



HOUSING COMMISSION AGENDA
Regular Meeting: October 14, 2015

Time: 8:00 a.m.

HACA Board Room, 22941 Atherton Street, Hayward, CA 94541

The public is welcome at all Housing Commission meetings. If you wish to speak on a matter NOT on the Agenda, please file a Public Comment card with the Commission Clerk. Upon recognition by the Chairperson during Public Comment, state your name, comments and/or questions. Anyone wishing to address the Commission on an agenda item or on business introduced by the Housing Commission may do so when the Chairperson calls for comments on the agenda item. Please be brief and limit your comments to the specific subject under discussion. NOTE: Only matters within the Housing Commission's jurisdiction may be addressed.

To allow the opportunity for all to speak, a time limit of 3 minutes has been set for public speakers wishing to address the Housing Commission. The Chairperson has the discretion to further limit this time if warranted by the number of speakers.

The Housing Commission Secretary of the Housing Authority of the County of Alameda has, on Thursday, October 8, 2015 duly distributed this Agenda to the Clerk of the Board of Supervisors for posting in the office of the Alameda County Administration Building and has posted it on the bulletin board of the Housing Authority of the County of Alameda.

AMERICANS WITH DISABILITIES: In compliance with the Americans with Disabilities Act, if special assistance to participate in this meeting is needed, please contact the Housing Authority office at (510) 727-8511. Notification at least 48 hours prior to the meeting will enable the Housing Authority to make reasonable arrangements.

1. CALL TO ORDER / ROLL CALL		<u>PAGE</u>
2. CLOSED SESSION		
<i>Conference with Legal Counsel - Anticipated Litigation</i>		
<i>Initiation of Litigation Pursuant to Subdivision (c) of Section 54956.9 (one case)</i>		
<i>Contract Negotiations with SEIU Local 1021 and the Housing Authority of the County of Alameda</i>		
<i>Labor Negotiations Pursuant to Government Code 54957.6</i>		
3. APPROVAL OF THE MINUTES OF THE SEPTEMBER 16, 2015 MEETING	ACTION	2
4. PUBLIC COMMENT		
On matters not on the Agenda		
5. NEW BUSINESS		
5-1. Amendment to HACA's Procurement Policy	ACTION	7
5-2. Report on HACA's Section 8 Wait List Opening	INFORMATION	10
5-3. Quarterly Investment Portfolio Report for the Quarter Ended September 30, 2015	INFORMATION	13
5-4. Budget Status Report	INFORMATION	15
5-5. Program Activity Report	INFORMATION	18
6. COMMISSIONER REPORTS		
7. COMMUNICATIONS		
<ul style="list-style-type: none"> • Change November Commission meeting to November 18, 2015 • Fact Sheet re decreased FMRs • Oakland press conference re decreased FMRs • Letter from Senators Feinstein and Boxer to HUD re decreased FMRs • Possible meeting with HUD Secretary Castro re decreased FMRs 		
8. ADJOURNMENT		

MINUTES
September 16, 2015



**HOUSING COMMISSION MINUTES
SPECIAL MEETING: SEPTEMBER 16, 2015
HACA BOARD ROOM, 22941 ATHERTON STREET, HAYWARD, CA 94541**

SUMMARY ACTION MINUTES

1. CALL TO ORDER/ROLL CALL

Call to Order

Chairperson Biddle called the meeting to order at 8:05 a.m.

Roll Call

Present: Cmr. Asher, Bacon, Biddle, Gacoscos, Hannon, Iosefa, Peixoto and Steiner

Excused: Cmr. Cashmere, Gerry and Reed

2. CLOSED SESSION

*Contract Negotiations with SEIU Local 1021 and the Housing Authority of the County of Alameda
Labor Negotiations Pursuant to Government Code 54957.6*

The Commission adjourned into a closed session at 8:08 a.m. and reconvened in regular session at 9:02 a.m. Chairperson Biddle reported that there were no reportable actions taken in the closed session.

3. APPROVAL OF THE MINUTES OF THE AUGUST 12, 2015 HOUSING COMMISSION MEETING

Recommendation: Approve the minutes of the August 12, 2015 Housing Commission meeting as presented.

Motion/Second: Steiner/Gacoscos.

7 ayes; 1 abstention: Cmr. Asher.

Motion passed. **APPROVED AS RECOMMENDED.**

4. PUBLIC COMMENT

Patricia Maddon commented on labor contract negotiations.

Santos Quintero, SEIU Local 1021 Representative, commented on labor contract negotiations.

5. NEW BUSINESS

5-1. PRESENTATION: PRESENTATION OF THE 2015 HACA SCHOLARSHIP WINNERS

Christine Gouig, Executive Director, presented the staff report. Ms. Gouig described the scholarship application, selection and award process. Daniel Taylor, Special Programs Manager, announced the names of the 2015 HACA Scholarship winners who were present at the meeting and each of the winners described their plans, goals and achievements. The scholarship winners were presented with a certificate and photographed with Chairperson Biddle.

Commission Discussion: Chairperson Biddle thanked the scholarship winners for attending the meeting, praised HACA's scholarship program and thanked the HACA staff and scholarship committee for their roles in the process. Cmr. Asher introduced herself and stated that she was on the scholarship committee. She

encouraged the scholarship winners to apply for future scholarships and thanked them for sharing their stories. Cmr. Hannon introduced himself and stated that he was on the scholarship committee. He commented that he found the applicants' stories heartwarming and commended the winners for their commitment to furthering their education. Cmr. Gacoscos introduced herself and stated that she was on the scholarship committee. She congratulated all of the winners, expressed that she was especially proud of the winners from Union City and indicated that she shared their achievements at the Union City city council meeting.

5-2. ACTION: APPROVE SECTION 8 BENEFIT PAYMENT STANDARDS

Christine Gouig introduced this item. Ms. Gouig explained the correlation between HACA's Section 8 Benefit Payment Standards (BPS) and the Fair Market Rents (FMRs) that are published by HUD. She talked about the rapidly rising rents in the current rental market and the challenges that Section 8 program participants are experiencing. Jennifer Cado, Senior Administrative Analyst, presented the staff report. Ms. Cado reported that despite the rising cost of rents in the Bay Area, the recent FMRs that HUD has published have decreased. She indicated that there was an error in the staff report and distributed a document to the Commission and public with the correct information. Ms. Cado described the analysis that staff conducted of the FMRs and summarized the proposed BPS. Ms. Gouig explained that HACA plans to work with the housing authorities in the counties of Alameda and Contra Costa to respond to the new FMRS and described some of the strategies that they are working on.

Recommendation: Approve the benefit payment standards for the Housing Choice Voucher and the Veterans Affairs Supportive Housing Program as presented and authorize the Executive Director to undertake strategic actions to respond the new FMRs.

Commission Discussion: Cmr. Biddle and Mr. Taylor discussed the surge of rent increases that are being requested by landlords who are participating in the Section 8 program. Cmr. Steiner asked how long a Section 8 participant has in order to find a unit and Ms. Gouig indicated that they have 90 days. Mary Rizzo-Shuman, Programs Manager, explained the criteria for approving Section 8 voucher extensions. Cmr. Steiner and Ms. Cado discussed the waitlist opening that took place in August.

Motion/Second: Bacon/Steiner.

Ayes: All Motion passed. **APPROVED AS RECOMMENDED.**

5-3. REPEAT PRESENTATION: "THE EVER CHANGING ADMIN FEE"

Christine Gouig presented the staff report. Ms. Gouig explained that this is a repeat presentation on HUD's Administrative Fee (Admin Fee) and is being presented again for those Commissioners who weren't able to view the presentation the first time. In her presentation, Ms. Gouig described HUD's past and present funding practices for the Admin Fee that housing authorities earn to administer the Section 8 program. She reported that HUD recently conducted a study on the Admin Fee formula and that a disproportionate number of California housing authorities, including HACA, are facing cuts to their Admin Fee as a result of this study. Ms. Gouig reported that HACA and other housing authorities in California were successful in getting 20 members of California's congressional delegation to sign on to a letter addressed to Julian Castro, HUD's Secretary, to oppose the findings of HUD's Admin Fee study. A copy of this letter was distributed to the Commission and the public. Ms. Gouig also reported that she worked with the California Association of Housing Authorities (CAHA) to submit comments on HUD's Admin Fee study.

Commission Discussion: Cmr. Steiner thanked Ms. Gouig for her advocacy efforts and commented that this is a critical issue. Chairperson Biddle thanked staff for repeating the Admin Fee presentation.

5-4. INFORMATION: FINANCIAL STATUS REPORT FOR THE QUARTER AND YEAR ENDED JUNE 30, 2015

Christine Gouig presented the staff report. Ms. Gouig provided the Commission with an update on the status of the federal budget. Report received with no questions or comments from the Commission.

5-5. INFORMATION: PROGRAM ACTIVITY REPORT

Daniel Taylor, Special Programs Manager, presented the staff report. Mr. Taylor named some of the vendors who participated in the Family Self-Sufficiency (FSS) Health and Resource fair that was held in August. He also announced that one of HACA's submissions to NAHRO's *What Home Means to Me* poster contest was selected as a winner for NAHRO's 2016 calendar. Mr. Taylor reported that staff is currently working on growing the FSS program and announced that an FSS participant recently purchased a home. Mr. Taylor invited the Commission to attend the *It's Your Time to Shine* event scheduled for November 5th at the Marina Community Center in San Leandro.

Commission Discussion: Chairperson Biddle encouraged the Commissioners to attend the *It's Your Time to Shine* event.

6. COMMISSIONER REPORTS

Cmr. Hannon announced that the city of Newark is celebrating its 60th birthday and invited all to attend the city's celebration scheduled for September 18-20.

7. COMMUNICATIONS

Ms. Gouig announced that HACA's landscaping has received its certification from Bay Friendly and the building's LEED certification will be completed shortly. Cmr. Peixoto and George Smith, Maintenance and Modernization Manager, discussed LEED certification levels.

