

# CHAPTER 5: THE BID PROCESS

Revised 4/20

## 5A) Competitive Bid Process

One of the many **responsibilities** of the Purchasing Department is to determine the most transparent and ethical type of method for each commodity or service whether it be Bid, Request for Proposal, State Contract, TXMAS, Texas “Smartbuy” or any other approved purchasing method.

The **mission** of the Purchasing Department is to protect the integrity of the bid process. To accomplish this, the Purchasing Department must ensure that every vendor has a fair and equal chance to bid on all commodities or services that are needed by the City.

The Purchasing Department has final authority to determine the best method to be used for procurement with the best interest of the City and taxpayers.

In summary, the various methods of purchasing commodities or services by invitation to bid are as follows:

1. **Below \$3,000.00:** At least two (2) valid quotes less than 30 days old. Shall be purchased on P-Card, if vendor doesn't take credit card then purchase will be made with purchase order.
2. **\$3,000.00 to \$49,999.99:** Unadvertised bids with terms and conditions included in the bid documents. **Must be submitted on a Purchasing form. Do not break up large purchases into multiple smaller purchases as this is a violation of the State of Texas Separate and Sequential Purchasing Law. Requires Director of Purchasing or designee approval. The Purchasing Department shall solicit quotes as necessary to protect the integrity of the bidding process.**
3. **\$50,000.00 and up:** Advertised bids with terms and conditions included in the bid documents. **Must be submitted on a Purchasing form** and bids must be received in a sealed envelope prior to the bid opening date and time. **Requires City Council approval. Only the Purchasing Department will solicit bids.**

Any of these bids may be evaluated and awarded by several different methods. The intended method of evaluation must be clearly stated and explained in the terms and conditions of the bid.

## 5B) **Bidders List**

The purpose of a bidder's list is to have available a listing of those vendors who can and will supply commodities and services as required. The Purchasing Department will maintain a bidders list by commodity and service and will occasionally review the appropriate list with the department concerned prior to letting bids. The department's role in the maintenance of the bidder's list is to provide **all** available information on any vendor they are requesting to be set up and any company or address changes in established vendors.

The bidders list is compiled from the previous bids, letters of requests from vendors, advertisements in telephone books, trade journals, the Internet and any other means of locating potential vendors.

## 5C) **HUB Requirements**

State Law States:

A city, regardless of population size, must comply with the state competitive bidding requirements for any expenditure of more than \$50,000.

Also, for expenditures of more than \$3,000 but less than \$15,000, the city must contact at least two disadvantaged businesses (also known as historically underutilized businesses' or HUB's) on a rotating basis from a list to be provided by the State Purchasing and General Services Commission. If the list does not identify a disadvantaged business in the county in which the city is situated, the city is exempt from this requirement.

## 5D) **General Information**

1. **Sole Source or Vendor Proprietary** purchases are purchases of materials or services that are available from only one source. This usually does not mean brand or model.

**If an item is "Sole Source or Vendor Proprietary", a memo of explanation to that effect must be sent to the Purchasing Department stating specifically:**

- a. A description of the item or service and why it is needed.
- b. Explanation of what makes this a sole source/vendor proprietary – what is the distinctive characteristic (s) not shared by others.
- c. Sole Source or Vendor Proprietary status will be granted at the discretion of the Director of Purchasing or their designee.

This situation can occur when purchasing materials or services that are related to patents and copyrights, books and other library materials that contain exclusive distribution rights, gas, water, electricity or other utilities, and captive replacement parts or components for previously purchased equipment.

When a department sends a purchase requisition to the Purchasing Department for materials or services that are available from only one vendor, it **must** be clearly stated on the requisition that the vendor is the sole source for the requested item. The required memo must also be included. The Purchasing Department will research any and all sole source claims to determine the validity of the sole source restriction. The form can be found on M:\Approved Forms\Purchasing.

