AGENDA

A Regular Meeting of the Poughkeepsie Housing Authority will be held on Wednesday, October 9, 2024, 2024 at 5:15 p.m. The meeting will be held at the Administrative Office located at 4 Howard Street, Poughkeepsie, NY.

ROLL CALL

MINUTES
September 11, 2024/Regular Meeting

RESOLUTIONS
2024-10 Amended Procurement Policy
2024-11 Change Order for Water Heater Replacement at Hudson Gardens

COMMITTEE REPORTS
A. Building and Security
B. Finance
C. Personnel
D. Tenant Relations

EXECUTIVE DIRECTOR'S REPORT

CHAIRMAN'S REPORT

COUNSEL'S REPORT

OLD BUSINESS

NEW BUSINESS

TENANT PARTICIPATION

ADJOURNMENT

POUGHKEEPSIE HOUSING AUTHORITY
Minutes of the September 11, 2024 Meeting

Present: Shirley Adams, Chairman
Vincent Brugger, Vice-Chairman
Jacquetta Brown, Secretary
Felicia Watson, Treasurer
Thomas O'Neill, Assistant Secretary-Treasurer
Terriciena Brown, Member
Robin Johnson, Member

Also Present: Sandra Boothe, Executive Director
Thomas Shanley, Accountant

The Meeting of the Poughkeepsie Housing Authority was held on Wednesday, September 11, 2024 at 5:19 p.m. at the Administrative Office located at 4 Howard Street, Poughkeepsie, NY 12601.

MINUTES

August 14, 2024/Regular Meeting: Vice-Chairman Brugger made a motion to put the minutes on the floor. Commissioner J. Brown seconded. Motion passed unanimously. Commissioner T. Brown asked if she could have an excused absence as she had called in sick. Chairman Adams said that we would look at the By-Laws to determine if excused absences are covered. Commissioner Watson made a motion to accept the minutes. Commissioner O'Neill seconded. Motion passed unanimously. Commissioner Watson said that it was not noted that we had tenant participation. It was explained that it was put under Building & Security as that is when the tenant spoke. Going forward, the Board asked to have all tenant participation under the section "Tenant Participation". Vice-Chairman Brugger asked to also include the address of the tenant.

The Board went out of order to go to Tenant Participation.

TENANT PARITICIPATION

Mr. Daniel Alexander, a tenant at Hudson Gardens apt. # 10A5, came to speak about his transfer. Ms. Boothe explained he had filled out the appropriate paperwork for a transfer from a two-bedroom to a three-bedroom, and he is on the transfer list. Mr. Alexander explained that his daughter is handicapped, and the room is too small for her to navigate. Commissioner Watson asked if there any legal reasons that he should be moved before others. Commissioner O'Neill asked what the wait is for a three-bedroom ground floor unit. Ms. Boothe said that it could be up to a year or more, and if there are others on the transfer list with reasonable accommodations ahead of him, they would be accommodated first. Commissioner J. Brown asked if he could take an apartment with stairs. Mr. Alexander said that he could possibly take an apartment with stairs. After much discussion, Mr. Alexander decided he would wait for the ground floor three-

bedroom. Mr. Alexander also requested that the bench outside his window be removed as people congregate on it and smoke and are disruptive. Ms. Boothe said she will look into it.

RESOLUTIONS

Resolution 2024-07 Setting Payment Standards: Vice-Chairman Brugger made a motion to put the resolution on the floor. Commissioner O'Neill seconded. Motion passed. Ms. Boothe presented the resolution to set the Payment Standards at 110% of the published Fair Market Rents for Section 8. Commissioner Watson made a motion to approve the resolution. Commissioner O'Neill seconded. Motion passed unanimously.

Resolution 2024-08 Flat Rent: Vice-Chairman Brugger made a motion to put the resolution on the floor. Commissioner T. Brown seconded. Motion passed. This resolution is to set the flat rent for each public housing unit that complies with the requirement that all flat rents be set at no less than 80 percent of the applicable Fair Market Rent. The new Flat Rent Schedule is effective January 1, 2025. Commissioner Watson made a motion to accept the resolution. Commissioner O'Neill seconded. Motion passed unanimously.

Resolution 2024-09 Change Order for DiPaterio Contracting Inc.: Vice-Chairman Brugger made a motion to put the resolution on the floor. Commissioner T. Brown seconded. Motion passed. The Board previously approved the contract with DiPaterio Contracting to perform envelope renovation repairs at the Dr. Joseph Brady Garden Apartments in an amount of $923,000.00. During the course of the work it was determined that additional work needed to be performed which was not in the original bid nor contract at a cost of $68,080.00. Commissioner Watson made a motion to accept the resolution. Commissioner T. Brown seconded. Motion passed unanimously.

COMMITTEE REPORTS

Building and Security: Commissioner J. Brown asked about the tenants who have had damage due to roof work. Ms. Boothe replied that the claims have been forwarded to the contractor's insurance company. Chairman Adams asked about the parking situation. Commissioner Johnson and Commissioner J. Brown said that there are still problems with illegal parking. Ms. Boothe said that she will reach out to Captain Wilson.

Commissioner J. Brown said there have been complaints about drugs being sold out of two apartments in the Swartz building. Ms. Boothe replied that we sent the two lease terminations, but they have not left so it will have to go through the courts. Commissioner O'Neill asked how long the process takes. Ms. Boothe said that in the past it has taken up to a year.

Finance: Mr. Shanley presented the financials. In Low Income Public Housing, for August, our net deficit was $ 49,421.01 and the net surplus year-to-date is $127,797.98.

For the month of August, we are leased at 107 of 117 for AMP 11 and 224 of 242 for AMP 22.

In Section 8, the net deficit for August is $ 20,668.57. Year-to-date, our net surplus is $53,339.08. As of August 2024, we are leased at 82 for Housing Choice Vouchers, 54 for VASH, and 7 of 18 Foster to Youth Independence.

Personnel: Chairman Adams reported that we are waiting for union on the MOA.

Tenant Relations: Commissioner Johnson asked about the inspections. Ms. Boothe said that they were postponed to the week of the 24th.

EXECUTIVE DIRECTOR'S REPORT

Ms. Boothe reported that the work order summary is in the packet. The woman who will be doing the daycare at Martin Luther King Jr. has asked if she can do an after school program at Thurgood Marshall Terrace (TMT) from 3:30 pm to 5:30 pm on Tuesday, Wednesday, and Thursday. The residents at TMT are on board will this program. Ms. Boothe said she would forward the MOU for this to the Board.

CHAIRMAN'S REPORT

Chairman Adams said that she would like a more formal process for community organizations to use our facilities or property. Ms. Boothe replied that we have a facilities policy and also the organizations don't tell the PHA about it until they have already advertised. Chairman Adams said that there should be a procedure.

COUNSEL'S REPORT

No report.

OLD BUSINESS

Vice-Chairman Brugger asked if the Foster to Youth vouchers are in our buildings. Ms. Boothe replied that they are Section 8. We are sent the referrals from the Department of Family Services, and they oversee the cases. We just process the Section 8 paperwork.

NEW BUSINESS

None

Laurie Sandow, a City Resident, had several questions. She asked if the Fair Market rents are based on the city or the county. Ms. Boothe replied that they are regionally based. Ms. Sandow requested that the meeting information be made available on the website. She said the County Planning Department had a meeting and one of the items on the agenda was the 2025-2029 Housing and Urban Development Consolidated Plan. She

said she found the citizen participation plan, and she cannot find any public participation. The PHA is not aware of how the Planning Department gets their public participation. Ms. Sandow went on to say that there is a legal notice asking for resumes for planning coordinators. Chairman Adams asked Ms. Sandow to forward the legal notice and consolidated plan to her. Ms. Sandow said that she feels that the person running the daycare and potentially the after school program at TMT might be using the Housing Authority's name to leverage funding. Chairman Adams said that we are looking at the relationship as landlord and tenant.

The meeting was adjourned at 7:09 p.m.

I hereby certify that the minutes are true and correct and approved at the Meeting of October 9, 2024.

