

PROCUREMENT POLICY

FALMOUTH HOUSING AUTHORITY

Adopted November 18, 2015

This procurement policy has been adopted by the Falmouth Housing Authority (LHA) to ensure compliance with the Massachusetts public bidding statutes governing the procurement of design services, building related construction projects (vertical construction); site work construction projects (horizontal construction); purchasing of construction materials; supplies and services; and the disposition of supplies and the disposition or acquisition of real property.

This policy further ensures compliance and enforcement of the Massachusetts Prevailing Wage Rates (MGL c.149 §§26-27D) which is applicable to state-funded public construction projects, Massachusetts state bidding requirements as prescribed in MGL c.149 §§44A-J, MGL c.30 §39M, MGL c.30B and, any and all Executive Orders, or code of regulations are applicable to the above procurements.

STATE- PROCUREMENT PROCEDURES

MGL C. 30B - PROCUREMENT OF SUPPLIES AND SERVICES (NON-CONSTRUCTION)

Under Chapter 30B it is the awarding authority's estimate which determines the bidding procedures to be utilized for the procurement of supplies and services. It is the actual bid amount/contract price that allows a housing authority to award a contract that exceeds the dollar threshold of the bidding procedure utilized. **Chapter 30B also does allow contract increases to exceed twenty-five (25%) percent** except for contracts to purchase of gasoline, special fuel, fuel oil, road salt and other ice and snow control supplies.

1. **Small Procurements of Less Than \$0-10,000. MGL c.30B§4 - Use Sound Business Practices.** "Sound Business Practices" is defined as "ensuring the receipt of a favorable price by periodically soliciting price lists or quotes. While the definition does not require a formal competitive process for small procurements of less than \$10,000, it requires governmental bodies to ensure that they have received the needed quality of supplies and services at a reasonable price. The Executive Director, or Managing Agent, hereinafter referred to as the Chief Procurement Officer (CPO) or his/her authorized designee shall make small procurements as necessary not to exceed \$10,000 in the open market ensure that the price obtained is the most advantageous to the LHA.

2. **Solicit Quotes. MGL c.30B§4** - For the procurement of supplies and services estimated to cost between \$10,000 but not more than \$34,999 the CPO or his/her authorized designee shall seek price quotations either orally by telephone, or in writing from at least three vendors using a prepared written description for the particular procurement. However, this does not require the receiving three (3) quotes. The LHA may award a contract on the basis of one or two quotes received. The CPO must keep on file a record of all price quotations sought including names, addresses, and the dates and amounts of quotations. All documents relating to purchases and contracts under this section must be kept for a period seven (7) years from date of final payment. **All procurements in excess of \$10,000 require a written and fully executed contract.**¹

3. **Invitations to Bid (IFB). MGL c.30B§5** - For procurements estimated to cost \$35,000 or more the CPO or his/her authorized designee must use the sealed Invitation to Bid (IFB) process in accordance with MGL c.30B §5. This process requires the following:

¹ As of July 1, 2014 the c.30B dollar thresholds procedures for procuring goods & services & for the disposition or acquisition of real property has increased from \$25,000 to 35,000. Use DHCD's Contract for Supplies & Services for IFB procurements involving state funds which is updated from time to time.

- (a) Bids shall be invited by advertising in a newspaper of general circulation once, two (2) weeks before the date specified for the opening of bids;
- (b) Post a copy of the bid notice in a conspicuous place at the LHA for two weeks before bids are due.
- (c) IFBs may be mailed to all available vendors; Procurements of a **\$100,000** or more shall also be advertised in the Goods and Services Bulletin.
- (d.) A contract bid under this process shall be awarded to the lowest eligible responsible bidder.

The above contracts may be entered into for a term of up to **three (3) years**, including renewals, extensions, or options. If a longer term or options to extend are desired it must be voted by a majority of the Board **prior to the procurement**, however, no contract shall be **greater than ten (10) years**.

The CPO must keep on file with regard to every solicitation made all documents relating to these procurements under this section and shall be kept for a period of seven (7) years from date of final payment. This includes a copy of Invitation to bid, all bids received, a record of names, addresses, and the amount of bids.

4. **Requests for Proposals (RFP)**. The housing authority is required to justify using the RFP process in MGL c.30B §6 for procurements estimated to cost **\$35,000** vs. the IFB process identified in (3) above. This process requires the following:

- The CPO or his/her authorized designee must provide the board with written justification as to why it is advantageous and in the public interest to use this process;
- Criteria must be developed for each task; (MGL c.30B §6). Criteria is Highly Advantageous, Advantageous, Not Advantageous, or Unacceptable. You may not use a numeric scoring system.
- Two separate envelope bid submission process;
- Evaluation Committee must be appointed; **(May not consist of LHA board)**
- Allows contract award to bidder who has highest rating, not necessarily the lowest price;

If the purchase is made from any vendor other than one offering the lowest price on IFB procurement, justification for such a bid rejection shall be in writing and kept with the bid documents.

5. **MGL c.30B §1(b) - Procurement Exemptions** - Chapter 30B has 34 exemptions for the procurement of supply and service contracts. The entire list of exemptions that are in effect at the time this policy is adopted and attached to this policy.

6. **Emergency Procurements Under MGL c.30B §8**. If the time required to comply fully with a Chapter 30B procurement would endanger the health or safety of people or property due to an unforeseen emergency, the **needed supply or service** may be procured without comply with the Chapter 30B requirements. An emergency procurement form must be submitted as soon as possible to the Goods and Services Bulletin for publication. This process cannot be used for construction related emergency procurements.

7. **Sole Source Procurements Under MGL c.30B §7**. The LHA may make a sole source procurement of any supply or service in an amount less than \$34,999 when a reasonable investigation shows that there is only one practicable source for the required supply or service. For sole-source procurement estimated to cost \$35,000 or more the LHA is still required to advertise using the c.30B IFB or RFP process. The determination that only one practical source exists must be voted on by the board and published in the Goods & Services Bulletin.

