Buyer.

Departmental buyers are authorized to award for $5,000 or less. However, Austin Water Utility (AWU) has been granted administrative authority by the Purchasing Officer to procure goods and services $50,000 or less and the Austin Housing Finance Corporation is authorized to execute contracts up to $250,000 or a level set annually by their Board of Directors.

Operating Policies and Procedures Manual

Request for Quotation (RFQ)

Procedure

Stage	Conditional Statement	Responsible Party	Step	Procedure
1		Department	1	Determines a need that requires a Request for Quotation
2		Department	1	Creates a requisition and scope of work
	If Department is obtaining quotes		2	Gathers pricing information as noted in the requirements section above and forwards to the Central Buyer
	If the process is completed correctly	Buyer	3	Skip to Stage 9
	If the process is NOT completed correctly		4	Seeks clarification and/or rejects the requisition back to the Department with additional guidance. Buyer may also choose to re-solicit the RFQ
3	If Buyer chooses to re-solicit	Buyer	1	Decides whether to get quotes manually (get three quotes) or electronically (using Advantage and skip to Stage 3)
	If Buyer gets quotes manually		2	Gathers pricing information as noted in the requirements section above and forwards to Department for review and recommendation
	If Department does not agree with award to apparent low bidder	Department	3	Provides the Buyer justification to award to other than low bidder
	If Department agrees		4	Provides written recommendation to Buyer Skip to Stage 9

Stage	Conditional Statement	Responsible Party	Step	Procedure
4	If buyer uses Advantage to issue RFQ	Buyer	1	Reviews documentation for completeness and accuracy
			2	Uses Advantage 3 Search to look up commodity codes submitted on the requisition and determine if an adequate number of vendors will be notified of the solicitation http://purchweb.ci.austin.tx.us/search/SVCode.cfm
5	If buyer determines that the notification pool is inadequate	Buyer/ Department	1	The steps listed below can be used to help the Buyer and Department increase the number of vendors that will be notified about the solicitation, beyond those identified in the initial requisition
			2	Identifies any additional vendors that could be a potential bidder for the solicitation
		Buyer	3	Adds vendor email address to the Free Form Vendor screen for vendors identified by the department or buyer as potential bidders
		Buyer/ Department	4	Works to determine additional commodity codes that may be applicable to the solicitation
		Buyer	5	Adds additional commodity codes to the solicitation on the Commodity Email Push screen in Advantage.
6		Buyer	1	Solicitation documents are developed using standard templates located at [O:\DOCUMENT\FRONT END DOCUMENTS\Purchasing Office Buyer Documents]

Stage	Conditional Statement	Responsible Party	Step	Procedure
7		Buyer	1	Submits solicitation to final in Advantage. Ensures the language in the Document Description field on the Header is what the buyer intends to display in the newspaper advertisement; Within approximately 5 minutes, the batch job should copy the solicitation information to Capital Project Reporting and Information System (eCAPRIS) for use by the buyer
			2	Uploads solicitation documents into eCAPRIS
			3	Adds Scope of Work language and set solicitation to Publish; Setting the flag to Yes, will ensure that the solicitation will publish to Vendor Connection on the morning of the Let Date
			4	Emails final solicitation documents to user department for their files
			5	No publication in local newspaper is required
8		Buyer	1	Prior to the solicitation due date, Buyer determines if any quotes have been received
	If adequate responses are not received		2	Evaluates whether RFQ should be extended or cancelled and process accordingly
9		Buyer	1	Prepares bid tabulation
			2	Reviews bid tab for accuracy and reviews bids for deliverables, exceptions and responsiveness
	If clarifications are required		3	Contacts bidders for clarifications

Stage	Conditional Statement	Responsible Party	Step	Procedure
	If a respondent is determined to be non-responsive or non-responsible		4	Contacts bidders to inform them on non-responsiveness and that their respective quote will not be considered. Notification can be via phone call, followed by written notification (NOTE: This step can happen at multiple points during the process)
			5	Forwards copies of all responsive bids to the department for evaluation and recommendation
	If Department does not agree with award to apparent low bidder	Department	6	Provides the Buyer justification to award to other than low bidder
	If Department agrees		7	Completes evaluation and returns written recommendation. Skip to Stage 9
10		Buyer	1	Checks the State Comptroller's website https://ourcpa.cpa.state.tx.us/coa/Index.html to verify name and address of recommended vendor
	If aggregate purchase >$25,000		2	Get SAM for Contract file https://www.sam.gov/portal/public/SAM/
11	If Vendor is going to be coming onto City property	Buyer	1	Requests insurance certificate from Bidder as specified in solicitation documents (0400)
12		Buyer	1	Creates final system document in Advantage3
			2	Completes contract documentation – file copy
			3	Awards contract
			4	Scans file into EDIMS

Operating Policies and Procedures Manual

Invitation for Bid (IFB)

Policy

The Invitation for Bid (IFB) is used to obtain bids from competing sources in response to a set of advertised specifications for goods and non-professional services in $50,000.01 or more. Each bidder must bid on the same set of advertised specifications, terms and conditions for all parts of the contract. The purpose of competitive bidding is to promote competition, prevent favoritism and procure goods and services from the most responsive, most responsible bidder(s).

Governing Policy

Texas Local Government Code, Chapter 252

Senate Bill 7 as implemented by Council Resolution 040610-02

Requirements

Depending on risk level, Contract management assistance may be required.

Generally, IFBs are advertised in the local newspaper and a community newspaper at least once a week for two consecutive weeks beginning at least 14 calendar days prior to the bid opening date. Austin Energy (AE) purchases are only required to advertise for one week via the internet. Sealed bids are received in a central location and are due at a specific time and date. Bid openings are open to the public.

Some purchases/contracts are required to be reviewed and approved by a Department's Board and Commission prior to going before Council for authorization for execution of a contract, for example, the Water and Wastewater Commission, the Electric Utility Commission, and the Parks Board. Each Board and Commission has a separate schedule and should be factored into the timeline of the purchase. The Buyer shall document and confirm any board or commission approval that may be required before proceeding with award of a contract.

Notes

By practice, Central Purchasing bids are advertised to the public for 21 calendar days, and AE are advertised to the public via the internet for 15 days.

Operating Policies and Procedures Manual

Invitation for Bid (IFB)

Procedure

Stage	Conditional Statement	Responsible Party	Step	Procedure
1		Department	1	Determines a need that requires an IFB
		Department	2	Sends initial draft of specification/scope to Buyer for review
		Buyer	3	Reviews and edits specification/scope for completeness and accuracy; Works with Department to create a final draft of specification/scope
2		Buyer/ Department	1	Completes Risk Assessment Form/Process
	If any of the answers on the Risk Assessment are Yes	Buyer	2	Contacts Contract Administration Department for assistance
3		Department	1	Submits requisition with final draft specifications and supporting documentation to appropriate Buyer
		Buyer	2	Establishes solicitation timeline and generates solicitation number
4	If sub-contracting opportunities are not anticipated	Buyer	1	At least five (5) business days prior to advertisement, submits specification and request with assigned solicitation number to SMBR for determination of potential MBE/WBE goals

Stage	Conditional Statement	Responsible Party	Step	Procedure
	If sub-contracting opportunities are anticipated		2	At least ten (10) business days prior to advertisement, submits specification and request with assigned solicitation number to SMBR for determination of potential MBE/WBE goals for development of compliance plan, if required
			3	Completes final review of documentation for completeness and accuracy
	If documents are incomplete	Buyer/ Department	4	Works with department contact to achieve desired specification
		Buyer	5	Enters advertising information into Advantage
			6	Develops solicitation documents including assigned solicitation number using standardized templates located at [O:\DOCUMENT\FRONT END DOCUMENTS\Purchasing Office Buyer Documents]
5		Buyer	1	Uses Advantage 3 Search to look up commodity codes submitted on the requisition and determine if an adequate number of vendors will be notified of the solicitation http://purchweb.ci.austin.tx.us/search/SVCode.cfm
	If Buyer determines that the notification pool is inadequate	Buyer/ Department	2	The steps listed below can be used to help the Buyer and Department increase the number of vendors that will be notified about the solicitation, beyond those identified in the initial requisition
		Buyer/ Department	3	Identifies any additional vendors that could be a potential bidder for the solicitation

Stage	Conditional Statement	Responsible Party	Step	Procedure
		Buyer	4	Adds vendor email address to the Free Form Vendor screen for vendors identified by the department or Buyer as potential bidders
		Buyer/ Department	5	Works to determine additional commodity codes that may be applicable to the solicitation to expand the vendor notification list
		Buyer	6	Adds additional commodity codes to the solicitation on the Commodity Email Push screen in Advantage
6		Buyer	1	Submits solicitation draft to Purchasing Supervisor for approval
		Purchasing Supervisor	2	Reviews solicitation for completeness and accuracy, makes recommendations for changes
	If not approved	Buyer	3	Updates solicitation documents according to Purchasing Supervisor directives (this could take multiple iterations)
7		Buyer	1	Submits solicitation to final in Advantage. Ensures the language in the Document Description field on the Header is what the buyer intends to display in the advertisement. Within approximately 5 minutes, the batch job should copy the solicitation information to eCAPRIS for use by the Buyer
8		Buyer	1	Uploads solicitation documents into eCAPRIS
	If solicitation requires a pre-bid meeting		2	In eCAPRIS, adds information about Pre-bid meeting
			3	In eCAPRIS, adds language to ‘Scope of Work’ field and publish solicitation
			4	Emails final solicitation documents to user department for their files

Stage	Conditional Statement	Responsible Party	Step	Procedure
9	If a pre-bid meeting is held	Buyer	1	Facilitates the Pre-Bid Meeting
			2	Gets clarifications and answers from Department on questions from pre-bid meeting, if required
			3	Issues addendum with Q&A from Pre-Bid Meeting
10	If solicitation changes are made or questions are submitted outside the pre-bid meeting	Buyer	1	Gets clarification and answers from Department, if required
			2	Issues addendum to respond to questions and clarifications (may take multiple iterations)
11		Central Purchasing	1	Prepares Bid Log
		Buyer	2	Prior to the solicitation due date, Buyer checks to determine if any bids have been received
	If adequate bids are not received		3	Evaluates whether IFB should be extended or cancelled and process accordingly.
	If adequate responses are received	Buyer/ Admin Staff	4	Conducts bid opening
12		Admin Staff	1	Prepares bid tabulation
		Buyer	2	Reviews bid tab for accuracy and reviews bids for deliverables, exceptions and responsiveness
	If clarifications are required		3	Contacts bidders for clarifications.
	If a bidder is determined to be non-responsive or non-responsible		4	Gets management approval prior to disqualifying any bid
			5	Contacts bidders to inform them on non-responsiveness and that their respective bid will not be considered; Notification can be via phone call, followed by written notification (NOTE: This step can happen at multiple points during the process)

Stage	Conditional Statement	Responsible Party	Step	Procedure
			6	Department receives copies of all responsive bids for evaluation
		Department	7	Completes evaluation and returns written recommendation
13	If aggregate purchase >$25,000	Buyer	1	Gets SAM for Contract file https://www.sam.gov/portal/public/SAM/
	If bid includes a Compliance Plan		2	Obtains the approval of the Department of Small and Minority Business Resources (SMBR) on plan submitted with bid
			3	Checks the State Comptroller's website https://ourcpa.cpa.state.tx.us/coa/Index.html to verify name and address of recommended vendor
14	If Vendor is going to be coming onto City property	Buyer	1	Requests insurance certificate from Bidder as specified in solicitation documents (0400)
15	If Contract exceeds administrative authority	Buyer	1	Submits an RCA along with the RCA Detail Summary for approval
			2	Attends RCA Summary meeting to explain and/or justify purchase
			3	Notifies all bidders of recommended award on the date that the City Council preliminary agenda is published (or the date that the board or commission agenda is published, if applicable)
		City Council	4	Approves contract award
		Council Agenda Coordinator	5	Provides proof of Council approvals to Purchasing
		Buyer	6	Secures Council approval documentation for file

Stage	Conditional Statement	Responsible Party	Step	Procedure
16	RCA is approved by City Council	Buyer	1	Creates final system document in Advantage3
			2	Completes contract documentation – file copy
			3	Awards contract
			4	Emails a copy of Award Letter to the Office of the City Clerk using the email address “Contracts”
			5	Saves file into EDIMS

Operating Policies and Procedures Manual

Invitation for Bid - Best Value (IFB-BV)

Policy

The Invitation for Bid - Best Value (IFB-BV) combines elements of an Invitation for Bid and a Request for Proposal. Like an Invitation for Bid, the IFB-BV is used to obtain bids from competing sources in response to a set of advertised specifications, however, other evaluation factors are considered in addition to cost to determine which bid offers the best value to the City. The resulting award is made to the top ranked bidder with the highest overall score. Negotiations are not permitted.

In determining the best value for the municipality, the municipality may consider:

- the purchase price;
- the reputation of the bidder and of the bidder's goods or services;
- the quality of the bidder's goods or services;
- the extent to which the goods or services meet the municipality's needs;
- the bidder's past relationship with the municipality;
- the impact on the ability of the municipality to comply with laws and rules relating to contracting with historically underutilized businesses and nonprofit organizations employing persons with disabilities;
- the total long-term cost to the municipality to acquire the bidder's goods or services; and
- any relevant criteria specifically listed in the request for bids or proposals.

Governing Policy

Texas Local Government Code, Chapter 252

Senate Bill 7 as implemented by Council Resolution 040610-02

Requirements

Depending on risk level, Contract management assistance may be required.

Generally, IFB-BVs are advertised in the local newspaper and a community newspaper at

least once a week for two consecutive weeks beginning at least 14 calendar days prior to the bid opening date. Austin Energy (AE) purchases are only required to advertise for one week via the internet. Sealed bids are received in a central location and are due at a specific time and date. Bid openings are open to the public.

Some purchases/contracts are required to be reviewed and approved by a Department's Board and Commission prior to going before Council for authorization for execution of a contract, for example, the Water and Wastewater Commission, the Electric Utility Commission, and the Parks Board. Each Board and Commission has a separate schedule and should be factored into the timeline of the purchase. The Buyer shall document and confirm any board or commission approval that may be required before proceeding with award of a contract.

Notes

By practice, Central Purchasing bids are advertised to the public for twenty-one calendar days, and AE are advertised to the public via the internet for 15 days.