Ms. Gouig reported that staff has interviewed candidates for the Senior Tenant Housing Commissioner vacancy and is recommending Helen Buckholz from the city of Dublin. She explained that Ms. Buckholz's appointment to the Housing Commission must be approved by the Alameda County of Board of Supervisors and that staff is working on that process.

Ms. Gouig notified the Housing Commission that she will be on vacation September 18-October 2 and will return to the office on October 5 and that Deputy Director Ron Dion will be in charge in her absence. Cmr. Steiner reported that she will also be on vacation September 29-October 6.

8. ADJOURNMENT

There being no further business to discuss Chairperson Biddle adjourned the meeting at 10:02 a.m.

Respectfully Submitted,

Melissa Taesali
Executive Assistant

Christine Gouig
Executive Director/Housing Commission Secretary

Approved: _____
Don Biddle
Housing Commission Chairperson

NEW BUSINESS

October 14, 2015

HOUSING AUTHORITY OF ALAMEDA COUNTY

AGENDA STATEMENT

Meeting: October 14, 2015

Subject: Amendment to Procurement Policy to adopt 2 CFR part 200

Exhibits Attached: Resolution No. 08-15
Attachment A: Amended Procurement Policy

Recommendation: Adopt Amended Procurement Policy

BACKGROUND

Through the interim rule published December 19, 2014, federal agencies, including HUD, adopted 2 CFR part 200, *Uniform Administrative Requirements*, for federal financial assistance programs. The deadline for housing authorities to adopt this change is June 30, 2016. At your May 13, 2015 Housing Commission meeting, staff explained that changes to conform to the new rule would be brought to your Commission as they became available from HUD.

DISCUSSION AND ANALYSIS

The attached Procurement Policy follows a template developed by Housing Authority Procurement Assistance, a consulting firm expert in procurement matters. Most of the Policy is the same as our current Policy adopted by your Commission in 2008, with the exception of the addition of citations referencing 2 CFR part 200 and non-substantive additions and deletions of text. Key changes are the maximum dollar amounts for each type of procurement method as shown below:

Petty Cash Purchases. Purchases of \$50 or less may be handled through the use of a petty cash account. Petty Cash Accounts may be established in an amount sufficient to cover small purchases made during a reasonable period. This is the same as in our current Policy.

Small Purchase Procedures. For any amounts above the Petty Cash ceiling, but not exceeding \$150,000, the Agency may use small purchase procedures. Under small purchase procedures, the Agency shall obtain a reasonable number of quotes

(preferably three). The current limit is \$100,000 but 2 CFR part 200 increases it to \$150,000.

Micro Purchases. Purchases of less than \$3,000 (formerly \$2,000), also known as Micro Purchases, require only one quote provided the quote is considered reasonable.

Sealed Bid. Sealed bidding is the preferred method for procuring construction, supplies and non-complex service contracts that are expected to exceed \$150,000 (formerly \$100,000).

Cost Estimate. For all purchases above the Micro Purchase threshold (\$3,000, formerly \$2,000), the Agency shall prepare an Independent Cost Estimate prior to solicitation.

There are additional references to \$150,000 rather than \$100,000, in clauses that deal with bid protests and advertising, for conformance purposes.

Staff recommends your Commission approve the Procurement Policy presented at this meeting for immediate implementation.

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

RESOLUTION NO. 08-15

APPROVING AN AMENDMENT TO THE HOUSING AUTHORITY’S PROCUREMENT POLICY

WHEREAS, in 2007, the U.S. Department of Housing and Urban Development (“HUD”) released its *Procurement Handbook for Public Housing Agencies*; and

WHEREAS, HUD required that housing authorities develop procurement policies that adhered to stricter requirements and principles; and

WHEREAS, the Housing Authority of the County of Alameda (“HACA”) developed a new Procurement Policy approved by the HACA Housing Commission on October 8, 2008; and

WHEREAS, through an interim rule published on December 14, 2014, federal agencies, including HUD, adopted 2 CFR part 200, *Uniform Administrative Requirements*, for federal financial assistance programs; and

WHEREAS, amendments to HACA’s Procurement Policy are required in order to conform to the new rule;

NOW, THEREFORE, BE IT RESOLVED, that the Housing Commission does hereby approve the amendments to HACA’s Procurement Policy as presented.

PASSED, APPROVED AND ADOPTED by the Housing Commission of the Housing Authority of the County of Alameda on this 14th day of October 2015 by the following vote:

AYES:

NOES:

ABSTAIN:

EXCUSED:

ABSENT:

Don Biddle
Housing Commission Chairperson

Attest:

Christine Gouig
Executive Director/Housing Commission Secretary

Adopted: _____

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

AGENDA STATEMENT

Meeting: October 14, 2015

Subject: Housing Choice Voucher Wait List Lottery Results

Exhibits Attached: None

Recommendation: Receive Report

BACKGROUND

HACA opened its wait list lottery for the Section 8 Housing Choice Voucher program from Wednesday, August 5, 2015 at 12:01 a.m. through Tuesday, August 11, 2015 at 11:59 p.m. Pre-applications were accepted online only. The wait list lottery will also be used to fill vacancies for two-bedroom Public Housing units, one- and two-bedroom Moderate Rehabilitation units, and one- and two-bedroom Project-Based Voucher units. 41,804 non-duplicate pre-applications were received and 5,000 of these were randomly selected, without any preferences or priorities applied, for placement on the wait list. By October 31st all applicants will receive a postcard indicating whether or not their pre-application was selected for the wait list.

Staff advertised the wait list lottery widely by placing announcements on HACA's website and in newspapers including the Argus, Daily Review, Oakland Tribune, Valley Times, El Mensajero (Spanish), Vietnam Daily (Vietnamese), and Sing Tao Daily (Chinese). The Afghan Elderly Association made an announcement on a local Afghan television station. Additionally, staff sent an email blast to 1,194 service providers in Eden I&R's database. Further, local housing authorities, city officials, elected officials, community based organizations and libraries were provided notice of the wait list lottery to share with their constituents.

To ensure availability and access to the on-line system, HACA partnered with community-based organizations that hosted Application Centers. The Application Centers provided a combination of services including a computer with internet access, assistance in multiple languages, assistance to the elderly and disabled, and assistance to the general public (could include persons who are illiterate or computer illiterate). Further, Mary Rizzo-Shuman and her team operated a very successful reasonable accommodation process that allowed HACA staff to assist disabled applicants to submit their pre-applications successfully via a visit to HACA's office or by completing the application over the telephone if homebound. In fact, all HACA departments had a role in making the wait list lottery a success.

DISCUSSION AND ANALYSIS

Earlier this month staff received all the wait list pre-application data from Tenmast, the software vendor that accepted the online pre-applications and conducted the random lottery. The following tables provide information on the pre-applications received and a comparison for various data points between all pre-applications received and those selected for placement on the wait list.

August 2015 HCV Wait List Lottery Statistics	
Total Pre-Applications Received	42,476
Pre-applications Entered into Lottery	41,804
Duplicates	672
Selected in Lottery for Wait List	5,000
Rejected in Lottery for Wait List	36,804

Region of Residence	2015	
	41,804 All Applicants	5,000 Wait List
Albany	0.1%	6 0.1%
Castro Valley	1.0%	43 0.9%
Dublin	0.5%	34 0.7%
Emeryville	0.9%	40 0.8%
Fremont	3.9%	194 3.9%
Hayward	7.9%	408 8.2%
Newark	0.9%	61 1.2%
Pleasanton	0.4%	16 0.3%
San Leandro	4.7%	240 4.8%
San Lorenzo	0.8%	33 0.7%
Union City	2.6%	146 2.9%
HACA's Jurisdiction	23.9%	1,221 24.4%
Alameda County	33.9%	1,678 33.6%

Family Size	2015	
	41,804 All Applicants	5,000 Wait List
1 Person	49.9%	2,500 50.0%
2 People	25.2%	1,241 24.8%
3 People	13.2%	650 13.0%
4 People	7.1%	378 7.6%
5 People	3.1%	161 3.2%
6 People	1.1%	53 1.1%
7 People	0.3%	13 0.3%
8 People	0.1%	4 0.1%
9-11 People	0.1%	0 0.0%
Total	100%	5,000 100%

Elderly/ Disabled	2015	
	41,804 All Applicants	5,000 Wait List
Elderly	9.0%	454 9.1%
Disabled	23.0%	1,141 22.8%
Both	4%	212 4%

Veteran	2015	
	41,804 All Applicants	5,000 Wait List
Veteran	3.5%	181 3.6%
Not Veteran	96.5%	4,819 96.4%
Total	100%	5,000 100%

Homeless	2015	
	41,804 All Applicants	5,000 Wait List
Homeless	29.0%	1,397 27.9%
Not Homeless	71.0%	3,603 72.1%
Total	100%	5,000 100%

Race	2015	
	41,804 All Applicants	5,000 Wait List
White	15.9%	758 15.2%
Black	52.9%	2,647 53.0%
Asian	11.2%	574 11.5%
Hawaiian/Pac Isl.	2.3%	122 2.4%
Amer. Indian	1.5%	77 1.5%
More than One Race	4.7%	213 4.3%
Not Disclosed	11.5%	609 12.2%
Total	100%	5,000 100%

Ethnicity	2015	
	41,804 All Applicants	5,000 Wait List
Hispanic	18.6%	884 18.9%
Non-Hispanic	81.4%	3,805 81.1%
Total	100%	4,689 100%

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

AGENDA STATEMENT

Meeting: October 14, 2015

Subject: Quarterly Investment Portfolio Report

Exhibits Attached: Investment Portfolio Report for Quarter ended September 30, 2015

Recommendation: Receive Report

Financial Statement: \$7,870,990 Invested at an Average Monthly Yield ranging from 0.07% to 0.28% (excluding FSS Escrow Participant Accounts)

BACKGROUND

Public Agencies are required to file an investment policy with their governing boards and to provide quarterly financial reports on the status of the Agency's investments and to certify to their compliance with the approved investment policy.

DISCUSSION AND ANALYSIS

The investment portfolio report that is attached reflects the investments at the quarter ending September 30, 2015 for each program that HACA administers. \$4.15M or 53% of the total portfolio is invested in Union Bank commercial paper and \$3.72M or 47% is in the State of California Local Agency Investment Fund (LAIF).

