

**Holliston HOUSING AUTHORITY
PROCUREMENT POLICY**

This procurement policy has been adopted by the Holliston Housing Authority (NBHA) in order to comply with Massachusetts bidding statutes governing the procurement of supplies and services (MGL c.30B) the Uniform Procurement Act, construction related work (MGL c.149§44A-H; MGL c.149 §44A¹/₂; MGL c.149 §44A³/₄; MGL c.149 §29; MGL c.149 §26-27A; (MGL c.30 §39M;) and design services (MGL c.7 §38A¹/₂), and Federal procurement requirements known as the "COMMON RULE" described at 24 CFR 85.36 and 37 which requires a public entity to utilize the stricter of the two procurement requirements. This procurement policy supersedes any and all previous policies. This policy hereby incorporates by reference all provisions of the above-cited laws and regulations and adheres to the Code of Conduct for Public Employees, consistent with applicable state and federal laws.

I . PROCURING SUPPLIES AND SERVICES

Under Chapter 30B it is the actual bid/contract price and not the awarding authority's estimate which determines the bidding procedures to be utilized for the procurement of supplies, services. Chapter 30B does not allow a jurisdiction to award a contract that exceeds the dollar threshold of the bidding procedure used nor does it allow contract increases to exceed twenty-five percent (25%).

A. Procurements for supplies and services governed by MGL c.30B, the Uniform Procurement Act shall be made in the following manner:

(1) The Executive Director, hereinafter referred to as the Chief Procurement Officer (CPO) or his/her authorized designee shall make procurements as necessary not to exceed **\$4,999.99** in the open market **using sound business judgment** to ensure that the price obtained is the most advantageous to the LHA.

(2) For the procurement of supplies and services estimated to cost between **\$5,000.00** and **\$24,999.99** the CPO or his/her authorized designee shall solicit price quotations either orally by telephone, or in writing from at least three vendors using a prepared written description for the particular procurement. However, this does not require the receiving three (3) quotes. The LHA may award a contract on the basis of one or two quotes received. The CPO must keep on file a record of all price quotations sought including names, addresses, and the dates and amounts of quotations. All documents relating to purchases and

authorized designee may purchase from a statewide contract vendor without any further solicitation or invitation to bid regardless of the dollar amount.

- These procurements shall be documented;
- Expenditures of up to \$4,999.99 shall be authorized by a standard purchase order form;
- Expenditures of \$5,000.00 or more shall have a fully executed contract;

(6) Contracts in (2), (3) & (5) above may be entered into for a term greater than **three years**, including renewals, extensions, or options, except automated laundry² or elevator services which shall be for a term voted by a majority of the Board before the procurement is made, but shall be no **greater than 10 years**.

(7) If the purchase is made from any vendor other than one offering the lowest price on an IFB procurement, justification for such a bid rejection shall be in writing and kept with the bid documents.

B. Services Exempt From MGL c.30B

(8) In accordance with MGL c.30B §1(b)(9), a contract to purchase supplies or services from, or to dispose of supplies to, any agency or instrumentality of the federal government, the commonwealth, or any of its political subdivision is exempt from Chapter 30B procurement requirements.

(9) In accordance with MGL c.30B §1(b)(15), contracts with labor relations representatives, lawyers, designers, or certified public accountants are exempt from Chapter 30B procurement requirements.³

(10) In accordance with MGL c.30B §1(b)(30) a contract for the collection, transportation, receipt, processing or disposal of solid waste, recyclable or combustible materials.⁴

C. Emergency Procurements Under MGL c.30B

(1) If the time required to comply fully with a Chapter 30B procurement would endanger the health or safety of people or

² For laundry service contracts LHA shall use the DHCD Service Contract Form. Never use the vendor's contract.

³ For legal services, LHA shall use the DHCD Agreement for Legal Services; For CPA consultants see DHCD Accounting Manual; For Design Services consultant with your DHCD project manager.

⁴ For trash removal LHA shall use the DHCD Service Contract Form. Never use the vendor's contract.