Operating Policies and Procedures Manual

Invitation for Bid - Best Value (IFB-BV)

Procedure

Stage	Conditional Statement	Responsible Party	Step	Procedure
1		Department	1	Submits requisition with supporting documentation (SOW, evaluation factors etc.) to appropriate Buyer
		Buyer	2	Reviews and edits specification/scope for completeness and accuracy; Works with Department to create a final draft of the specification/scope
			3	Prepares solicitation timeline and submit to department for approval
			4	Generates solicitation number by copying forward from requisition
			5	Contacts SMBR for determination of potential MBE/WBE goals five business days prior to bid issue date
			6	Completes final review of documentation for completeness and accuracy
2		Buyer	1	Uses Advantage 3 Search to look up commodity codes submitted on the requisition and determine if an adequate number of vendors will be notified of the solicitation http://purchweb.ci.austin.tx.us/search/SVCode.cfm

Stage	Conditional Statement	Responsible Party	Step	Procedure
	If Buyer determines that the notification pool is inadequate	Buyer/ Department	2	The steps listed below can be used to help the Buyer and Department increase the number of vendors that will be notified about the solicitation, beyond those identified in the initial requisition
			3	Identifies any additional vendors that could be a potential bidder for the solicitation
		Buyer	4	Adds vendor email address to the Free Form Vendor screen for vendors identified by the department or Buyer as potential bidders
		Buyer/ Department	5	Works to determine additional commodity codes that may be applicable to the solicitation
		Buyer	6	Adds additional commodity codes to the solicitation on the Commodity Email Push screen in Advantage
3		Buyer	1	Solicitation documents are developed using standard templates located at [O:\DOCUMENT\FRONT END DOCUMENTS\Purchasing Office Buyer Documents]
			2	Submits Solicitation draft to Purchasing Manager or Supervisor for approval
		Purchasing Manager or Supervisor	3	Reviews Solicitation for completeness and accuracy, makes recommendations for changes
	If not approved	Buyer	4	Updates solicitation documents according to Purchasing Manager or Supervisor directives

Stage	Conditional Statement	Responsible Party	Step	Procedure
4	If approved	Buyer	1	Submits solicitation to final in Advantage; Ensures the language in the Document Description field on the Header is what the Buyer intends to display in the newspaper advertisement; Within approximately 5 minutes, the batch job should copy the solicitation information to eCAPRIS for use by the Buyer
5	If solicitation requires a pre-bid meeting	Buyer	1	In eCAPRIS, adds information about Pre-bid meeting
			2	Uploads solicitation documents into eCAPRIS
			3	Adds Scope of Work language and sets solicitation to Publish; Setting the flag to Yes, will ensure that the solicitation will publish to Vendor Connection on the morning of the Let Date
			4	Emails final solicitation documents to user department for their files
6	If there is a pre-bid meeting	Buyer	1	Facilitates the Pre-Bid Meeting
			2	Gets Clarifications and answers from Department if required and issue addendum (may be multiple iterations)
			3	Issues addendum with Q&A from Pre-Bid Meeting
7		Buyer/ Admin Staff	1	Conducts bid opening
		Admin Staff	2	Prepares bid tabulation

Stage	Conditional Statement	Responsible Party	Step	Procedure
		Buyer	3	Reviews bid tab for accuracy and reviews bids for deliverables, exceptions and responsiveness
		Department	4	Department receives copies of all responsive bids for evaluation
		Buyer	5	Correspondence is sent to bidders that have been deemed non-responsive to the specification
8	If Evaluation Committee is required	Buyer	1	Forms Evaluation Committee; Has committee members sign non-disclosure agreement and review evaluation instructions
			2	Distributes bids to evaluation committee and schedule evaluation meeting
9		Buyer and Department	1	Evaluation Committee reviews bid submittals and completes final matrix
10		Buyer	1	Checks the State Comptroller's website https://ourcpa.cpa.state.tx.us/coa/Index.html to verify name and address of recommended vendor
	If aggregate purchase >$25,000		2	Gets SAM for Contract file https://www.sam.gov/portal/public/SAM/
11	If Vendor is going to be coming onto City property	Buyer	1	Requests insurance certificate from Bidder as specified in solicitation documents (0400)
12	If Contract exceeds administrative authority	Buyer	1	Submits an RCA along with the RCA Summary to Agenda Coordinator and Deputy Purchasing Officer
			2	Attends RCA Summary meeting to explain the purchase being made

Stage	Conditional Statement	Responsible Party	Step	Procedure
			3	Obtains Council approval (in the form of Council Action email notification sent from Agenda Coordinator)
		City Council	4	Approves the execution and award of contract
		Council Agenda Coordinator	5	Provides proof of Council approvals to Purchasing
		Buyer	6	Secures Council approval documentation for file
13	RCA is approved by City Council	Buyer	1	Creates final system document in Advantage
			2	Completes contract documentation – file copy
			3	Awards contract
			4	Emails a copy of Award Letter to the Office of the City Clerk using the email address “Contracts”
			5	Scans file into EDIMS

Operating Policies and Procedures Manual

Request for Application (RFA)

Policy

A Request for Application (RFA) is used to identify interested and qualified vendors for services that can apply for funds that are often associated with City, State, or Federal grants. Examples include public outreach programs such as AE's Carbon Reduction Challenge Grant, Cultural Arts and Block grants, and selected Social Service Programs.

Requirements

If the funding is coming from a City Departmental budget, Purchasing may facilitate the solicitation process. If the funding is a pass-through, such as a Federal Grant, the Department may facilitate the solicitation process internally and shall accept the responsibility for the contract administration.

Notes

The RFA process was formerly known as a Request for Interest (RFINT).

Operating Policies and Procedures Manual

Request for Application (RFA)

Procedure

Stage	Conditional Statement	Responsible Party	Step	Procedure
1		Department	1	Determines a need that requires a Request for Application (RFA)
			2	Sends initial draft of specification/scope to Buyer for review
		Buyer	3	Reviews and edits specification/scope for completeness and accuracy; Works with Department to create a final draft of the specification/scope
2		Buyer/ Department	1	Completes Risk Assessment to determine if assistance in mitigating risk is needed
	If risk is a factor	Buyer	2	Contacts Contract Administration or appropriate office (e.g. Legal, AE Contract Management) for assistance
		Buyer/ Department/ Contract Admin.	3	Conducts planning sessions to finalize Scope of Work (SOW)
3		Department	1	Submits requisition with supporting documentation (SOW, evaluation factors, etc.) to appropriate Buyer and recommended evaluation committee
		Buyer	2	Drafts an initial solicitation timeline and generates solicitation number

Stage	Conditional Statement	Responsible Party	Step	Procedure
4		Buyer	1	Validates requisition commodity codes using Advantage 3 Search to determine if appropriate codes and an adequate number of vendors will be notified of the solicitation (http://purchweb.ci.austin.tx.us/search/SVCode.cfm)
	If buyer determines that the notification pool is inadequate	Buyer/ Department	2	The steps listed below can be used to help the Buyer and Department increase the number of vendors that will be notified about the solicitation, beyond those identified in the initial requisition
		Buyer/ Department	3	Identifies any additional vendors that could be a potential bidder for the solicitation
	If additional vendors are notified	Buyer	4	Adds vendor email address to the Free Form Vendor screen for vendors identified by the department or buyer as potential bidders
		Buyer/ Department	5	Works to determine additional commodity codes that may be applicable to the solicitation to expand the vendor notification list
	If additional commodity codes are identified	Buyer	6	Adds additional commodity codes to the solicitation on the Commodity Email Push screen in Advantage
5	If sub - contracting opportunities are not anticipated	Buyer	1	At least five (5) business days prior to advertisement, submits specification and request with assigned solicitation number to SMBR for determination of potential MBE/WBE goals
	If sub - contracting opportunities are anticipated		2	At least five (10) business days prior to advertisement, submits specification and request with assigned solicitation number to SMBR for determination of potential MBE/WBE goals for development of compliance plan, if required

Stage	Conditional Statement	Responsible Party	Step	Procedure
	If documents are incomplete	Buyer/ Department	3	Completes final review of documentation for completeness and accuracy
		Buyer	4	Works with department contact to achieve desired language including SOW and Evaluation Criteria
		Buyer	5	Develops solicitation documents including assigned solicitation number using standardized templates located at [O:\DOCUMENT\FRONT END DOCUMENTS\Purchasing Office Buyer Documents]
6		Buyer	1	Submits solicitation draft to Purchasing Supervisor for approval
		Purchasing Supervisor	2	Reviews solicitation for completeness and accuracy, makes recommendations for changes
	If not approved	Buyer	3	Updates solicitation documents according to Purchasing Supervisor directives (this could take multiple iterations)
			4	Uploads solicitation documents into eCAPRIS
7		Buyer	1	Submits solicitation to final in Advantage; Ensure the language in the Document Description field on the Header is what the buyer intends to display in the advertisement; Within approximately 5 minutes, the batch job should copy the solicitation information to eCAPRIS for use by the buyer
8		Buyer	1	Uploads solicitation documents into eCAPRIS

Stage	Conditional Statement	Responsible Party	Step	Procedure
	If solicitation requires a pre-proposal meeting		2	In eCAPRIS, adds information about Pre-bid meeting
			3	In eCAPRIS, adds language to 'Scope of Work' field and publish solicitation
			4	Emails final solicitation documents to user department for their files
9		Buyer	1	Facilitates the pre-proposal
			2	Gets clarifications and answers from Department on questions from pre-proposal meeting, if required
			3	Issues addendum with Q&A and attendance sheet from pre-proposal
10	If solicitation changes are made or questions are submitted outside the pre-proposal meeting	Buyer	1	Gets clarification and answers from Department, if required
			2	Issues addendum to respond to questions and clarifications (may take multiple iterations)
11		Central Purchasing	1	Prepares Bid Log
		Buyer	2	Prior to the solicitation due date, Buyer checks to determine if there are any responses
	If adequate responses are not received		3	Evaluates whether RFA should be extended or cancelled and process accordingly
	If adequate responses are received		4	Conducts solicitation closing if any vendors are present, reading aloud only names of respondents
12		Buyer	1	Reviews applications for deliverables, exceptions, and responsiveness

Stage	Conditional Statement	Responsible Party	Step	Procedure
	If clarifications are required		2	Contacts respondents for clarifications
	If a respondent is determined to be non-responsive or non-responsible		3	Gets management approval prior to disqualifying any application
			4	Contacts respondents to inform them on non-responsiveness and that their respective proposal will not be considered; Notification can be via phone call, followed by written notification (NOTE: This step can happen at multiple points during the process)
13	If aggregate purchase >$25,000	Buyer	1	Gets SAM for Contract file https://www.sam.gov/portal/public/SAM/
	If solicitation requires a Compliance Plan		2	Obtains the approval of the Department of Small and Minority Business Resources (SMBR) on plan submitted with application
			3	Checks the State Comptroller's website https://ourcpa.cpa.state.tx.us/coa/Index.html to verify name and address of recommended vendor
14		Buyer	1	Confirms the commitment of Evaluation Committee members and the evaluation schedule
			2	Secures a signed Non-Disclosure Agreement from each committee member; Distributes applications and provides detailed instructions to committee members about their obligations and responsibilities
15		Buyer/ Department	1	Works with Department to schedule evaluation meeting(s)
		Evaluation Committee	2	Reviews applications

Stage	Conditional Statement	Responsible Party	Step	Procedure
	If technical review is required	Buyer/ Evaluation Committee	3	May seek the resources of a consultant for technical review, if needed
		Buyer	4	Scores the cost component of the applications (Buyer may seek additional resources for financial review, if needed)
		Evaluation Committee	5	Scores applications and recommends vendor or a short-list of finalist(s) (may require multiple meetings to complete the evaluation process)
		Buyer	6	Checks references of short-list (may include evaluation team)
	If interview / presentation is held	Buyer	7	Schedules interviews or other required activities (e.g. demos, presentations, site visits) with “short-list” of respondents
		Buyer / Evaluation Committee	8	Conducts interviews and/or other required activities
		Evaluation Committee	9	If appropriate, re-scores applications and recommends a vendor(s)
	If Best and Final Offer (BAFO) is desired	Buyer / Evaluation Committee	10	Develops BAFO request
		Buyer	11	Requests BAFO from short-list
		Evaluation Committee	12	If appropriate, re-scores applications and recommends a vendor(s)
16	If pre-positioning is needed	Buyer / Contract Admin	1	Coordinates contract Pre-Positioning process
17	If Contract exceeds admin. authority	Buyer	1	Submits an RCA along with the RCA Detail Summary and evaluation matrix for approval
			2	Attends RCA Summary meeting to explain and/or justify purchase

Stage	Conditional Statement	Responsible Party	Step	Procedure
			3	Notifies all proposers of recommended award on the date that the City Council preliminary agenda is published (or the date that the board or commission agenda is published, if applicable)
		City Council	4	Approves the negotiation, execution and award of contract
		Council Agenda Coordinator	5	Provides proof of Council approvals to Purchasing
		Buyer	6	Secures Council approval documentation for file
18	If negotiations to finalize contracts are needed	Buyer / Contract Admin	1	Contacts appropriate subject matter expert (e.g. Legal)
		Buyer and/or CA team	2	Completes negotiations
19		Buyer	1	Creates final system document in Advantage3
			2	Completes contract documentation – file copy
			3	Awards contract
			4	Emails a copy of Award Letter to the Office of the City Clerk using the email address “Contracts”
			5	Destroys extra copies of applications

Operating Policies and Procedures Manual

Request for Proposal (RFP)

Policy

A Request for Proposal (RFP) is used to solicit proposals from potential providers for both goods and services when a method to achieve a desired outcome cannot be clearly defined and where price is not the dominant evaluation factor. RFP's allow the negotiation of all terms, including price, prior to contract award and may include a provision for the negotiation of Best and Final Offers. The recommendation for award is to the best evaluated proposal.

The RFP can consider evaluation criteria including but not limited to: proposed solution, demonstrated applicable experience, equipment/facilities, personnel qualifications, schedule, total evaluated cost, local business presence and financial viability/stability.

RFP's often result in a negotiated agreement with non-standard provisions, terms and language. This will typically require early input from Contract Administration/Legal for development of the contract and negotiation of the final terms. Due to these additional requirements, the RFP process will usually require considerably more time to complete than other solicitation process.

Governing Policy

Texas Local Government Code, Chapter 252

Senate Bill 7 as implemented by Council Resolution 040610-02

Texas Local Government Code, Chapter 2254

Requirements

Depending on risk level, Contract management assistance may be required.