8. **MGL c.30B - Disposition of Surplus Supplies.** The term “surplus supplies” does not include real property. The LHA can swap surplus supplies with another jurisdiction because it would be exempt from Chapter 30B as an intergovernmental agreement. The LHA will apply Chapter 30B to all tangible surplus supplies including motor vehicles, machinery, computer equipment, furniture, and other materials and supplies. LHA may dispose of surplus supplies with an estimated net value of less than \$5,000 using any method allowed under written procedures established by the LHA. For supplies with a resale or salvage value of \$5,000 or more, LHA can use any of three alternate methods of sale: (1) sealed bids, (2) public auction, or (3) an established market.² You may also trade in supplies when making new purchases. Or, if approved by a majority vote of the governing body in your jurisdiction, you may donate surplus supplies to a charitable organization.

9. **Acquisition of Real Property.** MGL c.30B §16 applies to the purchase, sale, lease, or rental of real property. Real property is defined as property consisting of land, buildings, crops, or other resources still attached to or within the land or improvements or fixtures permanently attached to the land or a structure on it by purchase or rental. Must issue an RFP to acquire real property by lease or purchase at a cost of more than \$35,000. **Unique Acquisitions do not require an RFP process to acquire property if the LHA has determined that it needs a particular piece of property because of its unique qualities or location. (See procedures in Massachusetts Inspector General’s Manual)**

10. **Disposition of Real Property.** MGL c.30B §16. LHA must issue an RFP to dispose of real property with a value of more than \$35,000. Procedures are triggered by the value of the property, not the price received for the disposition. If LHA is leasing space, it will determine the value of the disposition by calculating the lease price over the entire contract term. Regardless of its value, LHA must declare and make a determination to make land available for disposition. If there are restrictions on reuse of the property, they must be specified as part of the declaration that the property is available for disposition.

- (a) Roof Top Antennas. Procurement required. Must use the DHCD RFP and Lease;
- (b) Utility Companies and Commercial/Marketing Agreements. These are disallowed by DHCD and HUD. (See DHCD Public Housing Notice No. 2007-04).

11. **Contract Funding.** All procurement of equipment, materials, and non-personnel services shall be documented. Expenditures shall be supported by receipts and shall be made by standard purchase order. Each purchase, regardless of dollar amount, shall be approved by the CPO or his/her designee. On a monthly basis, in advance, the Financial Administrator shall indicate to the CPO the amount of dollars in each program available in order to have sufficient funds available for payment. Purchase orders shall be filed with the resulting purchase documents.

12. **General Services Administration (GSA) Purchases.** MGL c.30B, §1(f), permits the purchase of goods (**not services**) specified under General Services Administration (GSA) federal supply schedules that are available for use by local governmental bodies from authorized GSA vendors without a MGL c.30B process.

DESIGN CONTRACTS

DHCD Funded Design Contracts for Building Projects

M.G.L. c. 7C, §§44-57 contains procedures for selecting designers for **building projects** through an advertised, competitive, qualifications-based selection (QBS) process. The law applies to any contract for design services for any building construction, reconstruction, alteration, remodeling, or repair project

² This option will rarely be available, and you will almost always sell supplies via sealed bids or auctions.

that has an estimated construction cost of more than \$100,000 and if the design fee is estimated to cost \$10,000 or more.

(1) **Design Services** include the preparation of master plans, feasibility and other studies, surveys, soil tests, cost estimates or programs; preparation of drawings, plans, and specifications, including schematic and preliminary designs; supervision or administration of a construction contract; and construction management and scheduling; and. it also applies to contracts with consultants who are not architects and engineers if the consultants provide any of the services that fall within the definition of "design services" set forth in Section 44 of Chapter 7C. Design services such as the preparation of a study evaluating alternatives and recommending solutions involving work on a building may be undertaken by someone other than an architect or engineer.

(2) **Exemptions.** The designer selection law does not apply to contracts for the design of non-building, or public works, projects such as highway and sewer projects, modular construction or energy management services governed by MGL c.25A §11(c) .

(3) LHA must follow the procedures established by the Department of Housing and Community Development (DHCD) for design services involving state-funded housing. DHCD's procedures follow the M.G.L. c.7 process and are approved by the DSB. The DHCD procedures prescribe the role of DHCD and of the LHA in the selection process.

For design services for federally funded housing, housing authorities are mandated by the U.S. Department of Housing and Urban Development (HUD) rules to select designers.

(4) **Design contracts for building projects estimated to cost of \$100,000 or less.**

DHCD has two methods for State Funded Projects with estimated Construction costs of \$25,000 - \$100,000.

- (a) LHAs may seek 3 proposals based on a scope of work and a set fee; or
- (b) LHAs may request a "House Doctor" for a particular project.³

BUILDING RELATED CONSTRUCTION CONTRACTS⁴ **MGL c.149 §§44A-J**

When construction contracts are procured under the following methods, the LHA shall apply for Mass Prevailing Wage Rates in accordance with MGL c.149 §26-27A regardless of dollar amount. Project must be bid within 90 days of receipt of Mass Prevailing Wage Rates.

(1) For building related construction contracts which **include labor & materials** estimated to cost **\$10,000 or less**, the CPO or his/her authorized designee shall follow MGL c.149 §44A(2)(A) and may award using **Sound Business Practices**. "**Sound Business Practices**" is defined as "**ensuring the receipt of a favorable price by periodically soliciting price lists or quotes. *Not a Sealed Bid Process***

- (a) Prepare scope of work;
- (b) Apply for Mass Wage Rates; and
- (c) Keep a record which, at a minimum, must include the name & address of the person from whom the services were procured. Award to the responsible person at the lowest price quote;

³ House Doctor Arrangement is only available for DHCD funded projects.