(1) For small building related construction contracts which include labor & materials estimated to cost between \$0 to \$9,999.00, the CPO or his/her authorized designee shall follow MGL c.149 §44A(2)(A) and may award by soliciting three (3) written price quotes to ensure contract award to the most responsible person at the lowest price.

(2) For small building related construction contracts which include labor & materials estimated to cost between \$10,000.00 to \$24,999.00, CPO must follow MGL c.149 §44A(2)(B) procedures and solicit written quotes from at least three (3) contractors using the public notification process. **DHCD RECOMMENDS SEALED BIDS.** However, it does not require receiving three written quotes. You may award a contract on the basis of one (1) or two (2) written quotes received.

The CPO shall keep on file a record of all price quotations including names, addresses, and the amounts of quotations. All documents relating to purchases and contracts under this section shall be kept for a period of seven (7) years from date of final payment.

(3) For construction contracts estimated to cost between \$25,000.00 and \$100,000.00 the CPO or his/her authorized designee shall follow the sealed bid procedure of M.G.L. c.149 §44A(2)(c) identified in MGL c.30 sec.39M as follows:

- Bids shall be invited by advertising in the central register and a newspaper of general circulation once, two (2) weeks before the date specified for the opening of bids. Bid notice shall be posted in a conspicuous place at the LHA;
- Ad/invitation may be mailed to all available contractors to stimulate competition;
- A contract bid under this process shall be awarded to the lowest eligible and responsible bidder.

(4) For construction contracts estimated to cost \$100,000 to \$10,000,000.00 (contracts for the construction, demolition, maintenance, or repair of a building - vertical construction) the CPO or his/her authorized designee shall follow the sealed bid procedures required under MGL. c.149 §44A-M. These contracts require prevailing wage rates or if a federal project Davis Bacon Wage Rates and require a performance and payment bond in the full amount of the contract price.

The CPO must keep on file with regard to every solicitation made all documents relating to purchases and contracts under this section shall be kept for a period of seven (7) years from date of final payment. A copy of bid forms received, a record of names, addresses, and the amounts of bids (tabulation).

(3) For the purchase of construction materials only (no labor) estimated to cost between \$0 and \$4,999.00 the CPO or his/her designee may use MGL c.30B §5 using sound business judgment. Use a written specification for the particular procurement.

(4) For the purchase of construction materials⁷ only (no labor) estimated to cost between \$5,000.00 and \$24,999.00 the CPO or his/her designee may use MGL c.30B §5 to solicit price quotations either orally by telephone, or in writing from at least three (3) vendors using a prepared written specification for the particular procurement. However, this does not require receiving three (3) quotes. The LHA may award a contract on the basis of one or two quotes received.

(5) For the purchase of construction materials only (no labor) estimated to cost \$25,000.00 or more the CPO or his/her designee may use MGL c.30B §5 by advertising for Bids in a newspaper of general circulation once two (2) weeks before bid opening. Contract is awarded to lowest eligible and responsible bidder.

The CPO must keep on file with regard to every solicitation made all documents relating to purchases and contracts under this section shall be kept for a period of seven (7) years from date of final payment. A copy of invitation made and offers received, a record of names, addresses, and the amounts of bids.

III. THE BOARD

(1) The CPO shall submit all bids and quotes \$5,000.00 and up at the next regular meeting and the Board must vote to authorize the award of the bid.

(2) A CPO may not solicit or award a contract for a term greater than three years, including renewals, extensions, or options except for automated laundry or elevator services which shall be for a term voted by the Board. (No greater than 10 years)

(3) A written contract is required for supply & service procurements of \$5,000.00 or more. Purchase under \$5,000 may be made with a purchase order.

(4) Applicable rules established by the Department of Housing and Community Development and the Department of Housing and Urban Development, and their respective Inspector Generals'

⁷ LHA has option to bid in accordance with MGL c.30 §39M procedures.