_____

Jaquetta Brown, Secretary

POUGHKEEPSIE HOUSING AUTHORITY
Resolution No. 2024-10

By Commissioner:_____

WHEREAS, the U.S. Department of Housing and Urban Development hereinafter called (HUD) requires that each Public Housing Authority develop, update, and adopt policies and procedures for operational purposes; and

WHEREAS, the Poughkeepsie Housing Authority hereinafter called (PHA) had previously developed a Procurement Policy and desires to update and amend the said policy.

NOW, THEREFORE,

Upon motion duly made, seconded and carried, it is

RESOLVED, that members of the PHA have reviewed the Procurement Policy attached to and made part of this resolution; and be it further

RESOLVED, that editions of the previous Procurement Policy be retired in full upon adoption of the new policy; and be it further

RESOLVED, that the members of the PHA desire to adopt this revised and amended PHA Procurement Policy upon execution of this resolution and authorize the Executive Director of the PHA to implement accordingly.

Seconded By:_____

AYES NAYS ABSTENTIONS

I hereby CERTIFY the foregoing to be a true and correct copy of Resolution No. 2024-10 duly adopted at the meeting of the Poughkeepsie Housing Authority on the 9th day of October 2024.

_____

Jacquetta Brown, Secretary

PROCUREMENT POLICY
POUGHKEEPSIE HOUSING AUTHORITY

The Poughkeepsie Housing Authorities (PHA) Procurement Policy complies with HUD's Annual Contributions Contract (ACC), and the Federal procurement standards 2 CFR 200.317-200.327, HUD Handbook 7460.8, Rev. 2 of the "Procurement Handbook for Public Housing Agencies," and procurement thresholds for the NY State Public Housing Law Chapter 44-A, Article 8, PBG §151.1. The PHA is required to follow the most stringent of these requirements.

General Provisions

Purpose

The purpose of this Procurement Policy is to provide a procurement system of quality and integrity; to assure that the Poughkeepsie Housing Authority (PHA) procures supplies, services and constructs effectively, efficiently and at the most favorable prices; and to assure that the PHA's purchasing actions are in full compliance with applicable Federal and State regulation(s). Also incorporated into the Authority's Procurement Policy are **Section 3 - Notice PIH 2022-10 and Notice PIH 2022-38,** and to the extent possible and in the best interests of the PHA, **STAT. 1294 PUBLIC LAW 117–58, TITLE IX; Subtitle A - Build America, Buy America (BABA).** BABA requires any "infrastructure project" funded by any "Federal Financial Assistance" (FFA) apply a domestic content procurement preference, meaning that all iron, steel, manufactured products, and construction materials used in the infrastructure project have been produced in the United States, unless the awarding agency has issued a waiver of this requirement. This is called the "Buy American Preference" (BAP). The resulting **Notice PIH 2009-31 (HA)** is referred to as PIH Implementation Guidance for the Buy American Requirement.

Application

This Procurement Policy applies to all contracts for the procurement of supplies, services, and construction entered in to by the PHA after the effective date of this Policy. It shall apply to every expenditure of Federal funds by the Authority for public purchasing, irrespective of the source of funds, including contracts that do not involve an obligation of funds (such as concession contracts).

Nothing in this Policy, however, shall prevent the PHA from complying with the terms and conditions of any grant, contract, gift or bequest that is otherwise consistent with NY and Federal law. The term "procurement," as used in this Policy includes both contracts and modifications (including change orders) for the acquisition of consulting services, construction activities, repositioning efforts, and includes the purchase, lease or rental of materials, supplies and equipment.

Definition

The term "procurement," as used in this Policy, includes the procuring, purchasing, leasing, or renting of: (1) goods, supplies, equipment, and materials, (2) construction and maintenance; consultant services, (3) Architectural and Engineering (A/E) services, (4) Social Services, and (5) other services.

Exclusions

This policy does not govern administrative fees earned under the Section 8 voucher program, the award of vouchers under the Section 8 program, the execution of landlord Housing Assistance Payments contracts under that program, or non-program income, e.g., fee-for-service revenue under 24 CFR Part 990. These excluded areas are subject to applicable State and local requirements.

Changes in Laws and Regulations

In the event an applicable law or regulation is modified or eliminated, or a new law or regulation is adopted, the revised law or regulation shall, to the extent inconsistent with these Policies, automatically supersede these Policies.

Public Access to Procurement Information

Procurement information shall be a matter of public record to the extent provided by NY State Public Housing Law Chapter 44-A, Article 8, PBG §151.1 and all materials shall be available to the public as required by law. Most procurement information that is not proprietary is a matter of public record and shall be available to the public to the extent provided in the New York State Freedom of Information Law.

Ethics in Public Contracting

General

The PHA hereby establishes this code of conduct regarding procurement issues and actions and shall implement a system of sanctions for violations. This code of conduct, etc., is consistent with applicable Federal, State, or local law.

Conflicts of Interest

No employee, officer, Board member, or agent of the PHA shall participate directly or indirectly in the selection, award, or administration of any contract if a conflict of interest, either real or apparent, would be involved. This type of conflict would be when one of the persons listed below has a financial or any other type of interest in a firm competing for the award:

A. An employee, officer, Board member, or agent involved in making the award;

B. His/her relative (including father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, or half sister);

C. His/her partner; or

D. An organization which employs or is negotiating to employ, or has an arrangement concerning prospective employment of any of the above.

Gratuities, Kickbacks, and Use of Confidential Information

No officer, employee, Board member, or agent shall ask for or accept gratuities, favors, or items of more than $25 in value from any contractor, potential contractor, or party to any subcontract, and shall not knowingly use confidential information for actual or anticipated personal gain.

Contractor Responsibilities

Procurements shall be conducted with responsible contractors, i.e., those who have the technical and financial competence to perform the work described in the contract documents and who have a satisfactory record of integrity. The PHA shall review each proposed contractor's ability to perform the contract successfully, considering factors such as full compliance with applicable Federal standards: 1) **BABA and Notice PIH 2009-31 (HA)** "PIH Implementation Guidance for Buy American Requirements, 2) HUD **Section 3, implemented in Notice PIH 2022-10 & Notice PIH 2022-38,** requirements as stipulated for economic opportunities for Low and Very-Low Income Recipients **24 CFR Part 75 Subpart B** "Additional Provisions for Public Housing Financial Assistance" and; 3) Contractor's integrity (including a review of the List of Parties Excluded from Federal Procurement and Non-procurement Programs as published by the U.S. General Services Administration), and 4) compliance with public policy, record of past performance (including contacting previous clients of the contractor, such as other Housing Authorities), and 5) financial and technical resources. Contracts shall not be awarded by the Authority to debarred, suspended, or ineligible contractors.

Prohibition Against Contingent Fees

Contractors wanting to do business with the PHA must not hire a person to solicit or secure a contract for a commission, percentage, brokerage, or contingent fee, except for bona fide established commercial selling agencies.

PROCUREMENT PLANNING

Planning is essential to managing the procurement function properly. Hence, the PHA will periodically review its record of prior purchases, as well as future needs, to: find patterns of procurement actions that could be performed more efficiently or economically; maximize competition and competitive pricing among contracts and decrease the PHA's procurement costs; reduce PHA administrative costs; ensure that supplies and services are obtained without any need for re-procurement, e.g., resolving bid protests; and minimize errors that occur when there is inadequate lead time.

Consideration should be given to storage, security, and handling requirements when planning.

Purchasing Methods

Each local government must establish its own policies and procedures for procurement of good and services not required by law. Procurement policies and procedures generally ensure that competition is sought in a reasonable and cost-effective manner for procurements below the bidding thresholds and for other contracts to be exempt from bidding.

Petty Cash Purchases

Small purchases less than One Hundred Dollars ($100.00) which can be satisfied by local sources may be processed through the use of a petty cash account. Petty Cash Accounts may be established in an amount sufficient to cover small purchases made during a reasonable period, e.g., one month. For all Petty Cash Accounts, the PHA shall ensure that security is maintained and only authorized individuals have access to the account. The account shall be periodically reconciled and replenished by submission of a voucher to the Authority's Accountant and periodically audited by the Accountant or designee to validate proper use and to verify that the account total equals cash on hand plus the total of accumulated vouchers.