## Proprietary/Sole Source Purchase Justification

State of Texas law and City of Amarillo policy require competitive bidding for purchases unless they qualify as Proprietary or Sole Source purchases. A Proprietary or Sole Source purchase is a product or service that has a distinctive characteristic that is not shared by competing products or services. When the specification limits consideration to one manufacturer, one product or one service provider, a written Propriety Purchase/Sole Source Justification form must be retained in the procurement file. This form will assist the Purchasing Department in relaying information necessary on the procurement of proprietary or sole source goods and services. All purchases are subject to the Texas Open Records Act and possible review by Internal, State and Federal auditors. Final approval from the Purchasing Department is required before a purchase will be made.

1. Identify the operational features or functions that are unique or proprietary to the requested good(s) or service(s). For services, identify the special and/or unique qualifications of the individual/company providing the services.
2. For equipment, software, or systems, please explain why no other vendor or distributor can fulfill this request.
3. Briefly explain the need for the unique features or characteristics outlined in the order. For services, explain the reason any unique qualifications are necessary in the performance of the project requirements.

4. Explain the reasons competitive products or services are not satisfactory. Identify all other sources whose products/services have been considered for this project and explain why they were unsatisfactory. Also, attaché any quotes/proposals received from other sources, if applicable.
  
5. For products: give brand and model number of existing equipment if product will be used with existing equipment. List the purchase order number, if applicable.
  
6. For services: if the service is related to an existing contract for service, list the existing purchase order number.

The vendor has not given or offered to give at any time any economic opportunity, future employment, gift, loan, special discount, trip, favor, or service to me in connection with the submitted bid, offer, proposal or contract. The undersigned Department Director does not have a financial, personal, or business interest in a vendor whose products or services are being considered for purchase for the City. Any conflict shall be disclosed to prevent any real or perceived conflicts of interest.

Date: \_\_\_\_\_

Submitted By: \_\_\_\_\_

Department: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Procurement: \_\_\_\_\_

2. **Single Response Received/No Response Received.** This is a situation in which only one response is received or no response on the purchase of materials or services that normally would generate additional competitive bids.

When only one bid is received, the city may accept or reject it, or advertise again.

3. **The Invitation for Bid (IFB)** this is the instrument for soliciting sealed competitive bids at all levels. It is the single most important document in the purchasing process because it contains the terms, conditions and specifications to be used by vendors in preparing their bids. The construction of the IFB is critical as not only must specifications be open and nonrestrictive, but care must also be exercised so that procedural requirements are just as free from restrictiveness. If competition is restricted, the transaction shall be subjected to legal and procedural problems. Departmental assistance in IFB preparation is encouraged, but final authority to approve the IFB rests with the Director of Purchasing.

#### **5E) Using the Departmental Quote Form**

The Department will use the purchasing quote form for all quotes. All quotes must be written quotes with the following information: on company letterhead; contact person; FOB Destination, terms, estimated lead time and a full description of items being purchased. The quotes must be comparable to one another and each quote must be less than 30 days old. The City department must verify that the vendor is in JDE address book, have current insurance if they are performing work and must submit at least three quotes. Internet quotes that are printed from the websites are not valid. Once the department has three good clean quotes, a purchasing quote form is to be filled out and submitted with their documentation. This form is found on the M:\Approved Forms\Purchasing\Purchasing Quote Form.

The department needs to make sure to obtain accurate quotes and related information to the Purchasing Department which helps to ensure their purchase request is completed in a timely manner. If terms and conditions are included or referenced on a quote, the Purchasing Department will forward those to the Legal Department for review. This will potentially delay the department's purchase request.

After reviewing the submitted documentation, the Director of Purchasing or designee may approve the purchase. If a using department or employee(s) does not obtain or verify the required insurance, documents, etc, then that department or employee(s) may lose the privilege to obtain any quotes. Training will have to take place before the using department or employee(s) is given the opportunity to go back to getting their quotes.

Make sure the Purchasing Quote Form is filled out completely. (Quote Form can be found M:\Approved Forms\Purchasing\Quote Form). **AT ALL TIMES, THE DIRECTOR OF PURCHASING OR DESIGNEE HAS THE RIGHT TO MAKE SURE THE BEST INTEREST OF THE CITY COMES FIRST. AT ALL TIMES, THE DIRECTOR OF PURCHASING OR DESIGNEE HAS THE FINAL AUTHORITY TO OBTAIN ANY ADDITIONAL QUOTES AS NECESSARY AND/OR PUT THE ITEM(S) OUT FOR BID.**

**IMPORTANT NOTE:** When any City department requests quotes, to be considered valid and acceptable the quote must state **FOB Destination and include all packing and shipping charges in the quoted price.** Quotes without this terminology will be rejected and returned to the department as unacceptable. If the vendor will not provide a quote on these terms, refer the vendor to the Purchasing Department.