Operating Policies and Procedures Manual

Request for Proposal (RFP)

Procedure

Stage	Conditional Statement	Responsible Party	Step	Procedure
1		Department	1	Determines a need that requires a Request for Proposal
			2	Sends initial draft of specification/scope to Buyer for review
		Buyer	3	Reviews and edits specification/scope for completeness and accuracy; Works with Department to create a final draft of the specification/scope
2		Buyer/ Department	1	Completes Risk Assessment to determine if assistance in mitigating risk is needed
	If risk is a factor	Buyer	2	Contacts Contract Administration or appropriate office (e.g. Legal, AE Contract Management) for assistance
		Buyer/ Department/ Contract Admin.	3	Conducts planning sessions to finalize Scope of Work (SOW)
3		Department	1	Submits requisition with supporting documentation (SOW, evaluation factors, etc.) to appropriate Buyer and recommended evaluation committee
		Buyer	2	Drafts an initial solicitation timeline and generates solicitation number
4		Buyer	1	Validates requisition commodity codes using Advantage 3 Search to determine if appropriate codes and an adequate number of vendors will be notified of the solicitation (http://purchweb.ci.austin.tx.us/search/SVCode.cfm)

Stage	Conditional Statement	Responsible Party	Step	Procedure
	If Buyer determines that the notification pool is inadequate	Buyer/ Department	2	The steps listed below can be used to help the Buyer and Department increase the number of vendors that will be notified about the solicitation, beyond those identified in the initial requisition
		Buyer/ Department	3	Identifies any additional vendors that could be a potential bidder for the solicitation
	If additional vendors are notified	Buyer	4	Adds vendor email address to the Free Form Vendor screen for vendors identified by the department or Buyer as potential bidders
		Buyer/ Department	5	Works to determine additional commodity codes that may be applicable to the solicitation to expand the vendor notification list
	If additional commodity codes are identified	Buyer	6	Adds additional commodity codes to the solicitation on the Commodity Email Push screen in Advantage
5	If subcontracting opportunities are not anticipated	Buyer	1	At least five (5) business days prior to advertisement, submits specification and request with assigned solicitation number to SMBR for determination of potential MBE/WBE goals
	If subcontracting opportunities are anticipated		2	At least ten (10) business days prior to advertisement, submits specification and request with assigned solicitation number to SMBR for determination of potential MBE/WBE goals for development of compliance plan, if required
		Buyer/ Department	3	Completes final review of documentation for completeness and accuracy
	If documents are incomplete	Buyer	4	Works with department contact to achieve desired language including SOW and Evaluation Criteria

Stage	Conditional Statement	Responsible Party	Step	Procedure
			5	Develops solicitation documents including assigned solicitation number using standardized templates located at [O:\DOCUMENT\FRONT END DOCUMENTS\Purchasing Office Buyer Documents]
6		Buyer	1	Submits solicitation draft to Purchasing Supervisor for approval
		Purchasing Supervisor	2	Reviews solicitation for completeness and accuracy, makes recommendations for changes
	If not approved	Buyer	3	Updates solicitation documents according to Purchasing Supervisor directives (this could take multiple iterations)
			4	Uploads solicitation documents into eCAPRIS
7		Buyer	1	Submits solicitation to final in Advantage Ensure the language in the Document Description field on the Header is what the Buyer intends to display in the advertisement Within approximately 5 minutes, the batch job should copy the solicitation information to eCAPRIS for use by the Buyer
8		Buyer	1	Uploads solicitation documents into eCAPRIS
	If solicitation requires a pre-proposal meeting		2	In eCAPRIS, adds information about Pre-proposal meeting
			3	In eCAPRIS, adds language to 'Scope of Work' field and publish solicitation
			4	Emails final solicitation documents to user department for their files

Stage	Conditional Statement	Responsible Party	Step	Procedure
9		Buyer	1	Facilitates the pre-proposal
			2	Gets clarifications and answers from Department on questions from pre-proposal meeting if required
			3	Issues addendum with Q&A and attendance sheet from pre-proposal
10	If solicitation changes are made or questions are submitted outside the pre-proposal meeting	Buyer	1	Gets clarification and answers from Department if required
			2	Issues addendum to respond to questions and clarifications (may take multiple iterations)
11		Central Purchasing	1	Prepares Bid Log
		Buyer	2	Prior to the solicitation due date, Buyer checks to determine if there are any responses
	If adequate responses are not received		3	Evaluates whether RFP should be extended or cancelled and process accordingly
	If adequate responses are received		4	Conducts solicitation closing if any vendors are present, reading aloud only names of respondents
12		Buyer	1	Reviews proposals for deliverables, exceptions, and responsiveness
	If clarifications are required		2	Contacts respondents for clarifications
	If a respondent is determined to be		3	Gets management approval prior to disqualifying any proposal

Stage	Conditional Statement	Responsible Party	Step	Procedure
	non-responsive or non-responsible		4	Contacts respondents to inform them on non-responsiveness and that their respective proposal will not be considered Notification can be via phone call, followed by written notification (NOTE: This step can happen at multiple points during the process)
13	If aggregate purchase >$25,000	Buyer	1	Gets SAM for Contract file https://www.sam.gov/portal/public/SAM/
	If solicitation requires a Compliance Plan		2	Obtains the approval of the Department of Small and Minority Business Resources (SMBR) on plan submitted with proposal
			3	Checks the State Comptroller's website https://ourcpa.cpa.state.tx.us/coa/Index.html to verify name and address of recommended vendor
14		Buyer	1	Confirms the commitment of Evaluation Committee members and the evaluation schedule
			2	Secures a signed Non-Disclosure Agreement from each committee member; Distributes proposals and provides detailed instructions to committee members about their obligations and responsibilities
15		Buyer / Dept.	1	Works with Department to schedule evaluation meeting(s)
		Evaluation Committee	2	Reviews proposals
	If technical review is required	Buyer/ Evaluation Committee	3	May seek the resources of a consultant for technical review, if needed
		Buyer	4	Scores the cost component of the proposals (Buyer may seek additional resources for financial review, if needed)

Stage	Conditional Statement	Responsible Party	Step	Procedure
		Evaluation Committee	5	Scores proposals and recommends vendor or a short-list of finalist(s) (may require multiple meetings to complete the evaluation process)
		Buyer	6	Checks references of short-list (may include evaluation team)
	If interview / presentation is held	Buyer	7	Schedules interviews or other required activities (e.g. demos, presentations, site visits) with “short-list” of respondents
		Buyer/ Evaluation Committee	8	Conducts interviews and/or other required activities
		Evaluation Committee	9	If appropriate, re-scores proposals and recommends a vendor(s)
	If Best and Final Offer (BAFO) is desired	Buyer/ Evaluation Committee	10	Develops BAFO request
		Buyer	11	Requests BAFO from short-list
		Evaluation Committee	12	If appropriate, re-scores proposals and recommends a vendor(s)
16	If pre-positioning is needed	Buyer/ Contract Admin	1	Coordinates contract Pre-Positioning process
17	If Contract exceeds administrative authority	Buyer	1	Submits an RCA along with the RCA Detail Summary and evaluation matrix for approval
			2	Attends RCA Summary meeting to explain and/or justify purchase
			3	Notifies all proposers of recommended award on the date that the City Council preliminary agenda is published (or the date that the board or commission agenda is published, if applicable)
		City Council	4	Approves the negotiation, execution and award of contract

Stage	Conditional Statement	Responsible Party	Step	Procedure
		Council Agenda Coordinator	5	Provides proof of Council approvals to Purchasing
		Buyer	6	Secures Council approval documentation for file
18	If negotiations to finalize contracts are needed	Buyer/ Contract Admin	1	Contacts appropriate subject matter expert (e.g. Legal)
		Buyer and/or CA team	2	Completes negotiations
19		Buyer	1	Creates final system document in Advantage3
			2	Completes contract documentation – file copy
			3	Awards contract
			4	Emails a copy of Award Letter to the Office of the City Clerk using the email address “Contracts”
			5	Destroys extra copies of proposals

Operating Policies and Procedures Manual

Request for Qualifications (RFQS)

Policy

A Request for Qualifications (RFQS) is typically used when qualifications are the main criteria rather than cost and in particular when procuring certain professional services. Request for Qualifications is a two-stage procurement in which a firm's qualifications are submitted and reviewed to find the most qualified firm(s), followed by negotiations for price and terms.

Criteria to award under a RFQS must be based on the ability to accomplish a goal or requirement and not based on the ability to perform a set of specific tasks to achieve the goal or requirement. Criteria in a RFQS must contain measurable deliverables and milestones.

Governing Policy

Texas Local Government Code, Chapter 252

Texas Local Government Code, Chapter 2254

Requirements

The RFQS process is the only solicitation method that can be used for procuring professional services as defined under the Professional Services Procurement Act in Chapter 2254 of the Texas Local Government Code. In procuring these services, Chapter 2254 requires a governmental entity to make the selection and award on the basis of demonstrated competence and qualifications and then formally negotiate with that provider a contract at a fair and reasonable price.

In addition, this process may also be used for Professional Services exempt from Chapter 252. Use of the RFQS for professional services exempt from 252 requires completion of a Certificate of Exemption Form.

The RFQS process often results in a negotiated agreement with non-standard provisions, terms and language. Therefore, early input from Contract Management for development of the draft contract and negotiation of the final terms is required. Due to these additional requirements, the RFQS process will usually require considerably more time to complete than other types of solicitations.

Exclusions

It is not appropriate to use the RFQS solicitation method for non-exempt purchases defined under Chapter 252 of the Texas Government Code.

Operating Policies and Procedures Manual

Request for Qualifications (RFQS)

Procedure

Stage	Conditional Statement	Responsible Party	Step	Procedure
1		Department	1	Determines a need that requires a Request for Qualifications
			2	Sends initial draft of specification/scope to Buyer for review
		Buyer	3	Reviews and edits specification/scope for completeness and accuracy Works with Department to create a final draft of the specification/scope
2		Buyer	1	Completes Risk Assessment to determine if assistance in mitigating risk is needed
	If risk is a factor	Buyer	2	Contacts Contract Administration or appropriate office (e.g. Legal, AE Contract Management) for assistance
		Buyer/ Department/ Contract Admin	3	Conducts planning sessions to finalize Scope of Work (SOW)
3		Department	1	Submits requisition with supporting documentation (SOW, evaluation factors etc.) to appropriate Buyer and recommended evaluation committee
		Buyer	2	Drafts an initial solicitation timeline and generates solicitation number
4		Buyer	1	Validates requisition commodity codes using Advantage 3 Search to determine if appropriate codes and an adequate number of vendors will be notified of the solicitation (http://purchweb.ci.austin.tx.us/search/SVCode.cfm)

Stage	Conditional Statement	Responsible Party	Step	Procedure
	If Buyer determines that the notification pool is inadequate	Buyer/ Department	2	The steps listed below can be used to help the Buyer and Department increase the number of vendors that will be notified about the solicitation, beyond those identified in the initial requisition
		Buyer/ Department	3	Identifies any additional vendors that could be potential bidders for the solicitation
	If additional vendors are notified	Buyer	4	Adds vendor email address to the Free Form Vendor screen for vendors identified by the department or Buyer as potential bidders
		Buyer/ Department	5	Works to determine additional commodity codes that may be applicable to the solicitation to expand the vendor notification list
	If additional commodity codes are identified	Buyer	6	Adds additional commodity codes to the solicitation on the Commodity Email Push screen in Advantage
5	If subcontracting opportunities are not anticipated	Buyer	1	At least five (5) business days prior to advertisement, submits request with assigned solicitation number to SMBR for determination of potential MBE/WBE goals
	If subcontracting opportunities are anticipated		2	At least ten (10) business days prior to advertisement, submits specification and request with assigned solicitation number to SMBR for determination of potential MBE/WBE goals for development of compliance plan, if required
			3	Completes final review of documentation for completeness and accuracy
	If documents are incomplete	Buyer/ Department	4	Works with department contact to achieve desired language including SOW and Evaluation Criteria

Stage	Conditional Statement	Responsible Party	Step	Procedure
		Buyer	5	Develops solicitation documents including assigned solicitation number using standardized templates located at [O:\DOCUMENT\FRONT END DOCUMENTS\Purchasing Office Buyer Documents]
6		Buyer	1	Submits solicitation draft to Purchasing Supervisor for approval
		Purchasing Supervisor	2	Reviews solicitation for completeness and accuracy, makes recommendations for changes
	If not approved	Buyer	3	Updates solicitation documents according to Purchasing Supervisor directives (this could take multiple iterations)
			4	Uploads solicitation documents into eCAPRIS
7		Buyer	1	Submits solicitation to final in Advantage. Ensures the language in the Document Description field on the Header is what the Buyer intends to display in the advertisement; Within approximately 5 minutes, the batch job should copy the solicitation information to eCAPRIS for use by the Buyer
8		Buyer	1	Uploads solicitation documents into eCAPRIS
	If solicitation requires a pre-proposal meeting		2	In eCAPRIS, adds information about Pre-proposal meeting
			3	In eCAPRIS, adds language to 'Scope of Work' field and publish solicitation
			4	Emails final solicitation documents to user department for their files
9		Buyer	1	Facilitates the pre-response
			2	Gets clarifications and answers from Department on questions from pre-response meeting if required

Stage	Conditional Statement	Responsible Party	Step	Procedure
			3	Issues addendum with Q&A and attendance sheet from pre-response
10	If solicitation changes are made or questions are submitted outside the pre-proposal meeting	Buyer	1	Gets clarification and answers from Department if required
			2	Issues addendum to respond to questions and clarifications (may take multiple iterations)
11		Central Purchasing	1	Prepares Bid Log
		Buyer	2	Prior to the solicitation due date, Buyer checks to determine if there are any responses
	If adequate responses are not received		3	Evaluates whether RFQS should be extended or cancelled and process accordingly
	If adequate responses are received		4	Conducts solicitation closing if any vendors are present, reading aloud only names of respondents
12		Buyer	1	Reviews proposals for deliverables, exceptions, and responsiveness
	If clarifications are required		2	Contacts respondents for clarifications
	If a respondent is determined to be non-responsive or non-responsible		3	Gets management approval prior to disqualifying any proposal
			4	Contacts respondents to inform them on non-responsiveness and that their respective proposal will not be considered; Notification can be via phone call, followed by written notification. (NOTE: This step can happen at multiple points during the process)
13	If aggregate purchase >$25,000	Buyer	1	Gets SAM for Contract file https://www.sam.gov/portal/public/SAM/

Stage	Conditional Statement	Responsible Party	Step	Procedure
	If solicitation requires a Compliance Plan		2	Obtains the approval of the Department of Small and Minority Business Resources (SMBR) on plan submitted with proposal
			3	Checks the State Comptroller's website https://ourcpa.cpa.state.tx.us/coa/Index.html to verify name and address of recommended vendor
14		Buyer	1	Confirms the commitment of Evaluation Committee members and the evaluation schedule
			2	Secures a signed Non-Disclosure Agreement from each committee member; Distributes responses and provides detailed instructions to committee members about their obligations and responsibilities
15		Buyer/ Department	1	Works with Department to schedule evaluation meeting(s)
		Evaluation Committee	2	Reviews responses
	If technical review is required	Buyer/ Evaluation Committee	3	May seek the resources of a consultant for technical review, if needed
		Evaluation Committee	4	Scores proposals on the basis of demonstrated competence and qualifications and develops short-list of potential Contractors (2254.004-1)
		Buyer	5	Checks references of short-list (may include evaluation team)
	If interview / presentation is held		6	Schedules interviews with "short-list" of respondents
		Buyer/ Evaluation Committee	7	Conducts interviews and/or presentations
		Evaluation Committee	8	If appropriate, re-scores proposals and selects the most highly qualified provider of those services

Stage	Conditional Statement	Responsible Party	Step	Procedure
16	If Contract exceeds administrative authority	Buyer	1	Submits an RCA along with the RCA Detail Summary and evaluation matrix for approval
			2	Attends RCA Summary meeting to explain and/or justify purchase
			3	Notifies all respondents of recommended award on the first business day after the City Council preliminary agenda is published (or the date that the board or commission agenda is published, if applicable)
		City Council	4	Approves the negotiation, execution and award of contract
		Council Agenda Coordinator	5	Provides proof of Council approvals to Purchasing
		Buyer	6	Secures Council approval documentation for file
17		Buyer and/or CA team	1	Coordinates contract negotiation process
			2	Requests Cost Proposal from recommended respondent
			3	Negotiates terms and prices with respondent
	If Legal input is required	Buyer and/or CA team/ Legal	4	Obtains input from Legal
	If a contract cannot be negotiated	Buyer/ CA team/ Evaluation Committee/ Department	5	Identifies steps in proceeding with the next highest qualified respondent
		Buyer	6	Return to Stage 16
	If a contract is negotiated	Buyer and/or CA team/ Legal	7	Completes negotiation and awards contract
18		Buyer	1	Creates final system document in Advantage3
			2	Completes contract documentation – file copy

Stage	Conditional Statement	Responsible Party	Step	Procedure
			3	Awards contract
			4	Emails a copy of Award Letter to the Office of the City Clerk using the email address “Contracts”
			5	Destroys extra copies of responses

Non-Competitive Purchasing Methods

Operating Policies and Procedures Manual

Emergency Purchasing

Policy

An emergency purchase is when a condition exists which creates an immediate and serious need for service, construction, or purchases that due to time constraints cannot be met through normal competitive procurement methods. Emergency purchases are exempt from the competitive purchasing process because the existing condition seriously threatens the function of the City, the preservation or protection of property, or the health and safety of any person.