New York State and Federal Monetary Thresholds

Monetary Thresholds – Generally, local governments and school districts are required to advertise for competitive bids when procurements exceed certain dollar thresholds. Purchase contracts involving expenditures in excess of $25,000 for supplies and materials and $50,000 for any other contract for public work are generally subject to competitive bidding. When using competitive bidding, contracts are awarded to the "lowest responsible bidder" after public advertisement for sealed bids. As further discussed below, local governments and school districts may elect to award "purchase contracts," which exceed the monetary threshold, on the basis of "best value," as an alternative to awarding contracts to the "lowest responsible bidder."

There are several exceptions to the competitive bidding and competitive offering ("best value") requirements, such as purchases made through the New York State Office of General Services, purchases made through certain county and federal contracts, purchases made through the use of certain contracts let by other states or political subdivisions, emergency purchases, professional services and purchases from a legitimate sole source. In addition, procurements of commodities and services may be required to be made from preferred sources. Exceptions and purchases from preferred sources are discussed later.

Uniform Purchasing Guidelines

i. **General** - Contract requirements shall not be artificially divided so as to constitute a small purchase under this section (except as may be reasonably necessary to comply with Section 5.0 of this Policy).

ii. **Informal procurement methods** - When the value of the procurement for property or services under a Federal award does not exceed the Simplified Acquisition Threshold (SAT), as defined in §200.1, or a lower threshold established by the Authority, formal procurement methods are not required. The Authority may use informal procurement methods to expedite the completion of its transactions and minimize the associated administrative burden and cost. The informal methods used for procurement of property or services at or below the Simple Acquisition Threshold (SAT) include:

(1) Micro-purchases; $10k < small purchase / (SAT) < $25K / $50k

(i) **General.** Federal Micro-purchase threshold refers to the Federal Acquisition Regulation (FAR) and is $10,000. NY State Public Housing Law Chapter 44-A, Article 8, PBG § 151.1 does not specify a Micro-Purchase threshold.

(a) $10k is the established threshold for micro-purchases.

(ii) **Distribution.** The acquisition of supplies or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold (See the definition of micro-purchase in § 200.1). To the maximum extent practicable, the Authority should distribute micro-purchases equitably among qualified suppliers.

(iii) **Thresholds.** The Authority is responsible for determining and documenting an appropriate micro-purchase threshold based on internal controls, an evaluation of risk, and its documented procurement procedures. The micro-purchase threshold used by the Authority must be authorized or not prohibited under State, local, or tribal laws or regulations.

(iv) **Awards.** Micro-purchases may be awarded without soliciting competitive price or rate quotations if the Authority considers the price to be reasonable based on

research, experience, purchase history or other information and documents it files accordingly. Purchase cards can be used for micro-purchases if procedures are documented.

(2) Small purchases; $10k < **small purchase / (SAT)** < $25K / $50k

(i) **General.** The acquisition of property or services, the aggregate dollar amount of which is higher than the micro-purchase threshold but does not exceed the Simplified Acquisition Threshold (SAT).

(ii) **Distribution.** Small purchases in excess of $10k but less than $25,000 for supplies/materials and $50,000 for all other contracts shall follow the small purchase procedures outlined in 2 CFR 200.317-200.327.

(a) Price or rate quotations must be obtained from an adequate number of qualified sources as determined appropriate by the Authority.

(b) Quotes may be obtained orally, by telephone, or in writing, as allowed by State or local laws.

(iii) **Thresholds.** The Authority is responsible for determining an appropriate simplified acquisition threshold based on internal controls, an evaluation of risk and its documented procurement procedures which must not exceed the threshold established in the FAR*. When applicable, a lower simplified acquisition threshold used by the Authority must be authorized or not prohibited under State, local, or tribal laws or regulations.

(iv) **Award.** A contract shall be awarded to the offeror providing the lowest acceptable quote, unless justified in writing why the contract is not based on price and specify the other factors considered. If non-price factors are used, they shall be disclosed to all those solicited. The names, addresses, and/or telephone numbers of the offerors and persons contacted, and the date and amount of each quotation shall be recorded and maintained as a public record (unless otherwise provided in State or local law).

Formal procurement methods - When the value of the procurement for property or services under a Federal financial assistance award exceeds the SAT, or a lower threshold established by the Authority, formal procurement methods are required. Formal procurement methods require the Authority to follow documented procedures. Formal procurement methods also require public advertising unless a non-competitive procurement can be used in accordance with § 200.319 and § 200.320(c)(1-5) – Non-Competitive Proposals.

(1) Materials & Supplies; $10k < small purchase / (SAT) < **$25K** / $50k

(2) All other Contracts; $10k < small purchase / (SAT) < $25K / **$50k**

(i) **General** - The following formal methods of procurement are used for procurement of property or services above the simplified acquisition threshold or a value below the simplified acquisition threshold the Authority determines to be appropriate:

(1) ***Sealed bids.*** A procurement method in which bids are publicly solicited and a firm fixed-price contract (lump sum or unit price) is awarded to the responsible bidder

whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bids method is the preferred method for procuring construction, if the conditions.

(i) In order for sealed bidding to be feasible, the following conditions should be present:

(A) A complete, adequate, and realistic specification or purchase description is available;

(B) Two or more responsible bidders are willing and able to compete effectively for the business; and

(C) The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

(ii) If sealed bids are used, the following requirements apply:

(A) Bids must be solicited from an adequate number of qualified sources, providing them sufficient response time prior to the date set for opening the bids, for local, and tribal governments, the invitation for bids must be publicly advertised;

(B) The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;

(C) All bids will be opened at the time and place prescribed in the invitation for bids, and for local and tribal governments, the bids must be opened publicly;

(D) A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and

(E) Any or all bids may be rejected if there is a sound documented reason.

As per NY State Public Housing Law Chapter 44-A, Article 8, PBG §151.1, the threshold for contracts that involve the acquisition of supplies and materials, exceeding $25k must be as follows:

$25k < Require Sealed Bids

Contracts for the purchase of materials or supplies in excess of twenty-five thousand dollars, ***the period of advertisement shall be not less than ten days before the date set for the receipt of bids.***

As per NY State Public Housing Law Chapter 44-A, Article 8, PBG §151.1, the threshold for contracts involving Architectural, Consulting, Construction, Demolition, Excavation, Alteration, Renovation that **do not** involve the acquisition of supplies and materials, exceeding $50k must be as follows:

$50k < Require Sealed Bids

All contracts, except contracts for the purchase of materials or supplies, in excess of fifty thousand dollars shall be made on sealed bids, in compliance with a public notice ***advertised at least once, not***

less than twenty days before the date set for the receipt of bids, in the official publication of the municipality, or if none exists, in a newspaper circulating in the municipality.

As per the HUD Handbook 7460.8, Rev. 2 of the "Procurement Handbook for Public Housing Agencies," note the following clarification for solicitations:

Method of Solicitation. While any of the following methods can be employed, the Approving Official should choose the method, which, considering matters of economy, provides for full and open competition.

1. Advertising in newspapers or other print mediums of local or general circulations.

2. Advertising in various trade journals or publications.

3. **e-Procurement.** Authority's may conduct their public procurements through the internet using e-procurement systems. However, all e-procurements must otherwise be in compliance with HUD Handbook 7460.8, Rev. 2 of the "Procurement Handbook for Public Housing Agencies," Federal procurement standards of 2 CFR 200 and the procurement guidelines for the NY State Public Housing Law Chapter 44-A, Article 8, PBG §151.1, and the Authority's own procurement policy. Steps must be taken to meet the requirements for full and open competition to avoid potential protests.

Time Period for Solicitation. The solicitation must be run for a period sufficient to achieve effective competition, which, in the case of paid advertisements, ***should generally be run not less than once each week for two consecutive weeks.***

Mandatory Forms/Contract Provisions. The Authority must include with the solicitation/bid package the following mandatory forms, which contain all mandatory contract provisions.

1. Form HUD-5369, Instructions to Bidders – Non-Construction.
2. Form HUD-5369-A, Representations, Certifications, and Other Statements of Bidders
3. In addition, the Authority may want to include with the solicitation:
    a. Form HUD-5370-C1, General Conditions for Non-Construction Contracts and/or;
    b. Form HUD-5370-C2, General Conditions for Non-Construction Contracts Section I- (With or without Maintenance Work)

Note: The forms listed above assume that competitive proposals are used for procuring non-construction services. Only under limited circumstances would construction services be procured by competitive proposals.

