



B R O W N S V I L L E
PUBLIC UTILITIES BOARD

Purchasing Policies & Procedures

Vendors Guide

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This Booklet has been compiled and published by the Purchasing Department of the Brownsville Public Utilities Board as a guide to acquaint vendors and suppliers with Brownsville PUB purchasing policies and procedures.

The primary function of the Purchasing Department is to meet the product and service needs of the Utilities Board by:

1. Meeting all State Laws and Board policies in the obtainment of the best product at the lowest cost to the end customer.
2. Fair competition among bidders.
3. Full opportunity for all bidders to bid for the Utilities business on an equal basis.
4. Understanding by all bidders on the Utilities method of purchasing and basis of awards.
5. Constantly seeking to identify and implement strategies and techniques that will enhance the level of service and integrity provided by the Purchasing Department.

Diane M. Solitaire
Materials/Warehouse Manager

Local Government Code 252.021 Competitive Bidding And Competitive Proposal Requirements

Before a municipality may enter into a contract that requires an expenditure of more than \$50,000 from one or more municipal funds, the municipality must comply with the competitive sealed bidding or competitive sealed proposal method.

A municipality, in making an expenditure of more than \$3,000 but less than \$50,000 shall contract at least two historically underutilized businesses on a rotating basis, based on information provided by the Texas Facilities Commission pursuant to Chapter 2161, Government Code.

However, this code does not apply (as stated in General Exemptions Code 252.022) if:

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;
2. A procurement necessary to preserve or protect the public health or safety of the municipality's residents;
3. A procurement necessary because of unforeseen damage to public machinery, equipment, or other property;
4. A procurement for personal, professional, or planning services;
5. A procurement for work that is performed and paid for by the day as the work progresses;
6. A purchase of land or a right-of-way;
7. A procurement of items that are available from only one source.

To conserve and coordinate the use of funds, the municipality may enter into an agreement for cooperative purchase of goods and services between and among itself and other local governments and within the state, including cooperative agreements with the State Purchasing Texas Facilities Commission.

Local Government Code 252.044 Contractor's Bond

If the contract is for the construction of public works, the bidder to whom the contract is awarded must execute a good and sufficient bond. The bond must be:

1. In the full amount of the contract price;
2. Conditioned that the contractor will faithfully perform the contract; and
3. Executed, in accordance with Chapter 2253, Government Code, by a surety company authorized to do business in the state.

Brownsville PUB requires a 5% bid bond on all construction projects if the value of the construction project is over \$100,000.

Brownsville PUB Policies

The Purchasing Department will function as the central point for all purchases of supplies, equipment and services required for the operation of the Brownsville PUB system under the direction of the Materials Warehouse Manager.

Unless the source of supply is a sole source, or the price of the item does not exceed \$3000, competitive quotes from no less than three sources of supply will be solicited. Upon receipt of quotes, they will be reviewed for quality of products offered, price, delivery, cost of transportation, etc. The bidder with the best evaluated price, meeting the required specifications and delivery requirements will be selected as the supplier.

Gifts and Gratuities

It is Brownsville PUB Purchasing Department policy not to accept anything of value from a vendor, such as personal gifts or gratuities. Although such practices are legitimate and generally accepted in the private sector, there is substantial possibility that both giving and receiving of such "hospitality" constitutes a Class A misdemeanor offense of "Gift to a Public Servant" if the recipient is a government employee who exercises some influence in the purchasing process for the governmental body.

Vendor Lists

To be placed on a vendor list, vendors will be asked to complete an application form. On this application, please include all of the products and services that your firm offers.

PLEASE NOTE: If you are unable to submit a bid or quote, but wish to remain on the list for that commodity or service, please indicate on the bid or quote sheet. If a response is not returned with either a competitive bid, quote, or a request to remain on the vendor list, that vendor's name will be eliminated from the list.

Other guidelines are established by Brownsville PUB to order items up to \$500.00 utilizing the Brownsville PUB procurement card. The Procurement Card Administrator has names of personnel issued a procurement card for company use.

Solicitation of Bids

When the Purchasing Department is ready to buy a particular commodity, piece of equipment, or contractual service, "invitations to bid" will be sent to firms or individuals on the vendor list for that specific commodity, equipment, or service.

Invitations to bid will be sent out in sufficient time as to permit full and free competition. Specifications, restrictions and conditions that have the effect of limiting bidding will be avoided.

Such invitations will state:

1. The item to be purchased with specifications.
2. The quantity to be purchased.
3. Any installation, maintenance, or repair services to be provided with the item.
4. The name and location to which delivery is to be made.
5. The date or dates of delivery.
6. Date, time, and place of bid opening.

