

RESOLUTION NO. 21-2005

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, ADOPTING PROCEDURES FOR ELECTRONIC BIDS OR PROPOSALS AND REVERSE AUCTIONS; AND PROVIDING AN EFFECTIVE DATE THEREOF.

WHEREAS, the City of Mesquite (the "City") is authorized by Texas Local Government Code §252.0415 to receive bids or proposals through electronic transmission if the City Council adopts rules to ensure the identity, security and confidentiality of electronic bids or proposals and to ensure that they remain effectively unopened until the proper time; and

WHEREAS, the City is authorized by Texas Local Government Code §271.906 to conduct reverse auctions if the City Council adopts in its procedures a notice provision necessary to produce a method of purchasing that is advantageous to the City and fair to vendors; and

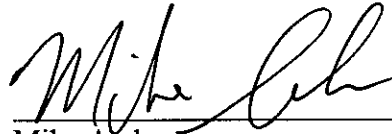
WHEREAS, the City Council desires to adopt the procedures for electronic bids or proposals and reverse auctions as set forth in Exhibit "A" attached hereto and made a part hereof.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS:

SECTION 1. That the procedures for the electronic bids or proposals and reverse auctions as set forth in Exhibit "A" attached hereto and made a part hereof for all purposes are hereby adopted.

SECTION 2. That this resolution shall take effect immediately from and after its passage.

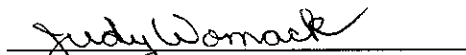
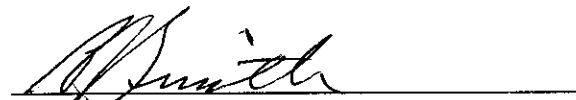
DULY RESOLVED by the City Council of the City of Mesquite, Texas, on the 6th day of June, 2005.



Mike Anderson  
Mayor

ATTEST:

APPROVED:

  
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Judy Womack  
City Secretary  
\_\_\_\_\_  
B. J. Smith  
City Attorney

## ELECTRONIC PROCUREMENT POLICY AND PROCEDURES

### I. POLICY STATEMENT

Electronic sealed bids or proposals shall be in accordance with Section 252.0415(a) of the Local Government Code to ensure the identification, security and confidentiality of electronic bids or proposals and to ensure that the electronic bids or proposals remain effectively unopened until the proper time. Electronic reverse auctions, as defined in Section 2155.062(d) of the Government Code, shall be in accordance with Section 271.906 of the Local Government Code consisting of a real-time bidding process taking place during a previously scheduled Internet location with multiple suppliers, anonymous to each other, submitting bids to provide goods or services.

### II. PROCEDURES

#### A. Electronic Bidding

- 1) **Identification.** Invitations to Bids and Request for Proposals will be advertised and issued in the current manner. A notification will be added to the bid terms and conditions stating vendors may submit responses electronically through the City's Internet Service Provider (ISP), listing the appropriate electronic address. An automatic "e-mail return notification" will be sent to the submitting vendor upon receipt of their bid or proposal.
- 2) **Security.** At the specified bid closing time, a *password-enabled* employee in the Purchasing Office will open, download and print all bids and the bid tabulation summary assembled by the ISP. The printing operation will occur in the controlled environment of the Purchasing Office where purchase order equipment is currently located. Any bid that is submitted non-electronically will be accepted and then entered electronically by Purchasing after the bid opening as stated in the bid/proposal document terms and conditions.
- 3) **Confidentiality.** Purchasing staff will then read aloud all bid responses received by closing time and date to any interested parties present at the bid opening. After tabulation of bids or proposals, staff will post the bid tabulation electronically with a qualifying statement: "The tabulation listing of a bid should not be construed as a comment on its responsiveness or an indication that the City accepts such bid as responsive. After evaluating bids or proposals, the City will post tabulation and award information on the City's Web site and through its Internet Service Provider."

B. Reverse Auctions

- 1) "Real-Time" Bidding Process. Reverse Auctions will be advertised in the current manner, as are Invitations to Bid and Requests for Proposals. A notification will be added to the bid terms and conditions stating vendors may submit responses electronically through the City's Internet Service Provider (ISP), listing the appropriate electronic address. The real-time bidding process will usually last less than one hour, or less than two weeks, and shall take place during a previously scheduled period and scheduled Internet location.
- 2) Multiple Bidders. Purchasing Staff along with its ISP shall ensure multiple, qualified bidders are available, interested and notified electronically or otherwise of any current reverse bidding opportunity. A notification will be added to bid terms and conditions stating vendors should submit responses electronically through the ISP at the appropriate electronic address listed.
- 3) Anonymous Bidders. City's selected ISP shall insure the anonymity of all responding bidders through the assignment of a "bidder number" to the vendor (as opposed to their vendor name) which will be reflected on the ISP's Web site during the reverse auction bidding process. The ISP Web site will reflect all active vendors bidding by:
  - a) The vendor's assigned bidder number; and
  - b) Their last entered bid price.

The bid tabulation will be electronically posted with the same qualifying statement as expressed in Section II, A (3).