A. **Conditions for Using Sealed Bids.** The PHA shall use the sealed bid method if the following conditions are present: a complete, adequate, and realistic statement of work, specification, or purchase description is available; two or more responsible bidders are willing and able to compete effectively for the work; the contract can be awarded based on a firm fixed price; and the selection of the successful bidder can be made principally on the lowest price.

B. **Solicitation and Receipt of Bids.** An IFB is issued which includes the specifications and all contractual terms and conditions applicable to the procurement, and a statement that award will be made to the lowest responsible and responsive bidder whose bid meets the requirements of the solicitation. The IFB must state the time and place for both receiving the bids and the public bid opening. All bids received will be date and time-stamped and stored **unopened** in a secure place until the public bid opening. A bidder may withdraw the bid at any time prior to the bid opening.

C. **Bid Opening and Award**. Bids shall be opened publicly. All bids received shall be recorded on an abstract (tabulation) of bids, and then made available for public inspection. If equal low bids are received from responsible bidders, selection shall be made by drawing lots or other similar random method. The method for doing this shall be stated in the IFB. If only one responsive bid is received from a responsible bidder, award shall **not** be made unless the price can be determined to be reasonable, based on a cost or price analysis.

D. **Mistakes in Bids**. Correction or withdrawal of bids may be permitted, where appropriate, before bid opening by written or telegraphic notice received in the office designated in the IFB prior to the time set for bid opening. After bid opening, corrections in bids may be permitted only if the bidder can show by clear and convincing evidence that a mistake of a nonjudgmental character was made, the nature of the mistake, and the bid price actually intended. A low bidder alleging a nonjudgmental mistake may be permitted to withdraw its bid if the mistake is clearly evident on the face of the bid document but the intended bid is unclear or the bidder submits convincing evidence that a mistake was made. All decisions to allow correction or withdrawal of a bid shall be supported by a written determination signed by the Executive Director. After bid opening, changes in bid prices or other provisions of bids prejudicial to the interest of the PHA or fair competition shall not be

Competitive Proposals

Unlike sealed bidding, the competitive proposal method permits: consideration of technical factors other than price; discussion with offerors concerning offers submitted; negotiation of contract price or estimated cost and other contract terms and conditions; revision of proposals before the final contractor selection; and the withdrawal of an offer at any time up until the point of award. Award is normally made on the basis of the proposal that represents the best overall value to the PHA, considering price and other factors, e.g., technical expertise, past experience, quality of proposed staffing, etc., set forth in the solicitation and not solely the lowest price.

A. **Conditions for Use**. Where conditions are not appropriate for the use of sealed bidding, competitive proposals may be used. Competitive proposals are the preferred method for procuring professional services that will exceed the small purchase threshold.

B. **Form of Solicitation**. Competitive proposals shall be solicited through the issuance of a RFP. The RFP shall clearly identify the importance and relative value of each of the evaluation factors as well as any subfactors and price. A mechanism for fairly and thoroughly evaluating the technical and price proposals shall be established **before** the solicitation is issued. Proposals shall be handled so as to prevent disclosure of the number of offerors, identity of the offerors, and the contents of their proposals until after award. The PHA may assign price a specific weight in the evaluation criteria or the PHA may consider price in conjunction with technical factors; in either case, the method for evaluating price shall be established in the RFP.

C. **Evaluation**. The proposals shall be evaluated only on the criteria stated in the RFP. Where not apparent from the evaluation criteria, the PHA shall establish an Evaluation Plan for each RFP. Generally, all RFPs shall be evaluated by an appropriately appointed Evaluation Committee. The Evaluation Committee shall be required to disclose any potential conflicts of interest and to sign a Non-Disclosure statement. An Evaluation Report, summarizing the results of the evaluation, shall be prepared prior to award of a contract.

D. **Negotiations**. Negotiations shall be conducted with all offerors who submit a proposal determined to have a reasonable chance of being selected for award, unless it is determined that negotiations are not needed with any of the offerors. This determination is based on the relative score of the proposals as they are evaluated and rated in accordance with the technical and price factors specified in the RFP. These offerors shall be treated fairly and equally with respect to any opportunity for negotiation and revision of their proposals. No offeror shall be given any information about any other offeror's proposal, and no offeror shall be assisted in bringing its proposal up to the level of any other proposal. A common deadline shall be established for receipt of proposal revisions based on negotiations. Negotiations are exchanges (in either competitive or sole source environment) between the PHA and offerors that are undertaken with the intent of allowing the offeror to revise its proposal. These negotiations may include bargaining. Bargaining includes persuasion, alteration of assumptions and positions, give-and-take, and may apply to price, schedule, technical requirements, type of contract or other terms of a proposed contract. When negotiations are conducted in a competitive acquisition, they take place after establishment of the competitive range and are called discussions. Discussions are tailored to each offeror's proposal, and shall be conducted by the Executive Director with each offeror within the competitive range.

   The primary object of discussions is to maximize the PHA's ability to obtain best value, based on the requirements and the evaluation factors set forth in the solicitation. The Executive Director shall indicate to, or discuss with, each offeror still being considered for award, significant weaknesses, deficiencies, and other aspects of its proposal (such as cost, price, technical approach, past performance, and terms and conditions) that could, in the opinion of the Executive Director, be altered or explained to enhance materially the proposer's potential for award. The scope and extent of discussions are a matter of the Executive Director's judgment. The Executive Director may inform an offeror that its price is considered by the PHA to be too high, or too low, and reveal the results of the analysis supporting that conclusion. It is also permissible to indicate to all offerors the cost or price that the government's price analysis, market research, and other reviews have identified as reasonable. "Auctioning" (revealing one offeror's price in an attempt to get another offeror to lower their price) is prohibited.

E. **Award**. After evaluation of the revised proposals, if any, the contract shall be awarded to the responsible firm whose technical approach to the project, qualifications, price and/or any other factors considered, are most advantageous to the PHA provided that the price is within the maximum total project budgeted amount established for the specific property or activity.

Noncompetitive Proposals

A. **Conditions for Use**. Procurement by noncompetitive proposals (sole-source) may be used **only** when the award of a contract is not feasible using small purchase procedures, sealed bids, cooperative purchasing, or competitive proposals, **and** if one of the following applies:

   1. The item is available only from a single source, based on a good faith review of available sources;

2. An emergency exists that seriously threatens the public health, welfare, or safety, or endangers property, or would otherwise cause serious injury to the PHA, as may arise by reason of a flood, earthquake, epidemic, riot, equipment failure, or similar event. In such cases, there must be an immediate and serious need for supplies, services, or construction such that the need cannot be met through any of the other procurement methods, and the emergency procurement shall be limited to those supplies, services, or construction necessary simply to meet the emergency;

3. HUD authorizes the use of noncompetitive proposals;

4. After solicitation of a number of sources, competition is determined inadequate;

5. The acquisition of property or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold. (2 CFR 200.320(c)(1).

B. **Justification**. Each procurement based on noncompetitive proposals shall be supported by a written justification for the selection of this method. The justification shall be approved in writing by the Executive Director. Poor planning or lack of planning is not justification for emergency or sole-source procurements. The justification, to be included in the procurement file, should include the following information:

1. Description of the requirement;

2. History of prior purchases and their nature (competitive vs. noncompetitive);

3. The specific exception in **2 CFR 200.320 (c)(1)** through **(5)** which applies;

4. Statement as to the unique circumstances that require award by noncompetitive proposals;

5. Description of the efforts made to find competitive sources (advertisement in trade journals or local publications, phone calls to local suppliers, issuance of a written solicitation, etc.);

6. Statement as to efforts that will be taken in the future to promote competition for the requirement;

7. Signature by the Executive Director; and

8. Price Reasonableness. The reasonableness of the price for all procurements based on noncompetitive proposals shall be determined by performing an analysis, as described in this Policy.

Cooperative Purchasing/Intergovernmental Agreements

The PHA may enter into State and/or local cooperative or intergovernmental agreements to purchase or use common supplies, equipment, or services. The decision to use an interagency agreement instead of conducting a direct procurement shall be based on economy and efficiency. If used, the interagency agreement shall stipulate who is authorized to purchase on behalf of the participating parties and shall specify inspection, acceptance, termination, payment, and other relevant terms and conditions. The PHA may use Federal or State excess and surplus property instead of purchasing new equipment and property if feasible and if it will result in a reduction of project costs. The goods and services obtained under a cooperative purchasing agreement must have been procured in accordance with 2 CFR 200.317-200.327.

