

Exhibit A

Pursuant to the Texas Local Government Code, Section 252.0415 “Procedures for Electronic Bids or Proposals”, the City of San Marcos, Texas adopts the following rules 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.

A. Electronic Bidding: Electronic sealed bids or proposals shall be processed in accordance with Section 252.0415(a) of the Local Government Code requiring the identification, security and confidentiality of electronic bids or proposals to remain effectively unopened until the proper time.

B. Identification: Electronic bid or proposal solicitations will be advertised and issued via publicly available websites which do not require payment to access. A notification will be added to bid terms and conditions stating suppliers should submit responses electronically through City’s service provider at the appropriate electronic address listed. An automatic “e-mail return notification” will be sent to the submitting supplier upon receipt of a bid or proposal.

C. Security: Until the specified bid closing time, no individuals including City staff will have access to unseal or download submissions submitted by vendors. At the specified bid closing time, a password-enabled employee in the Purchasing & Contracting Division (P&C) | Finance Department will unseal and download all bids/proposals including the bid/proposal tabulation summary assembled by the City’s service provider. A bid/proposal that is submitted non-electronically may be accepted manually and then entered electronically by P&C after the bid opening, as stated in bid/proposal document terms and conditions.

D. Confidentiality: P&C staff will read aloud all bid/proposal responses received by the closing time and date to any interested parties present at the bid opening. After tabulation of bids/ proposals, staff will post the bid tabulation or proposal log.

1. The use of the electronic bidding system will be posted on all solicitation notices for bids/proposals.
2. All electronic sealed bid/proposal data will be stored in encrypted database fields while the solicitation is still available for supplier responses.
3. Access to the system by authorized users shall be logged and tracked for audit purposes to ensure security.
4. Identity authentication: Each vendor will be required to use a unique user account and password. Further, the City may request additional identity information within an electronic solicitation event.
5. The system provides options for dictating password requirements/complexity for City staff. The system also requires complex passwords for all vendors.
6. All data transmitted between end users and the system shall be encrypted in transit and at rest using industry-leading security procedures and algorithms.
7. The contents of a vendor’s electronic sealed bid/proposal is sealed in an electronic “lockbox” and unavailable to all users until after a bid due date and time.
8. Only authorized City of San Marcos staff, with an approved user account and password provided by the Purchasing & Contracting Division | Finance Department, and only on or after the established due date

and time, can open the electronic bids or proposals. The system shall provide an audit trail of who unsealed the proposals and a corresponding time stamp.

9. Passwords are stored in an encrypted format.
10. User sessions are validated to prevent hijacking and expire after a period of inactivity.
11. Key vendor activities are audited, such as vendor response submission or unsealing of solicitation data.
12. The application will not allow for late bid submissions by suppliers after the closing date and time.
13. The City of San Marcos will determine when and what time information is released to the public pursuant to Texas Law.
14. A hard copy bid will still be an option for all bidders according to Texas law.
15. Specific procedures consistent with these rules will be adopted from time to time and made part of the Purchasing Policy to improve and enhance the electronic bidding system.
16. Issues and complaints related to the electronic system shall be handled under the same procedures as established in the City's Purchasing Policy and Procedures or as specifically provided in the IFB or RFP.
17. The Purchasing & Contracting Division |Finance Department is responsible for ensuring that any system used for the electronic receipt of bids complies with the City's Purchasing Policy, current State Law and the aforementioned rules.