The Housing Choice Voucher program investment of \$1M matured as of September 1, 2015 and as of the reporting period is not yet re-invested. As of June 30, 2015, HACA has used all of its Net Restricted Position (NRP) to augment HUD HAP funding received. The re-establishment of HUD-held program reserves as well as the decreasing balance of Unrestricted Net Position (UNP) will cause amounts available for investment to decrease and the duration to maturity will become shorter and shorter.

The Housing Development Fund has a total investment of \$3,721,527, which is 47% of the total investment portfolio and entirely in LAIF.

The Public Housing program has a total investment of about \$1.5M, which is 19% of the total investment portfolio.

PACH, Ocean Avenue and Park Terrace investments are 19%, 2% and 13% of the total investment, respectively.

The FSS Participant Escrow Accounts are maintained in a savings account, in accordance with HUD regulations, at Union Bank.

Housing Authority of Alameda County
 Investment Portfolio
 For the Quarter ended September 30, 2015

PROGRAM NAME	TYPE OF ACCOUNT	AMOUNT	INTEREST RATE	MATURITY DATE
Conventional PH	Union Bank N.A. Commercial Paper	\$ 1,499,900.83	0.07000%	10/1/15
PACH	Union Bank N.A. Commercial Paper	\$ 1,499,805.00	0.09001%	9/14/15
Ocean Avenue	Union Bank N.A. Commercial Paper	\$ 149,968.38	0.11002%	10/1/15
Park Terrace	Union Bank N.A. Commercial Paper	\$ 999,789.17	0.11002%	10/1/15
	Sub-total	\$ 4,149,463.38		
Housing Dev Fund	State of CA - Local Agency Investment Fund	\$ 3,721,526.72	0.28000%	N/A
TOTAL		\$ 7,870,990.10		

The above investment portfolio is in compliance with the policy approved by the Housing Commission.



 Christine Gouig
 Executive Director

10-8-15

 Date

BUDGET STATUS REPORT

**Housing Authority of Alameda County
HOUSING CHOICE VOUCHER
Administrative Budget Status Report FYE 2015-2016
August 2015**

FY 2016 - HCV OPERATING BUDGET	Budgeted @ 8/31/2015	Actual @ 8/31/2015	OVER (UNDER)	PROJECTED TO 6/30/16	SCH. NO.	2015 BUDGET	2016 BUDGET	DIFFERENCE
INCOME								
Investment Income	123	109	(14)	651	A1	1,680	735	(945)
Misc. Income	53,950	54,232	282	325,389	A1	346,000	323,698	(22,302)
Grant Income	0		0	350,000		350,000		(350,000)
Administrative Fee Income	1,074,532	1,082,916	8,385	6,330,818	A	6,697,025	6,447,189	(249,836)
TOTAL INCOME	1,128,604	1,137,256	8,653	7,006,858		7,394,705	6,771,622	(623,083)
EXPENSES								
Administration								
Salaries	(632,399)	(575,392)	57,008	(3,794,397)	B-1& 2	(4,035,794)	(3,794,397)	241,397
Other Admin.	(256,384)	(256,516)	(132)	(1,539,097)	C-1&2	(1,337,122)	(1,538,303)	(201,181)
Total	(888,783)	(831,908)	56,875	(5,333,494)		(5,372,915)	(5,332,700)	40,215
General								
Insurance	(33,995)	(29,621)	4,374	(177,726)	E	(203,253)	(203,970)	(717)
Employee Benefits	(354,144)	(384,735)	(30,592)	(2,124,862)		(2,098,613)	(2,124,862)	(26,250)
Miscellaneous	0	0	0	0		0	0	0
Total	(388,139)	(414,356)	(26,218)	(2,302,588)		(2,301,865)	(2,328,832)	(26,967)
Total Routine Expenses	(1,276,922)	(1,246,264)	30,658	(7,636,082)		(7,674,781)	(7,661,532)	13,248
Capital Expenditures	0	0	0	0	D2	0	0	0
TOTAL EXPENSES	(1,276,922)	(1,246,264)	30,658	(7,636,082)		(7,674,781)	(7,661,532)	13,248
Income (Deficit) UNSPECIFIED BUDGET REDUCTION								
						(280,075)	(889,910)	
NET INCOME (DEFICIT)	(148,318)	(109,008)	39,310	(629,224)		(280,075)	(889,910)	(609,835)

Unaudited Unrestricted Net Assets @ 6/30/15
 Projected Income (Deficit) @ 6/30/16
 Projected Unrestricted Net Assets @ 6/30/16

1,892,976
(629,224)
\$ 1,263,752

**Housing Authority of Alameda County
PUBLIC HOUSING
Administrative Budget Status Report FYE 2015-2016
August 2015**

FY 2016 - PH OPERATING BUDGET	YTD BUDGET 8/31/2015	YTD ACTUALS 8/31/15	OVER/ (UNDER) BUDGET	Projected to 6/30/16	SCH. NO.	2015 BUDGET	2016 BUDGET	Difference
INCOME								
Dwelling Rentals	61,589	68,227	6,638	409,362	A-1	349,229	369,533	20,304
Office Rental (Mission Blvd-net)	0	0	0	0	A	0	0	0
Investment Income	150	129	(21)	773	A	665	900	235
Misc. Income	12,215	11,676	(539)	73,290	A-1	71,250	73,290	2,040
Transfer of Reserves from Ocean Ave				0				0
Operating Subsidy	36,954	36,006	(949)	221,726	A-1	161,830	221,726	59,896
Asset Reposition Fee	10,470	0	(10,470)	62,822	A-1	175,568	62,822	(112,747)
Capital Grant	31,033	31,033	0	186,197	A-1	204,000	186,197	(17,803)
TOTAL INCOME	152,411	147,071	(5,342)	954,170		962,542	914,468	(48,074)
EXPENSES								
Administration								
Salaries	(34,515)	(42,424)	(7,909)	(220,606)	B-1& 2	(209,968)	(207,091)	2,877
Other Admin.	(12,969)	(6,723)	6,246	(40,341)	C-1	(96,513)	(77,814)	18,699
Total	(47,484)	(49,148)	(1,663)	(260,947)		(306,481)	(284,906)	21,576
Tenant Services								
Resident Managers	(917)	(100)	817	(5,500)		(5,500)	(5,500)	0
Recreation	0	0	0	0		(7,500)	0	7,500
Total	(917)	(100)	817	(5,500)		(13,000)	(5,500)	7,500
Utilities								
Water	(8,347)	(4,002)	4,345	(24,011)		(50,081)	(50,081)	0
Electricity	(3,167)	(1,139)	2,028	(6,834)		(19,000)	(19,000)	0
Gas	(233)	(57)	178	(340)		(1,400)	(1,400)	0
Sewer	(3,000)	(1,892)	1,109	(11,349)		(26,400)	(18,000)	8,400
Total	(14,747)	(7,089)	7,660	(42,534)		(96,881)	(88,481)	8,400
Maintenance								
Salaries	(11,957)	(13,977)	(2,020)	(72,679)	B-2	(70,822)	(71,742)	(919)
Materials	(8,334)	(7,893)	441	(54,019)	D	(43,904)	(50,001)	(6,097)
Contract Costs	(34,983)	(51,659)	(16,675)	(309,952)	D	(358,834)	(209,900)	148,934
Total	(55,274)	(73,528)	(18,254)	(436,650)		(473,560)	(331,643)	141,918
General								
Insurance	(4,817)	(3,650)	1,168	(24,421)	E	(28,426)	(28,900)	(474)
Tax-In Lieu Of	(4,684)	(4,684)	0	(28,105)		(25,235)	(28,105)	(2,870)
Employee Benefits	(25,095)	(16,268)	8,827	(149,575)		(146,011)	(150,570)	(4,559)
Collection Loss	(167)	0	167	(1,000)		(1,000)	(1,000)	0
Miscellaneous	(167)	0	167	(1,000)		(1,000)	(1,000)	0
Total	(34,929)	(24,602)	10,328	(204,102)		(201,672)	(209,575)	(7,903)
Total Routine Expenses	(153,351)	(154,467)	(1,114)	(949,733)		(1,091,594)	(920,104)	171,490
Capital Expenditure-exterior renovation of Emery Glen								
TOTAL EXPENSES	(153,351)	(154,467)	(1,114)	(949,733)		(1,091,594)	(920,104)	171,490
NET INCOME (DEFICIT)	(939)	(7,396)	(6,456)	4,437		(129,052)	(5,636)	123,416

Unaudited Unrestricted Net Position @ 6/30/15
Projected Income/(Deficit) @ 6/30/16
BUDGETED Unrestricted Net Position Balance @ 6/30/16

\$1,519,225
4,437
\$1,523,662

PROGRAM ACTIVITY REPORT

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

AGENDA STATEMENT

Meeting: October 11, 2015

Subject: Programs Activity Report

Exhibits Attached: Section 8 Contract Report; Section 8 Average Contract Rent Report; Fraud Payments Report; Landlord Rental Listing Report; FSS Program Monthly Report

Recommendation: Receive Report

Financial Statement: None

SECTION 8 HOUSING CHOICE VOUCHERS

- **Lease-Up:** As of October 1, 2015, the Section 8 Housing Choice Voucher program had 5,999 units under contract. The fiscal year-to-date lease-up average is 96.92% units as of October 1, 2015. The budget authority use average through August 2015 is 106%.
- **Program Utilization:** As of October 1, 2015, the average HAP subsidy was \$1,093 and the average tenant-paid rent portion was \$474 for an average Contract Rent of \$1,569. Amounts vary by \$1 due to rounding.
 - ❖ As of October 1, 2015, HACA had 67 outgoing billed portability contracts (i.e., HACA voucher holders who are housed in another housing authority's jurisdiction).
 - ❖ As of October 1, 2015, HACA billed other housing authorities, primarily the Oakland Housing Authority, for 590 incoming portability contracts. The number is dropping as HACA absorbs older port-in contracts in order to increase its lease-up, which has been dropping due to skyrocketing rents in the county and the inability of tenants to locate affordable units. HACA receives only 80% of the HUD-authorized Administrative Fee for billed incoming portability contracts.
- **Section 8 Contract Report:** A copy of the Contract Report is attached.
- **Fraud / Debt Recovery:** HACA retained \$1,941.91 for the month of September 2015. A total of \$26,769.87 was retained over the last six months.