ICE

For all purchases above the Micro Purchase threshold, the PHA shall prepare an ICE prior to solicitation. The level of detail shall be commensurate with the cost and complexity of the item to be purchased.

Cost and Price Analysis

The PHA shall require assurance that, before entering into a contract, the price is reasonable, in accordance with the following instructions.

Petty Cash and Micro Purchases

No formal cost or price analysis is required. Rather, the execution of a contract by the employee (through a Purchase Order or other means) shall serve as the Executive Director's determination that the price obtained is reasonable, which may be based on the Executive Director's prior experience or other factors.

Small Purchases

A comparison with other offers shall generally be sufficient determination of the reasonableness of price and no further analysis is required. If a reasonable number of quotes is not obtained to establish reasonableness through price competition, the designated employee shall document price reasonableness through other means, such as prior purchases of this nature, catalog prices, the designated employeer's personal knowledge at the time of purchase, comparison to the ICE, or any other reasonable basis.

Sealed Bids

The presence of adequate competition should generally be sufficient to establish price reasonableness. Where sufficient bids are not received, and when the bid received is substantially more than the ICE, and where the PHA cannot reasonably determine price reasonableness, the PHA must conduct a cost analysis, consistent with federal guidelines, to ensure that the price paid is reasonable.

Competitive Proposals

The presence of adequate competition should generally be sufficient to establish price reasonableness. Where sufficient bids are not received, the PHA must compare the price with the ICE. For competitive proposals where prices cannot be easily compared among offerors, where there is not adequate competition, or where the price is substantially greater than the ICE, the PHA must conduct a cost analysis, consistent with Federal guidelines, to ensure that the price paid is reasonable.

Contract Modifications

A cost analysis, consistent with federal guidelines, shall be conducted for all contract modifications for projects that were procured through Sealed Bids, Competitive Proposals, or Non-Competitive Proposals, or for projects originally procured through Small Purchase procedures and the amount of the contract modification will result in a total contract price in excess of $50,000.

Solicitation and Advertising

Notices/advertisements should state, at a minimum, the place, date, and time that the bids or proposals are due, the solicitation number, a contact who can provide a copy of, and information about, the solicitation, and a brief description of the needed items(s).

Time Period for Submission of Bids

A minimum of 30 days shall generally be provided for preparation and submission of sealed bids and 15 days for competitive proposals. However, the Executive Director may allow for a shorter period under extraordinary circumstances.

Cancellation of Solicitations

A. An IFB, RFP, or other solicitation may be cancelled before bids/offers are due if:

   1. The supplies, services or construction is no longer required;
   2. The funds are no longer available;
   3. Proposed amendments to the solicitation are of such magnitude that a new solicitation would be best; or
   4. Other similar reasons.

B. A solicitation may be cancelled and all bids or proposals that have already been received may be rejected if:

   1. The supplies or services (including construction) are no longer required;
   2. Ambiguous or otherwise inadequate specifications were part of the solicitation;
   3. All factors of significance to the PHA were not considered;
   4. Prices exceed available funds and it would not be appropriate to adjust quantities to come within available funds;
   5. There is reason to believe that bids or proposals may not have been independently determined in open competition, may have been collusive, or may have been submitted in bad faith; or
   6. For good cause of a similar nature when it is in the best interest of the PHA.

C. The reasons for cancellation shall be documented in the procurement file and the reasons for cancellation and/or rejection shall be provided upon request.

D. A notice of cancellation shall be sent to all bidders/offerors solicited and, if appropriate, shall explain that they will be given an opportunity to compete on any resolicitation or future procurement of similar items.

E. If all otherwise acceptable bids received in response to an IFB are at unreasonable prices an analysis should be conducted to see if there is a problem in either the specifications or the PHA's cost estimate. If both are determined adequate and if only one bid is received and the price is unreasonable, the Executive Director may cancel the solicitation and either

   1. Re-solicit using an RFP; or

2. Complete the procurement by using the competitive proposal method. The Executive Director must determine, in writing, that such action is appropriate, must inform all bidders of the PHA's intent to negotiate, and must give each bidder a reasonable opportunity to negotiate.

F. If problems are found with the specifications, PHA should cancel the solicitation, revise the specifications and resolicit using an IFB.

Credit (or Purchasing) Cards

Credit card usage should follow the rules for all other small purchases. For example, the designated employee may use a credit card for Micro Purchases without obtaining additional quotes provided the price is considered reasonable. However, for amounts above the Micro Purchase level, the designated employee would generally need to have obtained a reasonable number of quotes before purchasing via a credit card.

When using credit cards, the PHA should adopt reasonable safeguards to assure that they are used only for intended purposes (for instance, limiting the types of purchases or the amount of purchases that are permitted with credit cards).

Bonding Requirements

The standards under this section apply to construction contracts that exceed $50,000. There are no bonding requirements for small purchases or for competitive proposals. The PHA may require bonds in these latter circumstances when deemed appropriate; however, non-construction contracts should generally not require bid bonds.

A. Bid Bonds. For construction contracts exceeding $50,000, offerors shall be required to submit a bid guarantee from each bidder equivalent to 5% of the bid price.

B. Payment Bonds. For construction contracts exceeding $50,000, the successful bidder shall furnish an assurance of completion. This assurance may be any one of the following four:

1. A performance and payment bond in a penal sum of 100% of the contract price; or
2. Separate performance and payment bonds, each for 50 % or more of the contract price; or
3. A 20 % cash escrow; or
4. A 10 % irrevocable letter of credit.

C. These bonds must be obtained from guarantee or surety companies acceptable to the U. S. Government and authorized to do business in the State where the work is to be performed. Individual sureties shall not be considered. U. S. Treasury Circular Number 570 lists companies approved to act as sureties on bonds securing Government contracts, the maximum underwriting limits on each contract bonded, and the States in which the company is licensed to do business. Use of companies on this circular is mandatory.

CONTRACTOR QUALIFICATIONS AND DUTIES

Contractor Responsibility

PHAs shall not award any contract until the prospective contractor, i.e., low responsive bidder, or successful offeror, has been determined to be responsible. A responsible bidder/offeror must:

A. Have adequate financial resources to perform the contract, or the ability to obtain them;

B. Be able to comply with the required or proposed delivery or performance schedule, taking into consideration all the bidder's/offeror's existing commercial and governmental business commitments;

C. Have a satisfactory performance record;

D. Have a satisfactory record of integrity and business ethics;

E. Have the necessary organization, experience, accounting and operational controls, and technical skills, or the ability to obtain them;

F. Have the necessary production, construction, and technical equipment and facilities, or the ability to obtain them; and,

G. Be otherwise qualified and eligible to receive an award under applicable laws and regulations, including not be suspended, debarred or under a HUD-imposed LDP.

If a prospective contractor is found to be non-responsible, a written determination of non-responsibility shall be prepared and included in the official contract file, and the prospective contractor shall be advised of the reasons for the determination.

Suspension and Debarment

Contracts shall not be awarded to debarred, suspended, or ineligible contractors. Contractors may be suspended, debarred, or determined to be ineligible by HUD in accordance with HUD regulations **(2 CFR 200.214)** or by other Federal agencies, e.g., Dept of Labor for violation of labor regulations, when necessary to protect housing authorities in their business dealings.

Vendor Lists

All interested businesses shall be given the opportunity to be included on vendor mailing lists. Any lists of persons, firms, or products which are used in the purchase of supplies and services (including construction) shall be kept current and include enough sources to ensure competition.

Contract Types

Any type of contract which is appropriate to the procurement and which will promote the best interests of the PHA may be used, **provided the cost -plus-a-percentage-of-cost and percentage-of-construction-cost methods are not used**. All solicitations and contracts shall include the clauses and provisions necessary to define the rights and responsibilities of both the contractor and PHA.

For all cost reimbursement contracts, PHA must include a written determination as to why no other contract type is suitable. Further, the contract must include a ceiling price that the contractor exceeds at its own risk.