CONSTRUCTION BIDDING SUMMARY

BUILDING RELATED WORK - MGL c.149 §44A-M

TYPE OF WORK	BIDDING PROCEDURES
<p>Vertical Construction - Building related work, labor & materials, labor only, estimated cost to cost \$0 - \$9,999.00</p>	<p>Solicit written quotes in accordance with M.G.L. c.149 §44A(2) (A), as amended by C.193 of the Acts of 2004 from a prepared scope of work from no fewer than 3 persons/firms customarily providing the required service. Apply for prevailing wages &/or Davis Bacon. Payment bond required in ½ of contract amount if contract amount is \$2,000 or more. Award to the responsible person at the lowest price quote.</p>
<p>Vertical Construction - Building related work, labor & materials, labor only, estimated to cost between \$10,000.00 - \$24,999.00</p>	<p>Solicit written quotes through public notification process in accordance with M.G.L. c.149, §44A(2)(B), as amended by C.193 of the Acts of 2004. Notice shall include a scope of work statement defining the work to be performed and work requirements. Payment bond required in ½ of contract amount. Apply for prevailing wages &/or Davis Bacon.</p>
<p>Vertical Construction - Building related work labor and materials estimated to cost between \$25,000.00 - \$100,000.00;</p>	<p>Public bid in accordance with M.G.L. c.149, §44A(2)(C), as amended by C.193 of the Acts of 2004. No DCAM certification or filed sub-bids required. Apply for prevailing wages &/or Davis Bacon. 5% Bid Deposit Required. Minimum payment bond in amount ½ of contract amount. On DHCD jobs full performance & payment bonds are required if cost is estimated over \$50,000.00. No DCAM Certification; No filed Sub Bids</p>
<p>Vertical Construction - Building related work labor and materials estimated to cost between \$100,000.00 - \$10,000,000.00 ;</p>	<p>Public bid in accordance with M.G.L. c.149, §44A(2)(D), amended by C.193 of the Acts of 2004. GC must be DCAM certified and 100% Performance & payment bonds required for GC. Filed sub-bids required if estimated greater than \$20K & performance & payment bonds at the request of GC. General's & subs must provide a 5% bid deposit with its bid. DCAM Certification for Generals. Effective 01/1/05 filed subcontracts must be DCAM certified.</p>

Purchase of construction/ building-related materials (NO LABOR) Any \$\$ amount;	You may purchase off the Statewide Service Contract List; If contract does not exist for particular procurement and is estimated to cost \$25,000 or more you may advertise in accordance with MGL c.30B §5 or in accordance w/ MGL c.30 §39M .
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DEPARTMENT OF
HOUSING &
COMMUNITY
DEVELOPMENT

97-10-01P12:11 RCVD



Argeo Paul Cellucci, Governor
Jane Wallis Gumble, Director

September 25, 1997

Ms. Patricia J. Annas
Executive Director
Holliston Housing Authority
492 Washington Street
Holliston, Ma. 01746

Re: Procurement Policy

Dear Ms. Annas:

This letter is to acknowledge receipt of the Holliston Housing Authority's Procurement Policy. The Procurement Policy has been reviewed and approved, and we have placed your Policy on file for future reference.

Sincerely,

A handwritten signature in cursive script, appearing to read "Carole E. Collins".

Carole E. Collins
Director

Bureau of Asset Management

Holliston Housing Authority

Procurement Policy

I. Objective

The objective of the Procurement Policy is to provide clear understanding between the Executive Director and the Board of Commissioners of the procedures for negotiating contracts and making purchases.

II. Expenditures

All expenditures by the Executive Director on behalf of the Authority shall be authorized as follows:

1. Any expenditures as previously approved by the Board in the Fiscal Year Budget.
2. Any expenditure as specifically approved by the Board in applicable warrants.
3. Any expenditure as otherwise approved by the Board for specific contracts and purchases.
4. Any other expenditure without prior Board approval shall be limited to \$1000.00 dollars.
5. All expenditures to be made in accordance with all applicable laws and regulations.

III. Statement of Procurement Policy

1. Purchase and contracts for equipment, materials, supplies, or services, except for personal services, should be made in the following manner:
 - a. Executive Director or designated representative of the Authority may make purchases and contracts of less than \$1000.00 in amount. The Executive Director should use sound business practices.
 - b. For purchase and contracts from \$1,000 to \$9,999 dollars the Executive Director or designated representative of the Authority must solicit bids orally, by telephone, or in writing from at least three suppliers, if so many be available in the locality. The Executive Director must keep on file a tabulation of solicitations made and quotations received.