HACA AGENDA ITEM NO.: 5-5.

- **Landlord Rental Listings:** As of October 1, 2015 there were 686 landlords with properties in HACA's jurisdiction utilizing the *GoSection8* rental listing service. There was one new landlord added to the Section 8 program this month. There were 8 active properties listed as of October 1, 2015.

FAMILY SELF SUFFICIENCY (FSS)

The FSS Department is gearing up for its annual *It's Your Time to Shine* celebration which is scheduled for Thursday, November 5, 2015 at 6:00 p.m. at the San Leandro Community Center. This event celebrates the achievements of FSS families over the last year and includes dinner, raffles and presentation of awards.

The FSS Department held three orientations for new participants in September. The FSS Department has exhausted its interest list for the year and will begin re-advertising the program so that orientations may resume in February 2016.

PUBLIC HOUSING

- **Occupancy:** As of October 1, 2015, the Public Housing program had 67 of 72 units leased. The program has a 94.44% fiscal year-to-date lease up rate as of October 1, 2015. Three of the unleased units are in the Emery Glen public housing project and are off-line due to water damage from the incomplete exterior siding project.

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

Section 8 and HAP Report for the Month of September 2015

City	Certificates		Vouchers		September 2015 TOTAL		September 2014	September 2013
	Number	HAP*	Number	HAP**	Number	HAP		
Albany	0	\$0	29	\$31,581	29	\$31,581	28	34
Castro Valley	11	\$11,473	204	\$222,156	215	\$233,629	223	226
Dublin	3	\$3,129	348	\$378,972	351	\$382,101	357	361
Emeryville	5	\$5,215	120	\$130,680	125	\$135,895	118	109
Fremont	24	\$25,032	1,078	\$1,173,942	1,102	\$1,198,974	1,203	1,283
Hayward	115	\$119,945	1,999	\$2,176,911	2,114	\$2,296,856	2,324	2,483
Newark	3	\$3,129	223	\$242,847	226	\$245,976	246	266
Pleasanton	3	\$3,129	113	\$123,057	116	\$126,186	121	129
San Leandro	18	\$18,774	1,477	\$1,608,453	1,495	\$1,627,227	1,529	1,486
San Lorenzo	0	\$0	207	\$225,423	207	\$225,423	221	233
Union City	6	\$6,258	746	\$812,394	752	\$818,652	791	833
TOTALS	188	\$196,084.00	6,544	\$7,126,416.00	6,732	\$7,322,500.00	7,161	7,443

*Based on an average September Housing Assistance Payment (HAP) of \$1043 per certificate contract

**Based on an average September Housing Assistance Payment (HAP) of \$1089 per voucher contract

HOUSING AUTHORITY OF THE COUNTY OF ALAMEDA

Section 8 Average Contract Rent Report for the Month of: September 2015

City	Number of HAP Contracts	Average Contract Rent	Average HAP Paid by HACA	Average Rent Paid by Family	Average Family-Paid Rent as a Percentage of Average Contract Rent
Albany	29	\$1,384	\$1,087	\$296	21%
Castro Valley	187	\$1,546	\$1,053	\$493	32%
Dublin	270	\$1,719	\$1,264	\$455	26%
Emeryville	116	\$1,366	\$971	\$395	29%
Fremont	1031	\$1,740	\$1,228	\$511	29%
Hayward	1980	\$1,481	\$1,015	\$467	32%
Newark	222	\$1,943	\$1,339	\$604	31%
Pleasanton	112	\$1,426	\$1,009	\$417	29%
San Leandro	1476	\$1,465	\$1,002	\$464	32%
San Lorenzo	208	\$1,760	\$1,262	\$498	28%
Union City	567	\$1,802	\$1,269	\$534	30%

*Some rents may vary by \$1 due to rounding

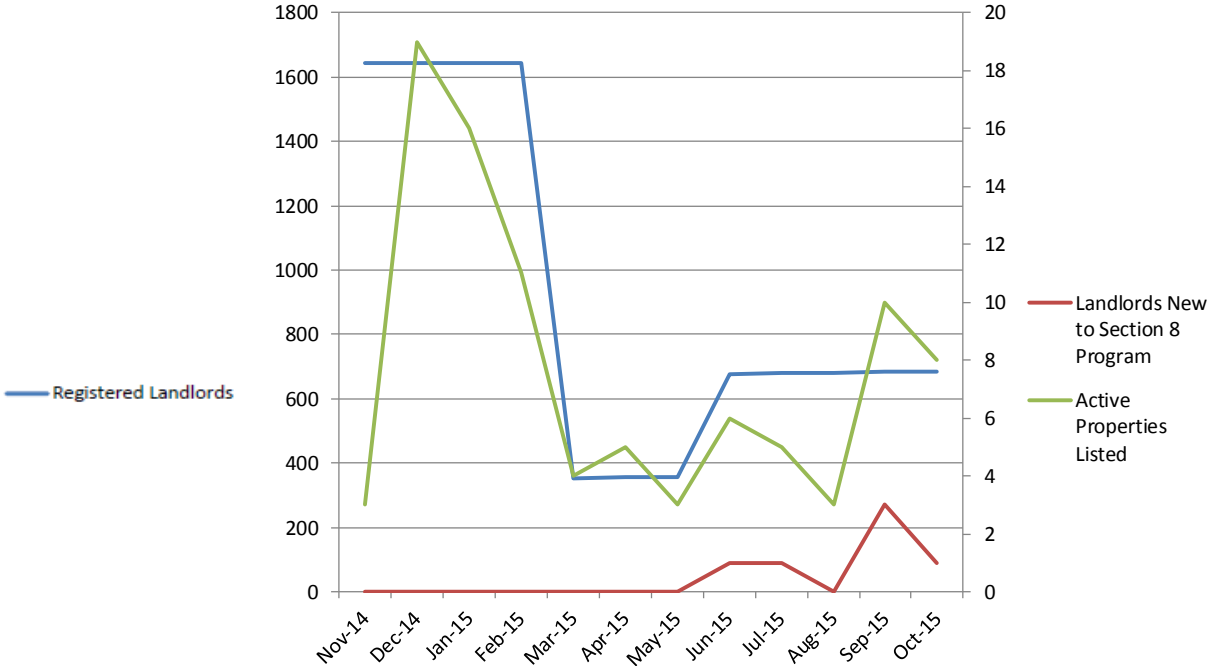
DEBT COLLECTIONS
 2015-2016
 FYE 06/30/16

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY '16	FEBRUARY	MARCH	APRIL	MAY	JUNE	GRAND TOTALS
<i>DAMAGE CLAIMS</i>	\$200.00	\$0.00	\$0.00										\$200.00
<i>FRAUD REPAYMENTS</i>	\$5,070.25	\$3,442.19	\$1,941.91										\$10,454.35
TOTALS	\$5,270.25	\$3,442.19	\$1,941.91	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$10,654.35

Landlord Rental Listing Report

Monthly

	11/3/2014	12/1/2014	1/2/2015	2/2/2015	3/2/2015	4/1/2015	5/1/2015	6/1/2015	7/1/2015	8/3/2015	9/1/2015	10/1/2015
Registered Landlords	1643	1643	1645	1645	354	355	355	675	678	678	685	686
Landlords New to Section 8 Program	0	0	0	0	0	0	0	1	1	0	3	1
Active Properties Listed	3	19	16	11	4	5	3	6	5	3	10	8





To: Christine Gouig, Executive Director
From: Daniel Taylor, Special Programs Manager
Re: **FSS Program Summary**
CC: Ron Dion, Linda Evans, Phyllis Harrison, Mary Sturges, Eli Isaacs
Date: October 1, 2015

Program Summary	September 2015
Total Clients Under Contract:	136
MDRC:	100
Graduates:	2
Escrow Disbursed:	\$4,189.96
Ports In:	0
Ports Out:	0
Terminations:	0
New Contracts:	10

FSS PROGRAM NEWS:

FSS Orientation

The FSS team held three orientations for new participants. This concludes the FSS orientations for 2015 as we've exhausted our interest list and need to re-advertise. Orientations for new participants will resume in February 2016.

It's Your Time to Shine Event

The FSS team is finalizing the details of our annual, *It's Your Time to Shine* celebration scheduled for Thursday, November 5, 2015 at 6 p.m. This year's event will be held at a new location, the San Leandro Community Center. Achievements of FSS families over the last year will be recognized. There will be dinner, raffles and presentation of awards.

Referrals= Case Management =42

ATTACHMENT A

<p>PROCUREMENT POLICY Adopted: 10/14/2015 Resolution No.: 000000000</p>

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PROCUREMENT POLICY

Adopted: 10/14/2015 Resolution No.: 000000000
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1.0 INTRODUCTION

1.1 General. Established for the Housing Authority of the County of Alameda (Agency) by Action of the Agency Board of Commissioners (Commission) on October 14, 2015, this Procurement Policy (Policy) complies with the Annual Contributions Contract (ACC) between the Agency and the United States Department of Housing and Urban Development (HUD), Federal Regulations at 2 CFR 5200.317 through 5200.326, *Procurement Standards*, the procurement standards of the Procurement Handbook for Public Housing Authorities (PHAs), HUD Handbook 7460.8, REV 2, and applicable State and Local laws.

2.0 GENERAL PROVISIONS

2.1 General. The Agency shall:

- 2.1.1 Provide for a procurement system of quality and integrity;
- 2.1.2 Provide for the fair and equitable treatment of all persons or firms involved in purchasing by the Agency;
- 2.1.3 Ensure that supplies and services (including construction) are procured efficiently, effectively, and at the most favorable and valuable prices available to the Agency;
- 2.1.4 Promote competition in contracting; and
- 2.1.5 Assure that the Agency purchasing actions are in full compliance with applicable Federal standards, HUD regulations, State, and local laws.

