

Corpus Christi Housing Authority  
and Affiliates

PROCUREMENT POLICY



October 3, 2018

## 1.0 INTRODUCTION

- 1.1 This Procurement Policy is established for the Corpus Christi Housing Authority and all its Affiliates (hereinafter, "CCHA") by Action of the Corpus Christ Housing Authority Board of Commissioners (Board) on October 3, 2018 and supersedes formerly adopted CCHA Procurement Policy approved on August 25, 2015.
- 1.2 Definition. CCHA is comprised of Bluebonnet Gardens, Inc., Bahia Properties, Inc., Royal Palms Gardens, Thanksgiving Homes, the Corpus Christi Finance Corporation (CCFC), the Central Office Cost Center (COCC), Housing Choice Voucher Program (HCVP), Tax Credit Entities (Corban Townhomes, Hampton Port Apartments and Sea Breeze Senior Living Apartments), and any other such entities that may be established.
  - 1.2.1 Bluebonnet Gardens, Bahia Properties, Inc., Royal Palm Gardens, Thanksgiving Homes, the CCFC and Tax Credit Entities are affiliate corporations. As such, they are not governed by Federal governmental procurement statutes, regulations or guidelines including The Department of Housing and Urban Development (HUD).
  - 1.2.2 Income generated by the COCC is not considered Federal program income and is governed by only State, and local requirements in accordance with HUD Procurement Handbook, No. 7460.8 REV 2.
  - 1.2.3 The HCVP (Section 8) is governed by HUD and according the HUD Procurement Handbook, No. 7460.8 REV 2, HCVP (Section 8) is exempt from HUD procurement regulations.
- 1.3 As noted, CCHA Affiliates are exempt from all governmental procurement statutes, regulations and guidelines for various reasons. CCHA itself (COCC, HCVP, Board of Commissioners) is a governmental entity and therefore subject to State procurement statutes and regulations. In the spirit of public service and transparency, CCHA shall follow State of Texas procurement statutes and regulations. However, CCHA affiliates retain the right to waive this policy as

determined necessary by the Chief Executive Officer (CEO) and where in the best interest of CCHA.

## **2.0 PROCUREMENT OBJECTIVES**

### **2.1 CCHA shall:**

2.1.1 Procure goods, services and construction in an efficient, economical manner in compliance with all applicable Federal, State and Local laws.

2.1.2 Provide for a fair and equitable procurement system that provides the best value to the CCHA and fosters a level field of competition for vendors and contractors.

2.1.3 Ensure full compliance with all applicable statutes, laws and regulations and maintain strict accountability for all expenditures.

2.1.4 Promote opportunities for CCHA residents and the local community to be hired by awarded vendors and contractors, where possible.

2.2 APPLICATION: This Policy applies to all procurement actions of the CCHA and Affiliates, except for any Federal, State or Local mandated exclusions and Real Property transactions. To the extent allowed by law and at the discretion of the Chief Executive Officer (CEO), the CCHA and Affiliates retain the right to waive policy in the best interest of the CCHA and in emergency situations.

## **3.0 ETHICS IN PROCUREMENT**

3.1 Conflicts of Interest. No employee, officer, Board member, or agent of the CCHA shall participate directly or indirectly in the selection, award, or administration of any contract, if a conflict of interest, either real or apparent, shall be involved in any way.

3.2 Conflicts of interest include direct involvement or other financial or beneficial gains. This also includes involvement by the following:

3.2.1 An employee, officer, Board member, or agent involved the award selection or recommendation.

- 3.2.2 His/Her relatives to the 3<sup>rd</sup> degree by consanguinity (blood) which includes parent, child, grandparent grandchild, brother/sister, great grandparent great grandchild uncle/aunt, and nephew/niece.
- 3.2.3 His/Her relatives to the 2<sup>nd</sup> degree by affinity (marriage/adoption) which includes spouse, parent, child, grandparent, grandchild, brother/sister or his/her legal partner.
- 3.2.4 An organization which employees 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, board member, or agent of the CCHA shall ask for or accept gratuities, favors or items of more than nominal value (i.e. promotional items) from any contractor, potential contractor, or party to any subcontract, and shall not knowingly use confidential information for actual and anticipated personal gains.
- 3.4 Prohibition against Contingent Fees. Contractors 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 and insurance brokers.

#### **4.0 PROCUREMENT PLANNING**

- 4.1 General. Planning is essential to managing the procurement function properly. Hence, the CCHA 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 CCHA's procurement costs;
  - 4.1.3 reduce CCHA administrative costs;
  - 4.1.4 ensure that supplies and services are obtained without any need for re-procurement (i.e., 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.