Conditions for Emergency purchases must be one of the following:

- a procurement is made because of a public calamity that requires the immediate appropriation of money to relieve the necessity of the municipality's residents or to preserve the property of the municipality;
- a procurement is necessary to preserve or protect the public health or safety of the municipality's residents;
- a procurement is necessary because of unforeseen damage to public machinery, equipment, or other property.

Emergency Purchases are exempt from a competitive solicitation. However, if time permits, departments should attempt to obtain competition. Departments should always use their best professional judgment and utilize ethical practices when selecting a vendor.

Governing Policy

Texas Local Government Code, Chapter 252: Purchasing and Contracting Authority of Municipalities

Requirements

The Certificate of Exemption Form is required when a purchase exceeds the statutory solicitation advertising limit.

Notes

The City of Austin is one of several evacuation points for Gulf-Coast cities in the event of a hurricane. While Procurement for these events is similar to Emergency Purchases as defined in this document, the Certificate of Exemption Form is not required. During these times, the City Manager will issue an Emergency Declaration. That Declaration gives the Buyer the authority to purchase whatever is needed for the shelters.

Operating Policies and Procedures Manual

Emergency Purchasing

Procedure

Stage	Conditional Statement	Responsible Party	Step	Procedure
1	If purchase ≥ $5,000	Department	1	Emergency occurs as defined above
			2	If time permits, contacts a minimum of three vendors for quotes. Include M/WBE vendors, if available
			3	Fills out the Certificate of Exemption Form
			4	Obtains appropriate authorization from Departmental Director or Officer
			5	Submits requisition with quote(s) and Certificate of Exemption Form to Central Purchasing
2		Buyer	1	Reviews quotes and Certificate of Exemption Form for accuracy
	If purchase > $25,000		2	Gets SAM for Contract file https://www.sam.gov/portal/public/SAM/
			3	Issues Purchase Order (CT) and Contract short form
			4	Creates the Contract file and submit for upload to EDIMS (see procedure for EDIMS)
			5	Sends copy of the Contract to Contractor and Department
3	If the purchase exceeds administrative authority	Department	1	Prepares ratification document and provides Buyer with RCA “below the line”
		Buyer	2	Submits ratification RCA along with the RCA Summary to Agenda Coordinator and Deputy Purchasing Officer
			3	Attends RCA Summary meeting to explain the Emergency purchase and ratification

Stage	Conditional Statement	Responsible Party	Step	Procedure
			4	Obtains Council approval (in the form of Council Action email notification sent from Agenda Coordinator)
			5	Emails a copy of Award Letter to the Office of the City Clerk using the email address “Contracts”
			6	Submits copy of the RCA, Council Action email, and any other supporting document(s) to be added to the contract file in EDIMS

Operating Policies and Procedures Manual

Sole Source Purchasing

Policy

A sole source is when there is one and only one source for which a commodity or service is available. Sole Source purchases include:

- items that are available from one source because of patents, copyrights, secret processes, or natural monopolies;
- films, manuscripts, or books published and available from only one source;
- gas, water and other utility services;
- captive replacement parts or components for equipment;
- books, papers and other library materials for a public library that are available only from the person holding exclusive distribution right to the materials.

Sole Source purchases are exempt from a competitive solicitation. Departments should always use their best professional judgment and utilize ethical practices when selecting a vendor.

Governing Policy

Texas Local Government Code, Chapter 252.022

Requirements

A Certificate of Exemption Form accompanied with the manufacture's memo declaring why the purchase is a sole source. The form must be signed by the Department's Director or Officer. ACM approval is required for purchases $50,000.01 or more.

Some purchases/ contracts are required to be reviewed and approved by a Department's Board and Commission prior to going before Council for authorization for execution of a contract. Each Board and Commission has a separate schedule and should be factored into the timeline of the purchase.

Exclusions

Brand specific purchases are not considered to be a sole source purchase and should therefore be competitively bid as brand specific or Buyer's approved equivalent. If purchasing a specific brand, a justification is required from the Department explaining why only that brand (and not a Buyer's approved equivalent) meets the Department's needs/requirements.

Operating Policies and Procedures Manual

Sole Source Purchasing

Procedure

Stage	Conditional Statement	Responsible Party	Step	Procedure
1		Department	1	Submits requisition, Scope of Work (or Specification), Certificate of Exemption Form, Sole Source Justification Letter and Contractor's pricing/quote to Central Purchasing
2		Buyer	1	Reviews Certificate of Exemption Form and other supporting documents, research and confirm source condition exists
3	If Scope of Work is needed	Buyer	1	Submits Scope of Work, or Specification, to Contract Administrator
			2	Checks the State Comptroller's website https://ourcpa.cpa.state.tx.us/coa/Index.html to verify name and address of recommended vendor
	If aggregate purchase >$25,000		3	Gets SAM for Contract file https://www.sam.gov/portal/public/SAM/
	If purchase has element of service and exceeds administrative authority		4	Obtains the prior approval of the Department of Small and Minority Business Resources (SMBR) using the "MBE/WBE Utilization Form and Utilization Plan for Sole Source and Professional Services"
			5	Obtains an insurance certificate, if applicable
4	If Contract has negotiated terms or is for a Service	Contract Administrator working with Buyer	1	Develops and negotiates Contract with Contractor. Once finalized, provide Buyer with original copy

Stage	Conditional Statement	Responsible Party	Step	Procedure
	If Contract does not have negotiated terms and/or is a commodity purchase	Buyer	1	Develops Contract
5	If Contract exceeds administrative authority	Buyer	1	Sends Sole Source memo to Agenda Coordinator to obtain Purchasing Officer's signature
			2	Submits an RCA along with the RCA Summary and Sole Source memo to Agenda Coordinator and Deputy Purchasing Officer
			3	Attends RCA Summary meeting to explain the purchase being made
			4	Obtains Council approval (in the form of Council Action email notification sent from Agenda Coordinator)
			5	Emails a copy of Award Letter to the Office of the City Clerk using the email address "Contracts"
			6	Creates the MA or CT in Advantage3 and code it as a "Sole Source" (code 80)
			7	Obtains signed copy of Sole Source memo for contract file from Agenda Coordinator
			8	Creates the Contract file and submits for upload to EDIMS (see process for EDIMS)
			9	Sends copy of the Contract to Contractor and Department

Operating Policies and Procedures Manual

Sole Source Purchasing

Example: Sole Source Letter



HEIL
THE WHEELS ARE ALWAYS TURNING

January 1, 2011

To whom this may concern:

This letter is to confirm that Heil of Texas is the sole Heil OEM body, parts, warranty, certified Heil rebuilt parts, and full service dealer for the state of Texas. Heil of Texas, with facilities in San Antonio, Dallas, and Houston, has the sole protected distributorship for Heil parts and services in the State of Texas. There are no other authorized distributors for Heil parts and services in the State of Texas. In addition, authorized Distributors for Heil parts and services outside the State of Texas may not sell Heil OEM parts or provide repair services to customers located in the State of Texas.

Heil of Texas San Antonio
503 Pop Gun
San Antonio, TX 78219
210-224-5800

Heil of Texas Houston
5900 Wheeler Street
Houston, TX 77023
713-923-7600

Heil of Texas Dallas
1440 South Loop 12
Irving, TX 75060
972-438-6488

If you have any questions, please call me at 281-685-3750.

Sincerely,

Joe Howard
Heil Environmental
South Central Region Manager
281-685-3750

HEIL ENVIRONMENTAL • 2030 Hamilton Place Blvd., Suite 300 • CHATTANOOGA, TN 37421 • 866-367-4345 • A DOVER COMPANY

Operating Policies and Procedures Manual

Personal, Professional and Planning Service Purchasing

Policy

The Texas Supreme Court has defined “personal services” to include only those services, which are performed personally by the individual contracted to perform them. Further, for a contract to qualify as a contract for personal services, the compensation in the contract should mainly pay for the labor of the individual providing the service, not for such things as insurance or materials.

Professional services have been described as those services, which are mainly mental or intellectual rather than physical or manual. Professional services are those disciplines requiring special knowledge or attainment and a high order of learning, skill, and intelligence.

Planning services means services primarily intended to guide governmental policy to ensure the orderly and coordinated development of the state or of municipal, county, metropolitan, or regional land areas. Planning, also called urban planning, city and regional planning or transportation planning, is a dynamic profession that works to improve the welfare of people and their communities by creating more convenient, equitable, healthful, efficient, and attractive places for present and future generations.

As per Section 252.022 of the Local Government Code, municipalities are exempt from competitively bidding personal, professional and planning services. Services listed in Chapter 2254 under the Professional Services Procurement Act must be selected and awarded based on demonstrated competence and qualifications.

Governing Policy

Texas Local Government Code, Chapter 252.022

Texas Government Code, Chapter 2254

City Charter, Chapter VII, Section 15: Purchase Procedure

2012 Texas Municipal Procurement Laws Made Easy, Office of the Attorney General

Requirements

A department is required to complete a Certificate of Exemption Form accompanied with justification declaring it as a personal, professional or planning service. The form must be signed by the Department's Director or Officer. ACM approval is required for purchases $50,000.01 or more.

In procuring services under the Professional Services Procurement Act, a governmental entity shall make the selection and award on the basis of demonstrated competence and qualifications and then formally negotiate with that provider a contract at a fair and reasonable price.

Some purchases/contracts are required to be reviewed and approved by a Department's Board and Commission prior to going before Council for authorization for execution of a contract. Each Board and Commission has a separate schedule and should be factored into the timeline of the purchase.

Exclusions

The Request for Qualifications (RFQS) is the method used for procuring services listed in Chapter 2254 under the Professional Services Procurement Act.

Auctioneering and catering services do not qualify as a professional service.

Notes

Section 252.022 of the Local Government Code allows municipalities to exempt Personal, Professional or Planning Services from competitive bidding requirements with the exception of those listed under the Professional Services Procurement Act; however, it does not mandate that they do so.

With the exception of professional services covered under the Professional Services Procurement Act, the City Charter also allows for professional and personal services to be obtained using Request for Proposal (RFP) or Request for Qualifications (RFQS). However, it prohibits obtaining such contracts through the use of competitive bidding.

Operating Policies and Procedures Manual

Personal, Professional and Planning Service Purchasing

Procedure

Stage	Conditional Statement	Responsible Party	Step	Procedure
1	If exempt from competitive bidding	Department	1	See the Exempt From Competitive Bidding procedure
	If item is covered under Professional Services Procurement Act		2	See the RFQS process for this procurement
	If department determines to use a competitive solicitation method		3	See the Request for Proposal process for this procurement

Operating Policies and Procedures Manual

Interlocal Purchasing

Policy

Interlocal agreements allow the City to contract with other public entities such as a County, State, University, School District, etc. for goods or services offered by that other public entity. Example, the City has a contract with the Lower Colorado River Authority (LCRA) for the repair of aerial devices on utility repair trucks.

Through Interlocal Agreements, the City is also authorized to participate in cooperative purchasing programs with other governmental entities. (Reference the Cooperative Purchasing Process)

Interlocal agreements are exempt from a competitive solicitation. However, departments should always use their best professional judgment and utilize ethical practices when selecting a vendor.

Governing Policy

Texas Government Code, Chapter 791: Interlocal Cooperation Contracts

Administrative Bulletin 03-01

Requirements

The City Council must approve our use of every individual Interlocal Agreement, regardless of the amount, with the exception of Austin Energy. Based on Senate Bill 7, Austin Energy is only required to receive City Council approval when the aggregate purchase exceeds administrative authority.

The Purchasing Office Financial Manager shall be responsible for maintaining documentation of Council approval of each individual Interlocal Agreement.

Some purchases/contracts are required to be reviewed and approved by a Department's Board and Commission prior to going before Council for authorization for execution of a contract. Each Board and Commission has a separate schedule and should be factored into the timeline of the purchase.

Exclusions

Property lease agreements between governmental entities are not considered to be Interlocal Agreements. Consult the Law Department for direction on property lease agreement requirements.

Operating Policies and Procedures Manual

Interlocal Purchasing

Procedure

Stage	Conditional Statement	Responsible Party	Step	Procedure
1		Department	1	Determines that a government agency can meet a specific need
			2	Establishes the terms of the agreement with the governmental agency
2		Department	1	Contacts Law Department to draft the Interlocal Contract
3		Law Department	1	Writes the contract
4		Department	1	Writes the RCA and obtains Council approval for execution of the contract
5		City Manager or Authorized Representative	1	CMO signs/executes the contract. Refer to Administrative Bulletin 03-01, City Manager's Delegation of Signature Authority
6	If Department initiates and conducts the process	Department	1	Submits requisition to Buyer with signed Interlocal Contract and approved RCA
			2	Obtains an insurance certificate, if applicable
		Buyer	3	Creates the MA or CT in Advantage3 and codes it as an "Interlocal" (Code 40)
			4	Creates the Contract file and submits for upload to EDIMS (see process for EDIMS)

Operating Policies and Procedures Manual

Cooperative Purchasing

Policy

A Cooperative purchase is a procurement based on a contract that has been competitively bid and issued by another government or purchasing alliance with the intention of sharing it with other governmental entities. Cooperative agreements are sometimes referred to as "piggybacking off of" another entity's contract. The use of Purchasing Cooperatives provides for volume discount pricing and expedited placement of orders.

Current established Cooperative Purchasing Organizations (CPOs) operating within the State of Texas and authorized by the Austin City Council include, but are not limited to, the following: U.S. Communities, Houston-Galveston Area Council of Governments (HGAC), Texas Local Government Purchasing Cooperative (BuyBoard), and The Cooperative Purchasing Network (TCPN). In addition to the CPO's, the City of Austin is authorized by Governing Policy to utilize State of Texas contracts such as Texas Procurement and Support Services (TPASS), Texas Multiple Award Schedule (TXMAS), Texas Department of Information Resources (DIR), and Texas Council on Competitive Government (CCG).

In addition to the CPOs listed above, the City can also establish Interlocal agreements to utilize other local governments' competitively bid contracts. When using the contract of another governmental agency, the City agrees to the same terms and conditions of that contract, including the prices.

Governing Policy

Texas Government Code, Chapter 791; Interlocal Cooperation Contracts

Local Government Code, Chapter 271; Subchapter F. Cooperative Purchasing Program

Texas Government Code, Chapter 2162; State Council on Competitive Government

Texas Government Code, Chapter 2054; Information Resource Management Act

City of Austin Resolution No. – 20101216-068

Requirements

The City Council must approve participation in each individual CPO through Interlocal agreements.