**City of Amarillo - Purchasing Quote Form**  
 (When complete, please attach fax and/or email bids and send to Purchasing)

OR#	Vendor #1			Vendor #2			Vendor #3		
	Name:			Name:			Name:		
	Contact:			Contact:			Contact:		
	Phone:			Phone:			Phone:		
	Email:			Email:			Email:		
	Date:			Date:			Date:		
	Delivery Time:			Delivery Time:			Delivery Time:		
	FOB DEST                  FOB DESTINATION			FOB DEST                  FOB DESTINATION			FOB DEST                  FOB DESTINATION		
	Pmt Terms:			Pmt Terms:			Pmt Terms:		
Line Item Description	Qty	Unit Price	Extension	Qty	Unit Price	Extension	Qty	Unit Price	Extension
1.			0.00			0.00			0.00
2.			0.00			0.00			0.00
3.			0.00			0.00			0.00
4.			0.00			0.00			0.00
5.			0.00			0.00			0.00
6.			0.00			0.00			0.00
7.			0.00			0.00			0.00
Freight									
<b>Total</b>			<b>0.00</b>			<b>0.00</b>			<b>0.00</b>
Notes:									



## **5F) Tie Bids**

In the event of a tie bid, the Director of Purchasing shall break the tie under the following procedure:

1. In the case of a tie between two or more vendors, a local vendor preference will be applied.
2. In the case of a Supply Agreement, where the award is recommended to multiple vendors the line item shall be split between the two tie bids. This can only be done with the written concurrence of both vendors. In the case of a regular bid, for goods or services the line item or lot, where the tie has occurred, must be awarded to a single bidder.
3. If all other avenues of determination are exhausted, then the Director of Purchasing or designee shall make the determination by a coin flip or in the case of multiple low tie bids by the drawing of lots.

## **5G) Bid Advertising Requirements**

State law requires the City to advertise bids on two consecutive weeks (the city chooses to advertise on Mondays) in the newspaper and post notices in public areas. This applies to all purchases of more than \$50,000 regardless of the source of funds. Certification of the advertisement is required in the bid award file.

If not posting entire bid or proposal solicitation package, then the ad/notice must include at a minimum the following:

- A short title and a brief description of the goods or services to be procured and any applicable state product or service commodity codes for the goods and services
- The date and time on which bids, proposals, or other applicable expressions of interest must be received by the City
- The estimated quantity of goods or services to be procured
- If applicable, the previous price paid by the City for the same or similar goods or services
- The estimated date on which the goods or services will be needed
- The name, business mailing address, and business telephone number of the City's point of contact in order to obtain full information
- The City's bid or proposal number

## **5H) Advertisement**

Every Thursday by noon the Purchasing Department prepares a list of all items over \$50,000 to be competitively bid, submits the list to the local newspaper by noon, and posts it on City website for advertising. In order to participate a department must supply the Purchasing Department with complete and correct specifications and all other applicable documents and information required for the bid to be assembled. These

documents **must** be received in the Purchasing Department at least 10 calendar days **prior** to the date of the advertising submission.

1. Advertisement will appear in the paper on two consecutive weeks (the city chooses to advertise on Mondays).
2. Generally, bids will be received by the Purchasing Department on the fourth Thursday following the first day of advertisement at 4:00 PM CST.

## **5I) Trade-Ins**

A City department may trade-in equipment that the City owns for new equipment of the same or similar type if it is in the best interest of the City. However, a City department may not trade in equipment that has been declared by the city as either surplus or salvage; such property must be disposed of under applicable city policy. Furthermore, trade-ins are not allowed scheduled purchase items.