2.2 Application. This Policy applies to all procurement actions of the Agency, regardless of the source of funds, except as noted under "exclusions" below. However, nothing in this Policy shall prevent the Agency from complying with the terms and conditions of any grant, contract, gift or bequest that is otherwise consistent with the law. When both HUD and non-Federal grant funds are used for a project, the work to be accomplished with the funds should be separately identified prior to procurement so that appropriate requirements can be applied, if necessary. If it is not possible to separate the funds, HUD procurement regulations shall be applied to the total project. If funds and work can be separated and work can be completed by a new contract, then regulations applicable to the source of funding may be followed.

Deleted: Procurement

2.3 Definition. The term "procurement," as used in this Policy, includes the procuring, purchasing, leasing, or renting of: (1) goods, supplies, equipment,

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and materials, (2) construction and maintenance; consultant services, (3) Architectural and Engineering (A/E) services, (4) Social Services, and (5) other services.

- 2.4 **Exclusions.** This Policy does not govern administrative fees earned under the Section 8 voucher program, the award of vouchers under the Section 8 program, the execution of landlord Housing Assistance Payments contracts under that program, or non-program income, e.g., fee-for-service revenue under 24 CFR §990. These excluded areas are subject to applicable State and local requirements. This Policy does not apply to the purchase and sale of real estate (however, surveys, appraisals and financial analyses are considered consultant services and would be governed by the Policy).
- 2.5 **Changes in Laws and Regulations.** In the event an applicable law or regulation is modified or eliminated, or a new law or regulation is adopted, the revised law or regulation shall, to the extent inconsistent with this Policy, automatically supersede this Policy.
- 2.6 **Public Access to Procurement Information.** Most procurement information that is not proprietary is a matter of public record and shall be available to the public to the extent provided in the California Freedom of Information Act.

3.0 ETHICS IN PUBLIC CONTRACTING

- 3.1 **General.** The Agency hereby establishes this code of conduct regarding procurement issues and actions and shall implement a system of sanctions for violations. This code of conduct is consistent with applicable Federal, State, or local law.
- 3.2 **Conflicts of Interest.** No employee, officer, Commission member, or agent of the Agency shall participate directly or indirectly in the selection, award, or administration of any contract if a conflict of interest, either real or apparent, would be involved. This type of conflict would be when one of the persons listed below has a financial or any other type of interest in a firm competing for the award:
 - 3.2.1 An employee, officer, Commission member, or agent involved in making the award;
 - 3.2.2 His/her relative (including father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, grandparent, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother,

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- stepson, stepdaughter, stepbrother, stepsister, half-brother, or half-sister);
- 3.2.3 His/her partner; or
- 3.2.4 An organization which employs or is negotiating to employ, or has an arrangement concerning prospective employment of any of the above.

- 3.3 Gratuities, Kickbacks, and Use of Confidential Information. No officer, employee, Commission member, or agent of the Agency shall ask for or accept any gratuities, favors, or items of more than nominal value from any contractor, potential contractor, or party to any subcontract, and shall not knowingly use confidential information for actual or anticipated personal gain.
- 3.4 Prohibition Against Contingent Fees. Contractors wanting to do business with the Agency must not hire a person to solicit or secure a contract for a commission, percentage, brokerage, or contingent fee, except for bona fide established commercial selling agencies.

Deleted: HACA

4.0 PROCUREMENT PLANNING

- 4.1 General. Planning is essential to managing the procurement function properly. Hence, the Agency will periodically review its record of prior purchases, as well as future needs, to:
 - 4.1.1 Find patterns of procurement actions that could be performed more efficiently or economically;
 - 4.1.2 Maximize competition and competitive pricing among contracts and decrease the Agency's procurement costs;
 - 4.1.3 Reduce Agency administrative costs;
 - 4.1.4 Ensure that supplies and services are obtained without any need for re-procurement (i.e. g., resolving bid protests); and
 - 4.1.5 Minimize errors that occur when there is inadequate lead time.

Consideration shall be given to storage, security, and handling requirements when planning the most appropriate purchasing actions.

PROCUREMENT POLICY
Adopted: 10/14/2015 Resolution No.: 000000000

5.0 PROCUREMENT METHODS

5.1 Petty Cash Purchases. Purchases of \$50 or less may be handled through the use of a petty cash account. Petty Cash Accounts may be established in an amount sufficient to cover small purchases made during a reasonable period, e.g., one month. For all Petty Cash Accounts, the Agency shall ensure that security is maintained and only authorized individuals have access to the account. These accounts shall be reconciled and replenished periodically.

5.2 Small Purchase Procedures. For any amounts above the Petty Cash ceiling, but not exceeding \$150,000, the Agency may use small purchase procedures. Under small purchase procedures, the Agency shall obtain a reasonable number of quotes (preferably three); however, for purchases of less than \$3,000 (except for a construction procurement, subject to the Davis Bacon Act, which is set at \$2,000), also known as Micro Purchases, only one quote is required provided the quote is considered reasonable. To the greatest extent feasible, and to promote competition, small purchases should be distributed among qualified sources. Quotations for Small Purchases (QSP), or quotes, may be obtained orally (either in person or by phone), by fax, in writing, or through e-procurement. Award shall be made to the responsive and responsible vendor that submits the lowest cost to the Agency. If award is to be made for reasons other than lowest price, documentation shall be provided in the contract file. The Agency shall not break down requirements aggregating more than the small purchase threshold (or the Micro Purchase threshold) into several purchases that are less than the applicable threshold merely to: (1) permit use of the small purchase procedures or (2) avoid any requirements that applies to purchases that exceed the Micro Purchase threshold.

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Contracts and orders for supplies, services and equipment in excess of \$3,000 shall require an additional signature by the Finance Director or the Executive Director. If the signatories are not available the Accountant may substitute for the Finance Director and the Deputy Director for Programs may substitute for the Executive Director. Individual contracts in excess of \$25,000 but less than \$150,000 shall be brought to the Housing Commission, at the next available monthly meeting, as an information item.

Deleted: 2

5.3 Sealed Bids. Sealed bidding, also known as Invitation for Bids (IFB), shall be used for all contracts that exceed the small purchase threshold and that are not competitive proposals or non-competitive proposals, as these terms are defined in this Policy. Under sealed bids, the Agency publicly solicits bids and awards a firm fixed-price contract (lump sum or unit price) to the responsive and responsible bidder whose bid, conforming with all the material terms and conditions of the IFB, is the lowest in price. Sealed bidding is the preferred

<p style="text-align: center;">PROCUREMENT POLICY Adopted: 10/14/2015 Resolution No.: 000000000</p>

method for procuring construction, supply, and non-complex service contracts that are expected to exceed ~~\$400,000~~ \$150,000.

- 5.3.1 Conditions for Using Sealed Bids. The Agency shall use the sealed bid method if the following conditions are present: a complete, adequate, and realistic statement of work, specification, or purchase description is available; three or more responsible bidders are willing and able to compete effectively for the work; the contract can be awarded based on a firm fixed price; and the selection of the successful bidder can be made principally on the lowest price.
- 5.3.2 Solicitation and Receipt of Bids. An IFB is issued that includes the specifications and all contractual terms and conditions applicable to the procurement, and a statement that award will be made to the lowest responsible and responsive bidder whose bid meets the requirements of the solicitation. The IFB must state the time and place both for receiving the bids and the public bid opening. All bids received will be date and time-stamped and stored unopened in a secure place until the public bid opening. A bidder may withdraw the bid at any time prior to the bid opening.
- 5.3.3 Bid Opening and Award. Bids shall be opened publicly. All bids received shall be recorded on an abstract (tabulation) of bids, which shall then be made available for public inspection. If equal low bids are received from responsible bidders, selection shall be made by drawing lots or other similar random method. The method for doing this shall be stated in the IFB. If only one responsive bid is received from a responsible bidder, award shall not be made unless the price can be determined to be reasonable, based on a cost or price analysis.
- 5.3.4 Mistakes in Bids. Correction or withdrawal of bids may be permitted, where appropriate, before bid opening by written or telegraphic notice received in the office designated in the IFB prior to the time set for bid opening. After bid opening, corrections in bids may be permitted only if the bidder can show by clear and convincing evidence that a mistake of a nonjudgmental character was made, the nature of the mistake, and the bid price actually intended. A low bidder alleging a nonjudgmental mistake may be permitted to withdraw its bid if the mistake is clearly evident on the face of the bid document but the intended bid is unclear or the bidder submits convincing evidence that a mistake was made. All decisions to allow correction or withdrawal of a bid shall be

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supported by a written determination signed by the Contracting Officer. After bid opening, changes in bid prices or other provisions of bids prejudicial to the interest of the Agency or fair competition shall not be permitted.

- 5.4 **Competitive Proposals.** Unlike sealed bidding, the competitive proposal method, also known as Request for Proposals (RFP), permits: consideration of technical factors other than price; discussion with offerors concerning offers submitted; negotiation of contract price or estimated cost and other contract terms and conditions; revision of proposals before the final contractor selection; and the withdrawal of an offer at any time up until the point of award. Award is normally made on the basis of the proposal that represents the best overall value to the Agency, considering price and other factors, e.g., technical expertise, past experience, quality of proposed staffing, etc., set forth in the solicitation and not solely the lowest price.
 - 5.4.1 **Conditions for Use.** Where conditions are not appropriate for the use of sealed bidding, competitive proposals may be used. Competitive proposals are the preferred method for procuring professional services that will exceed the small purchase threshold. *As detailed within Section 7.2.B of HUD Procurement Handbook 7460.8 REV 2, "Only under limited circumstances would construction services be procured by competitive proposals;" accordingly, construction services will most typically be procured utilizing the sealed bid (IFB) or small purchase procedures (QSP).*
 - 5.4.2 **Form of Solicitation.** Other than A/E services, developer-related services and energy performance contracting, competitive proposals shall be solicited through the issuance of an RFP. The RFP shall clearly identify the importance and relative value of each of the evaluation factors as well as any subfactors and price. A mechanism for fairly and thoroughly evaluating the technical and price proposals shall be established before the solicitation is issued. Proposals shall be handled so as to prevent disclosure of the number of offerors, identity of the offerors, and the contents of their proposals until after award. The Agency may assign price a specific weight in the evaluation factors or the Agency may consider price in conjunction with technical factors; in either case, the method for evaluating price shall be established in the RFP.
 - 5.4.3 **Evaluation.** The proposals shall be evaluated only on the factors stated in the RFP. Where not apparent from the evaluation factors, the Agency shall establish an Evaluation Plan for each RFP. Generally, all RFPs shall be evaluated by an appropriately appointed

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Evaluation Committee. The Evaluation Committee shall be required to disclose any potential conflicts of interest and to sign a Non-Disclosure statement. An Evaluation Report, summarizing the results of the evaluation, shall be prepared prior to award of a contract.