Prior to seeking Council authorization to utilize a new Cooperative, the Buyer must work with the Law Department to identify the legislation that was used to establish the Cooperative in order to determine if the City can be an authorized user of the Cooperative.

Before a municipality can enter into an agreement with a CPO for goods and related services authorized by Section 791.025 (b), the CPO must be a “non-profit corporation that is created and operated to provide one or more governmental functions and services.”

Given the legal requirements of 791.025 (b), one must verify that 1) the CPO is a non-profit corporation and 2) the CPO’s signed Articles of Incorporation indicate that the CPO was created to provide purchasing services. In order to verify the CPO’s non-profit status, one can contact the Secretary of State’s Office of the CPO for the CPO’s corporate filing. The CPO’s Articles of Incorporation will describe the CPO’s purpose.

Interlocal agreements with CPOs shall be maintained by the Purchasing Office Financial Manager. These agreements are documents required by each CPO to establish the City of Austin as a participating member of the cooperative. The Interlocal agreements will be periodically checked to ensure the CPO’s filing status remains valid.

All proposed cooperative purchases that exceed administrative authority must be sent to SMBR to determine whether or not goals should be established.

Some purchases/contracts are required to be reviewed and approved by a Department’s Board and Commission prior to going before Council for authorization for execution of a contract. Each Board and Commission has a separate schedule and should be factored into the timeline of the purchase.

Exclusions

The City may not establish a cooperative contract for services provided by firefighters, police officers, or emergency medical personnel.

Notes

The Purchasing Office may create a Master Agreement (MA) based on a cooperative contract. The term of the MA may not exceed the term of the cooperative contract upon which it is based, unless the original contract contains a survivability clause and a City order is placed during the original contract term.

If a Cooperative is used, the department must provide the Buyer with a justification for using a Cooperative instead of a competitive solicitation.

The Buyer will perform due diligence and is responsible for working with the Department in a lead role to conduct an analysis to determine whether utilizing the cooperative is advantageous. The analysis will evaluate the quantitative and qualitative merits of a cooperative purchase compared to other means of procurement, to ensure that the City is getting the greatest value possible. The analysis should, at a minimum, include the following elements:

- Price analysis – an evaluation to determine if the cooperative does provide favorable prices compared to open-market prices or other cooperative contracts
- Time analysis – to determine if utilizing the cooperative best meets the timeline of project
- Preference analysis – local presence and M/WBE considerations
- Benefit of Terms and Conditions already being established by Cooperative

If the Buyer determines that using the cooperative is not in the best interest of the City, he/she may choose to go through the formal solicitation process instead.

The Buyer should try to negotiate the best price(s) from the selected vendor.

Operating Policies and Procedures Manual

Cooperative Purchasing

Procedures

Stage	Conditional Statement	Responsible Party	Step	Procedure
1		Department	1	Submits a Standard Requisition (RQS) or a Master Agreement Non-Accounting Requisition (RQM) to Central Buyer along with: a printout from the Cooperative's website showing the vendor's name, contract number, items, and pricing; a proposal, price quote, or scope of work from the Cooperative vendor; a software license and/or maintenance agreement, if appropriate
2		Buyer	1	Verifies quoted items are indeed available through the vendor's Cooperative Contract; Use the Cooperative's website to view the product list or contact the Cooperative directly
			2	Performs an analysis to ensure that the items or service being purchased represent the best value to the City
			3	Negotiates prices (if possible) with Vendor
	If the Co-op does not represent the best value to the City	Department/ Buyer	4	Re-evaluates the use of the Cooperative contract
		Buyer	5	Ensures the using department is aware of and agrees to the existing terms of the Cooperative Contract
		Buyer/ CA	6	Conducts a gap analysis of the Cooperative's terms and conditions and those of the City's; Create Supplemental Purchase Provisions (Section 0400) to address those gaps

Stage	Conditional Statement	Responsible Party	Step	Procedure
	If purchase exceeds administrative authority	Buyer	7	Determines if Subcontracting Goals should be established by the Department of Small and Minority Business Resources (SMBR); Utilizes Section 0900
			8	Sends Vendor Section 0400, Scope of Work (if available), and Subcontracting Plan (if SMBR assigned goals) for review/ approval. Has the vendor sign/agree to Sections 0800, 0815, 0820, and 0500, if applicable
	If goals have been established by SMBR		9	Submits Vendor's Subcontracting Plan (Including documented Good-Faith Effort) to SMBR for review
	If Vendor takes exception to COA documents		10	Requests Contract Administrator (CA) assistance with negotiating the terms and conditions which the vendor has taken exception
			11	Obtains an insurance certificate, if applicable (ex. If vendor is performing repair work on City property, will require GL, Auto, and WC)
	If purchase is software related		12	Gets a software license and/or maintenance agreement, if appropriate
	If purchase exceeds administrative authority		13	Checks the State Comptroller's website https://ourcpa.cpa.state.tx.us/coa/Index.html to verify name and address of recommended vendor
	If aggregate purchase >$25,000		14	Gets SAM for Contract file https://www.sam.gov/portal/public/SAM/
3	If Contract exceeds administrative authority		1	Submits an RCA along with the RCA Summary to Agenda Coordinator and Deputy Purchasing Officer

Stage	Conditional Statement	Responsible Party	Step	Procedure
			2	Attends RCA Summary meeting to explain the purchase being made.
			3	Obtains Council approval (in the form of Council Action email notification sent from Agenda Coordinator)
			4	Emails a copy of Award Letter to the Office of the City Clerk using the email address “Contracts”
4	If Contract has been negotiated with the Contractor		1	Obtains Contractor’s signature on the 2-page Contract or negotiated Contract
			2	Creates the MA or Purchase Order (CT) in Advantage3 and code it as a “Cooperative Purchase” (code 60)
			3	Creates the Contract file and submits for upload to EDIMS (see process for EDIMS)
			4	Sends copy of the Contract to Contractor and to Cooperative (if applicable)

Operating Policies and Procedures Manual

Cooperative Purchasing

Description of Approved Cooperatives

U.S. Communities Government Purchasing Alliance:

- Contracts issued by other Government Entities and open for use by U.S. Communities members
- Notify US Communities when utilizing one of their contracts

  http://www.uscommunities.org/

Texas Multiple Award Schedule (TXMAS):

- Developed from contracts that have been competitively awarded by the General Services Administration's (GSA)
- No notification is required

  http://www.window.state.tx.us/procurement/prog/txmas/

Houston-Galveston Area Council of Governments (HGAC):

- Contracts competitively bid out by HGAC
- Notify HGAC when utilizing one of their contracts

  http://www.hgacbuy.com/

Texas Procurement and Support Services (TPASS):

- Also referred to as Term Contracts, solicited by the State of Texas
- No notification is required

  http://www.window.state.tx.us/procurement/contracts/all_term/

Texas Local Government Purchasing Cooperative (BuyBoard):

- Contract competitively bid by BuyBoard
- Notify BuyBoard when utilizing one of their contracts

  http://www.buyboard.com/default.html

The Cooperative Purchasing Network (TCPN):

- Contract competitively bid by TCPN
- No notification is required

  http://www.tcpn.org/default.aspx?name=aboutTCPN

Texas Department of Information Resources (DIR):

- Purchases of technology goods and services for state and local government, public education, and other public entities within the state of Texas
- Negotiated prices based on a quantity of one. Buyers, using the DIR cooperative to identify possible vendors, should still negotiate for the best possible price

  http://www2.dir.state.tx.us/ict/overview/Pages/overview.aspx

Miscellaneous Purchasing Procedures

Operating Policies and Procedures Manual

Request for Information (RFI)

Policy

A Request for Information (RFI) is a method used to obtain industry input, feedback or reactions from potential suppliers (contractors) prior to issuing of a solicitation when there is insufficient knowledge or information available to write a specification. The primary objective of an RFI is to gather information regarding a particular subject. This includes services, commodities, best practices, and industry standards available in the marketplace to better address an organization's needs.

Price is typically not required for this method. However, pricing can be gathered for budgeting, market research, and planning purposes.

The RFI is typically followed up with a solicitation.

Requirements

The Scope of Work in an RFI should be written to secure the widest range of information as possible. RFI's should be sent to as many vendors as possible and does not result in a contract.

Exclusions

The Non-Collusion, Non-conflict of Interest and Anti-Lobbying requirement do not apply to a Request for Information.

Notes

The Scope of an RFI should include a history of prior attempts to secure the desired information.

Operating Policies and Procedures Manual

Request for Information (RFI)

Procedure

Stage	Conditional Statement	Responsible Party	Step	Procedure
1		Department/ Buyer	1	Determines a need that requires a Request for Information
		Buyer	2	Establishes timeline and generates solicitation number
2		Buyer/ Department	1	Conducts planning sessions to develop Statement of Purpose and potential vendor list
		Buyer	2	Validates requisition commodity codes using Advantage 3 Search to determine if appropriate codes and an adequate number of vendors will be notified of the solicitation (http://purchweb.ci.austin.tx.us/search/SVCode.cfm)
3		Buyer	1	Reviews documentation for completeness and accuracy
	If documents are incomplete	Buyer/ Department	2	Works with department contact to achieve desired language including SOW
			3	Enters advertising information into Advantage
			4	Develops solicitation documents including assigned solicitation number using standardized templates located at [O:\DOCUMENT\FRONT END DOCUMENTS\Purchasing Office Buyer Documents]
4		Buyer	1	Submits solicitation draft to Purchasing Supervisor for approval
		Purchasing Supervisor	2	Reviews solicitation for completeness and accuracy, makes recommendations for changes

Stage	Conditional Statement	Responsible Party	Step	Procedure
	If not approved	Buyer	3	Updates solicitation documents according to Purchasing Supervisor directives (this could take multiple iterations)
			4	Uploads solicitation documents into eCAPRIS
5		Buyer	1	Submits solicitation to final in Advantage; Ensures the language in the Document Description field on the Header is what the buyer intends to display in the advertisement; Within approximately 5 minutes, the batch job should copy the solicitation information to eCAPRIS for use by the Buyer
6		Central Purchasing	1	Prepares Response Log
		Buyer	2	Prior to the solicitation due date, Buyer checks to determine if there are any responses
	If adequate responses are not received		3	Evaluates whether RFI should be extended or cancelled and process accordingly
	If adequate responses are received		4	Allows RFI to close
7		Buyer	1	Forwards responses to Dept. for review
			2	Schedules meeting with Department for evaluation of contents
		Buyer/ Department	3	Gathers data and develops summary to determine next steps

Operating Policies and Procedures Manual

General Accounting Expenditure (GAX) Purchase

Policy

General Accounting Expenditure (GAX) documents are payment documents which do not require an encumbrance of funds or a Purchase Order. Typically, purchases of goods and services which are exempt from the competitive bidding process and are $150.00 or less in value, are paid out by Accounts Payable using a GAX payment document.

Governing Policy

There is no governing policy. City Charter applies for purchases under the expenditure limit of Local Government Code 252; however the Charter does not address “GAX-able” purchases.

Requirements

Any purchase up to $150.00 **per vendor, per receipt** in lieu of Petty Cash. The reference to **per vendor, per receipt** is not an open invitation to do split or serial purchasing that should normally be competitively bid.

Exclusions

There are times when a GAX can be used to pay for a purchase, even when the amount of that purchase exceeds $150.00. For a complete list of those purchases, reference the table below or at the following website:

http://purchweb.ci.austin.tx.us/intranet/purcman1/gax.cfm

Items/purchases not on the list are not eligible for GAX-able payments and should then be purchased through other purchasing avenues. There is no process for Central Buyers. GAX-able purchases are utilized by the Departments; it allows the Department to go straight to payment.

Notes

To assist with expediting payment of a GAX invoice, the Buyer may issue a PO (or CT) on behalf of the Department. There are times when Austin Energy utilizes a Master Agreement to monitor payments.

Operating Policies and Procedures Manual

Anti-Lobbying

Policy

The City of Austin controls access between vendors and potential sources of information, including city employees that may create unfair competitive advantages. The City's Anti-Lobbying Ordinance establishes the methods for controlling access to information by designating the Central Buyer, Contract Management Department Buyer, or designated individuals in other solicitation-issuing departments as single points of contact.

Governing Policy

Ordinance 20111110-052, Anti-Lobbying (for solicitations issued / closed after December 1, 2011 and adopted enforcement rules)

Requirements

The buyer assigned to conduct a solicitation is in control of the Anti-Lobbying process from the date that the solicitation is issued until a contract is signed, the solicitation is cancelled, or the responsibilities of the Authorized Contact Person are transferred to another person (may be another buyer, or assigned lead negotiator for example).

Exclusions

All solicitations that require council approval are subject to the Anti-Lobbying Ordinance if issued and closed prior to December 1, 2011. If issued after that date, solicitations funded with cultural arts, social services or block grants are generally exempted from the Anti-Lobbying Ordinance unless Council acts to include them.

Operating Policies and Procedures Manual

Anti-Lobbying

Procedure

Stage	Conditional Statement	Responsible Party	Step	Procedure
1		Authorized Contact Person for Solicitation	1	For solicitations with cultural arts, social services or block grant funding, Authorized Contact Person and/or Department Director prepares memorandum for Council indicating that a solicitation with these types of funding will be issued; This memo is sent to Council six (6) weeks prior to the anticipated date that the solicitation will advertise
			2	If Council chooses to include the solicitation in Anti-Lobbying, Council passes a resolution advising the requesting department
			3	If Council does not take action to include the solicitation in Anti-Lobbying, no further steps are required
2		Authorized Contact Person	1	Issues solicitation

Stage	Conditional Statement	Responsible Party	Step	Procedure
3		Authorized Contact Person	1	If there are potential violations of the Anti-Lobbying Ordinance reported to the Authorized Contact Person, then the assessment template / letter for an Anti-Lobbying disqualification is used to determine whether or not a violation has occurred, and to provide draft correspondence to the Deputy / Assistant Director; The Deputy / Assistant Director may consult with the Law Department prior to issuing the disqualification; If issued, the disqualification letter includes all supporting materials, including the ordinance, rules for enforcement, all "representations", and includes instructions for protesting the disqualification for anti-lobbying
4		Respondent (Vendor)	1	Since there are very specific and published rules for addressing a protest of disqualification for Anti-Lobbying, the balance of the procedures are not recorded here; The rules are maintained for the public at the following internet location (https://www.ci.austin.tx.us/financeonline/vendor_connection/index.cfm) In the Purchasing Services Tab for Policies, Rules and Ordinances

Operating Policies and Procedures Manual

Pre-Solicitation Meeting

Policy

A Pre-solicitation meeting is conducted before a solicitation is issued. It is similar to a Pre-Response (Pre-Bid or Pre-Proposal) meeting.

Pre-solicitation proceeds from the idea the City knows what it wants and needs, but wants to ensure that the vendor community is prepared to provide the required goods or services and a Scope of Work is within industry standards.

Governing Policy

Ordinance 20111110-052, Anti-Lobbying

Requirements

The City should conduct a pre-solicitation meeting when it is able to provide a ready-to-advertise Specification or Scope of Work for review and comment.