Before making any trade-in arrangements, the department must document the age, condition, make, model and serial number (if applicable) of the used equipment and estimate its approximate value. If the City could reasonably realize greater cost savings by declaring the equipment as surplus or salvage, the equipment must be disposed of under applicable city policy. See Chapter 11, Disposal of Property. However, if a department determines that a trade-in offers the best value to the city, the department shall in, addition to the above requirements, include in the solicitation document the following:

- “Less trade-in at city’s option: to be picked up by the successful bidder as is, where is” with no warranty expressed or implied, as per city terms and conditions. Provide a deadline in terms of the number of days for the vendor to remove the used equipment from city property; and
- Each type of trade-in allowance must be shown on the solicitation document as an individual line item;
- Used equipment will not be released to the vendor on a trade-in until the purchased equipment is received unless the City receives a bond, letter of credit or similar instrument as collateral.

## **5J) Used Equipment**

As a rule, the City will procure new equipment, but sometimes it is necessary or advantageous to purchase used or demonstrator equipment. The most common reasons are:

- The inability to secure new equipment;
- The lack of adequate funds for new equipment; or
- Used equipment will satisfy the department’s need at a substantial savings.

The ordering Department must:

- Obtain a minimum of three (3) signed quotes (faxed or mailed), which have been properly prepared
- If only one bid is received, prepare a statement explaining why no competition exists
- Provide a letter or signed statement from the bidder(s) guaranteeing quality and condition of the merchandise offered
- Provide a memo from an authorized person connected with the ordering entity that:
  - States that the equipment or supplies have been personally examined, and
  - Describes the condition and value of the equipment or supplies;

### **5K) Bid Security**

For all contracts that require a bid security above \$50,000.00, Bidders must submit a cashier's or certified check issued by a bank satisfactory to the city or a bid bond from a reliable surety company holding a permit from the State of Texas, to act as surety payable without recourse to the order of the City of Amarillo, Texas in an amount not less than five percent (5%) of the bidder's total bid submitted as a guaranty that the bidder will enter into an agreement to execute required bonds and provide required certificate of insurance within ten (10) calendar days after notice of award of contract. The bond must be original copies or faxed copies will not be accepted. Bids without required check or bid bond are considered nonresponsive and will not be considered. A separate bid security is required for each bid submitted.

Check posted by unsuccessful bidders will be returned after the standard form of agreement has been properly executed by the awarded bidder. Checks will be returned by certified mail or may be picked up by a properly identified person after signing a receipt.

### **5L) Payment and Performance Bonds**

1. For contracts where required by State/ Federal and Local Policy and in excess of \$50,000.00, the bidder must furnish the City a payment bond. For contracts in excess of \$100,000.00, the bidder must furnish the City a performance bond. Each bond must be in the amount of one hundred percent (100%) of the total contract price from a surety company, acceptable to and approved by the City, and holding a permit from the State of Texas, to act as surety. the bonds shall cover the faithful **performance** of the contract and the **payment** of all obligations arising in the performance of the contract such as suppliers and subcontractors. The bond(s) will be in the form the City prescribes and with such securities as the City may approve. The term of the performance bond shall extend one year from the date of final acceptance of all work performed under the contract. The contractor shall pay the premium for the required bonds.

2. Payment bonds are public information. When a supplier or subcontractor says it is unpaid and wants to place a lien or want a copy of a bond then a copy should be promptly provided with exception to contractor.
3. On Contracts below \$50,000.00, without payment and performance bonds, total payment will only be made when all work is satisfactorily completed or accepted by the City. Contractor will not be paid until the contractor submits an affidavit that all bills for labor and materials related to the work has been paid.

### **5M) Purchasing Role in the Bidding Process**

The main function of the Purchasing Department in the bid process is to serve as a facilitator between City departments and potential bidders and to protect the integrity of the bid process.

For all IFB's, RFP's, RFQ's. Etc or construction project bids, the Purchasing Department shall have the originating department enter an online requisition, which provides:

- a. An appropriate NIGP code from which a qualified bidders list can be printed; (This is the reason that researching and entering a correct code is so important)
- b. The budgeted amount or project estimate for the project; and
- c. An approved online document from which to generate a bid number on the applicable project.