- 5.4.4 **Negotiations.** Negotiations shall be conducted with all offerors who submit a proposal determined to have a reasonable chance of being selected for award, unless it is determined that negotiations are not needed with any of the offerors. This determination is based on the relative score of the proposals as they are evaluated and rated in accordance with the technical and price factors specified in the RFP. These offerors shall be treated fairly and equally with respect to any opportunity for negotiation and revision of their proposals. No offeror shall be given any information about any other offeror's proposal, and no offeror shall be assisted in bringing its proposal up to the level of any other proposal. A common deadline shall be established for receipt of proposal revisions based on negotiations.

Negotiations are exchanges (in either a competitive or sole source environment) between the Agency and offerors that are undertaken with the intent of allowing the offeror to revise its proposal. These negotiations may include bargaining.

Bargaining includes persuasion, alteration of assumptions and positions, give-and-take, and may apply to price, schedule, technical requirements, type of contract or other terms of a proposed contract. When negotiations are conducted in a competitive acquisition, they take place after establishment of the competitive range and are called discussions. Discussions are tailored to each offeror's proposal, and shall be conducted by the Contracting Officer with each offeror within the competitive range. The primary object of discussions is to maximize the Agency's ability to obtain best value, based on the requirements and the evaluation factors set forth in the solicitation. The Contracting Officer shall indicate to, or discuss with, each offeror still being considered for award, significant weaknesses, deficiencies, and other aspects of its proposal (such as technical approach, past performance, and terms and conditions) that could, in the opinion of the Contracting Officer, be altered or explained to enhance materially the proposer's potential for award. The scope and extent of discussions are a matter of the Contracting Officer's judgment. The Contracting Officer may inform an offeror that its price is considered by the Agency to be too high, or too low, and reveal the results of the analysis supporting that conclusion. It is also

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permissible to indicate to all offerors the cost or price that the Agency's price analysis, market research, and other reviews have identified as reasonable. "Auctioning" (revealing one offeror's price in an attempt to get another offeror to lower its price) is prohibited.

- 5.4.4 **Award.** After evaluation of the revised proposals, if any, the contract shall be awarded to the responsible firm whose technical approach to the project, qualifications, price and/or any other factors considered, are most advantageous to the Agency provided that the price is within the maximum total project budgeted amount established for the specific property or activity.
- 5.4.6 **A/E Services.** The Agency shall contract for A/E services using Qualifications-based Selection (QBS) procedures, utilizing a Request for Qualifications (RFQ). Sealed bidding shall not be used for A/E solicitations. Under QBS procedures, competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. Price is not used as a selection factor under this method. QBS procedures shall not be used to purchase other types of services, other than Energy Performance Contracting and Developer services, though architectural/engineering firms are potential sources.

5.5 Noncompetitive Proposals.

- 5.5.1 **Conditions for Use.** Procurement by noncompetitive proposals (sole- or single-source) may be used only when the award of a contract is not feasible using small purchase procedures, sealed bids, cooperative purchasing, or competitive proposals, and if one of the following applies:
 - 5.5.1.1 The item or service is available only from a single source, based on a good faith review of available sources;
 - 5.5.1.2 An emergency exists that seriously threatens the public health, welfare, or safety, or endangers property, or would otherwise cause serious injury to the Agency, as may arise by reason of a flood, earthquake, epidemic, riot, equipment failure, or similar event. In such cases, there must be an immediate and serious need for supplies, services, or construction such that the need cannot be met through any of the other procurement methods, and the emergency procurement shall be

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limited to those supplies, services, or construction necessary simply to meet the emergency;

5.5.1.3 HUD authorizes the use of noncompetitive proposals; or

5.5.1.4 After solicitation of a number of sources, competition is determined inadequate.

5.5.2 Justification. Each procurement based on a noncompetitive proposal shall be supported by a written justification for the selection of this method. The justification shall be approved in writing by the responsible Contracting Officer. Poor planning or lack of planning is not justification for emergency or sole-source procurements. The justification, to be included in the procurement file, should include the following information:

5.5.2.1 Description of the requirement;

5.5.2.2 History of prior purchases and their nature (competitive vs. noncompetitive);

5.5.2.3 The specific exception in ~~24 CFR 85.36(d)~~ 2 CFR 5200.320(f)(1)-(4) which applies;

5.5.2.4 Statement as to the unique circumstances that require award by noncompetitive proposals;

5.5.2.5 Description of the efforts made to find competitive sources (advertisement in trade journals or local publications, phone calls to local suppliers, issuance of a written solicitation, etc.);

5.5.2.6 Statement as to efforts that will be taken in the future to promote competition for the requirement;

5.5.2.7 Signature by the Contracting Officer's supervisor (or someone above the level of the Contracting Officer); and

5.5.2.8 Price Reasonableness. The reasonableness of the price for all procurements based on noncompetitive proposals shall be determined by performing an analysis, as described in this Policy.

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5.6 Cooperative Purchasing/Intergovernmental Agreements. The Agency may enter into State and/or local cooperative or intergovernmental agreements to purchase or use common supplies, equipment, or services. The decision to use an interagency agreement instead of conducting a direct procurement shall be based on economy and efficiency. If used, the intergovernmental agreement shall stipulate who is authorized to purchase on behalf of the participating parties and shall specify inspection, acceptance, termination, payment, and other relevant terms and conditions. The Agency may use Federal or State excess and surplus property instead of purchasing new equipment and property if feasible and if it will result in a reduction of project costs. The goods and services obtained under a cooperative purchasing agreement must have been procured in accordance with ~~24 CFR 85.36~~ 2 CFR 5200.317 through 5200.326.

6.0 INDEPENDENT COST ESTIMATE (ICE)

6.1 General. For all purchases above the Micro Purchase threshold (\$3,000), the Agency shall prepare an ICE prior to solicitation. The level of detail shall be commensurate with the cost and complexity of the item to be purchased.

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7.0 COST AND PRICE ANALYSIS (CPA)

7.1 General. The Agency shall require assurance that, before entering into a contract, the price is reasonable, in accordance with the obfollowing instructions.

7.1.1 Petty Cash and Micro Purchases. No formal cost or price analysis is required. Rather, the execution of a contract by the Contracting Officer (through a Purchase Order or other means) shall serve as the Contracting Officer's determination that the price obtained is reasonable, which may be based on the Contracting Officer's prior experience or other factors.

7.1.2 Small Purchases. A comparison with other offers shall generally be sufficient determination of the reasonableness of price and no further analysis is required. If a reasonable number of quotes are not obtained to establish reasonableness through price competition, the Contracting Officer shall document price reasonableness through other means, such as prior purchases of this nature, catalog prices, the Contracting Officer's personal knowledge at the time of purchase, comparison to the ICE, or any other reasonable basis.

7.1.3 Sealed Bids. The presence of adequate competition should generally be sufficient to establish price reasonableness. Where sufficient bids are not received, and when the bid received is

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substantially more than the ICE, and where the Agency cannot reasonably determine price reasonableness, the Agency must conduct a cost analysis, consistent with federal guidelines, to ensure that the price paid is reasonable.

7.1.4 Competitive Proposals. The presence of adequate competition should generally be sufficient to establish price reasonableness. Where sufficient proposals are not received, the Agency must compare the price with the ICE. For competitive proposals where prices cannot be easily compared among offerors, where there is not adequate competition, or where the price is substantially greater than the ICE, the Agency must conduct a cost analysis, consistent with Federal guidelines, to ensure that the price paid is reasonable.

7.1.5 Contract Modifications. A cost analysis, consistent with federal guidelines, shall be conducted for all contract modifications for projects that were procured through Sealed Bids, Competitive Proposals, or Non-Competitive Proposals, or for projects originally procured through Small Purchase procedures and the amount of the contract modification will result in a total contract price in excess of \$150,000.

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8.0 SOLICITATION AND ADVERTISING

8.1 Method of Solicitation.

8.1.1 Petty Cash and Micro Purchases. The Agency may contact only one source if the price is considered reasonable.

8.1.2 Small Purchases. Quotes may be solicited orally, through fax, e-procurement, or by any other reasonable method.

8.1.3 Sealed Bids and Competitive Proposals. Solicitation must be done publicly. The Agency must use one or more following solicitation methods, provided that the method employed provides for meaningful competition.

8.1.3.1 Advertising in newspapers or other print mediums of local or general circulation.

8.1.3.2 Advertising in various trade journals or publications (for construction).

8.1.3.3 E-Procurement. The Agency may conduct its public procurements through the Internet using e-procurement

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systems. However, all e-procurements must otherwise be in compliance with ~~24 CFR 85.36~~ **2 CFR 5200.317 through 5200.326**, State and local requirements, and the Agency's procurement policy.

