



**SACRAMENTO
HOUSING AND REDEVELOPMENT
AGENCY**



7

September 11, 1990

Budget and Finance Committee
of the City Council
Sacramento, CA

Honorable Members in Session:

SUBJECT: Amendment to Agency Procurement Policy

SUMMARY

The attached report is submitted to you for review and recommendation prior to consideration by the Redevelopment Agency and Housing Authority of the City of Sacramento. A similar report will be submitted to the Redevelopment Agency and Housing Authority of the County of Sacramento.

RECOMMENDATION

The staff recommends approval of the attached resolution approving the amendment.

Respectfully submitted,

ROBERT E. SMITH
Executive Director

TRANSMITTAL TO COMMITTEE:

for
JACK R. CRIST
Deputy City Manager

Attachment



SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY



September 25, 1990

Housing Authority and
Redevelopment Agency of the
City of Sacramento
Sacramento, CA

Honorable Members in Session:

SUBJECT: Amendment to Procurement Policy

SUMMARY

The attached resolution amends the existing Agency Procurement Policy by increasing the limit of \$20,000 to \$25,000 for awards authorized by the Executive Director for purchase orders and contracts for services, supplies, materials and equipment.

BACKGROUND/FINANCIAL DATA

On July 2, 1982 the Housing Authorities and Redevelopment Agencies of the City/County of Sacramento approved the establishment of the Agency Procurement Policy and on July 5, 1985, an amendment of the policy limit from \$10,000 to \$20,000 was approved by resolution.

The proposed policy amendment increases the dollar amount for the procurement of commodities and services from \$20,000 to \$25,000. This revises the current procurement policy to be consistent with 1) the HUD standards applicable to Public Housing Authority procurement requirements under 24 CFR Part 85.26 and 2) the Executive Director's signature authority level which is the same as that of the City Manager. As a matter of policy, staff has been required to prepare reports to the Commission whenever the proposed expenditure was in excess of the signature authority limit of the Executive Director and procurement policy restrictions.

The proposed amendment will enable the Executive Director to award purchase orders and contracts for services, supplies, materials and equipment up to \$25,000 when the following conditions exist:

1. Formal competitive bidding procedures have been utilized.
2. Sufficient funding is available in the approved Agency budget.
3. Award is made to the lowest, responsive and responsible bidder(s).

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Housing Authority and
Redevelopment Agency of the
City of Sacramento
September 25, 1990
Page 2

With the above conditional requirements, the Agency should continue to receive competitive bids which should impose no financial adverse impact to the Agency.

The \$25,000 level has been proposed to be consistent with the HUD administrative guidelines for public housing authorities and the authority level of the Executive Director 1) in making appropriation transfers from contingency reserves funds and between organizational units and 2) in entering into agreements for consultants and professional services.

ENVIRONMENTAL REVIEW

CEQA: Not a project per Guideline's Section 15378 (b)(3).

NEPA: Not applicable - not a federal undertaking.

MBE/WBE EFFORTS

The Agency's MBE/WBE policy requirements will be included in all procurement documents. To be considered responsive and responsible, bidders must comply with policy requirements.

POLICY IMPLICATION

The resolution will increase the Executive Director's signature authority from \$20,000 to \$25,000 for purchase orders and purchase agreements. The action proposed in this report is consistent with previously approved policy.

VOTE AND RECOMMENDATION OF COMMISSION

At its meeting of September 17, 1990, the Sacramento Housing and Redevelopment Commission adopted a motion recommending approval of the attached resolution. The votes were as follows:

AYES:

NOES:

ABSENT:

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Housing Authority and
Redevelopment Agency of the
City of Sacramento
September 25, 1990
Page 3

RECOMMENDATION

The staff recommends adoption of the attached resolution which increases the signature authority of the Executive Director from \$20,000 to \$25,000 for purchase orders and contracts for services, supplies, materials and equipment required in the operation of the Agency and for which funding is contained within the approved Agency budget.

Respectfully submitted,



ROBERT E. SMITH
Executive Director

TRANSMITTAL TO COUNCIL:

WALTER J. SLIPE, CITY MANAGER

Contact person: Nancy Fong, 641-8087
Assistant Director of Administration,
General Services

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RESOLUTION NO.

ADOPTED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO

ON DATE OF _____

AMENDMENT TO PROCUREMENT POLICY

WHEREAS, on July 6, 1982, the Housing Authority of the City of Sacramento established a procurement policy by Resolution No. 82-029, which was subsequently amended by Resolution No. 85-026; and

WHEREAS, the Agency wishes to amend that policy to be consistent with HUD standards applicable to public housing authority procurement requirements under 24 CFR Part 85.26.

BE IT RESOLVED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO:

Section 1: The Executive Director is hereby authorized to award purchase orders and contracts for services, supplies, materials and equipment up to \$25,000 when the following conditions exist:

- A. Formal competitive bidding procedures have been utilized;
- B. Sufficient funding is available;
- C. Award is made to the lowest, responsive and responsible bidder or bidders.

CHAIR

ATTEST:

SECRETARY

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FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

RESOLUTION NO.

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF _____

AMENDMENT TO PROCUREMENT POLICY

WHEREAS, on July 6, 1982, the Redevelopment Agency of the City of Sacramento established a procurement policy by Resolution No. 82-047, which was subsequently amended by Resolution No. 85-056; and

WHEREAS, the Agency wishes to amend that policy to be consistent with HUD standards applicable to public housing authority procurement requirements under 24 CFR Part 85.26.

BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO:

Section 1: The Executive Director is hereby authorized to award purchase orders and contracts for services, supplies, materials and equipment up to \$25,000 when the following conditions exist:

- A. Formal competitive bidding procedures have been utilized;
- B. Sufficient funding is available;
- C. Award is made to the lowest responsive and responsible bidder or bidders.

CHAIR

ATTEST:

SECRETARY

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FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

AGENCY PROCUREMENT POLICY

PAGE 2 OF 2

3. The Sacramento Housing and Redevelopment Commission shall be authorized to award purchase orders and purchasing contracts in excess of \$25,000.

Exceptions to the competitive bidding requirements shall be as follows:

1. Purchases between \$1,000 and \$5,000:
 - a. When an immediate and existing emergency exists, as authorized in writing by the Assistant Director (or higher level) of the requisitioning organization.
 - b. When limitations on the source of supply, necessary restrictions in specifications, necessary standardization, quality considerations, or other valid reasons for waiving competition appear and are documented in writing.
2. Purchases between \$5,000 and \$25,000:
 - a. When an immediate and existing emergency exists, as authorized in writing by the Executive Director or his/her designated representative.
 - b. When limitations on the source of supply, necessary restrictions in specifications, necessary standardization, quality considerations, or other valid reasons for waiving competition appear and are documented in writing.
3. Purchases in excess of \$25,000 shall be reviewed by the Sacramento Housing and Redevelopment Commission. For emergency purchases, the Sacramento Housing and Redevelopment Commission shall be informed of the emergency situation and corrective action taken as soon after the emergency as possible.

A file shall be maintained of all exceptions to the competitive bidding process with supporting documentation.

A Purchasing Procedure Manual, which sets forth the rules and regulations including Agency M/WBE policy, and which is consistent with this Procurement Policy, may be prepared by the Executive Director or his/her designated representative. When the Manual has been approved by the Executive Director, it shall have the same force and effect as the provisions of this policy.

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