⁴ For all construction projects the appropriate DHCD Front-End Document shall be used. The DHCD Construction Handbook shall be adhered during construction. These documents are available on DHCD's website at www.mass.gov/dhcd/ .

(2) For building related construction contracts which include labor & materials estimated to cost between ⁵\$10,000 to \$25,000 CPO must follow MGL c.149 §44A(2)(B) procedures. Solicit **written** quotes through Public Notification Process. (1) Apply for appropriate Wages Rates; (2) Prepare a Scope of Work; (3) Advertise public notice in the CR, once 2 weeks prior to submission of quotes and post in a conspicuous place at the LHA; (4) Notice shall include a scope of work, a statement defining the work to be performed, work requirements, time of completion; and submission requirements, i.e., mail, fax or e-mail; and (5) Award to the responsible person at the lowest price quote. ***This is not a Sealed Bid Process.***

(3) For building related construction contracts estimated to cost between \$25,000.00 to \$100,000.00 the CPO or his/her authorized designee shall follow the **sealed bid procedures** of MGL c.149 §44A(2)(C) identified in MGL c.30 §39M as follows:

- (a) Apply for appropriate Wage Rates;
- (b) Prepare scope of work;
- (c) Advertise in the Central Register and newspaper, once 2 weeks prior to bid submission;
- (d) 5% bid deposit required; and
- (e) Payment bond in amount ½ of contract amount required. **This is a minimum requirement. DHCD requires a performance & payment bond in 100% of the contract amount.**

(4) For building construction contracts estimated to cost \$100,000 to \$10,000,000 (contracts for the construction, demolition, maintenance, or repair of a building (vertical construction) the CPO or his/her authorized designee shall follow the sealed bid procedures required under MGL. c.149 §44A-M. These contracts require the following:

- (a) Selected designer prepares bid documents;
- (b) Apply for appropriate Mass Prevailing Wage Rates;
- (c) Advertise in the CR & newspaper of general circulation in project location, once 2 weeks prior to 1st bid opening;
- (d) Filed Sub Bids in accordance MGL c.149 §44F when the statutory trade has a value of \$20,000 or more; **DCAM Certification required in trade;**
- (e) Prime Contractor must be DCAM certified in appropriate category;
- (f) Appropriate Update Statements required from Subs & GCs;
- (g) 5% bid deposit required for both Subs and GCs;
- (h) Performance & Payments bonds from GC in 100% of contract amount;

(5) **The DHCD construction advisor shall act as the OMP on projects estimated to cost \$1.5M as required by MGL c.149A1/2.**

(6) For building related construction contracts estimated to cost \$10,000,000 or more (contracts for the construction, demolition, maintenance, or repair of a building the CPO or his/her authorized designee shall follow the pre-qualification process and sealed bid procedures required under MGL c.149 §44D ½ and MGL c.149 §44D ¾.

(7) **All bids and construction contracts estimated up to \$25,000 or more must be sent to DHCD for review and approval prior to contract execution which must be validated by DHCD. The Board shall vote to award to the lowest eligible responsible bidder subject to DHCD approval.**

⁵ 10 hour OSHA Training Required on all construction projects estimated to cost \$10,000 or more;

(8) The CPO must keep on file with regard to every price quotation or solicitation made all documents relating to purchases and contracts under this section and shall be kept for a period of seven (7) years from date of final payment. A copy of bid forms received, a record of names, addresses, and the amounts of bids (tabulation) shall also be kept for seven (7) years.

NON-BUILDING RELATED CONTRACTS⁶; AND PURCHASE OF CONSTRUCTION MATERIALS

(1) For non-building related construction, *i.e.*, site work (horizontal construction) estimated to cost **\$0-10,000 which includes labor & materials** the CPO or his/her authorized designee shall use **Sound Business Practices as prescribed in MGL c.30B §4.**

(2) For non-building related construction estimated to cost between **\$10,000 to \$25,000** which includes **labor & materials** the CPO or his/her authorized designee shall advertise for **sealed bids**, in accordance with MGL c.30 §39M using the following procedures:

- (a) Use of appropriate DHCD Construction Front-End;
- (b) Prepared Scope of Work;
- (c) Apply for Mass Prevailing Wage Rates;
- (d) Advertise in the CR and daily local newspaper once at least two weeks prior to receipt of sealed bids and post a notice on your jurisdiction's bulletin board for one week before bids are due.
- (e) 5% Bid Deposit; and
- (f) Award to lowest responsible bidder;

The LHA may be part of a local city or town governmental procurement, *i.e.*, **site work** if upon request by the LHA and the contracting governmental agency includes the LHA in its initial advertisement for bids by describing the work and location of work to be performed for the LHA.

(3) For non-building related construction estimated to cost **\$25,000 or more which includes labor & materials** the CPO or his/her authorized designee shall advertise for sealed bids in accordance with MGL c.30 §39M using the following procedures:

- (a) Engage the services of a design professional to develop a scope of work;
- (b) Use appropriate DHCD Construction Front-End.
- (c) Apply for Mass Prevailing Wage Rates;
- (d) Advertise in CR & daily local newspaper, once two week prior to receipt of **sealed bids**; post a notice on your jurisdiction's bulletin board for one week before bids are due.
- (e) Conduct a public bid opening;
- (f) 5% Bid Deposit; and
- (g) Award to lowest responsible bidder

All bids and construction contracts estimated to \$25,000 or more must be sent to DHCD for review and approval prior to contract award.

PURCHASE OF CONSTRUCTION MATERIALS

(1) For the purchase of **construction materials** only (**no labor**) estimated to cost **\$0-10,000** the CPO or his/her designee may use **MGL c.30B sec.4** using **Sound Business Practices, as described in 1 above.** Use a written product specification for the particular procurement.