- c. For purchases and contracts \$10,000 or more, the Executive Director or designated representative of the Authority shall invite IFB or RFP by 1) advertisement in at least one newspaper of general circulation; or 2) mailing invitations to bid to all available dealers and notices posted public places; or a combination of such methods. A tabulation of bids received must be retained.
 - d. For equipment and supplies included in Consolidated Supply Contracts, the Executive Director or designated representative of the Authority may purchase from the contract suppliers without any further solicitation or invitation of bids regardless of the amounts involved, (extremely rare for jobs over \$5,000) unless it is known that lower prices are available elsewhere.
 - e. All procurement of equipment, materials, supplies and repairs or services shall be documented. Expenditures from \$100.00 to \$5,000 shall be authorized by a standard form of purchase order. Expenditures shall be in excess of \$5,000, made by formal contract except in the case of purchases made under a Consolidated Supply Contract. These purchases may be made by a purchase order, regardless of amount.
 - f. There shall be inserted in all contracts, and contractors shall be required to insert in all subcontracts, the following provision: "No member, officer or employee of the Holliston Housing Authority during his tenure or for one year thereafter shall have any interest, direct, or indirect, in this contract or the proceeds thereafter."
2. For the purchases and contracts specified in paragraphs 1b and 1c above, lack of competition is permissible only when an emergency exists which permits no delay due to the possibility of injury to life or destruction of property, or when only one source of supply is available and the purchasing or contracting officer shall so certify. For work under \$10,000, the LHA should obtain three quotes; if \$10,000 or more, the division of Capital Planning and Operations (DCPO) should be contacted. If an award is made without competition, a formal report of such award, together with a certification or statement justifying the lack of competition, must be made to the Board.
 3. The Executive Director should submit all bids at the next regular meeting and the Board must decide to whom the contract is to be awarded.

IV. Public Bidding Procedures

A summary of the Public Bidding Procedures for LHA's is as follows:

Type of Work

All types of construction or building related to work involving: a) labor and materials; b) labor only; or c) materials only; estimated cost under \$1,000

All types of construction or building-related work involving
a) labor & materials; b) labor only
c) Materials only; estimated to cost over \$1,000 and under \$10,000.

Purchase of construction or building related materials only, estimated to cost in excess of \$10,000.

Building -related construction work involving labor and materials estimated to cost \$10,000 or more and under \$25,000.

Non-building-related construction such as leaching fields, site work, fencing, paving, parking areas, etc. estimated to cost \$10,000 or more.

Building-related construction work involving labor and materials estimated to cost more than \$25,000.

Furnishings, equipment and supplies including such items as office furniture, copy machines, typewriters, adding machines, vehicles, heating fuels, linens, etc.

Bidding Procedures

Obtain 3 telephone quotes; write a memo to file.

Obtain 3 written quotes.

Work publicly bid in accordance with MGL Chapter 30, Sec. 39M.

Work publicly bid in accordance with MGL Chapter 30, Sec. 39M.

Work publicly bid in accordance with MGL Chapter 30, Sec. 39M.

Work publicly bid accordance with MGL Chapter 149, Sec. 44A thru 44H inclusive.

Refer to the Procedures in Section II- Expenditures

Public Bidding Procedures (continued)

Type of Work

Emergency situation where LHA determines it necessary to seek a waiver from public bidding requirements of MGL Chapter 149, Section 44A-H.

Emergency situation in which the LHA finds it necessary to seek a waiver of the public bidding requirements of MGL Chapter 30, Section 39M.

Bidding Procedures

Contact Division of Capital Planning Operations to discuss possible waiver options. Likelihood of receiving waiver from public bidding is very slim, and is usually only granted for problems related to natural causes or disasters, not from delay or inaction in addressing repair program.

Contact the Department of Labor and Industries for Emergency contract and bidding procedures.