Complete and correct specifications and all other applicable documents and information required for the bid to be completely assembled **must** be received in the Purchasing Department at least 10 calendar days **prior** to the date of the advertising submission. This is done so that any possible corrections or additions may be completed **prior** to beginning the official bid process. The Director of Purchasing or Designee shall have final authority to approve or reject plan sets or plan books.

The Purchasing Department shall have final authority to set the bid opening date and the advertising dates. After the bid date is set, the Purchasing Department will submit the required bid advertisement (the legal ad) to the newspaper and post the bid number, bid title, and the bid opening date on the Internet.

Pre-bid meetings for City construction project bids are encouraged and should be scheduled no later than midpoint in the bidding process. (Preferably the Tuesday or Wednesday after the second advertised date or the Tuesday or Wednesday of the following week if the bid has a five (5) week bid cycle.). The optimum time for the pre-bid meeting would be two weeks after the first advertised date (to provide enough time for the vendor to adequately review the plans) and two weeks before the bid opening date (to provide adequate time for any bid amendment items generated from the pre-bid meeting to be incorporated into the plans). **The Purchasing Department shall have final authority to determine if a pre-bid meeting on any project is in the best interest**

**of the City.** Pre-bid meetings will be designated either as mandatory or non-mandatory prior to the IFB, RFP, or RFQ being sent out. The designation will depend on the complexity and importance of the issues being discussed. The bid of any vendor that was not represented at a mandatory pre-bid meeting will be considered as nonresponsive.

The Purchasing Department shall ensure that every interested bidder has access to the bid through [www.publicpurchase.com](http://www.publicpurchase.com) or other means of notification. Notification of the pre-bid meeting will be provided at the same time, if said notice is not included in the project bid documents.

**The Purchasing Department will have a staff member attend all pre-bid meetings and maintain records of the content and the attendance list for each.**

**For City Building construction projects, the City has Uniform General Conditions for City of Amarillo Building Construction Contracts to be used in bidding for City buildings projects.**

**For City Civil construction projects, the City has Uniform General Conditions for City of Amarillo Civil Construction Contracts to be used in bidding for civil projects.**

**5N) Bid Addendum or Addenda Notification Policy**

**The City of Amarillo enforces a strict Single Point of Contact Policy during the entire bid/proposal process.**

All questions and requests for clarification concerning bid documents must be submitted to the Director of Purchasing in writing and will be answered by the Director of Purchasing or designee in writing. No questions will be accepted or answered verbally. **Except as provided in this section, upon issuance of this RFP, RFQ or Bid, vendors are specifically directed not to contact anyone other than purchasing personnel for answers to questions, clarifications, meeting, conferences, technical discussions or anything else related to this RFP, RFQ or Bid.**

**Failure to strictly abide by this policy shall result in the disqualification of the vendor from this and other bidding opportunities.**

Exempted from the no contact rule is the Pre-bid meeting, to which all registered vendors are invited. Pre-bid meetings can be either mandatory or non-mandatory.

All questions presented at a Pre-bid meeting will be addressed in an addendum with a sign in sheet copy that will then be provided to all vendors at the same time.

If the answers **do not** change the information published in the original bid documents, all plan holders will be sent a **clarification** only. Clarifications do not require

acknowledgements. If the answers **do** change or supplement the information published in the bid original documents, they will be sent as a **bid addendum** to all plan holders. All Addendums should be signed acknowledgements of receipt of the addenda by vendor, which should be submitted with the vendor's response to the RFP, RFQ, or IFB.