7. The right of the Utilities Board to reject any/or all bids and to accept the bid which appears to be in the best interest of the Utilities.
8. Any other terms and conditions as stated in the bid.

Advertising of Bids

As required by Local Government Code (252.041. Notice Requirement)

- (a) If the competitive sealed bidding requirement applies to the contract, notice of the time and place at which the bids will be publicly opened and read aloud must be published at least once a week for two consecutive weeks in a newspaper published in the municipality. The date of the first publications must be before the 14th day before the date set to publicly open the bids and read them aloud.
- (b) If the competitive sealed proposals requirement applies to contract, notice of the request for proposals must be given in the same manner as that prescribed by Subsection (a) for the notice for competitive sealed bids.

The advertisements include the following information:

- 1) Type of commodity, equipment or service being bid.
- 2) Contact person and address for information on bid forms.
- 3) Bid number.
- 4) Date, day, time, and place of bid opening
- 5) Pre-Bid meeting date and time, if applicable

Submission of Bids

Bids are requested to be submitted on the bid form furnished by the Purchasing Department. This provides a uniform type of bid for accurate comparison of bids.

The Purchasing Department requests the bid be submitted in an envelope with the bid number and time of bid opening noted on the outside of the envelope.

All bids must be submitted to the office of the Purchasing Department's address specified in the invitation to bid.

Invitations to bid will state the place, date, and hour of opening of bids. Bids must be submitted by time noted on invitation. Late responses will not be accepted.

Bidder's Checklist

1. Has the bid been completely filled out? (unit price, extension, description, etc.)
2. Has the bid been signed?
3. If required have you attached a Bidder's Bond signed by both you and the surety?
4. Have you shown delivery time on your bid, if requested?
5. Have you noted the number of days the bid price must hold, if requested?
6. Have you stated warranty, if requested?
7. Have you checked specifications carefully for anything that may have been overlooked?
8. If product, commodity or equipment being bid deviates from specification, have you listed the deviations?
9. If descriptive literature has been requested, has it been attached to the bid form?
10. Have you completed requested identification data on the front of the bid envelope?
11. Has the bid been sealed?

Procedures for Bid Openings

All sealed bids will be opened, the amounts of the bids read aloud, and the names of the bidders recorded, at the time, date and hour specified in the invitations to bid. The bid opening will be conducted by the Materials Warehouse Manager or a designated representative.

Sealed bids will be tabulated for comparison purposes.

After bids are tabulated, the bids are evaluated on the following standards and related information:

1. Meets specifications and other requirements of the invitations to bid.
2. The best bid, considering price, quality, and responsibility of the bidder. However, it is not the policy of Brownsville PUB to purchase on the basis of low bids alone; quality, and suitability to purpose being controlling factors; it being understood that the purchaser reserves the right to arrive at such by whatever means determined.
3. In the instance where two local vendors are involved in a tie bid, state law requires that “one bidder shall be selected by the casting of lots...”
4. After bids are evaluated, a written recommendation is submitted for Board approval on amounts of \$50,000 or over.
5. After such approval is given, contracts for purchase will be placed into effect by means of purchase orders issued by the Materials Warehouse Manager.

Tax Exemption

The Brownsville Public Utilities Board is exempt from payment of taxes under Texas Administrative Code 3.322 (c) (5), “any county, city, special district, or other political subdivision of the State of Texas...”, for the purchase of tangible personal property.

Sales Tax Exemption #32-054740520

Processing Vendor Payment

Payment for purchased equipment, contracted services, and/or supplies and materials are initiated only after goods have been received or services rendered.

Invoices will be submitted to the Accounts Payable Department at APinvoices@brownsville-pub.com where they are matched with a copy of the purchase order for verification of delivery and approval for payment. After this has been done, a check is issued to the vendor within 30 days. It is essential for the purchase order number to appear on the invoice for prompt payment.

Policies on Vendor Delivery Responsibility

Failure to meet delivery dates specified on the purchase order may be a factor in subsequent award determinations. It is the responsibility of the supplier to notify the Purchasing Department when a delay in delivery is anticipated or occurs. Information on new anticipated delivery date and the reason for the delay should also be given. All items delivered to Brownsville PUB will have the Purchase order clearly visible on the exterior of each and every package, otherwise the merchandise may not be accepted & can be returned to the vendor at their expense.

MISSION STATEMENT

*BPUB reliably provides essential services and community support
through our valued and dedicated workforce*