



Administrative Procedure

Subject:
**SELECTING VENDORS FOR BID SOLICITATION,
INCLUSION ON THE APPROVED VENDOR LIST
AND BID AWARD**

A.P. Number: 95-01A
Effective Date: October 29, 1996

I. PURPOSE

To define the process used in selecting vendors for bid solicitation, inclusion on the approved vendor list, and making the award.

II. SCOPE

This policy applies to all City of Odessa purchases.

III. GENERAL

The City of Odessa has two (2) levels of competitive bidding. The first level is classified as "informal" which is any purchase under the dollar amount established by statute for the formal bid or request for proposal process. The second level is classified as the "formal" process which is administered for purchases that are equal to or that exceed the dollar level established by statute.

IV. RESPONSIBILITY

It is the responsibility of the Purchasing Department to implement and monitor this policy.

V. DEFINITIONS

A. Locally

For the purpose of this policy, "locally" shall be defined as within the city limits of Odessa, Texas, and/or within the boundaries of Ector County, or as otherwise required by statute.

B. Purchases

"Purchases" shall mean the purchase of all goods and services except for the following: construction contracts, professional services contracts, insurance contracts, depository contracts and contracts excepted from the requirements of Chapter 252 of the Local Government Code.

VI. PROCEDURE

A. Vendor Solicitation, Informal

If the purchase is less than the required \$15,000.00 level, the following process is used:

1. Purchases of \$500.00 or less may be made by the Purchasing Department on the basis of one (1) quotation.
2. For expenditures of \$500.00 or more, price quotations are required from a minimum of 3-5 vendors to insure competitive pricing. Once the vendor is selected, the purchase is made by Purchasing Department Personnel.
3. Vendors are selected from an approved vendor list maintained in the Purchasing Department. If there are sufficient vendors locally to obtain competitive pricing, then bids are solicited from those vendors only.
4. For informal purchases where there is a large local vendor base, a rotational selection process will be used in an attempt to give all vendors an opportunity to bid.
5. If competitive pricing cannot be obtained locally, the bids are solicited from the surrounding area. Primary emphasis is placed on Midland and then other cities and counties in the Permian Basin area.
6. If competitive pricing cannot be obtained locally or from the Permian Basin area, then vendors within the State of Texas or out of State are contacted.
7. City will comply with Section 252.0215, Local Government Code, regarding Historically Underutilized Businesses.

B. Vendor Solicitation, Formal

If the expenditure is equal to or greater than the required \$15,000.00 level specified by statute, the following process is used:

1. Price quotations are requested from a minimum of 3-5 vendors to assure competitive pricing.
2. Vendors are selected from an approved vendor list maintained by commodity in the Purchasing Department.
 - a. If there are sufficient vendors locally to obtain competitive pricing, then quotes are solicited from those vendors only.
 - b. If competitive pricing cannot be obtained locally, then bids are solicited from all vendors who have officially requested and have been placed on City's approved vendor list.
3. The City of Odessa follows the competitive bidding requirements defined by statute. A "Notice of Bids" is advertised in the local newspaper for two (2) consecutive weeks

with the first notice being published fourteen (14) days prior to the date the bids are publicly opened and read aloud.

C. Vendor List

1. The Purchasing Department for the City of Odessa maintains the approved vendor list.
2. Vendors may be placed on the list for a commodity by the City or by request of the vendor.
3. The use of such list in providing special notice to vendors is subject to the discretion of the Director of Purchasing.
4. Any vendor who becomes aware of a bid as a result of this advertisement may call the Purchasing Department and request a copy of the bid document. All requests of this nature will be honored.
5. The vendor list will be updated on an ongoing basis and formally edited every two (2) years.

D. Award Of Contract

1. Informal Level

- a. Price. All other factors being equal, the lowest price will be taken unless the local vendor is higher by \$200 or less.
- b. Quality of goods or service.
- c. Reliability of the vendor.
- d. Other relevant factors.

2. Formal Level

- a. If the competitive sealed bidding requirement applies to the contract, the contract must be awarded to the lowest responsible bidder. The governing body may reject all bids.
- b. If the competitive sealed proposals requirement applies to the contract, the contract must be awarded to the responsible offerer whose proposal is determined to be the most advantageous to the municipality considering the relative importance of price and the other evaluation factors included in the request for proposals. The governing body may reject all bids.
- c. If the lowest bidder is found not to be a "responsible" bidder as that term is defined by the courts, the city may reject such bid pursuant to law.