Although the meeting is open to anyone interested in attending, it is primarily an opportunity for the buyer, the using department(s), vendors and interested parties to freely and openly discuss the Specifications or Scope of Work before the No-Contact Ordinance applies and no contact is in effect. Potential vendors and others are invited to participate based on commodity registration in Advantage, recommendation of the using department, and on any other sources available to buyers.

The pre-solicitation meeting serves as validation that there are available and interested vendors to provide a response once the solicitation is issued. Recommendations and suggestions by any party during the pre-solicitation meeting are not binding on the City; however, the City will consider and may be included in the solicitation when issued.

When a pre-solicitation meeting is conducted as part of a re-solicitation effort, it is subject to the controls of the Anti-Lobbying Ordinance.

Exclusions

When the City does not have a solid concept or scope upon which to proceed, a Request for Information (RFI) may be created instead.

Operating Policies and Procedures Manual

Pre-Solicitation Meeting

Procedure

Stage	Conditional Statement	Responsible Party	Step	Procedure
1		Buyer and Department	1	As part of needs assessment and solicitation preparation, buyer and department choose to schedule a pre-solicitation meeting to have the vendor community validate the specification / scope of the solicitation
2		Department	1	Provides appropriate requisition (RQS or RQM), draft specification / scope, and recommended list of vendors to contact (as Free-Form Vendors on the requisition) to initiate the solicitation process
3		Buyer	1	Reviews the specification / scope for completeness. Iterative revision until the specification / scope is ready for issue
4		Buyer	1	Validates commodity codes on the requisition and determines additional commodity code(s) if appropriate
			2	Identifies potential sources, combines these sources with Free-Form Vendors
			3	Develops meeting agenda
			4	Contacts vendors to provide specification and pre-solicitation meeting details (agenda, schedule, location, date, time, parking instructions, etc.)
5		Buyer, Department and Vendors	1	On schedule, buyer convenes pre-solicitation meeting using published agenda. Buyer acts as moderator and as scribe for discussion of details

Stage	Conditional Statement	Responsible Party	Step	Procedure
6		Buyer and Department	1	After pre-solicitation meeting concludes, buyer and department assess meeting and, evaluate recommendations, and establish what, if anything will be changed in the specification / scope; This process may be interactive, and can be conducted with additional meetings or by email
7		Buyer	1	Based on the results of Step 6, buyer revises specification / scope and submits to using department for concurrence
8		Department	1	Concurs or recommends final changes to specification / scope and returns to buyer
9		Buyer	1	Buyer schedules and conducts solicitation

Operating Policies and Procedures Manual

Local Business Presence

Policy

The City seeks opportunities for businesses in the Austin Corporate City Limits to contract with the City for goods and services. The purpose is to encourage additional economic development opportunities for local businesses resulting from contracting with the City of Austin.

A firm (Offeror or Subcontractor) is considered to have a Local Business Presence if the firm is headquartered in the Austin Corporate City Limits, or has a branch office located in the Austin Corporate City Limits in operation for the last five (5) years. The City defines headquarters as the administrative center where most of the important functions and full responsibility for managing and coordinating the business activities of the firm are located. The City defines branch office as a smaller, remotely located office that is separate from a firm's headquarters that offers the services requested and required under the solicitation.

Governing Policy

Local Government Code, Chapter 271.905; Consideration of Location of Bidder's Principal Place of Business

Texas Local Government Code, Chapter 252

City of Austin Local Preference/Presence Purchasing Policy

Requirements

The City of Austin may award a contract to a bidder other than the lowest responsible bidder if the City receives a competitive sealed bid from a bidder whose principal place of business is in the Austin Corporate City Limits and whose bid is within three percent (3%) of the lowest bid amount.

For those solicitations not based on the lowest responsible bid (example, Request for Proposal or Invitation for Bid-Best Value), Offerors/Bidders are eligible to receive up to 10 points for Local Business Presence.

The Austin Corporate City Limit includes the COA Limited Purpose and Full Purpose City Limits Jurisdictions. Offerrors/Bidders must be located within either the COA Limited

Purpose or Full Purpose City Limit Jurisdictions to be considered as having a Local Presence.

When evaluating the Local Business Presence of an Offerror/Bidder, the Buyer cannot accept Post Office Boxes as a physical address.

Exclusions

This does not apply to non-competitive based contracts, Interlocal Agreements, Request for Quotes (RFQ), Request for Qualifications (RFQS), Request for Information (RFI), Request for Application (RFA), or informally solicited contracts.

Notes

Although this does not apply to non-competitive contracts, when putting in place a contract based off a Cooperative, the Buyer should determine, as part of the Cooperative analysis, if the vendor does have a local presence (reference the Cooperative Purchasing Process).

Operating Policies and Procedures Manual

Local Business Presence

Procedure

Stage	Conditional Statement	Responsible Party	Step	Procedure
1	Solicitation requires Local Business Presence as an evaluation criteria	Buyer	1	Prior to publishing the solicitation, includes Section 0605, Local Business Presence as one of the bid documents
2			1	After solicitation closes, Buyer utilizes the GIS Development Web Map to determine if Offeror/Bidder is within the City's Corporate City Limits; The Web Map can be found at: http://www.austintexas.gov/GIS/DevelopmentWebMap/ A tutorial on using the Web Map can be found at: http://purchweb.ci.austin.tx.us/intranet/Download/gis-local-presence-geo-profile-lookup-tool.pdf
			2	Prints a copy of the Web Map showing whether or not the Offeror/Bidder is within the City's Corporate City Limits and include this in the Contract File

Operating Policies and Procedures Manual

Local Business Presence

Additional Information

Type	LOCAL PREFERENCE
Local Govt. Code	271.905
Provision	A city may select a bidder other than the lowest responsible bidder if the bidder is within three percent (3%) of the lowest bid amount and has a local presence
Solicitation Type	IFBs for goods will receive a three percent (3%) allowance of the lowest bid amount
Applicable Language	If the City receives a competitive sealed bid from a bidder whose principal place of business is in the Austin Corporate City Limits and whose bid is within three percent of the lowest bid price received from a bidder who is not a resident of the Austin Corporate City Limits, the City may enter into a contract with the local vendor
How Applied	605, 200

Type	LOCAL PRESENCE
Local Govt. Code	252.043
Provision	(a) If the competitive sealed bidding requirement applies to the contract for goods or services, the contract must be awarded to the lowest responsible bidder or to the bidder who provides goods or services at the best value for the municipality (b) In determining the best value for the municipality, the municipality may consider: (1)…. (8) any relevant criteria specifically listed in the request for bids or proposals
Solicitation Type	IFB-BVs and RFPs for complex goods and services will be eligible to receive up to 10 points

Applicable Language	The City seeks opportunities for businesses in the Austin Corporate City Limits to participate on City contracts. A firm (Offeror or Subcontractor) is considered to have a Local Business Presence if the firm is headquartered in the Austin Corporate City Limits, or has a branch office located in the Austin Corporate City Limits in operation for the last five (5) years. The City defines headquarters as the administrative center where most of the important functions and full responsibility for managing and coordinating the business activities of the firm are located. The City defines branch office as a smaller, remotely located office that is separate from a firm's headquarters that offers the services requested and required under this solicitation. Points will be awarded through a combination of the Offeror's Local Business Presence and/or the Local Business Presence of their subcontractors. Evaluation of the Team's Percentage of Local Business Presence will be based on the allocation of work as reflected in the Offeror's MBE/WBE Compliance Plan or MBE/WBE No Goals Utilization Plan. *Note to IFB-BVs Bid Sheet: Local Business Presence (10 Points) - See Section 0200, Paragraph 12 for Evaluation Criteria, and complete and return Section 0605. The amount of Local Business Presence is determined by the amount of work performed by the Offeror and/or Subcontractor(s) combined.
How Applied	605, 200, 0600 (RFPS) *Add note to Bid Sheet (IFB-BVs)
No dollar limit for IFBs for goods to receive a three percent (3%) allowance of the lowest bid amount	
Cannot be used for professional services agreements	
A business' principal place of business (corporate city limits) is determined at the following link… http://www.austintexas.gov/GIS/DevelopmentWebMap/ A tutorial on the tool can be found Here The Austin Corporate City Limit includes the COA Limited Purpose and Full Purpose City Limits Jurisdictions.	
The address on the 0605 is the official physical address for determining principal place of business and compliance to this policy.	

Sample RCA Language:

(posting language) Authorize award, *negotiation* and execution of a XX-month requirements service contract with Vendor A, or the following qualified bidder, consistent with local preference law, Vendor B, for the purchase and installation of widgets.

(below the line) If Council chooses to invoke the City's local preference policy and select Vendor B, the motion should be stated as follows in order for the record to reflect the appropriate findings. Motion: "I move to authorize the award and execution of an agreement with company name to purchase name of product based on the fact that the local bidder offers the City the best combination of contract price and additional economic development opportunities for the City created by the contract award, including the employment of residents of the City and increased tax revenues to the City."

Forms

Operating Policies and Procedures Manual

Example of Certificate of Exemption Form

Certificate of Exemption Form Link:
http://purchweb.ci.austin.tx.us/intranet/Download/certificateofexemption.pdf

Directions for Completing

FSD Purchasing Office Certification of Exemption Form

(The following steps must be completed prior to forwarding form to Purchasing)

1. Enter date of request in MM/DD/YYYY format
2. Enter Purchasing Buyers name
3. Enter Department requesting exemption
4. Enter Originator of certification
5. Enter phone number of Originator
6. Select one of the exemptions that that apply to this procurement
7. Complete the Exemption Form providing any additional information required for the chosen exemption
8. Enter Vendor's Company Name
9. Enter Total Aggregate Amount
10. Obtain signature of:
    - Person requesting exemption (Originator)
    - Department Director or designee
    - AE General Manager (for Critical Business Needs)
    - Assistant City Manager, AE General Manager or designee (for all other exemptions where the purchase > $50,000)
11. Forward completed form to Purchasing:
    - Buyer reviews and signs document
    - Purchasing Officer or designee (only required if purchase > $50,000)

Page 1 of 4

Clear Field

City of Austin FSD Purchasing Office

Certificate of Exemption

DATE:		DEPT:	
TO:	Purchasing Officer or Designee	FROM:	
BUYER:		PHONE:	

Chapter 252 of the Local Government Code requires that municipalities comply with the procedures established for competitive sealed bids or proposals before entering into a contract requiring an expenditure of $50,000 or more, unless the expenditure falls within an exemption listed in Section 252.022.

Senate Bill 7 amended Chapter 252 of the Local Government Code to exempt from the requirements of such Chapter expenditures made by a municipally owned electric utility for any purchases made by the municipally owned electric utility in accordance with procurement procedures adopted by a resolution of its governing body that sets out the public purpose to be achieved by those procedures. The Austin City Council has adopted Resolution No. 040610-02 to establish circumstances which could give rise to a finding of critical business need for Austin Energy.

This Certification of Exemption is executed and filed with the Purchasing Office as follows:

1. The undersigned is authorized to submit this certification.
2. The undersigned certifies that the following exemption is applicable to this purchase. (Please check which exemption you are certifying)

- ○ a procurement made because of a public calamity that requires the immediate appropriation of money to relieve the necessity of the municipality's residents or to preserve the property of the municipality
- ○ a procurement necessary to preserve or protect the public health or safety of municipality's residents
- ○ a procurement necessary because of unforeseen damage to public machinery, equipment, or other property
- ○ a procurement for personal, professional, or planning services
- ○ a procurement for work that is performed and paid for by the day as the work progresses
- ○ a purchase of land or right-of- way
- ○ a procurement of items available from only one source, including: items that are available from only one source because of patents, copyrights, secret processes, or natural monopolies; films, manuscripts, or books; gas, water, and other utility services; captive replacement parts or components for equipment; books, papers, and other library materials for a public library that are available only from the persons holding exclusive distribution rights to the materials; and management services provided by a nonprofit organization to a municipal museum, park, zoo, or other facility to which the organization has provided significant financial or other benefits
- ○ a purchase of rare books, papers, and other library materials for a public library
- ○ paving, drainage, street widening and other public improvements, or related matters, if at least one- third of the cost is to be paid by or through special assessments levied on property that will benefit from the improvements
- ○ a public improvement project, already in progress, authorized by voters of the municipality, for which there is a deficiency of funds for completing the project in accordance with the plans and purposes as authorized by the voters

- ○ a payment under a contract by which a developer participates in the construction of a public improvement as provided by Subchapter C, Chapter 212
- ○ personal property sold: at an auction by a state licensed auctioneer; at a going out of business sale held in compliance with Subchapter F, Chapter 17, Business & Commerce Code; by a political subdivision of this state, a state agency of this state, or an entity of the federal government; or under an interlocal contract for cooperative purchasing administered by a regional planning commission established under Chapter 391
- ○ services performed by blind or severely disabled persons
- ○ goods purchased by a municipality for subsequent retail sale by the municipality
- ○ electricity
- ○ advertising, other than legal notices
- ○ Critical Business Need (Austin Energy Only)

3. The following facts as detailed below support an exemption according to Section 252.022 of the Local Government Code for this purchase. Please verify the steps taken to confirm these facts. If you are citing the following exemptions, please provide the additional information requested below. A more detailed explanation of these exemptions is attached.

- **Preserve and Protect the Public Health and Safety** – Describe how this purchase will preserve and protect the public safety of residents.
- **Sole Source** – Describe what patents, copyrights, secret processes, or natural monopolies exist. Attach a letter from vendor supporting the sole source. The letter must be on company letterhead and be signed by an authorized person in company management.
- **Personal Services** – Describe those services to be performed personally by the individual contracted to perform them.
- **Professional Services** – Describe what mainly mental or intellectual rather than physical or manual and/or disciplines requiring special knowledge or attainment and a high order of learning, skill, and intelligence are required to perform this service.
- **Planning Services** – Describe the services primarily intended to guide governmental policy to ensure the orderly and coordinated development of the state or of municipal, county, metropolitan, or regional land areas.
- **Critical Business Need** – Describe the procurement necessary to protect the competitive interests or position of Austin Energy.

4. Please attach any documentation that supports this exemption.

5. Please provide any evaluation conducted to support the recommendation. Include the efforts taken to ensure the selected vendor is responsible and will provide the best value to the City (Ex: evaluation of other firms, knowledge of market, etc).

6. Because the above facts and documentation support the requested exemption, the City of Austin intends to contract with _____ which will cost approximately $_____(Provide estimate and/or breakdown of cost).

Recommended Certification _____ Originator Date

Approved Certification _____ Department Director or designee Date

_____ Assistant City Manager / General Manager or designee (if applicable) Date

Purchasing Review (if applicable) _____ Buyer Date _____ Manager Initials

Exemption Authorized (if applicable) _____ Purchasing Officer or designee Date

02/26/2013

Operating Policies and Procedures Manual

Reporting 1 – Procurement Code Explanations

Reporting 1 Codes

10 – **Competitive Acquisition:** Purchases per City Charter and Local Government Code (LGC) Chapters 252 and 271

11 – **Sole Source less than $5,000:** Only requires Department Directors authority. Purchases per LGC 252.022 (a) (7) from the only available source of supply.

