

SUBJECT: Allowing cities to purchase planning services without competitive bidding

COMMITTEE: Urban Affairs — favorable, without amendment

VOTE: 9 ayes — Hill, Conley, Bailey, Davila, Ehrhardt, Staples, Thompson, Tillery, Woolley

0 nays

WITNESSES: For — Dan C. Boutwell, American Planning Association, Texas Chapter; Gerhardt Schulle Jr., Texas Society of Professional Engineers; and Gene Cravens

Against — None

On — Henry Avila

BACKGROUND: Competitive sealed bidding allows parties competing to offer goods or services to submit offers under seal. Bids are opened and compared at a specified time to assure independence of bidding. Cities are generally required by law to accept the lowest responsible bid. Cities are required to seek competitive sealed bids when they enter into contracts that require an expenditure of more than \$15,000 in city funds, with specific exceptions.

DIGEST: HB 1647 would allow cities to purchase planning services without using the competitive sealed bidding process. HB 1647 would define planning services as services primarily intended to guide governmental policy to ensure the orderly and coordinated development of the state or of municipal, county, metropolitan or regional land areas. The bill would take immediate effect if approved by two-thirds of the membership of each house.

SUPPORTERS SAY: The Professional Services Procurement Act allows cities to purchase certain professional services without using competitive sealed bidding. The exception is for professional services that should be selected on the basis of experience and capabilities and not by cost. HB 1647 would apply this exception to professional community planning services.

Since planning consultants are not professionally certified, virtually anyone may respond to a city's request for proposals to provide planning services. City officials may be unfamiliar with the planning process or may be easily influenced by the low prices such planners offer. Cities may focus too much on the cost of the product rather than the ability of the consulting firm to provide a quality and useful product.

Professional engineering services, for which bids are not required, often overlap with planning services engineering firms offer. HB 1647 would give cities the flexibility to acquire planning services that involve engineering without having to separate them out from engineering services.

**OPPONENTS
SAY:**

Competitive sealed bidding assures taxpayers that their city is purchasing planning consultant services at the lowest responsible price. City officials may devise specifications that will allow selection of high quality planning services within the competitive sealed bidding process. Numerous exceptions are undermining the competitive bidding laws, which help protect taxpayers.