Options

Options for additional quantities or performance periods may be included in contracts, provided that:

A. The option is contained in the solicitation;

B. The option is a unilateral right of the Authority;

C. The contract states a limit on the additional quantities and the overall term of the contract;

D. The options are evaluated as part of the initial competition;

E. The contract states the period within which the options may be exercised;

F. The options may be exercised only at the price specified in or reasonably determinable from the contract; and

G. The options may be exercised only if determined to be more advantageous to PHA than conducting a new procurement.

Contract Clauses

In addition to containing a clause identifying the contract type, all contracts shall include any clauses required by Federal statutes, executive orders, and their implementing regulations, as provided in 2 CFR §200.320(c), Noncompetitive Procurement. There are specific circumstances in which noncompetitive procurement can be used. Noncompetitive procurement can only be awarded if one or more of the following circumstances apply:

(1) The acquisition of property or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold (see paragraph (a)(1) of this section);

(2) The item is available only from a single source;

(3) The public exigency or emergency for the requirement will not permit a delay resulting from publicizing a competitive solicitation;

(4) The Federal awarding agency or pass-through entity expressly authorizes a noncompetitive procurement in response to a written request from the non-Federal entity; or

(5) After solicitation of a number of sources, competition is determined inadequate.

Contract Administration

The PHA shall maintain a system of contract administration designed to ensure that contractors perform in accordance with their contracts. These systems shall provide for inspection of supplies, services, or construction, as well as monitoring contractor performance, status reporting on major projects including construction contracts, and similar matters. For cost-reimbursement contracts, costs are allowable only to the extent that they are consistent with the cost principles in HUD Handbook 2210.18.

Specifications

General

All specifications shall be drafted so as to promote overall economy for the purpose intended and to encourage competition in satisfying PHA needs. Specifications shall be reviewed prior to issuing any solicitation to ensure that they are not unduly restrictive or represent unnecessary or duplicative items. Function or performance specifications are preferred. Detailed product specifications shall be avoided whenever possible. Consideration shall be given to consolidating or breaking out procurements to obtain a more economical purchase. For equipment purchases, a lease versus purchase analysis should be performed to determine the most economical form of procurement.

Limitation

The following types of specifications shall be avoided:

A. geographic restrictions not mandated or encouraged by applicable Federal law (except for A/Econtracts, which may include geographic location as a selection factor if adequate competition is available);

B. brand name specifications (unless the specifications list the minimum essential characteristics and standards to which the item must conform to satisfy its intended use).

Nothing in this procurement policy shall preempt any State licensing laws. Specifications shall be reviewed to ensure that organizational conflicts of interest do not occur.

Appeals and Remedies

General

It is PHA policy to resolve all contractual issues informally and without litigation. Disputes will not be referred to HUD unless all administrative remedies have been exhausted. When appropriate, a mediator may be used to help resolve differences.

Informal Appeals Procedure

The PHA shall adopt an informal bid protest/appeal procedure for contracts of $50,000 or less. Under these procedures, the bidder/contractor may request to meet with the appropriate Contract Officer.

Formal Appeals Procedure

A formal appeals procedure shall be established for solicitations/contracts of more than $5,000.

A. **Bid Protest**. Any actual or prospective contractor may protest the solicitation or award of a contract for serious violations of the principles of this Policy. Any protest against a solicitation must be received before the due date for the receipt of bids or proposals, and any protest against the award of a contract must be received within ten (10) calendar days after the contract receives notice of the contract award, or the protest will not be considered. All bid protests shall be in writing, submitted to the Executive Director or designee, who shall issue a written decision on the matter. The Executive Director may, at his/her discretion, suspend the procurement pending resolution of the protest if the facts presented so warrant.

B. **Contractor Claims**. All claims by a contractor relating to performance of a contract shall be submitted in writing to the Executive Director for a written decision. The contractor may request a conference on the claim. The Executive Director's decision shall inform the contractor of its appeal rights to the next higher level of authority in PHA. Contractor claims shall be governed by the Changes clause in the form HUD-5370.

SECTION 3 - ASSISTANCE TO SMALL AND OTHER BUSINESSES

APPLICABILITY

Section 3 final rule applies in whole, or in part, to Public and Indian Housing programs (PIH) including the Public Housing (PH) Operating and Capital Fund programs, Rental Assistance Demonstration (RAD), Choice Neighborhoods (CN), and mixed-finance developments under 24 CFR Section 905.604 (24 CFR Section 905.604 p. 359).

Section 3 requirements also apply to properties that are recipients of Section 8 rental assistance if they are recipients of other Federal funding covered by the Section 3 statute, e.g., Community Development Block Grant (CDBG) funds and exceed the funding threshold set by HUD. Pre-development work conducted prior to a RAD conversion using pre-conversion public housing financial assistance is subject to Section 3 requirements. The final rule on Section 3 regulations, at 24 CFR Part 75 (the new rule), was published on September 29, 2020, and became effective as of November 30, 2020. The new rule updated HUD's Section 3 regulations by reducing regulatory burden and by incentivizing employers to retain and invest in low- and very low-income workers. The new rule streamlined reporting requirements and provided program-specific oversight while simplifying the administrative burden by:

- Aligning with standard business practice of reporting labor hours (instead of total number of new hires under the previous rule) to promote sustained employment and career development for low- and very low-income workers;

- **Establishing a $200,000 threshold for Section** 3 rehabilitation, construction and other public construction projects funded with housing and community development financial assistance, and establishing a $100,000 threshold where the assistance is from HUD's Lead Hazard Control and Healthy Homes programs (LHCHH), as authorized by Sections 501 or 502 of the Housing and Urban Development Act of 1970, the Lead-Based Paint Poisoning Prevention Act3, and the Residential Lead-Based Paint Hazard Reduction Act of 1992;

- Identifying "Targeted Section 3 Workers" as described in the key terms of this notice, which also includes information on benchmarking and prioritization in Section VI (Reporting).

- ❖ Allowing small PHAs the option of qualitatively reporting and measuring Section 3 efforts toward benchmarks; and

- ❖ Integrating Section 3 into HUD's ongoing program enforcement by adding compliance and oversight to regular program oversight activities.

HUD also published a companion Benchmark Notice, 85 FR 60907, titled "Section 3 Benchmarks for Creating Economic Opportunities for Low- and Very Low-Income Persons and Eligible Businesses." The Benchmark Notice establishes the current numeric goals for compliance with Section 3 requirements. HUD may adjust funding thresholds or establish new benchmarks (either a single nationwide benchmark or multiple benchmarks based on geography, type of assistance, or other variables) periodically as new information becomes available pursuant to the regulation at 24 CFR section 75.23(b)(1)(2) (24 CFR Sections 75.23(b)(1) and (b)(2) p. 61565). HUD must publish all updates in the Federal Register and all updates are subject to public comment.

The Section 3 final rule also applies to other HUD-funded projects receiving more than $200,000 in housing and community development financial assistance, including but not limited to CDBG, Housing Opportunities for Persons with AIDS (HOPWA), HOME Investment Partnerships (HOME), Housing Trust Fund (HTF), Section 202 Direct Loans for the Elderly, and Section 811 Supportive Housing for Persons with Disabilities.

Table 1 – Applicability of Section 3 to PIH Programs

Applicable	Not Applicable

• Public Housing Capital Funds
• Public Housing Operating Funds
• Choice Neighborhoods
• Public Housing Mixed-Finance Development
• Rental Assistance Demonstration (RAD) – *Construction and Rehabilitation*
  o Predevelopment Costs for RAD pre-conversion work using covered PH funds
  o RAD Post-Conversion contractually obligated activities
• Section 8 assisted properties or projects that also receive more than $200,000 of other Section 3 covered funding, e.g., CDBG, HOME.
	• Section 8 Housing Choice Vouchers (HCV)
	• Section 8 Monthly Rental Assistance Payments including those under PBV and PBRA Contracts
	• RAD– *Section 8 Rental Assistance* ONLY
	• Material Supplies Contracts
	• Indian and Tribal Preferences

REQUIRED EFFORTS

Section 3 of the Housing and Urban Development Act of 1968, as amended by the Housing and Community Development Act of 1992 (the Act), requires PHAs, and their contractors and subcontractors, make their best efforts, consistent with existing Federal, State, and local laws and regulations, to give to low- and very low-income persons training, employment, and economic opportunities generated by development assistance provided pursuant to section 1437c of Title 42, Operating Fund and Capital Fund assistance provided pursuant to section 1437g of Title 42.