It is the responsibility of the respondent to verify if any addendum(s) or clarification(s) have been issued and to make sure the respondent has received all copies. Contact the Purchasing Department at 806-378-3028 to verify this information. Respondents shall also go to [www.publicpurchase.comm](http://www.publicpurchase.comm) and register as a vendor with the City of Amarillo and to download a copy of the addendum or any other bidding documents. Addendums and clarifications will be posted to the public purchase website. If a vendor is not registered with public purchase, then all bidding documents will need to be requested through the City of Amarillo Purchasing Office by emailing [purchasing2@amarillo.gov](mailto:purchasing2@amarillo.gov) For vendors that receive copies of bids and correspondence through the purchasing office, addendums and clarifications may be mailed or emailed to the vendor's contact information we have on file. It is the vendor's responsibility to keep their company's information updated with the public purchase website as well as with the City of Amarillo. If an addendum(s) or clarification(s) is not able to be mailed or emailed due to size or for any other reason, then registered respondents may be called and asked if they would like to pick up a copy from the Purchasing Department. Vendors may submit signed addendums to the City by emailing [purchasing2@amarillo.gov](mailto:purchasing2@amarillo.gov) or by mailing them to the Purchasing Department.

**All questions must be submitted at least 10 days prior to the bid due date.** All questions will be answered by an addendum or clarification at least 7 days prior to the bid due date. If the questions cannot be fully answered by that time, the opening date of the bid will be extended by addenda to allow enough time for all questions to be answered and those answers to be provided to all registered vendors.

Submit questions to: [purchasing2@amarillo.gov](mailto:purchasing2@amarillo.gov)

The Purchasing Department shall process **all** bid addendums generated by City departments and/or City consultants to assure uniformity in the bid process.

Confirmations of receipt of all bid addendums **must be returned with** the bid for the submitted bid to be considered. Bids lacking this documentation are deemed as nonresponsive and cannot be considered. It is the vendor's sole responsibility to ensure that the City has complete and up to date contact information Follow up, on the City's part, will only consist of making sure that the automated fax transmission confirmation is received on the City machine, and an emailed response is received. The City is not responsible for any failure or malfunction of vendor owned equipment.

**It is purchasing policy to extend the bid opening date so there is a minimum of seven (7) calendar days between the date of a final bid addendum and the bid opening date.**

**The Director of Purchasing or their designee has the authority to submit an addendum if necessary, before the bid opening and delay the bid to ensure competitive bids.**

An excessive number of addendums reflects an inadequately researched or designed project and brings discredit and serious procedural complaints against the City.

The Purchasing Department will answer procedural questions from the various vendors. All technical questions are referred to the originating department. It is required that all questions be submitted in writing and that they be in turn answered in writing.

The intent of this bid addenda notification policy is to ensure that all potential bidders receive the same information and instructions on all City bids. It is also intended to stimulate competition, prevent favoritism and to secure the best vendor at the lowest practicable price meeting bid specifications.

**50) Competition**

In addition to obtaining quality goods and services at the lowest possible cost, the City has the responsibility of protecting taxpayer interests.

In keeping with this spirit, it should be emphasized that even where sealed bids are not required, competition shall be sought just as vigorously. Small dollar purchases are not significant individually, they account for a considerable portion of the overall dollar amount spent by the Purchasing Department.

**5P) Emergency Purchases**

Contact the Purchasing Department for all emergency purchases procedures as the need arises.

**5Q) Definition of a Miss-Bid**

A miss-bid is when a vendor returns a bid that has a considerably different outcome than the other responding bidders due to a vendor not reading and correctly comprehending how the bid was supposed to be submitted.

Example: We bid 4 cases of clocks and specify that each case shall contain 24 units.

Quantity: 4 CS    \$ \_\_\_\_\_ Unit Price        \$ \_\_\_\_\_ Extended Price

In this example, the vendor bids a price per clock of \$5.00 and an extended price of \$20.00. The correct unit price would have been \$120.00 per case with an extended price of \$480.00

A miss-bid would occur when there is a price difference of more than 10 times between the two bids. Because the City can't change the vendor's unit price, nor allow the

vendor to resubmit, and because no amount of bid clarification is going to make the bid acceptable, and

- No vendor is going honor a bid that is that far off. (Generally, far below their cost.)
- For any bids that are awarded by line item, disqualify any line item that is ruled to be a miss-bid,
- For any bids that are awarded by lot, disqualify any lot that has at least one-line item in the lot that is ruled to be a miss-bid, or
- For any bids that are awarded as one lot if any item on the bid is ruled to be a miss-bid then the entire bid would be disqualified.