- 8.2 Time Frame. For purchases of more than \$150,000, the public notice should run not less than once each week for two consecutive weeks.
- 8.3 Form. Notices/ advertisements should state, at a minimum, the place, date, and time that the bids or proposals are due, the solicitation number, a contact that can provide a copy of, and information about, the solicitation, and a brief description of the needed items(s).
- 8.4 Time Period for Submission of Bids. A minimum of 21 days shall generally be provided for preparation and submission of sealed bids and 15 days for competitive proposals. However, the Executive Director may allow for a shorter period under extraordinary circumstances.
- 8.5 Cancellation of Solicitations.
 - 8.5.1 An IFB, RFP, or other solicitation may be cancelled before bids/offers are due if:
 - 8.5.1.1 The supplies, services or construction is/are no longer required;
 - 8.5.1.2 The funds are no longer available;
 - 8.5.1.3 Proposed amendments to the solicitation are of such magnitude that a new solicitation would be best; or
 - 8.5.1.4 Other similar reasons.
 - 8.5.2 A solicitation may be cancelled and all bids or proposals that have already been received may be rejected if:
 - 8.5.2.1 The supplies or services (including construction) are no longer required;
 - 8.5.2.2 Ambiguous or otherwise inadequate specifications were part of the solicitation;
 - 8.5.2.3 All factors of significance to the Agency were not considered;

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- 8.5.2.4 Prices exceed available funds and it would not be appropriate to adjust quantities to come within available funds;
 - 8.5.2.5 There is reason to believe that bids or proposals may not have been independently determined in open competition, may have been collusive, or may have been submitted in bad faith; or
 - 8.5.2.6 For good cause of a similar nature when it is in the best interest of the Agency.
- 8.5.3 The reasons for cancellation shall be documented in the procurement file and the reasons for cancellation and/or rejection shall be provided upon request.
- 8.5.4 A notice of cancellation shall be sent to all bidders/offers solicited and, if appropriate, shall explain that they will be given an opportunity to compete on any re-solicitation or future procurement of similar items.
- 8.5.5 If all otherwise acceptable bids received in response to an IFB are at unreasonable prices, an analysis should be conducted to see if there is a problem in either the specifications or the Agency's cost estimate. If both are determined adequate and if only one bid is received and the price is unreasonable, the Contracting Officer may cancel the solicitation and either:
- 8.5.5.1 Re-solicit using an RFP; or
 - 8.5.5.2 Complete the procurement by using the competitive proposal method. The Contracting Officer must determine, in writing, that such action is appropriate, must inform all bidders of the Agency's intent to negotiate, and must give each bidder a reasonable opportunity to negotiate.
- 8.5.6 If problems are found with the specifications, the Agency should cancel the solicitation, revise the specifications and re-solicit using an IFB.
- 8.6 **Credit (or Purchasing) Cards.** Credit card usage should follow the rules for all other small purchases. For example, the Contracting Officer may use a

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credit card for Micro Purchases without obtaining additional quotes provided the price is considered reasonable. However, for amounts above the Micro Purchase level, the Contracting Officer would generally need to have obtained a reasonable number of quotes before purchasing via a credit card. When using credit cards, the Agency shall use the following reasonable safeguards:

Use of credit cards shall be limited to authorized Agency business travel (including meals and related travel expenses not covered by a per diem), payment for gasoline for an official Agency vehicle, conference registration, workshop and internet-based seminar fees, and payment for materials, goods, and supplies, subject to the Micro Purchase limit, without approval by the Executive Director.

Without exception, the credit card may not be used at any time for personal expenses or purchases, even if the employee subsequently reimburses the Agency, unless approved by the Executive Director. Personal use of an Agency credit card constitutes an unauthorized use of funds, and shall be deemed a violation of this Policy and may be subject to discipline, up to and including termination.

9.0 BONDING REQUIREMENTS

9.1 General. The standards under this section apply to construction contracts that exceed \$150,000. There are no bonding requirements for small purchases or for competitive proposals. The Agency may require bonds in these latter circumstances when deemed appropriate; however, non-construction contracts should generally not require bid bonds.

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9.1.1 Bid Bonds. For construction contracts exceeding \$150,000 offerors shall be required to submit a bid guarantee from each bidder equivalent to 5% of the bid price.

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9.1.2 Payment Bonds. For construction contracts exceeding \$150,000, the successful bidder shall furnish an assurance of completion. This assurance may be any one of the following four:

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- 9.1.2.1 A performance and payment bond in a penal sum of 100% of the contract price; or
- 9.1.2.2 Separate performance and payment bonds, each for 50% or more of the contract price; or
- 9.1.2.3 A 20 % cash escrow; or

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9.1.2.4 A 25 % irrevocable letter of credit.

These bonds must be obtained from guarantee or surety companies acceptable to the U. S. Government and authorized to do business in the State of California. Individual sureties shall not be considered. U. S. Treasury Circular Number 570 lists companies approved to act as sureties on bonds securing Government contracts, the maximum underwriting limits on each contract bonded, and the States in which the company is licensed to do business. Use of companies on this circular is mandatory.

10.0 CONTRACTOR QUALIFICATIONS AND DUTIES

10.1 Contractor Responsibility

10.1.1 The Agency shall not award any contract until the prospective contractor, i.e., low responsive bidder, or successful offeror, has been determined to be responsible. A responsible bidder/offeror must:

10.1.1.1 Have adequate financial resources to perform the contract, or the ability to obtain them;

10.1.1.2 Be able to comply with the required or proposed delivery or performance schedule, taking into consideration all of the bidder's/offeror's existing commercial and governmental business commitments;

10.1.1.3 Have a satisfactory performance record;

10.1.1.4 Have a satisfactory record of integrity and business ethics;

10.1.1.5 Have the necessary organization, experience, accounting and operational controls, and technical skills, or the ability to obtain them;

10.1.1.6 Have the necessary production, construction, and technical equipment and facilities, or the ability to obtain them; and

10.1.1.7 Be otherwise qualified and eligible to receive an award under applicable laws and regulations, including not be suspended, debarred or under a HUD-imposed LDP.

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10.1.2 If a prospective contractor is found to be non-responsible, a written determination of non-responsibility shall be prepared and included in the official contract file, and the prospective contractor shall be advised of the reasons for the determination.

10.2 **Suspension and Debarment.** Contracts shall not be awarded to debarred, suspended, or ineligible contractors. Contractors may be suspended, debarred, or determined to be ineligible by HUD in accordance with HUD regulations (~~24 CFR Part 24~~ 2 CFR 5200.317 through 5200.326) or by other Federal agencies, e.g., Department of Labor for violation of labor regulations, when necessary to protect PHAs in their business dealings. **Prior to issuance of a contract, Agency staff shall, as detailed within Section 10.2.H.1 and 10.2.H.2 of HUD Procurement Handbook 7460.8 REV 2, conduct the required searches within the HUD Limited Denial of Participation (LDP) system and the U.S. General Services Administration System for Award Management (SAM) and place within the applicable contract file a printed copy of the results of each such search.**

10.3 **Vendor Lists.** All interested businesses shall be given the opportunity to be included on vendor mailing lists. Any lists of persons, firms, or products which are used in the purchase of supplies and services (including construction) shall be kept current and include enough sources to ensure competition.

11.0 CONTRACT PRICING ARRANGEMENTS

11.1 **Contract Types.** Any type of contract which is appropriate to the procurement and which will promote the best interests of the Agency may be used, provided the cost -plus-a-percentage-of-cost and percentage-of-construction-cost methods are not used. All solicitations and contracts shall include the clauses and provisions necessary to define the rights and responsibilities of both the contractor and the Agency. For all cost reimbursement contracts, the Agency must include a written determination as to why no other contract type is suitable. Further, the contract must include a ceiling price that the contractor exceeds at its own risk.

11.2 **Options.** Options for additional quantities or performance periods may be included in contracts, provided that:

- 11.2.1 The option is contained in the solicitation;
- 11.2.2 The option is a unilateral right of the Agency;
- 11.2.3 The contract states a limit on the additional quantities and the overall term of the contract;

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- 11.2.4 The options are evaluated as part of the initial competition;
- 11.2.5 The contract states the period within which the options may be exercised;
- 11.2.6 The options may be exercised only at the price specified in or reasonably determinable from the contract; and
- 11.2.7 The options may be exercised only if determined to be more advantageous to the Agency than conducting a new procurement.

12.0 CONTRACT CLAUSES

- 12.1 **Contract Pricing Arrangements.** All contracts shall identify the contract pricing arrangement as well as other pertinent terms and conditions, as determined by the Agency.
- 12.2 **Required Forms.** Additionally, the forms HUD-5369; 5369-A; 5369-B; 5369; 5370; 5370-C (Sections I and II); 51915; and 51915-A, which contain all HUD-required clauses and certifications for contracts of more than \$150,000, as well as any forms/clauses as required by HUD for small purchases, shall be used, as applicable, in all corresponding solicitations and contracts issued by the Agency.
- 12.3 **Required Contract Clauses:** The Agency shall ensure that each contract executed by the Agency contains the required contract clauses detailed within ~~24 CFR Part 24~~ **2 CFR 5200.326 and Appendix II.**

13.0 CONTRACT ADMINISTRATION

- 13.1 **General.** The Agency shall maintain a system of contract administration designed to ensure that Contractors perform in accordance with their contracts. These systems shall provide for inspection of supplies, services, or construction, as well as monitoring contractor performance, status reporting on major projects including construction contracts, and similar matters. For cost-reimbursement contracts, costs are allowable only to the extent that they are consistent with the cost principles in HUD Handbook 2210.18.

14.0 SPECIFICATIONS

- 14.1 **General.** All specifications shall be drafted so as to promote overall economy for the purpose intended and to encourage competition in satisfying the

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Agency's needs. Specifications shall be reviewed prior to issuing any solicitation to ensure that they are not unduly restrictive or represent unnecessary or duplicative items. Function or performance specifications are preferred. Detailed product specifications shall be avoided whenever possible. Consideration shall be given to consolidating or breaking out procurements to obtain a more economical purchase. For equipment purchases, a lease versus purchase analysis should be performed to determine the most economical form of procurement.

14.2 Limitation. The following types of specifications shall be avoided:

- 14.2.1 Geographic restrictions not mandated or encouraged by applicable Federal law (except for A/E contracts, which may include geographic location as a selection factor if adequate competition is available);
- 14.2.2 Brand name specifications (unless the specifications list the minimum essential characteristics and standards to which the item must conform to satisfy its intended use).

