



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Purchasing

CM/ DCM/ ACM: Christine Taylor, Assistant City Manager

DATE: December 16, 2025

SUBJECT

Consider approval of an ordinance of the City of Denton amending policy no. 407.01 “Centralized Purchasing” as a finance policy for the organization and including it in the city of Denton policies and procedures; delegating authority for solicitation criteria, binding the City to contracts, negotiating contracts, awarding contracts, and to administratively update the procurement manual; providing for a repealer; and declaring an effective date.

STRATEGIC ALIGNMENT

This action supports Key Focus Area: Pursue Organizational Excellence and Collaborative and Respectful Leadership.

INFORMATION/BACKGROUND

The City’s Code of Ordinances, Section 2-28, “Policies, Procedures, and Directives,” establishes the definitions and approval processes for policy documents. The City of Denton maintains two types of policy documents: Policies and Administrative Directives.

- **Policies** must be adopted and approved by the City Council. A “Policy” means a statement of overall philosophy and direction, describing goals to be accomplished and programs to be established. To revise a Policy Statement, the City Council must approve the revision.
- **Administrative Directives** are approved and issued by the City Manager to city employees to establish rules and regulations concerning internal operational matters. Administrative Directives do not require City Council review or approval for enactment or revision.

BACKGROUND

The original Centralized Purchasing Policy was presented and approved on January 12, 2010, and referenced the Purchasing Policy and Procedures Manual. This manual was initially drafted in 2009 and introduced to the City Council during a Work Session in 2010; however, no formal action was taken to adopt it. From that point forward, Purchasing staff updated the manual annually, with the final revision completed in 2018.

In 2019, Procurement staff identified the need for a comprehensive update to better align the manual with current City policies and industry best practices. Collaborating with consultants from Periscope Holdings, Inc., a member of the Institute for Public Procurement (NIGP) Business Council, staff began drafting a new procurement policy manual. This updated version was formally adopted by the City Council on June 23, 2020.

A subsequent update was approved on December 13, 2022, primarily to incorporate legal changes, reflect evolving operational practices, and enhance clarity for both internal and external stakeholders.

In response to ongoing changes in operational practices and legal requirements, staff has initiated an update to the Centralized Purchasing Policy. This revision aims to clearly define the City's purchasing mission, guiding principles, and the roles and responsibilities of key stakeholders. As part of this update, the ordinance to approve the policy has been amended to include formal delegations of authority from the governing body to both the Purchasing Agent and the City Manager. These delegations include:

- Procurement Agent shall have full authority to:
 - adopt operational procedures governing the procurement and management of all goods, services, professional services, and public works
 - procure or supervise the procurement of all goods, services, construction, professional services, and public works utilizing any procurement method or procedure as authorized by law
 - determine which method of procurement provides the best value to the City
 - establish guidelines for the management of all inventories of materials belonging to the City
 - manage the disposal of materials belonging to the City, including the sale, trade, or other method of disposal of surplus materials belonging to the City
 - prepare, issue, revise, maintain, and monitor the use of specifications and scopes of work for goods, services, professional services, and public works required by the City
 - delegate procurement authority to designees or to any department or official of the City
 - to determine when there can be exceptions to the procurement process in consultation with the City Manager. When exceptions are made, the Procurement Agent will provide written justification of corrections, waiving minor informalities or irregularities consistent with the Centralized Purchasing Policy. The above delegated operations shall be further set forth in the Procurement Manual
- Purchasing Agent may utilize any purchasing or procurement method or procedure authorized by law to purchase or contract for goods, services, or public works
- Purchasing Agent elects evaluation criteria and their weighted value for all solicitation types
- Contracts may also be entered into by the Procurement Agent.
- Utilize e-signatures for certain contracts or transactions
- Demonstration agreements can be executed by the City Manager
- Determine whether a contract is let on a lump-sum or unit price basis

The Procurement Manual is intended to comply with the City of Denton Charter, the Code of Ordinances, the State of Texas Local Government Code Chapters 252 and 271, the State of Texas Government Code 2253, 2254, 2258 and 2269, as well as Public Procurement best practices. As these change the procurement department along with the City Attorney's Office will need to update the Procurement Manual.

The Procurement Manual covers the following topics:

1. Purchase Thresholds
 - a. Micro purchases less than \$3,000
 - b. Small purchases between \$3,000 and \$100,000
 - c. Formal Solicitation greater \$100,000
2. Formal Solicitation Types

- a. Invitation for Bid (IFB)
- b. Request for Proposal (RFP)
- c. Request for Qualifications (RFQ)
- d. Interlocal / Cooperatives
- e. Other types of procurements
 - i. Emergency procurements
 - ii. Sole Source
 - iii. Alternative Delivery Methods (Public Works only)
- 3. Contract Requirements
 - a. Insurance
 - b. Bonds
 - c. Change Orders
- 4. Protest
 - a. Time for Filing Protest
 - b. Remedies for a Protest
 - c. Appeals
 - d. Vendor Disqualification
- 5. Disposal of City-Owned Personal Property

RECOMMENDATION

Staff recommends approval of the Ordinance and Revised Policy No. 407.10 Centralized Purchasing.

EXHIBITS

Exhibit 1 – Agenda Information Sheet

Exhibit 2 – Ordinance

Exhibit 3 – Revised Policy No. 407.10 Centralized Purchasing Policy

Exhibit 4 – Redlined Policy Draft 407.10 Centralized Purchasing Policy

Exhibit 5- Revised Purchasing Manual

Exhibit 6- Redlined Purchasing Manual

Respectfully submitted:
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