⁶ DHCD requires a full performance & payment bond on projects estimated to cost \$25,000 or more;

- (2) For the purchase of **construction materials** only (**NO LABOR**) estimated to cost **\$10,000 or more** the CPO or his/her designee shall:
- (a) Contact DHCD for a Construction Material Front-end;
 - (b) Prepare Product Description;
 - (c) Advertise for sealed bids, in the CR and your local newspaper once, at least two weeks before bids are due, and post a notice on your LHA's bulletin board for one week before bids are due in accordance with MGL c.30 sec.39M; and
 - (d) Award to the lowest eligible and responsible bidder.⁷
- (3) The CPO shall keep on file a record of invitation made and offers received, a record of names, addresses, and the amounts of bids shall be kept in the file with regard to every solicitation made. All documents relating to purchases and contracts under this section shall be kept for a period of seven (7) years from date of final payment, including a copy of invitation made and offers received a record of names, addresses, and the amounts of bids.

**PROCUREMENTS FROM DEPARTMENTAL OR STATEWIDE CONTRACT LIST,
GSA OR COOPERATIVE CONTRACTS**

- (1) **Construction materials (NO LABOR)** estimated to cost \$10,000 or more **MAY NOT** be purchased from General Services Administration (GSA) federal supply schedules (MGL c.30B, §1(f)), or cooperative contracts (MGL c.30B, §22). **These provisions relate to compliance with MGL c.30B for the procurement of supplies only. You may no longer use the above contracts for procuring construction materials estimated to cost \$10,000 or more.**⁸

THE BOARD

- (1) The CPO shall submit all bids and quotes **\$10,000** and over at the next regular meeting and the Board must vote to authorize the award of the bid.
- (2) A CPO may not solicit or award a service contract for a term greater than three years, including renewals, extensions unless voted by the Board. (No greater than 10 years)
- (3) A written contract is required for all procurements of **\$10,000** or more. Purchases under **\$10,000** may be made with a purchase order.
- (4) Applicable rules established by DHCD shall be adhered to. These procedures and any changes thereto will be submitted to the Board for approval.
- (5) Lack of competition is permissible only when an emergency exists which permits no delay because of the possibility of injury, loss of life, or destruction of property, or when only one source of supply is available and the CPO or his/her designee shall so certify. For the purposes of emergency situations involving **construction related work contact the DHCD project manager in order to assist in applying for a waiver from the advertising requirements from DCAMM.** For supplies & services the Chapter 30B emergency procedures are to be followed.
- (6) Positive efforts shall be made by the CPO to use small minority-owned and women owned businesses as a source for supplies and services. Such efforts should include developing a bidder's mailing list for these sources, and encouraging these businesses to compete for contracts to be awarded.

⁷ You may also use MGL c.30B §5, but there is no advantage since the process is the same.

⁸ Legislative change in July, 2012

DELEGATION OF PROCUREMENT OFFICER'S POWERS AND DUTIES

The Falmouth Housing Authority Board has voted to delegate certain powers and duties to the Executive Director, or Managing Agent, and designates the Executive Director, or Managing Agent, as the Chief Procurement Officer. This delegation may be revoked or amended whenever the Board and/or Chief Procurement Officer determines that revocation or amendment is in the best interests of the governmental body. A delegation of power or duties by a procurement officer and any revocation or amendment thereof shall not take effect until a copy of the same has been filed with the Office of the Inspector General.

BOARD APPROVAL OF PROCUREMENT ACTIONS

Other than approval of this Procurement Policy, approval by the Board of Commissioners is not required for any procurement action, except as required under Federal, State, or local law. Rather, it is the responsibility of the Executive Director, or Managing Agent, to make sure that all procurement actions are conducted in accordance with the policies contained herein.

DELEGATION OF CONTRACTING AUTHORITY

While the Executive Director, or Managing Agent, is responsible for ensuring that the LHA's procurements comply with this Policy, the Executive Director, or Managing Agent, may delegate procurement authority as is necessary and appropriate to conduct the business of the Agency. Further, and in accordance with this delegation of authority, the Executive Director, or Managing Agent, shall, where necessary, establish operational procedures to implement this Policy.

BIDDING SUMMARY FOR SUPPLIES AND SERVICES

TYPE OF SUPPLY/SERVICE	BIDDING PROCEDURES - MGL c.30B
<p>SUPPLIES - Examples Appliances, Bathroom Fixtures, Vehicles, Snow Plowing Equipment, Office Furniture, Office Equipment, etc.</p> <p>SERVICES - Examples Hiring of Consultants, Exterminating Services, Yard Maintenance, Cleaning Services, <i>Duct Cleaning, Power Washing, Tree Trimming/Cutting/Removal, etc.</i>⁹</p>	<p align="center">\$10,000 or less</p> <ul style="list-style-type: none"> ◆ MGL c30B §5 - Use Sound Business Judgment; ◆ Prepare Scope of Work or Product Description; ◆ Purchase may be made via Purchase Order; ◆ 25% CAP on additional contract expenditures except as indicated in policy; <p align="center">NEVER USE A VENDOR'S JOB DESCRIPTION, ↓ SPECIFICATION OR CONTRACT</p>
<p align="center">SERVICES</p> <p><i>Prevailing wage rates are applicable to when services are performed w/high power equipment or vehicles.</i></p>	<p align="center">\$10,000 - \$34,999</p> <ul style="list-style-type: none"> ◆ MGL c.30B §5 - Obtain three oral or written quotes; ◆ Prepare a Scope of Work or Product Description; ◆ Requires a fully executed contract (not vendors); ◆ 25% CAP on additional contract expenditures; ◆ Contracts in excess of \$10,000 are subject to DHCD approval;
	<p align="center">\$35,000 or more - MGL c.30B §5</p> <ul style="list-style-type: none"> ◆ IFB = Invitation to Bid. Award based on lowest price; ◆ Advertise in Newspaper for Sealed Bids. If than \$100K>advertise in Goods & Services Bulletin; ◆ Prepare a Scope of Work or Product Description in IFB; ◆ Fully executed contract (not vendors) which is part of IFB. 25% CAP on additional contract expenditures; OR MGL c.30B §6 ◆ RFP = Request for Proposals (used for services). Requires board to vote justifying reason to use RFP process. ◆ Develop criteria for each task. ◆ Process requires bids to be submitted in 2 separate sealed envelopes. Non-price proposal and price proposal. ◆ Allows contract award to bidder who has highest rating, not necessarily the lowest price;
<p align="center">GOODS & SERVICES ONLY CONTRACT LIST ANY \$\$ VALUE <u>www.state.ma.us/osd/lgo/; GSA or public contracts; Must obtain at least 2 quotes from Vendors on list.</u></p>	<p align="center">PROCURING OFF THE STATEWIDE</p> <ul style="list-style-type: none"> ◆ A variety of contracts are awarded & may be used by LHA w/o conducting a separate procurement. ◆ Example: vehicles, appliances, office equipment, moving services, cleaning services, (construction materials under \$10K). Vendors under these contracts are limited to the scope of work under the state contract. <p align="center">PRICES WILL NOT ALWAYS BE LOWER OR COMPETITIVE</p>
<p>SOLE –SOURCE PROCUREMENTS</p>	<p align="center">\$0 - \$34,999 - MGL c.30B §7 & §14.</p> <ul style="list-style-type: none"> ◆ LHA justifies by way of reasonable investigation why only one source is practical. ◆ Must maintain written record of every sole-source procurement which must include the name, contract type & amount, the supplies or services procured & why it was determined to use this process; ◆ If more than \$35,000 you are still required to advertise;