15 – **Alternate Procurement Method for CLMD Projects: For CLMD Use ONLY**. Competitive purchases per LGC Chapter 271 such as job order contracting, design build, construction manager at risk, competitive sealed proposals.

20 – **Cultural Arts Contracts:** Purchases per Council Authorization for the City's Cultural Art Funding Program

25 – **Daily Paid Work:** Purchases per LGC 252.022 (a) (5)

30 – **General Exemptions:** Use **ONLY** for Purchases per the following LGC 252.022 exemptions:

(a) (1) - a procurement made because of a public calamity that requires the immediate appropriation of money to relieve the necessity of the municipality's residents or to preserve the property of the municipality;

(3) - a procurement necessary because of unforeseen damage to public machinery, equipment, or other property;

(6) - a purchase of land or a right-of-way;

(9) - paving drainage, street widening, and other public improvements, or related matters, if at least one-third of the cost is to be paid by or through special assessments levied on property that will benefit from the improvements;

(11) - a payment under a contract by which a developer participates in the construction of a public improvement as provided by Subchapter C, Chapter 212;

(12) - personal property sold:

(A) at an auction by a state license auctioneer;

(B) at a going out of business sale held in compliance with capital Subchapter F, Chapter 17, Business and Commerce Code;

(C) by a political subdivision of this state, a state agency of this state, or an entity of the federal government; or

(D) under an interlocal contract for cooperative purchasing administered by a regional planning commission established under Chapter 391.

(d) an expenditure described by Section 252.021 (a) if the governing body of a municipality determines that a method described by Subchapter H, Chapter 271, provides a better value for the municipality with respect to that expenditure than the procedures described in this chapter and the municipality adopts and uses a method described in that subchapter with respect to that expenditure.

40 – **Interlocal Government Agreements:** Purchases per Government Code Chapter 791 using an agreement between a single entity and the City for various type services such as: water testing with LCRA, deaf-education services with University of Texas, special training with Austin Community College, services from Texas A&M, AISD, or Texas Department of Transportation etc.

45 – **Library Rarities:** Purchases of rare books, papers, and other library materials for a public library per LGC 252.022 (a) (8)

50 – **Loans:** Purchases per a City of Austin approved loan program such as business loans.

51 – **Municipal Retail Resale:** Purchases per LGC 252.022 (a) (14)

52 – **Municipal Utility Procurement:** Purchases per LGC 252.022 (a) (15), (c) including Critical Business Needs

55 – **Personal, Professional or Planning Services:** Purchases per LGC 252.022 (a) (4) including professional services (with a company) or personal services (with an individual) that are of an intellectual nature, requiring special education, training, skills or experience not otherwise covered by the Professional Services Procurement Act, Government Code Chapter 2254.

58 – **Personal Property Purchase:** Purchases per LGC 271.005 for the use (lease) or purchase of personal property.

60 – **Cooperative Purchase:** Purchases Government Code Chapter 791 using competitively solicited Contracts from/with another entity such as State of Texas, HGAC, BuyBoard, U.S. Communities, or TCPN (includes computers and computer related equipment, software, copiers and faxes, long distance telephone services, furniture, flu vaccines, vehicles, off-road equipment, fuel, etc.).

65 – **Services from Blind or Disabled Persons:** Purchases per LGC 252.022 (a) (13)

70 – **Social Grant:** Purchases per LGC 252.022 (a) (2)

75 – **Public Improvement Project:** Purchases per LGC 252.022 (a) (10)

80 – **Sole Source Procurement for $5,000 or more:** Purchases per LGC 252.022 (a) (7) from the only available source of supply. Requires approval beyond the Department.

85 – **Medical Professional:** Purchases per Government Code Chapter 2254, Professional Services Procurement Act

90 – **Other Non-Competitive:** Purchases exempt from competition for reasons other than LGC 252.022. **REQUIRES APPROVAL BY THE DEPARTMENT'S ASSISTANT CITY MANAGER**

92 – **Bonds or Warrants:** Purchases per LGC 252.022 (b)

95 – **DIR Software Price Agreement: DO NOT USE.** (code added for conversion purposes only, Previously coded in AFS2 as "SW")

96 – **Public Health and Safety:** Purchases per LGC 252.022 (a) (2)

Operating Policies and Procedures Manual

Reporting 2 – Sustainability Code Explanations

Reporting 2 Codes

Green purchasing includes the acquisition of products or services that have environmentally preferable characteristics such as…

- Recycled Content or Easily Recyclable
- Bio-based or Bio-Degradable
- Energy and Water Efficient Products
- Use or Produce Alternative Fuels or Renewable Energy
- Eliminate Hazardous or Toxic Chemicals

Seven Types of Sustainability Improvements Measured Starting 2009-2010

Reporting 2 Codes	Purchase Reduces* One of the Following:
A	Air Pollution - Greenhouse Gas Emissions
N	Noise Pollution Reduced
P	Power or Electricity Use Reduced
R	Recycled Material Content (*More is Better)
S	Solid Waste – Less Trash
T	Toxins - Chemicals, Petroleum, VOCs, or Metals
W	Water Use Reduced

Why are we doing this?

Currently part of the goals of the Purchasing office is to…**"Incorporate sustainability as a key influencing factor in the way the City procures its goods and services"**…and we need to measure our spending on environmentally preferable goods and services.

Annually, we need to Report our Sustainability Efforts to:

- The City Manager and City Council on Annual Green Purchasing Spending
- The Austin Climate Protection Program on Carbon Footprint Reductions
- Department Managers and Officers as part of their Departmental Climate Protection Plans

To help report on these reductions, Reporting Field 2 in the header of Purchase Orders (PO, CT) and Master Agreements / Delivery Orders (MA, DO) has been expanded with a collection of codes that you can use to help us identify orders that may have applicability.

REMEMBER - Not every order will have a sustainability impact, so in those cases, the default setting for the field, code S1 *No Sustainability Impact* will be appropriate.

Examples of Reporting 2 Sustainability Codes:

- Reducing Air Pollution (A) or Greenhouse Gas Emissions reductions can be realized by using cleaner burning engines in our vehicles and stationary equipment. When we buy a car or truck that is classified as a “Low Emissions Vehicle”, then we are reducing emissions. The purchase of any fuel that reduces emissions impacts, such as low-sulfur Diesel fuel would be included, if we are making a choice between two options. If there is no option, then we should not consider this a sustainability motivated purchase. For example, all solicitations that the City issues in which we use “Best Value” – the landscaping and grounds keeping commodity codes – should currently be included as emissions reductions.
- Noise reductions (N) are typical result from choosing equipment that produces fewer decibels of noise during operation. For example, switching from a gas-burning lawn mower to an electric or propane lawn mower not only eliminates emissions, but reduces noise.
- Reducing toxins (T) may include switching from bleach or other caustic cleaners to janitorial supplies with less harmful ingredients. Another example might be the elimination of lights bulbs that contain high levels of mercury. Additionally, purchasing paper that is processed without the use of chlorine (Certified Chlorine-Free) is another example of avoiding products that use toxins in the manufacturing process.
- Solid waste (S) reductions include the use of recycled products (paper, toner cartridges), as well as reusing (surplus, scrap, salvage) materials that the City already owns. A key to identifying this type of reduction may be the word “recycled” in the commodity description. Additionally, buying products that are easily recyclable, compared to previously purchased products, is preferred and might qualify for this designation.

- Water (W) usage reduced or conserved. This might include low-flow showerheads or companies that provide products that utilize water more efficiently.
- Power (P) or reducing Electricity usage should include Energy Star rated appliances, compact fluorescent light bulbs, and EPEAT certified computers (personal computers purchased through CTM are already EPEAT gold certified).
- Recycled (R) content is the code we use when items contain recycled materials or are manufactured to be easily recyclable compared to traditional alternatives. Examples may be boxes or paper products that contain post-consumer waste (PCW) – the best form of recycled materials.

What if my Purchase has more than one environmental attribute (i.e. contains recycled material (R) and reduces toxins in the environment (T)?

If an order represents one or more of these sustainability categories, then use the code that has the greatest impact. This is a bit subjective for some products or contracts that are providing both products and services.
We are looking for you to make your best determination of the LARGEST environmental impact of your purchase.

Operating Policies and Procedures Manual

Acronyms

A

ACM: Assistant City Manager

AE: Austin Energy- public utility Company, provides electrical power to a population of almost one million covering Austin, Texas, Travis County and a small portion of Williamson County

AHFC: Austin Housing Finance Corporation- mission of AHFC is to generate and implement strategic housing solutions for the benefit of residents of the City of Austin

APD: Austin Police Department- principal law enforcement agency serving Austin, Texas

AWU: Austin Water Utility- water and wastewater service operated by the City of Austin

B

BAFO: Best and Final Offer- utilized during the Request for Proposal method and is the final proposal submitted after negotiations are completed containing the proposer's most favorable terms for price, services and products to be delivered

Buy Board- electronic purchasing system by the Texas Local Government Purchasing Cooperative, created to increase the purchasing power of government entities and to simplify their purchasing process

C

CA: Contract Administrator- individual that makes sure the parties employ due diligence to comply with the terms, conditions, rights and obligations of the contract

CCG: Texas Council on Competitive Government- exists to advance government transformation efforts in ways that improve efficiency, effectiveness and results that are relevant to citizens

COA: City of Austin- Capital city of the State of Texas and 13th most populous city in the United States

CPI: Consumer Price Index- measure of changes in the average price of consumer goods and services constructed monthly by the U.S. Bureau of Labor Statistics

CPOs: Cooperative Purchasing Organizations- organization that allows those eligible to order under established contracts without additional formal bidding

CT: Central Purchase Order- an award to a vendor used for amounts $5,000 or greater, principally to encumber funds for a one time purchase

D

DIR: Texas Department of Information Resources- provides statewide leadership and oversight for management of government information and communications technology

E

eCAPRIS: Capital Project Reporting and Information System- web application developed by the City of Austin in order to estimate project and department budgets, used for processing the solicitations for publication viewing

EDIMS: Electronic Data Interchange System- transmission of data by electronic means, which is used to transfer electronic documents or business data from one computer system to another for archival

EGRSO: Economic Growth and Redevelopment Services Office- department that leads the economic development, urban regeneration, small business development, cultural arts, music, and international and emerging technology programs for the City of Austin

F

FSD: Financial Services Department- department that provides a resource for all its financial documents and procedures

G

GAX: General Accounting Expenditure- payment documents, typically purchases exempt from competitive bidding or under $150.00, which do not require an encumbrance of funds or a Purchase Order

H

HGAC: Houston Galveston Area Council- regional organization through which local governments consider issues and cooperate in solving area wide problems(13 counties in H-GAC's service region are: Austin, Brazoria, Chambers, Colorado, Fort Bend, Galveston, Harris, Liberty, Matagorda, Montgomery, Walker, Waller, and Wharton)

I

IFB: Invitation for Bid- process used to obtain bids from competing sources in response to a set of advertised specifications for goods and non-professional services in excess of $50,000

IFB-BV: Invitation for Bid-Best Value- used to obtain bids from competing sources in response to a set of advertised specifications, however, other evaluation factors are considered in addition to cost to determine which bid offers the best value to the City

L

LCRA: Lower Colorado River Authority- nonprofit public utility created by the Texas Legislature

M

MA: Master Agreement- requirement type contract/award with one or multiple vendors with non-specific quantities or services to be delivered over a period of time

MBEs: Minority Business Enterprises- business which is owned or controlled by a member of a recognized minority group, as defined by the public entity

P

PO: Department Purchase Order- purchase order created by the department to encumber funds for a purchase under $5000.00

PSEM: Public Safety and Emergency Management- Federal and State Departments that consists of Public Safety and Emergency Management

R

RCA: Recommendation for Council Action- solicitation to be presented to City Council for approval on an acquisition with a total amount greater than the City Manager's delegated authority (The Deputy Purchasing Officer controls the Purchasing items on an Agenda, which is the list of RCA's to be presented to Council on a set council meeting date. An RCA may be passed on consent, pulled and passed after discussion, pulled and rejected (no award), pulled and postponed, reviewed and then returned for reconsideration. An RCA may also be withdrawn by Purchasing or a variety of other users.)

RFA: Request for Application- used to identify interested and qualified vendors for services that can apply for funds that are often associated with City, State, or Federal grants

RFI: Request for Information-method used to obtain industry input, feedback or reactions from potential suppliers (contractors) prior to issuing of a solicitation when there is insufficient knowledge or information available to write a specification

RFINT: Request for Interest- process was formerly known as Request for Interest

RFP: Request for Proposals- used to solicit proposals from potential providers for both goods and services when a method to achieve a desired outcome cannot be clearly defined and where price is not the dominant evaluation factor

RFQS: Request for Qualifications- typically used when qualifications are the main criteria rather than cost and in particular when procuring certain professional services

RQM: Requisition Master Agreement-used to request a solicitation leading to a Master Agreement (MA)

RQS: Requisition Standard- requisition used to request a solicitation leading to a Central Purchase Order (CT)

S

SAM: System for Award Management- provides a single comprehensive list of individuals and firms excluded from receiving U.S. federal government contracts or federally approved subcontracts in addition to certain types of federal financial and non-financial assistance and benefits, used by contracting officers to determine whether to enter into a transaction with a specific contractor or not

SMBR: Small and Minority Business Resources- department that administers certification for vendors who qualify for the Small and Minority-Owned and Women-Owned Business Enterprises (MBE/WBE) Procurement Program

SOW: Scope of Work- a formal document that defines the work activities, deliverables, and timeline a vendor must execute in performance of specified work for a client, including detailed requirements and pricing, with standard regulatory and governance terms and conditions

T

TCPN: The Cooperative Purchasing Network- a national governmental purchasing cooperative, competitively bid and award contracts to national vendors in accordance with purchasing procedures mandated by state procurement laws and regulations

TPASS: Texas Procurement and Support Services- awards and manages hundreds of statewide contracts on behalf of more than 200 state agencies and 1,800 cooperative purchasing members

TXMAS: Texas Multiple Award Schedule- contracts that take advantage of the most favored customers pricing and under certain circumstances, an agency or local government entity, may negotiate a lower price for the goods or services offered on a schedule contract

W

WBEs: Women Business Enterprises- business, owned and controlled by a woman, that has registered as a vendor with the City of Austin, and then been certified by the City's Small and Minority Business Resources Department

The Project Sponsor Yolanda Miller and COA FSD Purchasing Office give special thanks and credit due to the following dedicated employees using their knowledge and time to create this useful manual:

Sydney Ceder

Omar Ghani

Cindy Hurta

Justin Jousan

Terry Nicholson

Sharon Patterson

Mark Walsh

For questions or comments contact:

The Buyer assigned to your department

or call the Purchasing Office

Phone: 512- 974-2500

Where do I go for help with Advantage?

Website: Type AIMS into the address bar in Internet Explorer

http://purchweb.ci.austin.tx.us/AIMS/proj/index.cfm

Email: AIMSHelp@austintexas.gov

Phone: 512-974-AIMS (2467)

Where do I go for help with eCapris?

