



RESOLUTION 2024-08-28 (1)

Date: July 24, 2024

To: THA Board of Commissioners

From: April Black
Executive Director

Re: Approval to Adopt THA's New Procurement Policy

This resolution would allow Tacoma Housing Authority (THA) to adopt a new Procurement Policy.

BACKGROUND

Resolution 2023-05-24 (2), Procurement Policy Re-write was approved by the Board on May 24, 2023. THA secured the legal services of Stoel & Rives, LLP, to assist with the new policy.

Highlights of the New Policy Include:

1. Section 7.5 Construction: Alternative Procurement Methods

New: For **non-federal** public works projects, THA may use the Job Order Contracting Method.

Job Order Contracting benefits: For public works projects, job order contracting allows THA to solicit and award master contracts with vendors for a fixed period of up to three years to provide services under later-awarded work orders for specific projects. The contract will then subcontract most work for individual work orders.

The maximum dollar amount THA may award for any work order is \$500,000.00 and the maximum total dollar amount that may be awarded under a job order contract is \$4 million per year for a maximum of 3 years.

Limitations:

- THA may have no more than three job order contracts in effect at any one time.
- A least 90% of work contained in a job order contract must be subcontracted to entities other than the job order contractor.
- Any new stand-alone structure constructed under a work order must not exceed 3,000 gross sf.

2. Section 7.6 Small Works and Limited Works Roster

New:

From July 1, 2024, forward, the limited works Roster will be no longer available.

New:

From July 1, 2024, forward, MRSC roster will also be the officially sanctioned statewide roster (which THA may continue to use).

From July 1, 2024, forward, for public work projects funded entirely by **non-federal** dollars, THA may use the Small Works Roster for contracts less than or equal to \$350,000.00.

From July 1, 2024, forward, for projects funded in whole or in part with Federal dollars, THA may use the Small Works Roster for contracts between \$150,000.00 and \$250,000.00.

From July 1, 2024, forward, for public works projects funded by federal or non-federal dollars, THA may use the small works roster and depending on the number of certified small businesses on the Roster, must or may engage in direct contracting with small businesses (more to follow).

New:

For each contract awarded pursuant to the Small Works Roster Processes, THA will provide, an estimate for the scope and nature of the work to be performed and the materials and equipment to be furnished as part of each invitation to submit quotations or contract directly.

From July 1, 2024, forward, Contracts from \$150,000-\$350,000 – THA will solicit quotations from all contractors on the applicable Small Works Roster.

From July 1, 2024, forward, public works contracts under \$50,000, THA must solicit electronic or written quotes from a minimum of three contractors from the small works roster.

3. **Section 7.6.6 MWBE**

New:

THA will operate in accordance with its small, minority, women, and veteran owned business utilization plan.

Note: Per legal, there is no written guidance drafted regarding the requirements for the Business Utilization Plan. Will revisit with Legal summer 2024.

New:

Direct Contracting: From July 1, 2024, forward, for non-federal contracts with an estimated cost less than \$150,000.

If the applicable Small Works Roster **includes 6 or more contractors certified by OMWBE, THA will contract directly with one of those small businesses** in order to utilize the Small Works Roster process (rather than soliciting quotes from the contractors on the Small Works Roster at large. **For 5 or fewer contractors, THA may, at its option, contract directly with any of those small businesses rather than soliciting quotes** from the contractors on the Small Works Roster at large.

4. **Section 7.7 Invitation for Bids (IFB)**

New:

For any contract awarded through the IFB solicitation process, the prime contract bidder will ensure that at least 15% of the labor hours will be performed by apprentices.

5. **Section 8.1.5 Public Works Bonding and Retainage Requirements**

New:

For contracts between \$50,000 and \$150,000 awarded pursuant to the Small Works Roster processes described in Section 7.6, THA may choose to withhold 10% retainage in lieu of the contractor providing performance and payment bonds. If THA elects to withhold the increased retainage in lieu of bonds, it will include a statement to that effect in its solicitation for quotations.

For contracts under \$5,000 awarded pursuant to the Small Works Roster processes described in Section 7.6 on or after July 1, 2024, neither performance nor payment bonds are required.

New Clarification:

Work procured by Separate Entities are not covered by this Policy.

6. Section 8.7.1 Third Party Contracts

New:

Contracts for Ordinary Maintenance Services – Such contracts are not considered THA procurements. More clearly defined.

7. Section 10.0 Assistance to Small and Other Businesses (MWBE)

New:

Defining Language added for each OMWBE designation.

8. Section 13.0 Authority for Procurement Actions

New:

Procurements less than and equal to \$10,000, Executive Director, Deputy Executive Director and Contract Manager are authorized to execute all contract documents.

RECOMMENDATION

Approve THA BOC Resolution 2024-08-28 (1), adopting the changes to THA's Procurement Policy.



RESOLUTION 2024-08-28 (1)

(Approval to Adopt THA's New Procurement Policy)

A **RESOLUTION** of the Board of Commissioners of the Housing Authority of the City of Tacoma

WHEREAS, Tacoma Housing Authority approved a Procurement Policy re-write through Resolution 2023-05-24 (2); and

WHEREAS, THA procured the services of Stoel & Rives, LLP to assist with the re-write; and

WHEREAS, THA has finalized the new Policy; now, therefore, be it

Resolved by the Board of Commissioners of the Housing Authority of the City of Tacoma, Washington as follows: Adopt the updated THA Procurement Policy PCI-01.

Approved: August 28, 2024



Derek Young, Chair