Nothing in this Policy shall preempt any State licensing laws. Specifications shall be reviewed to ensure that organizational conflicts of interest do not occur.

15.0 APPEALS AND REMEDIES

15.1 General. It is Agency policy to resolve all contractual issues informally and without litigation. Disputes will not be referred to HUD unless all administrative remedies have been exhausted. When appropriate, a mediator may be used to help resolve differences.

15.2 Informal Appeals Procedure. The Agency shall adopt an informal bid protest/appeal procedure for contracts of \$150,000 or less. Under these procedures, the bidder/contractor may request to meet with the appropriate Contract Officer.

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15.3 Formal Appeals Procedure. A formal appeals procedure shall be established for solicitations/contracts of more than \$150,000.

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15.3.1 Bid Protest. Any actual or prospective contractor may protest the solicitation or award of a contract for serious violations of the principles of this Policy. Any protest against a solicitation must be received before the due date for the receipt of bids or proposals, and any protest against the award of a contract must be received

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within ten (10) calendar days after the contractor receives notice of the contract award, or the protest will not be considered. All bid protests shall be in writing, submitted to the Contracting Officer or designee, who shall issue a written decision on the matter. The Contracting Officer may, at his/her discretion, suspend the procurement pending resolution of the protest if the facts presented so warrant.

15.3.2 Contractor Claims All claims by a contractor relating to performance of a contract shall be submitted in writing to the Contracting Officer for a written decision. For claims of more than \$10,000, the contractor may request a conference on the claim. The Contracting Officer’s decision shall inform the contractor of its appeal rights to the Executive Director whose decision will be final. Contractor claims shall be governed by the Changes clause in the relevant form HUD-5370.

16.0 ASSISTANCE TO SMALL AND OTHER BUSINESSES

16.1 Required Efforts. Consistent with Presidential Executive Orders 11625, 12138, and 12432, and Section 3 of the HUD Act of 1968, all feasible efforts shall be made to ensure that small and minority-owned businesses, women’s business enterprises, and other individuals or firms located in or owned in substantial part by persons residing in the area of the HACA project are used when possible in projects and programs subject to Section 3 requirements. Such efforts shall include, but shall not be limited to:

- 16.1.1 Including such firms, when qualified, on solicitation mailing lists;
- 16.1.2 Encouraging their participation through direct solicitation of bids or proposals whenever they are potential sources;
- 16.1.3 Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by such firms;
- 16.1.4 Establishing delivery schedules, where the requirement permits, which encourage participation by such firms;
- 16.1.5 Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce;

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- 16.1.6 Including in contracts, to the greatest extent feasible, a clause requiring contractors, to provide opportunities for training and employment for lower income residents of the project area and to award subcontracts for work in connection with the project to business concerns which provide opportunities to low-income residents, as described in 24 CFR §135 (so-called Section 3 businesses); and
- 16.1.7 Requiring prime contractors, when subcontracting is anticipated, to take the positive steps listed above.
- 16.2 **Goals.** Shall be established periodically for participation by small businesses, minority-owned businesses, women-owned business enterprises, labor surplus area businesses, and Section 3 business concerns in Agency prime contracts and subcontracting opportunities.
- 16.3 **Definitions.**
 - 16.3.1 A small business is defined as a business that is: independently owned; not dominant in its field of operation; and not an affiliate or subsidiary of a business dominant in its field of operation. The size standards in 13 CFR §121 should be used to determine business size.
 - 16.3.2 A minority-owned business is defined as a business which is at least 51% owned by one or more minority group members; or, in the case of a publicly-owned business, one in which at least 51% of its voting stock is owned by one or more minority group members, and whose management and daily business operations are controlled by one or more such individuals. Minority group members include, but are not limited to Black Americans, Hispanic Americans, Native Americans, Asian Pacific Americans, Asian Indian Americans, and Hasidic Jewish Americans.
 - 16.3.3 A women's business enterprise is defined as a business that is at least 51% owned by a woman or women who are U.S. citizens and who control and operate the business.
 - 16.3.4 A "Section 3 business concern" is as defined under 24 CFR §135.
 - 16.3.5 A labor surplus area business is defined as a business which, together with its immediate subcontractors, will incur more than 50% of the cost of performing the contract in an area of concentrated unemployment or underemployment, as defined by

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the DOL in 20 CFR 5654, Subpart A, and in the list of labor surplus areas published by the Employment and Training Administration.

17.0 BOARD APPROVAL OF PROCUREMENT ACTIONS

17.1 Authority. In addition to this Procurement Policy, approval by the Commission is required for procurement activities exceeding \$150,000, as permitted under State and local law. It is the responsibility of the Agency Executive Director to make sure that all procurement actions are conducted in accordance with the policies contained herein. All procurements that exceed \$150,000 must have approval from the Commission prior to award and/or contract execution.

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18.0 DELEGATION OF CONTRACTING AUTHORITY

18.1 Delegation. While the Executive Director is responsible for ensuring that the Agency's procurements comply with this Policy, the Executive Director may delegate in writing all procurement authority as is necessary and appropriate to conduct the business of the Agency. The Executive Director herein delegates procurement authority, unless specified elsewhere in this Policy, to the Procurement Analyst.

18.2 Procedures. Further, and in accordance with this delegation of authority, the Executive Director shall, where necessary, establish operational procedures (such as a procurement manual or standard operating procedures) to implement this Policy. The Executive Director shall also establish a system of sanctions for violations of the ethical standards described in Section 3.0 herein, consistent with Federal, State, or local law.

19.0 DOCUMENTATION

19.1 Required Records. The Agency must maintain records sufficient to detail the significant history of each procurement action. These records shall include, but shall not necessarily be limited to, the following:

- 19.1.1 Rationale for the method of procurement (if not self-evident);
- 19.1.2 Rationale of contract pricing arrangement (also if not self-evident);
- 19.1.3 Reason for accepting or rejecting the bids or offers;
- 19.1.4 Basis for the contract price (as prescribed in this Policy);

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- 19.1.5 A copy of the contract documents awarded or issued and signed by the Contracting Officer;
- 19.1.6 Basis for contract modifications; and
- 19.1.7 Related contract administration actions.
- 19.2 Level of Documentation. The level of documentation should be commensurate with the value of the procurement.
- 19.3 Record Retention. Records are to be retained for a period of three years after final payment and all matters pertaining to the contact are closed.

20.0 DISPOSITION OF SURPLUS PROPERTY

- 20.1 General. Property no longer necessary for the Agency's purposes (non-real property) shall be transferred, sold, or disposed of in accordance with applicable Federal, state, and local laws and regulations.
- 20.2 The Procurement Analyst shall, in conjunction with appropriate Agency staff, determine the appropriate method of disposition of excess Agency property in accordance with the policy herein listed. Property shall mean items recorded in the Agency's inventory.
- 20.3 Property determined to have no significant salvage value shall be recorded as disposed and hauled to the appropriate disposal or recycle facility under contract with the Agency.
- 20.4 Property determined to have value shall be disposed of by:
 - 20.4.1 Trading in such property towards the purchase of new property or towards credit on the Agency's account;
 - 20.4.2 Contracting with another government agency for the formal disposal of the property;
 - 20.4.3 Soliciting competition for the procurement of the property;
 - 20.4.4 Donating the property to a charitable or non-profit organization;
 - 20.4.5 Holding a public auction.
- 20.5 Donating the property to qualified participants in the Agency's Family Self-Sufficiency Program (FSS). This shall be limited to computer hardware and other computer-related equipment. Agency employees enrolled in the FSS program are ineligible to receive property under this section.

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- 20.6 Once sold or disposed of, the capital and/or non-capital property shall be recorded as such and any funds generated by the sale shall be credited to the appropriate program in accordance with HUD regulations.
- 20.6 Personal property will not be sold or exchanged for less than its fair value. Personal property with an estimated fair value of Three-Thousand Dollars (\$3,000.00) or more which is to be sold to other than a public body for a public use will be sold at public sale, including the use of electronic websites.
- 20.7 Sales of personal property will be made in accordance with 20.8 - 20.15 below:
- 20.8 If the estimated value of the personal property offered for sale is less than the estimated cost of negotiating a sale on the open market (\$3,000.00), the appropriate HACA staff will initiate the disposition, document the destruction or donation, and will retain such documentation as a part of the permanent record.
- 20.9 Single sales from Three-Thousand Dollars (\$3,000.00) or more (and all HACA vehicles with trade-in potential) will be made only after publicly advertising for formal bids for a sufficient period of time. Bids will be opened publicly at the time and place specified in the advertisement. A tabulation of all bids received will be prepared and filed as part of the permanent record. The Executive Director will approve all such sales.
- 20.10 The sale of personal property to a public body for public use may be negotiated at its fair value.
- 20.11 All sales will be documented by an appropriate bill of sale.
- 20.12 Personal property which has no scrap or salvage value will be destroyed or donated; the appropriate Agency staff will document the destruction or donation and will retain such documentation as a part of the permanent record.
- 20.13 When items of personal property are lost, stolen, destroyed or abandoned, the Executive Director or staff designated by the Executive Director will obtain all the facts relating to each case and determine 1) whether the person who had custody of the property is to be held responsible for the loss, theft, or destruction, or is to be relieved of responsibility; and 2) the amount, if any, such person will be required to reimburse the HACA if held responsible for the loss.
- 20.14 For cases where items are abandoned, the Executive Director or designated staff will ascertain whether or not such items have a re-sale or trade-in value.

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20.15 To determine whether or not an item should be repaired or replaced, the Procurement Analyst or appropriate Agency staff will determine whether repair or replacement is the most cost effective for the Agency.

21.0 FUNDING AVAILABILITY

21.1 General. Before initiating any contract, the Agency shall ensure that there are sufficient funds available to cover the anticipated cost of the contract or modification.

22.0 SELF-CERTIFICATION

22.1 General. The Agency self-certifies that this Procurement Policy, and the Agency's procurement system, complies with all applicable Federal regulations and, as such, the Agency is exempt from prior HUD review and approval of individual procurement actions.