⁹ Mass Prevailing wage rates are applicable when services are performed w/high power equipment or vehicles.

**BIDDING SUMMARY FOR DISPOSITION OF
SUPPLIES AND SERVICES AND
DISPOSITION OF REAL PROPERTY**

TYPE OF SUPPLY	BIDDING PROCEDURES MGL c.30B §15
<p>DISPOSITION OF SURPLUS SUPPLIES</p> <p>Examples Vehicles, machinery, computer equipment, furniture, and other materials and supplies.</p>	<p align="center">\$0 - \$10,000</p> <p align="center">MGL c.30B §15 - Use Sound Business Judgment; For a supply w/ an estimated net value of less than \$10,000 may be disposed using written procedures approved by the LHA. You may sell to another LHA or make a charitable contribution;</p> <p align="center">\$10,000 or More;</p> <p>For supplies with resale or salvage value of more than \$10,000 you have the following options for disposal and award to the highest offer or:</p> <p align="center">Dispose through Sealed Bids; Dispose through Public Auction; Dispose through Established Market (Commodities that are sold in wholesale lots w/prices set by open competition LHA may trade-in a supply listed for trade-in in the invitation for bids or request for proposals.</p> <p>Advertise notice of bid date for sealed bids or auction date in Newspaper once 2 weeks before bid opening & Post notice. If value is greater than \$100K also advertise in Goods & Services Bulletin; Requires a fully executed contract. The LHA may by majority vote dispose of a tangible supply no longer useful to the LHA, but having a resale value or salvage value, at less than the fair market value to a charitable organization.</p>
<p>REAL PROPERTY Acquisitions & Disposition</p>	<p align="center">MGL c.30B §16</p>
<p>Property consisting of land, buildings, crops, or other resources still attached to or within the land or improvements or fixtures permanently attached to the land or a structure on it</p>	<p align="center">\$35,000 or more</p> <p>Advertise RFP in a newspaper with a circulation.⁷ The advertisement must be published at least once a week for two consecutive weeks before the day you selected for opening proposals. The last publication must occur at least eight days before the proposal opening.</p>

MGL c.30B EXEMPTIONS

MGL c.30 §1 exempts the following contracts for the procurement of supplies, services or real property and for disposing of supplies or real property by a governmental body.

- (1) a contract subject to the provisions of section thirty-nine M of chapter thirty, section 11C or section 11I of chapter 25A or sections forty-four A to forty-four J, inclusive, of chapter one hundred and forty-nine;
- (2) a contract subject to the provisions of sections thirty-eight A1/2 to thirty-eight O, inclusive, of chapter seven;
- (3) an intergovernmental agreement subject to the provisions of section four A of chapter forty;
- (4) a transaction with the commonwealth, except as pertains to subsection (i) of section 16;
- (5) a contract for the purchase of materials, under specifications of the state department of highways, and at prices established by the department, pursuant to advertising and bidding for such purpose, in connection with work to be performed under the provisions of chapter eighty-one or chapter ninety;
- (6) a contract for the advertising of required notices;
- (7) an agreement between agencies, boards, commissions, authorities, departments or public instrumentalities of one city or town;
- (8) an agreement for the provision of special education pursuant to chapter seventy-one B and regulations promulgated pursuant thereto;
- (9) a contract to purchase supplies or services from, or to dispose of supplies to, any agency or instrumentality of the federal government, the commonwealth or any of its political subdivisions or any other state or political subdivision thereof;
- (10) the issuance of bonds, notes or securities in accordance with procedures established by law;
- (11) contracts and investments made in accordance with sections fifty-seven or fifty-seven A of chapter thirty-five or sections sixty-seven or sixty-seven A of chapter forty-four;
- (12) a contract for the procurement of insurance or surety bonds, including an agreement subject to the provisions of sections one to sixteen, inclusive, of chapter forty M or the provisions of sections twenty-five E to twenty-five U, inclusive, of chapter one hundred and fifty-two;
- (13) contracts for the services of expert witnesses for use in an adjudicatory proceeding or litigation or in anticipation thereof;
- (14) any contracts or agreements entered into by a municipal gas or electric department governed by a municipal light board, as defined by section fifty-five of chapter one hundred and sixty-four or by a municipal light commission, as defined by section fifty-six A of said chapter one hundred and sixty-four; provided, however, that any such board or commission may accept the provisions of this chapter by a majority vote of its members;
- (15) contracts with labor relations representatives, lawyers, or certified public accountants;
- (16) contracts with physicians, dentists, and other health care individuals or persons including nurses, nurses' assistants, medical and laboratory technicians, health care providers including diagnosticians, social workers, psychiatric workers, and veterinarians;
- (17) a contract for snow plowing by a governmental body;
- (18) a contract or lease by a governmental body of its boat slips, berths, or moorings;
- (19) a contract for retirement board services;
- (20) a contract which is funded by proceeds derived from a gift to a governmental body or a trust established for the benefit of a governmental body;
- (21) a contract for the towing and storage for motor vehicles;
- (22) a contract to provide job-related training, educational or career development services to the employees of a governmental body;
- (23) a contract pursuant to which a governmental body obtains services from a bank, as defined in section one of chapter one hundred and sixty-seven, subject to the maintenance of a compensating balance;
- (24) a contract for ambulance service by a governmental body;

