

Effective Date: 10/20/2507/17/23

Approval: _____

**CITY OF LEWISVILLE
POLICY STATEMENTS**

TOPIC: 3.0 – FINANCE
REFERENCE: SECTION V – PURCHASING

I. PURCHASING

A. Pursuant to state law, City Council issues the following policy statements:

1. Best Value Determination – The City Manager or her designee is authorized by City Council to determine:
 - a. which method of purchase provides the best value for the City, as authorized by Texas Local Government Code Chapter 252, as it exists or may be amended; and
 - b. which alternative project delivery method under Texas Government Code Chapter 2269, as it exists or may be amended, provides the best value for the City.
2. Determination of Procurement Method and Criteria – The City Manager or her designee is authorized by City Council to select a method for the procurement of goods and services as defined by state law for purchases that exceed \$~~50,000~~100,000 or as may be amended in the future. For civil works projects, as defined by Texas Government Code Chapter 2269, as it exists or may be amended, which are procured by the competitive sealed proposal method, the City Manager or her designee has the authority to assign to price a weighted value of less than 50 percent (50%) but not less than 36.9 percent (36.8%) of the total weighted value of all selection criteria.
3. Electronic Bids & Proposals – The following rules are adopted to ensure the identification, security, and confidentiality of electronic bids or proposals, and that the electronic bids or proposals remain effectively unopened until the proper time:
 - a. Users of the system shall be assigned unique user names and passwords.

- b. Access to the system by authorized users shall be logged and tracked in order to record when any user has accessed the system, and what data the user has accessed.
- c. Transmittal of data through the internet shall be encrypted using SSL technology. All sensitive data within the system shall be encrypted using the Advanced Encryption Standard algorithm (SES), or better.
- d. All data shall be encrypted using a time-sensitive mechanism that allows the data to be decrypted only after the due date and time.
- e. The system shall be synchronized to two or more atomic clocks to ensure exact recording of the due date and time, and the receipt date and time, of each submission.
- f. Neither vendor identities nor the contents of submissions are available during the bidding process.
- g. Only the City's ~~purchasing~~ Procurement and Payables Manager or his designee, with an authorized password, and only at the established due date and time, can request that the bid/proposal be opened.

B. Rejection of Bids – Although full compliance to specifications may have been met, all bids, quotations, or proposals may be rejected prior to award if it is determined to be in the best interest of the City of Lewisville. The City Manager, or her designee, is authorized by City Council to reject bids or proposals that are not in the best interest of the City.

C. City Council Approval - Purchases or contracts with a one-time or anticipated annual expenditure of \$100,000 or more require approval and award by the City Council. The City Council retains authority over all purchases and contracts at or above this threshold, except as otherwise set forth herein. The City Manager or her designee may execute the following without City Council approval within the dollar amount previously approved by the City Council:

1. Any purchase or contract involving a one-time or anticipated annual expenditure of less than \$100,000, provided that the contract award otherwise complies with applicable state law; or
2. Any amendment or change order to a purchase or contract involving an increase to such purchase or contract of less than \$100,000, except that the following may not be executed without City Council approval:
 - a. An amendment or change order that initially causes the one-time or annual expenditure under the purchase or contract to exceed \$100,000; or

- b. An amendment or change order that initially causes the total increase due to amendments or change orders to a purchase or contract to exceed \$100,000, and any subsequent amendment or change order to that purchase or contract; or
- c. An amendment or change order to any purchase or contract involving an increase or decrease to such purchase or contract ~~of more than \$50,000~~ of more than \$50,000 if that purchase or contract ~~is subject to the competitive procurement requirements under Tex. Loc. Gov't Code Ch. 252~~ was awarded through a competitive procedure as required by Tex. Loc. Gov't Code Sec. 252.021, as it exists or may be amended.

DC. Exceptions from Council Approval – Items within the dollar amount previously approved by the City Council require no further City Council action when being purchased through:

1. an Interlocal Agreement,
2. a State Cooperative Program,
3. a regional Council of Government (COG) Program,
4. a sole source as defined under state bidding laws,
5. maintenance agreements for existing hardware, or
6. an approved emergency purchase.

E. Bonding Requirements - Any contractor for a project for Public Works or construction, refurbishing, or remodeling of City infrastructure constructing, altering, or repairing a public building or carrying out or completing any public work, including but not limited to (i.e., City buildings, roads, walks, bridges, tanks, pipelines, and walls), shall provide bonds with at least the following per the which meet or exceed the following requirements Texas Local Government Code:

1. ————Project amount \$0 to \$49,999 – No requirements. The bBonding requirements for purchases under the statutory bonding requirements shall be determined at the discretion of the PurchasingProcurement and Payables Manager and the Department Director.

———2. ————Project amount \$50,000 to \$99,999 –

a. ~~A payment bond at the project _____ amount as required by Chapter 2253 of the Texas Local Government Code as it exists or may be amended; and~~

b. ~~aA maintenance bond valid for two years from the date of acceptance _____ of the project at 100% of the project amount. All bonds are to be received by _____ Purchasing prior to commencement of work.~~

~~_____3. _____Project amount \$100,000 and greater –~~

a. ~~A bid bond equal to 5% of the _____ project amount is to be included with the sealed bid;~~

b. ~~aA payment and performance _____ bond at the project amount as required by Chapter 2253 of the Texas Local Government Code as it exists or may be amended; and~~

~~and c. aA maintenance bond valid for two years from the _____ date of acceptance of the project at 100% of the project amount. All bonds are to _____ received by Purchasing prior to commencement of work.~~

~~All bonds are to be received by Purchasing prior to commencement of work.~~

~~FD. Change Orders – The City Manager, or her designee, is authorized by the City Council to approve change orders up to the dollar amount limit, as defined by state law or as may be amended in the future.~~

~~GE. Documenting Need of Engineering or Architectural Services – The City Manager, or her designee, is authorized by the City Council to document the need for engineering or architectural services for construction-related goods and services procured from a purchasing cooperative that exceed \$50,000 or as may be amended in the future as per Texas Local Government Code 791.011 (j).~~

II. GENERAL PROVISIONS

The City of Lewisville reserves the right to change, modify, amend, revoke or rescind all or part of this policy in the future.