HUD must implement and enforce Section 3 in accordance with the Act and consistent with Presidential Executive Orders 11625, 12138, 12432, and Section 3 of the HUD Act of 1968, 24 CFR Part 75, Notice PIH 2022-10 and Notice PIH 2022-38; the PHA shall make efforts to ensure that small and minority-owned businesses, women's business enterprises, and individuals or firms located in or owned in substantial part by persons residing in the area of an Authority development are used when possible. Such efforts shall include, but shall not be limited to the following:

A. Including such firms, when qualified, on solicitation mailing lists;

B. Encouraging their participation through direct solicitation of bids or proposals whenever they are potential sources;

C. Establishing delivery schedules, where the requirement permits, which encourage participation by such firms;

D. Using the services and assistance of the Small Business Administration and the Minority Business Development Agency of the Department of Commerce;

E. **Including in contracts a clause** requiring contractors, to the greatest extent feasible, to provide opportunities for training and employment for lower income residents of the development area and to award subcontracts for work in connection with the project to business concerns which are located in, or owned in substantial part by persons residing in the area of the development, as described in 24 CFR 135; and

F. Requiring prime contractors, when subcontracting is anticipated, to take the positive steps listed in A through E above.

If a recipient complies with the regulatory priorities regarding effort and meets the established outcome benchmarks, HUD will presume the recipient is following Section 3 requirements, absent evidence to the contrary.

DEFINITIONS

- A small business is defined as a business that is independently owned, not dominant in its field of operation, and not an affiliate or subsidiary of a business dominant in its field of operation. The size standards in 13 CFR 121 shall be used, unless the Authority determines that their use is inappropriate.

- A minority-owned business is defined as a business which is at least 51% owned by one or more minority group members; or, in the case of a publicly-owned business, one in which at least 51% of its voting stock is owned by one or more minority group members, and whose management and daily business operations are controlled by one or more such individuals.
- Minority group members include, but are not limited to, Black Americans, Hispanic Americans, Native Americans, Asian Pacific Americans and Asian Indian Americans, and Hasidic Jewish Americans.

- A women's business enterprise is defined as a business that is at least 51% owned by a woman or women who are U.S. citizens and who also control or operate the business.

- A business concern located in the area of the development is defined as an individual or firm located within the relevant Section 3 covered development area, as determined pursuant to 24 CFR 135.15, 24 CFR Part 75, Notice PIH 2022-10 and Notice PIH 2022-38, and be listed on HUD's registry of eligible business concerns and meeting the definition of small business above. A business concern owned in substantial part by persons residing in the area of the development is defined as a business concern which is 51% or more owned by persons residing within the Section 3 covered project, owned by persons considered by the U.S. Small Business Administration to be socially or economically disadvantaged, listed on HUD's registry of eligible business concerns, and meeting the definition of small business above.

KEY TERMS

- Labor hours are paid hours worked by persons on a Section 3 project or by persons employed with funds that include public housing financial assistance.

- Low-income person is a person with an income that meets the definition for low-income as defined in Section 3(b)(2) of the 1937 Act, typically established as 80 percent of the area median individual income and conforming to HUD Income limits.

- Professional services are non-construction services that require an advanced degree or professional licensing, including, but not limited to, contracts for legal services, financial consulting, accounting services, environmental assessment, architectural services, and civil engineering services.

- Public housing financial assistance funds include development assistance pursuant to Section 5 of the 1937 Act, Operating Funds, Capital Funds, public housing grant funds such as Resident Opportunities and Self-Sufficiency (ROSS) or Jobs Plus programs and the full extent of mixed-finance development as described in 24 CFR 905.604.

- Section 3 refers to Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u).

- Section 3 business concern is a business that meets at least one of the following criteria, documented within the last six-month period:

- It is at least 51 percent owned and controlled by low- or very low-income persons;

- Over 75 percent of the labor hours performed for the business over the prior three-month period is performed by Section 3 workers; or

- It is a business at least 51 percent owned and controlled by current public housing residents or residents who currently reside in housing assisted by Section 8.

SECTION 3 RECIPIENT RESPONSIBILTIES

- Recipients are required to ensure their own compliance and the compliance of their contractors/subcontractors with the Section 3 regulations, as outlined at 24 CFR part 75.
- These responsibilities include but are not limited to the following:
- Designing and implementing procedures to comply with the requirements of Section 3: Recipient agencies must take an active role in ensuring Section 3 compliance and maintain records verifying that compliance.
- The recipient agency must act as a facilitator, connecting Section 3 workers to training and employment opportunities.
- The recipient agency must also work to link developers and contractors with capable Section 3 business concerns.
- The recipient agency is responsible for ensuring that contractors and subcontractors are aware of, and in compliance with, Section 3 requirements.
- Recipient agencies shall ensure compliance with Section 3 by assessing the hiring and subcontracting needs of contractors; regularly monitoring contractor compliance; assisting and actively cooperating with the Secretary of HUD in obtaining the compliance of contractors;

penalizing non-compliance; providing incentives for good performance; and refraining from entering into contracts with any contractor that previously failed to comply with the requirements of Section 3.

- Recipient agencies must document all actions taken to comply with the requirements of Section 3 and document these activities.

Section 3 projects are housing rehabilitation and construction, and other public construction projects assisted under HUD programs that provide housing and community development financial assistance, (e.g., CDBG and HOME) when the total amount of assistance to the project exceeds a threshold of $200,000. The threshold is $100,000 where the assistance is from HUD's Lead Hazard Control and Healthy Homes programs (LHCHH), as authorized by Sections 501 or 502 of the Housing and Urban Development Act of 197012, the Lead-Based Paint Poisoning Prevention Act13, and the Residential Lead-Based Paint Hazard Reduction Act of 199214. The project is the site or sites together with any building(s) and improvements located on the site(s) that are under common ownership, management, and financing.

Section 3 worker is any worker, for both public housing financial assistance and housing and community development assistance,15 who currently fits, or when hired within the past five years fit, at least one of the following categories, as documented:

- The worker's income for the previous or annualized calendar year is below the income limit established by HUD.
- The worker is employed by a Section 3 business concern.
- The worker is a YouthBuild participant.

Targeted Section 3 worker is, in the context of public housing financial assistance means a Section 3 worker who is:

- A worker employed by a Section 3 business concern; or
- A worker who currently fits, or when hired fit, at least one of the following categories, as documented within the past five years16:
- A resident of public housing or Section 8-assisted housing.
- A resident of other projects managed by the PHA that is providing the assistance; or
- A YouthBuild participant.

An employer may choose whether the worker is defined as a Section 3 worker for a five-year period at the time of the worker's hire, or when the worker is first certified as meeting the Section 3 worker definition.

For reference (and by contrast), a Targeted Section 3 worker in the context of housing and community development financial assistance programs is a Section 3 worker who is:

- A worker who is employed by a Section 3 business concern; or
- A worker who currently fits or (when hired fit) at least one of the following categories, as documented within the past five years:
- Living within the service area or the neighborhood of the project, as defined in
- As defined in 24 CFR section 75.5; or
- A YouthBuild participant.

Very low-income person is a person with an income that meets the definition for very 10 low-income as defined in Section 3(b)(2) of the 1937 Act, as established at HUD Income limits.

Please refer to www.huduser.org/portal/datasets/il.html for current, local Income Limit information.

- Select current year.
- Select "Access Individual Income Limit area"
- Select "click here for FY xxxx IL Documentation" (where xxxx is the current fiscal year)
- Select State & County

REPORTING

Section 3 Reporting Platform (S3R) is a successor system to the Section 3 Performance Evaluation and Registration System, or SPEARS formerly used for Section 3 compliance reporting by PHAs. PHAs and other recipients of public housing financial assistance subject to Section 3 requirement will be required to submit compliance reports via S3R when it becomes available for use.

Under the new rule, funding recipients will track total labor hours worked for all workers and for Section 3 Workers and Targeted Section 3 Workers for the applicable fiscal year. Under the previous rule (24 CFR Part 135), HUD required PHAs to track new Section 3 hires. Tracking new hires is no longer required. This change enables recipients to measure total actual employment and the proportion of the total employment performed by low- and very low-income workers.