Email: eCAPRIShelp@austintexas.gov

Email for Micro Strategy Reports: microstrategyhelp@austintexas.gov

EXHIBIT B

Competitive Purchasing Methods

Type	Description	Amount	Policy & Procedure
RFQ	Request for Quotation	Estimated cost: $3,000.01 to $50,000.00	Informal request with involvement of Department and Buyer
IFB	Invitation for Bid	$50,000.01 and up	Competitive advertised bidding
IFB-BV	Invitation for Bid Best Value	$50,000.01 and up	Competitive, advertised, and evaluated bidding
RFP	Request for Proposal	Any amount	Method of achieving desired outcome is undefined

EXHIBIT C
City of Austin, Texas
EQUAL EMPLOYMENT/FAIR HOUSING OFFICE
NON-DISCRIMINATION CERTIFICATION

City of Austin, Texas
Human Rights Commission

To: City of Austin, Texas, ("OWNER")

I hereby certify that our firm conforms to the Code of the City of Austin, Section 5-4-2 as reiterated below:

Chapter 5-4. Discrimination in Employment by City Contractors.

Sec. 4-2 Discriminatory Employment Practices Prohibited. As an Equal Employment Opportunity (EEO) employer, the Contractor will conduct its personnel activities in accordance with established federal, state and local EEO laws and regulations and agrees:

(B) (1) Not to engage in any discriminatory employment practice defined in this chapter.

(2) To take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without discrimination being practiced against them as defined in this chapter. Such affirmative action shall include, but not be limited to: all aspects of employment, including hiring, placement, upgrading, transfer, demotion, recruitment, recruitment advertising; selection for training and apprenticeship, rates of pay or other form of compensation, and layoff or termination.

(3) To post in conspicuous places, available to employees and applicants for employment, notices to be provided by OWNER setting forth the provisions of this chapter.

(4) To state in all solicitations or advertisements for employees placed by or on behalf of the Contractor, that all qualified applicants will receive consideration for employment without regard to race, creed, color, religion, national origin, sexual orientation, gender identity, disability, veteran status, sex or age.

(5) To obtain a written statement from any labor union or labor organization furnishing labor or service to Contractors in which said union or organization has agreed not to engage in any discriminatory employment practices as defined in this chapter and to take affirmative action to implement policies and provisions of this chapter.

(6) To cooperate fully with OWNER's Human Rights Commission in connection with any investigation or conciliation effort of said Human Rights Commission to ensure that the purpose of the provisions against discriminatory employment practices are being carried out.

(7) To require compliance with provisions of this chapter by all subcontractors having fifteen or more employees who hold any subcontract providing for the expenditure of $2,000 or more in connection with any contract with OWNER subject to the terms of this chapter.

For the purposes of this Offer and any resulting Contract, Contractor adopts the provisions of the City's Minimum Standard Nondiscrimination Policy set forth below.

City of Austin
Minimum Standard Non-Discrimination in Employment Policy:

As an Equal Employment Opportunity (EEO) employer, the Contractor will conduct its personnel activities in accordance with established federal, state and local EEO laws and regulations.

The Contractor will not discriminate against any applicant or employee based on race, creed, color, national origin, sex, age, religion, veteran status, gender identity, disability, or sexual orientation. This policy covers all aspects of employment, including hiring, placement, upgrading, transfer, demotion, recruitment, recruitment advertising, selection for training and apprenticeship, rates of pay or other forms of compensation, and layoff or termination.

Further, employees who experience discrimination, sexual harassment, or another form of harassment should immediately report it to their supervisor. If this is not a suitable avenue for addressing their complaint, employees are advised to contact another member of management or their human resources representative. No employee shall be discriminated against, harassed, intimidated, nor suffer any reprisal as a result of reporting a violation of this policy. Furthermore, any employee, supervisor, or manager who becomes aware of any such discrimination or harassment should immediately report it to executive management or the human resources office to ensure that such conduct does not continue.

Contractor agrees that to the extent of any inconsistency, omission, or conflict with its current non-discrimination employment policy, the Contractor has expressly adopted the provisions of the City's Minimum Non-Discrimination Policy contained in Section 5-4-2 of the City Code and set forth above, as the Contractor's Non-Discrimination Policy or as an amendment to such Policy and such provisions are intended to not only supplement the Contractor's policy, but will also supersede the Contractor's policy to the extent of any conflict.

UPON CONTRACT AWARD, THE CONTRACTOR SHALL PROVIDE A COPY TO THE CITY OF THE CONTRACTOR'S NON-DISCRIMINATION POLICY ON COMPANY LETTERHEAD, WHICH CONFORMS IN FORM, SCOPE, AND CONTENT TO THE CITY'S MINIMUM NON-DISCRIMINATION POLICY, AS SET FORTH HEREIN, **OR** THIS NON-DISCRIMINATION POLICY, WHICH HAS BEEN ADOPTED BY THE CONTRACTOR FOR ALL PURPOSES (THE FORM OF WHICH HAS BEEN APPROVED BY THE CITY'S EQUAL EMPLOYMENT/FAIR HOUSING OFFICE), WILL BE CONSIDERED THE CONTRACTOR'S NON-DISCRIMINATION POLICY WITHOUT THE REQUIREMENT OF A SEPARATE SUBMITTAL.

Sanctions:
Our firm understands that non-compliance with Chapter 5-4 may result in sanctions, including termination of the contract and suspension or debarment from participation in future City contracts until deemed compliant with the requirements of Chapter 5-4.

Term:
The Contractor agrees that this Section 0800 Non-Discrimination Certificate or the Contractor's separate conforming policy, which the Contractor has executed and filed with the Owner, will remain in force and effect for one year from the date of filing. The Contractor further agrees that, in consideration of the receipt of continued Contract payments, the Contractor's Non-Discrimination Policy will automatically renew from year-to-year for the term of the underlying Contract.

Dated this 8th day of February, 2016

CONTRACTOR Rebecca Campbell
Film Society of Austin, Inc.

Authorized Signature

Title EXECUTIVE DIRECTOR

City of Austin FSD Purchasing Office

Certificate of Exemption

DATE: 10/07/2015 DEPT: TARA

TO: Purchasing Officer or Designee FROM: Paul Lewis

BUYER: Jonathan Dalchau PHONE: (512) 974-3415

Chapter 252 of the Local Government Code requires that municipalities comply with the procedures established for competitive sealed bids or proposals before entering into a contract requiring an expenditure of $50,000 or more, unless the expenditure falls within an exemption listed in Section 252.022.

Senate Bill 7 amended Chapter 252 of the Local Government Code to exempt from the requirements of such Chapter expenditures made by a municipally owned electric utility for any purchases made by the municipally owned electric utility in accordance with procurement procedures adopted by a resolution of its governing body that sets out the public purpose to be achieved by those procedures. The Austin City Council has adopted Resolution No. 040610-02 to establish circumstances which could give rise to a finding of critical business need for Austin Energy.

This Certification of Exemption is executed and filed with the Purchasing Office as follows:

1. The undersigned is authorized to submit this certification.
2. The undersigned certifies that the following exemption is applicable to this purchase. (Please check which exemption you are certifying)

- ○ a procurement made because of a public calamity that requires the immediate appropriation of money to relieve the necessity of the municipality's residents or to preserve the property of the municipality
- ○ a procurement necessary to preserve or protect the public health or safety of municipality's residents
- ○ a procurement necessary because of unforeseen damage to public machinery, equipment, or other property
- ○ a procurement for personal, professional, or planning services
- ○ a procurement for work that is performed and paid for by the day as the work progresses
- ○ a purchase of land or right-of- way
- ◉ a procurement of items available from only one source, including: items that are available from only one source because of patents, copyrights, secret processes, or natural monopolies; films, manuscripts, or books; gas, water, and other utility services; captive replacement parts or components for equipment; books, papers, and other library materials for a public library that are available only from the persons holding exclusive distribution rights to the materials; and management services provided by a nonprofit organization to a municipal museum, park, zoo, or other facility to which the organization has provided significant financial or other benefits
- ○ a purchase of rare books, papers, and other library materials for a public library
- ○ paving, drainage, street widening and other public improvements, or related matters, if at least one- third of the cost is to be paid by or through special assessments levied on property that will benefit from the improvements
- ○ a public improvement project, already in progress, authorized by voters of the municipality, for which there is a deficiency of funds for completing the project in accordance with the plans and purposes as authorized by the voters

- O a payment under a contract by which a developer participates in the construction of a public improvement as provided by Subchapter C, Chapter 212
- O personal property sold: at an auction by a state licensed auctioneer; at a going out of business sale held in compliance with Subchapter F, Chapter 17, Business & Commerce Code; by a political subdivision of this state, a state agency of this state, or an entity of the federal government; or under an interlocal contract for cooperative purchasing administered by a regional planning commission established under Chapter 391
- O services performed by blind or severely disabled persons
- O goods purchased by a municipality for subsequent retail sale by the municipality
- O electricity
- O advertising, other than legal notices
- O Critical Business Need (Austin Energy Only)

3. The following facts as detailed below support an exemption according to Section 252.022 of the Local Government Code for this purchase. Please verify the steps taken to confirm these facts. If you are citing the following exemptions, please provide the additional information requested below. A more detailed explanation of these exemptions is attached.

   - **Preserve and Protect the Public Health and Safety** – Describe how this purchase will preserve and protect the public safety of residents.
   - **Sole Source** – Describe what patents, copyrights, secret processes, or natural monopolies exist. Attach a letter from vendor supporting the sole source. The letter must be on company letterhead and be signed by an authorized person in company management.
   - **Personal Services** – Describe those services to be performed personally by the individual contracted to perform them.
   - **Professional Services** – Describe what mainly mental or intellectual rather than physical or manual and/or disciplines requiring special knowledge or attainment and a high order of learning, skill, and intelligence are required to perform this service.
   - **Planning Services** – Describe the services primarily intended to guide governmental policy to ensure the orderly and coordinated development of the state or of municipal, county, metropolitan, or regional land areas.
   - **Critical Business Need** – Describe the procurement necessary to protect the competitive interests or position of Austin Energy.

   The Austin Film Society (AFS) is the non-profit organization with whom the City has executed an exclusive, Council approved contract, MA 4400 NN150000003, to operate the City's public access television and community media center at 1143 Northwestern Avenue. A key contract obligation is management of the facility, its equipment and systems including recommendations for annual equipment upgrades and replacements to meet its responsibilities to member producers and other constituents. As the contract manager, AFS is uniquely positioned and qualified to make these purchasing decisions, subject to compliance with City purchasing guidelines.

4. Please attach any documentation that supports this exemption.

5. Please provide any evaluation conducted to support the recommendation. Include the efforts taken to ensure the selected vendor is responsible and will provide the best value to the City (Ex: evaluation of other firms, knowledge of market, etc).

AFS has over thirty years experience managing a leased City facility including providing training on film and video production and equipment operations to students and other participants. AFS experience includes network and website equipment operations that will also be conducted at the public access studio facility. AFS was selected as the most qualified of the five respondents to City RFP MPM0308, scoring 20% higher than the closest next proposer. All AFS equipment purchases will be tracked as City property on the facility equipment inventory, and its accuracy will be verified by annual audits. AFS staff members bring a very broad range of management and operational expertise to the City contract which makes the team uniquely qualified to conduct the annual equipment purchases for the facility. The equipment will be used to train citizens and non-profit organizations to produce local interest and content video programming to be carried on the three public access channels. Such equipment, hardware and software, will meet the current and anticipated needs of the service, program, training and community outreach activities of Austin's community media center under AFS management.

6. Because the above facts and documentation support the requested exemption, the City of Austin intends to contract with the Austin Film Society which will cost approximately $300,000.00 (Provide estimate and/or breakdown of cost).

Recommended Certification — Originator — 10/19/15 — Date

Approved Certification — Rondella Hawkins — Department Director or designee — 10/21/15 — Date

G. Colby for Mark Washington — Assistant City Manager / General Manager or designee (if applicable) — Date

Purchasing Review (if applicable) — Buyer — 10/28/2015 — Date — Manager Initials

Exemption Authorized (if applicable) — Purchasing Officer or designee — 10/28/15 — Date

02/26/2013

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

Complete Nos. 1 - 4 and 6 if there are interested parties.
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

OFFICE USE ONLY
CERTIFICATION OF FILING

Certificate Number:
2016-15692

Date Filed:
02/18/2016

Date Acknowledged:

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.
Austin Film Society
Austin, TX United States

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.
City of Austin

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the goods or services to be provided under the contract.
MA 7300 NS160000014
Capital Expenditures

4 Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
		Controlling	Intermediary

5 Check only if there is NO Interested Party. [X]

6 AFFIDAVIT

AARON SPENCER MALZAHN
Notary Public, State of Texas
My Commission Expires
March 6, 2017

I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct.

Signature of authorized agent of contracting business entity

AFFIX NOTARY STAMP / SEAL ABOVE

Sworn to and subscribed before me, by the said Rebecca Campbell, this the 23rd day of February, 2016, to certify which, witness my hand and seal of office.

Signature of officer administering oath	Printed name of officer administering oath	Title of officer administering oath
Aaron Malzahn	Aaron Malzahn	Notary Public

FY16 Austin Public Access Budget

Income	
4030 · Fees for Service	54,695
4240 · Equipment Rental Income	25,000
4200 · Space Rental Income	28,800
4035 · Management Fee	0
4300 · Corporate Contributions	10,000
4320 · Foundation Grants	5,000
4330 · Government Contracts	
4332 · COA Contract	475,000
Total Income	**598,495**
Expense	
6125 · Bank Charges/Merchant Fees	2,231
6126 · Benefits Administration	5,518
6190 · Facilities	
6192 · Security - Monitoring	12,000
6197 · Maintenance	12,000
6195 · Insurance	21,803
6199 · Utilities	
7970 · Telecommunications	11,000
6300 · Management Fee	47,500
6560 · Salary and Wages	324,580
6565 · Fringe Benefits	
7965 · Taxes - Payroll	35,963
6565 · Fringe Benefits - Other	27,662
6570 · Contract Labor	21,900
7890 · Postage and Shipping	1,300
7910 · Professional Fees	22,000
7940 · Marketing/Publicity	26,400
7960 · Office Expenses	
6165 · Dues & Staff Development	11,000
7961 · Office Supplies	7,878
7964 · Meals & Gifts - Staff	1,500
7980 · Travel and Meals	
7983 · Meals & Gifts - Stakeholders / Donors	3,500
7986 · Mileage Reimbursement/Parking	2,759
Total Expense	**598,495**
Net Income	**-0**

Proposed Austin Public Access Capital Budget for FY 2016

Description	Cost
Resources	
Computers Apple tower computers, hard drives & other peripherals	**$20,261.66**
Software Software packages, software development, annual software fees	**$4,241.89**
Field Equipment Cameras, tripods, wireless kits, field switcher	**$50,948.37**
Studio Equipment Teleprompter, variety of new mics, intercom, audio gear	**$76,602.68**
Network CISCO SmartNet & Brocade switches	**$39,334.73**
Networked Storage Editshare storage upgrade & licencing,	**$31,219.00**
Resources Total	**$222,608.33**
Facilities	
Facility Improvements Power line filter, phase II of studio lighting upgrade, LED lighting	**$ 77,300.00**
Total Capital Expenditures (including equipment and facilities)	**$ 299,908.33**