**5R) Receipt of all Solicitations**

All responses to solicitations shall be stamped with the time and date received. The “Date Stamp Clock” in the Purchasing Department serves as the official time clock for identifying the date and time a response is received in the Purchasing Department. Responses will not be accepted after the opening date and time on the day of bid opening.

After responses are received from the vendor, the Purchasing Department records in the bid folder the name of the vendor that submitted a bid and keeps them in a secured file until the opening date.

**5S) Low Bidder not being awarded**

When the low bidder is not being awarded the bid or a line item in the response, a letter is sent to the vendor explaining to them why their bid is not be awarded to them. A period of 7 days’ notice is given before awarding to the next bidder.

**5T) Late Bids**

All responses received after the opening date and time are returned unopened to the vendor with a letter from the Director of Purchasing notifying the vendor that the submitted response was received after the due date and time.

**5U) Opening Procedures**

On the appropriate date and time, members of Purchasing shall remove the bids opening that day from the secure file and they are transported to the opening where a senior member of the Purchasing Department will open and read them aloud. No award is made at that time. All guests and city employees in attendance to the opening are required to sign in to acknowledge that they attended.

**5V) Local Preference Consideration**

Section 271.9051 of the Texas Local Government Code “CONSIDERATION OF LOCATION OF RESPONDENTS PRINCIPAL PLACE OF BUSINESS”:



In accordance with SECTION 271.9051 OF THE Texas Local Government Code, if a local government receives one or more competitive sealed bids from a vendor whose principal place of business is in the municipality and whose bid is within five (5%) percent of the lowest bid price received from a vendor who is not a resident of the municipality, on contracts less than \$500,000 the municipality may enter into a contract with (a) the lowest vendor or (b) the vendor whose principal place of business is in the municipality if the governing body of the local government determines, in writing, that the local vendor offers the local government the best combination of contract price and additional economic development opportunities for the local government created by the contract award, including the employment of residents of the local government and increased tax revenues to the local government.

Local Preference Consideration DOES NOT apply to a Construction Project over \$100,000 or Telecommunication or Information Technology Bids/Purchases.

**This “Application for Local Preference Consideration” does not mean that the City of Amarillo is limiting responses to this request for bids/proposals to only those businesses located within the city limits. All bids/proposals are welcome.**

Respondents who wish to qualify under the local preferences law must have their principal place of business located with the Amarillo city limits.

**If your principal place of business is within the Amarillo city limits and you want to apply for local preference consideration, then you must:**

1. Complete the **Local Preference Consideration Application**, and
2. **Describe in writing, and attach supporting documentation**, the additional economic development opportunities for the City of Amarillo that will be created if you are awarded this contract. Include the number of City of Amarillo residents that you will employ to complete this contract and the increased tax revenues that will be generated for the City of Amarillo if you are awarded this contract.

**If you DO NOT have your principal place of business located within the City of Amarillo city limits – STOP – do not fill out this form.**

#### Local Preference Consideration Application

Business Name: \_\_\_\_\_

Physical Address: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

City, State, Zip Code: \_\_\_\_\_

**Business Type:**

- Corporation – Indicate state of incorporation: \_\_\_\_\_
- Partnership – indicate “general” or “limited”: \_\_\_\_\_
- Sole proprietorship: \_\_\_\_\_
- C Corporation: \_\_\_\_\_
- S Corporation: \_\_\_\_\_
- Partnership: \_\_\_\_\_
- Trust/Estate: \_\_\_\_\_
- Limited Liability Company: \_\_\_\_\_
- Other: \_\_\_\_\_

**Attachments:** Describe in writing, and attach supporting documentation, the additional economic development opportunities for the City of Amarillo that will be created if you are awarded this contract. Include the number of City of Amarillo residents that you will employ to complete this contract and the increased tax revenues that will be generated for the City of Amarillo if you are awarded this contract.

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**CERTIFICATION:** I hereby certify under penalty of perjury that the information which I have provided on this form is true and correct, that I am authorized to sign on behalf of the business set out above and if requested by the city will provide, within 10 days of notice, the necessary documents to substantiate the information provided.

(Please print)

\_\_\_\_\_  
Authorized Representative Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

(Attached description and documentation of economic impact as outlined on previous page)