(25) a contract to sell lease or acquire residential, institutional, industrial or commercial real property by a public or quasi-public economic development agency or urban renewal agency engaged in the development and disposition of said real property in accordance with a plan approved by the appropriate authorizing authority;

(26) a contract for the collection of delinquent taxes or for the services of a deputy tax collector;

(27) contracts or agreements entered into by a municipal hospital or a municipal department of health;

(28) contracts entered into by a governmental body on behalf of a hospital owned by such governmental body where such contract is funded by expenditures from an operations account, so-called, or a special account, established pursuant to a special act that is maintained for the benefit of and designated with the name of such hospital;

(29) any contracts, agreements or leases entered into by a municipal airport commission established under the provisions of section fifty-one E of chapter ninety; provided, however, that such contracts, agreements or leases apply to aviation uses or the sale of aviation fuel;

(30) a contract for the collection, transportation, receipt, processing or disposal of solid waste, recyclable or compostable materials;

(31) an agreement for the purchase of photography services entered into by a public school;

(32) energy aggregation contracts entered into by a political subdivision of the commonwealth for energy or energy related services arranged or negotiated by such subdivision on behalf of its residents;

(32A) contracts with architects, engineers and related professionals;.

(33) energy contracts entered into by a city or town or group of cities or towns or political subdivisions of the commonwealth, for energy or energy related services; provided, however, that within 15 days of the signing of a contract for energy or energy related services by a city, town, political subdivision, or group of cities, towns or political subdivisions said city, town, political subdivision, or group of cities, towns or political subdivisions shall submit to the department of public utilities, the department of energy resources, and the office of the inspector general a copy of the contract and a report of the process used to execute the contract; provided, further, that for any such contract determined to contain confidential information under subclause (r) of section 7 of chapter 4, the governmental body shall instead maintain a record of the procurement processes and awards for 6 years after the date of the final payment. The governmental body shall make such records available to the inspector general upon request; provided, however, that the inspector general shall not disclose said information; or

(34) a contract made in accordance with section 5 of chapter 111C.

(c) This chapter shall be deemed to have been complied with on all purchases made under the provisions of sections twenty-two A and twenty-two B of chapter seven when one political subdivision, as defined in said section twenty-two A, acting on behalf of other political subdivisions, complies with the provisions of this chapter, or when purchases are made from a vendor pursuant to a contract with the commonwealth for the item or items being purchased.

(d) Where a procurement involves the expenditure of federal assistance or contract funds, the provisions of this chapter shall not apply to the extent that such provisions prevent compliance with mandatory provisions of federal law and regulations.

(e) Notwithstanding the provisions of any general or special law to the contrary, a governmental body may enter into a contract, in conformance with this chapter, for the construction and for services at a facility owned by a private party or parties, whether such facility will be located on public or private land for the disposal, recycling, composting or treatment of solid waste, sewage, septage or sludge without said contract being subject to the competitive bid process as set forth in sections thirty-eight A1/2 to thirty-eight O, inclusive, of chapter seven, section thirty-nine M of chapter thirty, or sections forty-four A to forty-four J, inclusive, of chapter one hundred and forty-nine; provided, however, that this subsection shall not apply to a procurement of proprietary environmental technology in accordance with subsection (5) of section forty-four A of chapter one hundred and forty-nine.

(f) This chapter shall be deemed to have been complied with on all purchases made from a vendor pursuant to a General Services Administration federal supply schedule that is available for use by governmental bodies.

DEFINITIONS OF BUILDING RELATED CONSTRUCTION WORK

Acoustical Tile - Installation of tile-shaped blocks of sound-absorbent material used for ceilings or as wall facing within a building.

Alarm Systems - Installation, renovation, repair and maintenance of low voltage fire protection, security, card access entry systems, closed circuit television systems, motion detectors, and other types of alarms systems within a building.

Asbestos Removal - Removal and disposal of asbestos previously incorporated into a building, which may include encapsulation.

Deleading - The undertaking of lead abatement projects involving one or more of the following: scraping and/or chemical stripping of lead paint, encapsulation and covering of lead contaminated surfaces, or removal and replacement of windows, woodwork or other contaminated surfaces within a building.

Demolition - Building wrecking contractor including the razing of buildings or parts of buildings, major gutting of buildings or removal of structural elements of a building. The removal of partitions, flooring, windows, etc. incidental to a renovation or remodeling project are not within this category.

Doors and Windows - Installation of doors and windows made of wood, metal or other materials, both interior and exterior. .

Electrical - Installation, renovation, repair and maintenance of electrical wiring, circuits, panel boards, fixtures and equipment within a building, including such incidental or related work as is customarily performed by those in the electricians' trade. Requires Mass Master Electrician's License.

Elevators - The installation, maintenance and repair of elevators, handicapped accessible chair lifts, moving stairs, or dumbwaiters within a building.

