



Legislation Text

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To Approve an Amendment to the AAHC Procurement Policy

The Ann Arbor Housing Commission's Purchasing Policy details its policies and procedures for the management of its procurement of goods and services. 24 CFR 85.36 used to regulate procurement using federal funds.

Expenditures of non-federal funds do not have to follow federal procurement regulations. Non-federal funds include Voucher Housing Assistance Payments (HAP), Voucher Administrative Fees, tenant rent, City general funds and Continuum of Care administrative fees and rental assistance. However, to simplify the procurement process, the AAHC's procurement policy includes the same requirements for federal and non-federal funds.

The following are the federal threshold levels:

- 1) Micro-purchase (1 reasonable quote required if under \$10,000)
- 2) Small Purchase Simplified Acquisition (reasonable number of quotes required between \$10,000 - \$250,000)
- 3) Sealed public bid (sealed bid required if over \$250,000)

It is recommended that the AAHC board add tenant supportive services provided by non-profit service providers to the list of exempted activities that can use a qualification-based method instead of a numerical bidding method. Two sections of the Procurement policy need to be amended to add "tenant support services":

Section 5.4.2 Form of Solicitation. Other than A/E services, developer-related services, tenant support services (except when federally required) and energy performance contracting, competitive proposals shall be solicited through the issuance of an RFP.

Section 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, Tenant Support Services (except when federally required) and Developer services, though architectural/engineering firms are potential sources.

Prepared and Approved by Jennifer Hall, Executive Director Ann Arbor Housing Commission

WHEREAS, The Ann Arbor Housing Commission's Procurement Policy must comply with federal regulations for federal funds; and

WHEREAS, The AAHC procurement policy also includes the requirements for non-federal funds such as Voucher Housing Assistance Payments (HAP), Voucher Administrative Fees, tenant rent, City general funds and Continuum of Care administrative fees and rental assistance; and

RESOLVED that the Board of the Ann Arbor Housing Commission approves the an amendment to the AAHC's Procurement Policy to add tenant support services to the list of services that can be selected based on qualification of the contractor instead of a numerical bid, to take effect immediately and to apply to non-federal funds: