



Kelly E. Johnson, C.P.M., C.P.C.M.
Harris County Purchasing Agent

October 21, 2009

Commissioners Court
Harris County, Texas

RE: Local Government Code

Members of Commissioners Court:

On October 13, 2009, Commissioners Court approved an Order authorizing a Notice to be published with regard to revisions to the Policy on Contracting with a Person Indebted to Harris County. The Notice was published on October 16 and October 23, 2009.

Therefore, please approve the attached Order authorizing the revised Policy on Contracting with a Person Indebted to Harris County. The revised policy no longer limits the indebtedness to tax delinquency and will be effective November 1, 2009.

Vote of the Court:

	Yes	No	Abstain
Judge Emmett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Comm. Lee	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Comm. Garcia	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Comm. Radack	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Comm. Eversole	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Sincerely,

Kelly E. Johnson
Purchasing Agent

KEJ/lmw

Attachments: Revised Policy
Order

cc: Leo Vasquez, Tax Assessor/Collector
Barbara Schott, County Auditor
Marva Gay, County Attorney's Office

us - copy HR 5/14 + 10/8/09

Pub. copy HR + blu + 10/8/09

Pub. copy HR + blu + 10/8/09

FOR INCLUSION ON COMMISSIONERS COURT AGENDA OCTOBER 27, 2009

Budget (Hatha)

Presented to Commissioner's Court
OCT 27 2009
APPROVE L/E
Recorded Vol. 263 Page 350-352

NOTICE

Pursuant to Texas Local Government Code § 262.0276, Harris County Commissioners Court has adopted a policy that allows Harris County to refuse to enter into a contract with a person indebted to the County. Absent a waiver by Commissioners Court, Commissioners Court will not award a contract to a person indebted to Harris County. This policy is effective for all designated purchases on or after November 1, 2009.

Whether or not a vendor's taxes are delinquent will be determined by an independent review of the Harris County Tax Office (HCTO) records. Tax records are available online at the Tax Office website – www.hctax.net. Prior to submitting an offer, vendors are encouraged to visit the Tax Office website, set up a portfolio of their accounts and make their own initial determination of the status of their tax accounts. Vendors who believe a delinquency is reflected in error must contact the HCTO to correct any error or discrepancy prior to submitting their offer in order to ensure that their offer will be considered. All vendors must complete the Tax Form provided in the bid/RFP package.

This policy will also apply to other forms of debt owed to the County such as court judgments, tolls, tickets, fines, etc.

Procedure for Implementation of §262.0276 -- Contracting With A Person Indebted to County

1. Place notice (as written above) in "General Terms and Conditions" of all Requests for Proposals (RFP) and bid solicitations. Based upon the Purchasing Department's internal guidelines, these procedures shall also be applied in a similar manner to the granting and periodic verification of personal and professional service contracts and other agreements approved by Commissioners Court.
2. All vendors will be required to complete a "Tax Form" that is included in the bid/RFP package. This form will ask the vendor to identify all real and business personal property located in Harris County, including property carried under an assumed name (d/b/a) with corresponding Harris County tax account numbers. The HCTO online portfolio will automatically show any account balance due for accounts listed by the vendor. The form will also ask the vendor to identify any other form of debt owed to the County such as court judgments, tolls, tickets, fines, etc.
3. During the evaluation process and in a timely manner to meet deadlines, the Purchasing Department (PD), the Public Infrastructure Department (PID) or any other County Department that sends a contract to Commissioners Court for consideration or approval shall either (1) verify by utilizing the HCTO property tax system (ACT) the vendor's tax payment status as per information provided, or (2) verify by sending to the HCTO the Tax Form or a list of the vendor's name, d/b/a names, and account numbers provided from the Tax Form. The HCTO will then, in a reasonably prompt manner, verify the accounts to determine the vendor tax payment status of those vendors most likely to

receive an award. The vendor will have certified on the Tax Form provided in the bid package that the vendor has provided all account numbers for all of the vendor's Harris County Tax accounts. The HCTO will return to the PD, PID, or other County Department, as appropriate, the list of accounts indicating the tax payment status of each vendor. In the absence of a waiver by Commissioners Court under section 5 of this policy, a contract will not be awarded to a vendor indebted to Harris County.

4. Unless the PD, PID, or any other County Department has independently verified, the HCTO will verify the tax payment status of all renewing vendors as provided by the PD, PID, or any other County Department and notify the requesting department of any vendors currently owing delinquent taxes. This review may be conducted at bid or proposal renewal time or upon specific request of the PD, PID, or other County Department. Those vendors with delinquent taxes may be requested to enter into a written payment plan.