Energy Management Systems - The design and installation of systems or maintenance programs to conserve energy use within a building includes performance-contracting energy saving projects including the installation or modification of new and existing equipment which will reduce energy and water consumption associated with heating, ventilation, and air conditioning system, lighting system, building envelope, domestic hot water system, other energy and water using devices and work associated with monitoring and verifying project savings and the study and/or design of the subject work.

Exterior Siding - Installation and/or repair of aluminum, vinyl, or other types of siding materials except masonry used on building exteriors.

Fire Protection Sprinkler Systems - Installation, renovation, repair and maintenance of fire protection sprinklers in buildings including such incidental or related work as is customarily performed by those in the Fire Protection Sprinkler Systems' trade.

Floor Covering - The installation of carpeting, hardwood flooring and all types of tile installed as finished flooring within a building.

General Building Construction - New construction, renovation, rehabilitation, alteration, addition, etc.

Glass and Glazing - Installation and securing of glass in prepared openings in windows, door panels, screens, partitions, etc., that are not part of a correlated window system.

HVAC - Installation, renovation repair and maintenance of the systems and apparatus required, collectively or individually, to provide comfort heating, ventilation and/or cooling within or associated with a building, including such incidental or related work.

Lathing and Plastering - The application of, but not limited to, plaster, Keene cement plaster, furring, metal and gypsum lathing, scratch coat and lathing for ceramic tile walls, and plaster ceiling suspension systems to a building.

Marble - Installation/application of marble, including but not limited to, toilet and shower compartments, counters, cladding, fixed furnishings including fountains, thin skin exterior and interior, granite, and limestone walls and facings, marble and pre-cast terrazzo treads and risers, blue stone and slate walls and floors, and stone window stools and thresholds to a building.

Masonry - Installation, renovation, repair and maintenance of masonry units composed of concrete, stone, or brick which are part of a building, including such incidental or related work.

Mechanical Systems - The installation, renovation, repair and maintenance of power systems, process piping, instrumentation, controls, compressors, generators, turbines and other associated mechanical systems equipment.

Miscellaneous and Ornamental Iron - Installation of miscellaneous and ornamental iron including, but not limited to, steel chairs, handrails and railings, ornamental metal, elevator ladders, ladders, balconies, catwalks, fire escapes, decorative grilles and screens, and any other non-standard metal items requiring custom fabrication and installation to a building.

Painting - Application of paint to interior and exterior surfaces of buildings and preparation of such surfaces for the purpose of receiving a finish coat of paint, including such incidental or related work.

Plumbing - Installation, renovation repair and maintenance of pipes, fixtures and other apparatus in buildings for bringing in and distributing the water supply and removing liquid and water-borne wastes, including such incidental or related work. Requires possession of a Mass Master Plumber's License.

Resilient Floors - Installation of, but not limited to, vinyl tile, asphalt tile, rubber and other resilient tile, resilient sheet flooring, linoleum, resilient vinyl or rubber bases, resilient stair treads and adhesives to a building.

Roofing & Flashing - The installation of various types of roofing materials to a building, including shingles, slate, rubber, PVC and related flashing and drainage systems.

Terrazzo - Installation of terrazzo to a building including sand cushion terrazzo floors, bond to concrete terrazzo floors, thin set terrazzo, conductive terrazzo floors, pre-cast terrazzo, and plastic-matrix terrazzo.

Tile - Installation of tile which includes ceramic floor and wall tile, quarry tile, glass mosaic tile, special shapes, setting materials and accessories to a building.

Telecommunications Systems - Installation, repair and maintenance of telephone, intercom, television, computer network or related equipment for a major communication system within a building.

Waterproofing, Damp-proofing, and Caulking - Installation, renovation, repair or maintenance of materials required to make foundations, walls and other surfaces of a building damp-proof or impervious to water, including such incidental or related work as is customarily performed by those in the waterproofing and damp-proofing trade.

**BIDDING SUMMARY FOR
BUILDING RELATED CONSTRUCTION**

TYPE OF WORK	BIDDING PROCEDURES -
<p align="center">MGL c.149 §44A-J</p> <p>Vertical Construction Building Related Work, Labor & Materials; Labor Only</p> <p align="center">\$0 - \$10,000 ↓</p> <p align="center">Use DHCD Front End on State Funded Projects Not a Sealed Bid Process</p>	<p align="center"><u>USE SOUND BUSINESS PRACTICES</u></p> <ul style="list-style-type: none"> ◆ Prepare scope of work; ◆ Apply for Mass Prevailing Wage Rates; ◆ Require insurance, general liability & workers comp; ◆ Keep a record which, at a minimum, must include the name & address of the person from whom the services were procured; ◆ Award to the responsible person at the lowest price quote; <p align="center">NO BID DEPOSIT REQUIRED NO BONDS REQUIRED</p>
<p>Vertical Construction Building Related Work Labor & Materials; Labor Only</p> <p align="center">\$10,000 - \$25,000</p>	<p align="center"><u>PUBLIC NOTIFICATION - NOT A SEALED BID PROCESS</u></p> <ul style="list-style-type: none"> ◆ Prepare scope of work; ◆ Apply for Mass Prevailing Wages Rates; ◆ Require insurance, general liability & workers comp; ◆ Solicit <u>written</u> quotes through Public Notification Process; ◆ <i>Notice shall include a scope of work, a statement defining the work requirements & time of completion.</i> ◆ Advertise in the CR and COMMBUYS, once 2 weeks prior to bid submission; ◆ 10 hour OSHA Training Required on all projects estimated to cost \$10,000 or more; ◆ Award to the lowest responsible bidder. <p align="center">NO BID DEPOSIT REQUIRED NO BONDS REQUIRED</p>
<p>Vertical Construction Building Related Work Labor & Materials; Labor Only</p> <p align="center">\$25,000 - \$100,000</p>	<p align="center"><u>ADVERTISE FOR SEALED BIDS</u></p> <ul style="list-style-type: none"> ◆ Prepare scope of work; ◆ Apply for Mass Prevailing Wages Rates; ◆ Advertise in the CR & daily local newspaper, once 2 weeks prior to bid submission; ◆ 5% bid deposit; ◆ DHCD requires performance & payment bonds in 100% of contract amount ◆ NO DCAMM CERTIFICATION; NO FILED SUB BIDS ◆ Award to the lowest responsible bidder.
<p>Vertical Construction Building Related Work Labor & Materials \$100,000 - \$10M</p> <p align="center">Use DHCD Front End on State Funded Projects ↑</p>	<p align="center"><u>ADVERTISE FOR SEALED BIDS</u></p> <ul style="list-style-type: none"> ◆ A/E prepares scope of work; ◆ Apply for prevailing wages; ◆ Advertise in the CR & daily local newspaper, once 2 weeks prior to 1st bid opening; ◆ DCAMM Certified filed sub bids required on trades w/a value of \$20,000 or more; ◆ Prime Contractor must be DCAMM certified; ◆ 5% bid deposit required for both Subs and GCs; ◆ Appropriate Update Statements required from Subs & GCs; ◆ Performance & Payment Bonds from GC in 100% of contract amount;

**DEFINITIONS OF HORIZONTAL CONSTRUCTION RELATED WORK
SITE WORK & EXAMPLES OF CONSTRUCTION MATERIALS
MGL c.30 §39M or MGL c.30B**

Hazardous Waste Remediation - The removal, remediation, disposal of hazardous materials, soils, debris, waste etc. (other than asbestos).

Landscaping - A project that includes planting, top soiling, seeding, mowing, grubbing, chemical vegetation control, tree trimming and removal.

Paving/Surfacing - The cold planning, resurfacing and repaving of existing sidewalks, parking lots, roadways as well as all other work necessary to furnish a completed a surface.

Sewer And Water - The removal and/or repair of existing water and sewer lines. The installation of new water and sewer lines.

Septic Systems

Underground Tank Removal And Replacement - The testing, removal, and installation of underground storage tanks and all necessary appurtenances.

Utilities - The furnishing, installing, replacement, relocation, repair etc. of various types of conduit and piping etc. for underground and/or above ground utilities other than sewer and water lines, facility or system for producing, transmitting, or distributing communications, cable television, power electricity, light, heat, gas, oil crude products, steam, storm water not connected with highway drainage, or any other similar commodity including any fire or police signal system, which directly or indirectly serves the public.

EXAMPLES OF CONSTRUCTION MATERIALS

**PAINT
LUMBER
FLOORING
CARPETING
ASPHALT
LOAM
CABINETS
HARDWARE
WINDOWS
GUTTERS
DOWNSPOUTS
PLUMBING SUPPLIES
ELECTRICAL SUPPLIES**

**SITE WORK -HORIZONTAL CONSTRUCTION; AND
CONSTRUCTION MATERIALS**

TYPE OF WORK	BIDDING PROCEDURES - MGL c.30B §§4
<p align="center">MGL c.30B §4 Site Work - Labor & Materials; \$10,000 or less</p> <p align="center">Use DHCD Front End on State Funded Projects</p>	<p align="center">USE SOUND BUSINESS PRACTICES</p> <ul style="list-style-type: none"> ◆ Prepare scope of work; ◆ Apply for Mass Prevailing Wage Rates; ◆ Keep a record which, at a minimum, must include the name & address of the person from whom the services were procured; ◆ Award to the responsible person at the lowest price quote; ☞ Require insurance; General Liability & Workers Comp☞ <p align="center">NO BONDS REQUIRED</p>
<p align="center">MGL c.30 §39M Site Work - Labor & Materials; \$10,000 to \$25,000</p>	<p align="center">ADVERTISE FOR SEALED BIDS</p> <ul style="list-style-type: none"> ◆ Prepare Scope of Work; ◆ Apply for Mass Prevailing Wage Rates; ◆ Advertise in CR and newspaper once, 2 weeks before bid opening; ◆ 5% bid deposit; ◆ 10 hour OSHA Training required ◆ Award to the lowest responsible bidder; ☞ Require insurance; General Liability & Workers Comp☞
<p align="center">MGL c.30 §39M Site Work - Labor & Materials; \$25,000 or more</p>	<p align="center">ADVERTISE FOR SEALED BIDS</p> <ul style="list-style-type: none"> ◆ Prepare Scope of Work; ◆ Apply for wage rates; ◆ Advertise in CR and newspaper once, 2 weeks before bid opening; ◆ Post a notice in conspicuous place for one week before bids are due; ◆ 5% bid deposit; ◆ DHCD requires performance & payment bonds 100% of contract amount; ◆ Award to the lowest responsible bidder;
<p align="center">MGL c.30B §4 Purchase of Construction Related Materials (NO LABOR) \$10,000 or less;</p>	<p align="center">USE SOUND BUSINESS PRACTICES</p> <ul style="list-style-type: none"> ◆ Prepare product description; ◆ Keep a record which, at a minimum, must include the name & address of the person from whom the services were procured; ◆ Award to the responsible person at the lowest price quote; ◆ May use a Purchase Order; ◆ You May Purchase Off The State Contract List ◆
<p align="center">MGL c.30 § 39M or MGL c.30 §5 Purchase of Construction Related Materials (NO LABOR) \$10,000 or more; SEALED BID PROCESS</p>	<p align="center">ADVERTISE FOR SEALED BIDS</p> <ul style="list-style-type: none"> ◆ Prepare Product Description; ◆ Advertise in CR & Newspaper, once 2 weeks before bid due date; ◆ 5% Bid Deposit Required;***Only applies to c.30 §39M ◆ Award to the responsible person at the lowest bid price; ◆ Executed Contract;