

Truckee Tahoe Workforce Housing Agency Purchasing Policy

1. **Purpose:** The purpose of this policy is to assure that purchases are made in a manner providing the greatest value to the Truckee Tahoe Workforce Housing Agency (TTWHA) at a reasonable cost, and to provide uniform procedures for acquiring services and materials.
2. **Authority:** The authority to purchase is dependent upon the total dollar amount of the goods or services to be purchased and the type of purchase. All purchases shall be in accordance with this policy.
3. **Purchases of Goods and General Services**
 - a. **Small Purchases:** The Executive Director may purchase small items, such as office supplies, marketing materials, computer software, and other miscellaneous items costing less than \$500, by shopping the item via internet or local supplier. Item categories must be budgeted for and previously approved by the Board of Directors.
 - b. **Mid-Size Purchases:** To purchase goods or services costing between \$500 and \$5,000, written quotes shall be solicited from at least three vendors and received prior to selecting a preferred supplier. Mid-sized purchases shall be approved by the Executive Director and reported to the Board of Directors. Items between \$500 and \$5,000 must be budgeted for and previously approved by the Board of Directors.
 - c. **Large Purchases:** Goods and services over \$5,000 will be addressed individually by the Executive Director and Board of Directors at a properly noticed public meeting of the Board of Directors.
 - d. **Petty Cash:** Funds will be administered by the Executive Director of up to \$100 for purchases through a vendor that the Agency does not have an established charge account with. Purchases must fall under the items listed under *Small Purchases* above, and a receipt must be provided to the accountant for record. Petty cash withdrawals will be reported to the Chair of the Board of Directors before the transaction is executed, and will be recorded by the accountant.
4. **Professional Services:** Professional services shall be selected on the basis of competence and professional qualifications, at fair and reasonable fees to the Agency. The Agency will consider local first and utilize local vendors as often as possible.
 - a. **RFP:** The Agency shall solicit proposals for professional services from at least three firms. Submissions shall demonstrate the competence and professional qualifications of the firm, as well as the proposed fees for services.

- b. Authority:** All professional services contracts shall be awarded by the Board of Directors. In the event of an emergency need, the Executive Director may award a contract of any amount with the approval of the Board Chair. The contract or amendment will be presented at the following Board meeting to the entire Board for ratification.
 - c. Ethical Considerations:** The Agency prohibits all practices that might result in unlawful activity including, but not limited to, favors, rebates, kickbacks, or other unlawful consideration. Agency Board Members and personnel shall not, where prohibited by law, participate in the selection process when those employees or officials have a relationship with a person or business entity seeking a professional services contract.
- 5. **Construction Contracting** Construction contracts shall be awarded as follows:

 - a. Under \$5,000** The Executive Director may award contracts for less than \$5,000 after soliciting three quotes for the work. The Contract shall be awarded to the lowest responsive and responsible bidder.
 - b. \$5,000 - \$25,000** The Executive Director shall solicit at least three quotes or bids for the work. Contracts shall be awarded by the Board of Directors with the recommendation of the Executive Director and in the best interest of the Agency.
 - c. Over \$25,000** Contracts exceeding \$25,000 shall be advertised for bid in at least one local newspaper of general circulation and the local contractors bidding news if available. The bid opening is open to the public and will be specified in the bid documents. The Contract shall be awarded to the lowest responsive and responsible bidder.
 - d. Negotiation** If no bids are received, or if all bids are rejected and the Board of Directors finds that the work can be obtained at a lower cost through negotiation, the Board of Directors may negotiate a contract with a qualified contractor.
- 6. **Exceptions** The Agency may dispense with the procedures in this policy, including formal bidding procedures, and make a purchase or award a contract in any of the following circumstances:

 - a. Sole Source:** The goods or services are of a proprietary nature or are otherwise of such specific design or construction as to be available from only one source, or there is no competitive market for the particular good or service.
 - b. Property Maintenance and Repairs:** The required service is timely and calls for immediate action.

- c. **Cooperative Purchase/Piggybacking:** A competitive selection process has already been performed by another public agency for the goods or services and the price and terms offered to the Agency are equal to or better than those offered to that public agency.
- d. **Emergencies:** An emergency exists if: (1) there is a great public calamity; (2) there is immediate need to prepare for national or local defense; (3) there is a breakdown in machinery or an essential service which requires the immediate purchase of supplies or services to protect the public health, welfare or safety; or (4) an essential operation affecting the public health, welfare or safety is greatly hampered; or (5) a national, state, or local emergency is declared.

If an emergency requires the immediate purchase of materials, supplies, equipment or contractual services, the Executive Director may authorize the purchase of the goods or services. Emergency purchases exceeding the Executive Director's authority under this policy shall be presented to the Board of Directors for ratification at the earliest possible time. The Executive Director may delegate the authority for emergency purchases to any subordinate officer or employee as necessary to protect the health, safety, and welfare of the Agency.

- 7. **Disposition of Surplus Property** The Executive Director shall notify the Board of Directors of items of obsolescence or lack of need, and the Board of Directors may take action to declare the items surplus. Surplus items may be disposed as follows: (1) sold through public auction; (2) sold locally, for fair market value; or (3) advertised for sale through a sealed bid with a fair market value reserve.
 - a. **Sealed Bid Process:** Items should be advertised for sale with notation of location/hours/days they can be seen and a deadline date for submission of sealed bids. Advertisements shall note that the Agency reserves the right to reject any or all bids and that the equipment is sold AS IS. Sealed bids are to be opened at the next Regular Board Meeting and action is taken by the Board to accept or reject highest bid. Past or present Agency employees and Board Members may not participate in the sealed bid process. Bidders shall be promptly notified.
 - b. **Vehicles:** If surplus vehicles are sold to a salvage yard, Junked Certificates shall be obtained.
 - c. **No Value:** If the surplus items have no value, or de minimis value, or the costs to advertise and sell the items exceed the expected return, the Agency may sell the items to another public agency or to a charitable entity at a de minimis value, or may otherwise dispose of the items.