5. Exceptions:

At the discretion of Commissioners Court, the policy and procedures set forth in this policy shall not apply in the following circumstances:

- A. emergency or calamity situations
- B. goods and services available only from a sole source
- C. items necessary to protect the health and safety of the residents of the County
- D. personal property sold at a public auction or at a public going out of business sale
- E. vendors when all delinquent accounts are under a written payment plan with the County
- F. vendors who have received a deferral on their tax account(s)
- G. vendors when Commissioners Court deems a waiver to be in the best interest of the County. The Commissioners Court remains free to grant such a waiver whether or not recommended by the Purchasing Department/Public Infrastructure Department but any recommendation from the Purchasing Department/PID for such a waiver should be in accordance with the following procedure:
 - (i) The Purchasing Department or Public Infrastructure Department shall present a recommendation of a waiver to Commissioners Court with the following information:
 - (A) Recommended low bidder:
 - 1. The name of the lowbidder.
 - 2. The amount of the bid.
 - 3. Whether all debts have been paid in full by the low bidder by the date and time that the award is made by Commissioners Court.
 - (B) Next Low Bidder:
 - 1. The name of the next lowest bidder.
 - 2. The amount of the bid.
 - 3. Whether all debts have been paid in full by the next lowest bidder by the date and time that the award is made by Commissioners Court.

(ii) Prior to the Commissioners Court meeting, the Purchasing Department/Public Infrastructure Department will send a notice to the lowest bidder and the next lowest bidder advising them that they may appear at such meeting and present evidence as to their responsibility.

6. Notwithstanding any other provision of these rules, a contract awarded and entered into without strictly following these rules shall remain enforceable, and no vendor, contractor, or person may raise a violation of these rules so as to make a contract void or otherwise unenforceable by the County.

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

The Commissioners Court of Harris County, Texas, convened at a meeting of said Court at the Harris County Administration Building in the City of Houston, Texas, on the _____ day of OCT 27 2009, 2009, with the following members present, to wit:

Ed Emmett	County Judge
El Franco Lee	Commissioner, Precinct No. 1
Sylvia R. Garcia	Commissioner, Precinct No. 2
Steve Radack	Commissioner, Precinct No. 3
Jerry Eversole	Commissioner, Precinct No. 4

and the following members absent, to-wit:

none
_____ constituting a quorum, when among other business, the following was transacted:

ORDER APPROVING REVISIONS
TO COUNTY POLICY ON CONTRACTING
WITH A PERSON INDEBTED TO HARRIS COUNTY

Commissioner Lee introduced an Order and made a motion that the same be adopted. Commissioner Eversole seconded the motion for adoption of the Order. The motion, carrying with it the adoption of the Order, prevailed by the following vote:

	Yes	No	Abstain
Judge Emmett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Comm. Lee	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Comm. Garcia	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Comm. Radack	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Comm. Eversole	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The County Judge thereupon announced that the motion had duly and lawfully carried and that the Order had been duly and lawfully adopted. The Order thus adopted follows:

RECITALS:

On March 30, 2004, by Order, the Commissioners Court of Harris County adopted a County Policy on Contracting with a Person Indebted to Harris County.

Presented to Commissioner's Court

OCT 27 2009

APPROVE _____

The March 30, 2004 Policy on Contracting with a Person Indebted to Harris County permits the County to refuse to enter into a contract or other transaction with a person who owes a tax to the County.

Commissioners Court desires to revise the County Policy on Contracting with a Person Indebted to Harris County to authorize the County to refuse to enter into a contract or other transaction with a person who is indebted to the County in any manner, and such indebtedness is not limited to a tax delinquency.

The Commissioners Court of Harris County desires to approve a revised County Policy on Contracting with a Person Indebted to Harris County. **NOW, THEREFORE,**

BE IT ORDERED BY THE COMMISSIONERS COURT OF HARRIS COUNTY, TEXAS THAT:

Section 1: The recitals set forth in this Order are true and correct.

Section 2: The Court approves the Policy on Contracting with a Person Indebted to Harris County, which is incorporated herein by reference and made a part hereof for all intents and purposes as if set out in full word for word.

Section 3: All Harris County officials and employees are authorized to do any and all things necessary or convenient to accomplish the purpose of this Order.