## **5.0 PROCURMENT AUTHORITY**

- 5.1 All CCHA procurement actions exceeding the Federal Small Purchase Threshold or in the annual aggregate, require Board of Commissioners approval unless an emergency posing imminent danger exists and requires immediate action. The CEO will notify the Board of such action and will present the procurement action to the Board for ratification at the next Board meeting.
- 5.2 The CEO is authorized to approve purchases, enter into contracts and expend CCHA funds up to the Federal Small Purchase Threshold without prior approval from the Board of Commissioners.
- 5.3 The CEO may further delegate purchasing authority below the Federal Small Purchase Threshold, as appropriate, to create procurement efficiencies to meet operational needs. All purchasing authority delegated by the CEO shall be in writing.
- 5.4 The CEO shall either serve as Contracting Officer (CO) or may designate a CO for certain procurement actions.

## **6.0 PROCUREMENT METHODS:**

- 6.1 **Small Purchase Procedures:** For purchases under \$50,000, in the annual aggregate expenditure for each category of supply or service, the CCHA shall obtain a reasonable amount of quotes (preferably three); however, for purchases of less than \$10,000, only one quote is required provided CCHA and Affiliates determine the quote is reasonable for procurement situation.
- 6.2 **Large Purchase Procedures:** For purchases of \$50,000 and greater, in the aggregate annual expenditure for each class of supply or service, CCHA shall use one of the following methods of procurement allowed by the State of Texas.
  - 6.2.1 Sealed Bidding using Invitation for Bids (IFB)
  - 6.2.2 Request for Proposals (RFP)
  - 6.2.3 Request for Qualifications (RFQ)

6.2.4 Request for Competitive Sealed Proposals (CSP)

6.2.5 Construction Manager at Risk (CMAR)

6.2.6 Construction Manager Agent (CMA)

6.2.7 Design Build

6.2.8 Job Order Contracting (JOC)

6.3 **Cooperative Purchasing/Intergovernmental Agreements.** The CCHA may enter into State and/or local cooperative or intergovernmental agreements to purchase or use supplies, equipment, or services. The decision to use an interagency local agreement instead of conducting a direct procurement shall be based on economy and efficiency.

## **7.0 SOLICITATION AND ADVERTISING**

7.1 Quotes for small purchases may be solicited orally, telephone, in writing, or by email.

7.2 Formal Solicitations must be done publicly and in writing or through an e-procurement system that complies with applicable statutes.

7.2.1 Advertising. All solicitations for purchases totaling over \$50,000 in the annual aggregate shall be advertised in a local paper of general circulation once a week for two weeks.

## **8.0 CREDIT CARDS**

8.1 Credit card usage is only authorized by those employees as deemed appropriate by the CEO. Expenditure thresholds shall be established to limit the purchasing authority at appropriate levels. Authorized purchases include travel, continuing education, professional memberships, duty related supplies and services where the issuance of a purchase order or check is not practical, and any other purchases deemed appropriate by the immediate supervisor. Employees who use CCHA credit cards must obtain all receipts and related documentation to show proof of purchase to report on an expense report as required by local guidelines.

## **9.0 CONTRACT ADMINISTRATION**

9.1 The CCHA 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.

## **10.0 APPEALS AND REMEDIES**

10.1 General. It is CCHA policy to resolve all contractual issues informally and without litigation.

10.2 All protests or disputes for solicitations/contracts under Federal Small Purchase Threshold shall be in writing to the Contracting Officer who will make the final determination.

10.3 For the solicitations/contracts over the Federal Small Purchase Threshold. Any protest against a solicitation must be received before the established date and time for the receipt of bids or proposals, and any protest against the award of a contract must be received within ten (10) calendar days after the contract 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.

10.3.1 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. The contractor may request a conference on the claim.

## **11.0 DISPOSITION OF SURPLUS PROPERTY**

11.1 General. Property no longer necessary for the CCHA purposes (non-real property) shall be transferred, sold, or disposed of, at CEO discretion, in accordance with applicable Federal, state, and local laws and regulations. In addition, the CEO may

purchase used vehicles or equipment, on an as needed basis, without going through formal procurement methods and procedures.

**12.0 FUNDING AVAILABILITY**

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

**13.0 REAL PROPERTY**

13.1 All purchases and sale of Real Property must be approved by the Board of Commissioners except for property in support of Thanksgiving Homes initiatives where the CEO is authorized to purchase and sell Real Property without specific approval by the Board.