Per PIH Notice 2022-10, Section 3 Performance Evaluation and Registration System (SPEARS) is no longer used for Section 3 compliance reporting. Instead, PHAs will report in a successor system that is still in development and will not be available for PHAs in accordance with the reporting dates published in Section VI of PIH 2022-10. Therefore, PHAs are not required to report on Section 3 labor hours or other Section 3 compliance efforts to HUD until further notice. HUD will provide further notification when and through what means reporting will be required with appropriate lead time to allow for reporting processes to be adjusted if necessary.

Labor Hour Reporting

PHAs report annually:

- The total number of labor hours worked;
- The total number of labor hours worked by Section 3 workers; and
- The total number of labor hours worked by Targeted Section 3 workers.

Labor hours for Section 3 workers and Targeted Section 3 workers may be counted for five years from when their Section 3 status is established by the employer, given that employment is maintained with the same employer.

1. **Section 3 Workers including PHA Staff.** Section 3 or Targeted Section 3 workers may be employed by a contractor or subcontractor to work on PHA projects funded by public housing financial assistance or Section 3 projects funded by housing and community development financial assistance. In addition, PHA employees who meet the definition for Section 3 or Targeted Section 3 workers at the time they are hired or certified as Section 3 or Targeted Section 3 eligible workers will also count toward the Section 3 or Targeted Section 3 worker labor hours. The certification date must be on or after the effective date of the new rule, November 30, 2020.

2. **Duration for Counting Labor Hours.** The Section 3 and Targeted Section 3 worker

labor hours may be counted by the PHA for up to five-years from the certification or hire date. An employer may choose whether the workers are defined as Section 3 workers for a five-year period at the time of the workers' hire, or when the workers are first certified as meeting the Section 3 worker definition.

Labor hours must be counted as follows depending on the funding source:

- The labor performed on a Section 3 project for housing and community development financial assistance, or
- For all labor hours performed within the fiscal year for public housing financial assistance.

3. **Qualification of Section 3 Workers.** Section 3 worker takes place at either the date of the Section 3 covered activity or the date of initial hire by the employer, if hired within the past five years. Labor hours of an employee who is low- or very low-income at hire will continue to count for five years even if that person moves into a new, more advanced position with the same employer. HUD anticipates that employees with five years of experience with that same employer would be advancing in the business and would eventually need to be replaced by a new, presumably low- or very low-income entry-level employee.

Section 3 worker for both public housing financial assistance, housing & community development assistance means any worker who currently fits or when hired within the past five years fit at least one of the following categories, as documented:

- The worker's income for the previous or annualized calendar year is below the income limit established by HUD.
- The worker is employed by a Section 3 business concern.
- The worker is a YouthBuild participant.

4. **Professional Services.** Labor hours for Section 3 and Targeted Section 3 workers may include hours from professional services that require specialized and advanced degrees and licensing, i.e., architects and engineers. However, pursuant to 24 CFR 75.15(a)(4), it is not required for PHAs to include the labor hours worked for professional services jobs in the total labor hours worked on the project. Other professional service categories may include, but are not limited to, financial managers, accountants, and auditors. Professional service firms may employ Section3 qualified workers.

c. **Good Faith Assessment of Labor Hours.** The rule at 24 CFR section 75.15(a)(5) permits a temporary exception for contractors and sub-contractors that have not beensubject to reporting for labor hours and are not currently operationally set-up for thistracking to submit good faith assessment of the labor hours for full-time and part-time Section 3 workers based on time and attendance records.

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, as permitted under State and local law. Rather, it is the responsibility of the Executive Director to make sure that all procurement actions are conducted in accordance with the policies contained herein.

Delegation of Contracting Authority

While the Executive Director is responsible for ensuring that the PHA's procurements comply with this Policy, the Executive Director may delegate all 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 shall, where necessary, establish operational procedures (such as a procurement manual or standard operating procedures) to implement this Policy. The Executive Director shall also establish a system of sanctions for violations of the ethical standards described in Section III below, consistent with Federal, State, or local law.

DOCUMENTATION

The PHA must maintain records sufficient to detail the significant history of each procurement action. These records **shall** include, but **shall not** necessarily be limited to, the following:

A. Rationale for the method of procurement (if not self-evident);

B. Rationale of contract pricing arrangement (also if not self-evident);

C. Reason for accepting or rejecting the bids or offers;

D. Basis for the contract price (as prescribed in this handbook);

E. A copy of the contract documents awarded or issued and signed by the Executive Director;

F. Basis for contract modifications; and

G. Related contract administration actions.

The level of documentation should be commensurate with the value of the procurement.

Records are to be retained for a period of three years after final payment and all matters pertaining to the contact are closed.

Disposition of Surplus Property

Property no longer necessary for the PHA's purposes (non-real property) shall be transferred, sold, or disposed of in accordance with applicable Federal, state, and local laws and regulations.

Funding Availability

Before initiating any contract, the PHA shall ensure that there are sufficient funds available to cover the anticipated cost of the contract or modification.

SELF CERTIFICATION

The HHA self-certifies that this Procurement Policy, and the HHA's procurement system, complies with all applicable Federal regulations and, as such, the HHA is exempt from prior HUD review and approval of individual procurement action.

Adopted 10/9/2024

APPENDIX 1. PROCUREMENT FILE CHECKLIST

The following table lists the types of documentation that generally should be included in the contract file for each procurement. Note, however, that the circumstances of each procurement will dictate the documentation required. For example, an RFP for Property Management Services would not necessarily require a separate cost analysis if there were an ample number of price proposals and the costs (management fees) were within the range established in the ICE. Similarly, for small purchases, the issuance of a purchase order will likely serve as a Notice to Proceed; however, for some very technical services acquired under small purchases, the PHA might want to hold a post-award meeting and then issue a Notice to Proceed. In all, the contract file should contain all significant documentation relating to the specific procurement. Any shaded item would generally not apply for that type of purchase.

Item	Micro Purchase	Small Purchase	Sealed Bid	Competitive Proposals	Non-Competitive Proposals
Pre-Solicitation					
Independent Cost Estimate					
Individual Procurement Plan					
Rationale for Contract Method (if not apparent)					
Rationale for Contract Type (if not apparent)					
Evaluation Plan					
Solicitation					
Sources (mailing lists, advertisements, etc.)					
Solicitation Notice and Amendments					
IFB/RFP					
Notes of Pre-Bid/Proposal Conferences					
IFB/RFP Correspondences					
Record of Bids/RFPs Requested					
Quotes, Bids or Proposals Received					
Justification for Other than Full/Open Competition					
Evaluation					
Bid Opening					
Evaluation Panel Disclosures and Ethics Statement					
Technical Evaluation					
Price Evaluation					
Competitive Range Determinations					
Evaluation Report					
Memo of Negotiation and Selection Decision					
Pre-award Survey and Responsibility Determinations					

Award					
Contract and Award Documents					
Notification to Unsuccessful Bidders					
Appeals (all correspondence)					
Post-Award and Contract Administration					
Insurance and Bonding Requirements					
Records of Post-Award Conferences					
Notice to Proceed					
Contract Modifications and Supporting Documentation					
Receiving Reports					
General Contract Correspondence					
Payment Record/Documentation					
Inspections and Field Reports					
Completion Certificate					

Appendix 2. Sample Advertisement

The **Poughkeepsie Housing Authority (PHA)** invites sealed bids from contractors for the replacement of toilets at **Hudson Gardens Apartments located at 120 Hudson Avenue, Poughkeepsie NY 12601**. The work consists of the replacing toilets at all 150 units in accordance with the documents prepared by Maurice Plumbing.

Bids are subject to State Law.

Bids will be received until **2:00 P.M**. on **MM/DD/YY** and publicly opened, forthwith at Poughkeepsie Housing Authority, Administrative Office, 4 Howard Street,Poughkeepsie, NY 12601. General bids shall be accompanied by a bid deposit that is not less than five (5%) of the greatest possible bid amount (considering all alternates), and made payable to the Poughkeepsie Housing Authority.

A bid package will be available for pick-up from _____ at 4 Howard Street after **2:00 p.m., MM/DD/YY**. Cost of plans and specifications is **$25.00**. Company checks are required.

THE JOB SITE AND/OR EXISTING BUILDING WILL BE AVAILABLE FOR A WALK THROUGH ON MM/DD/YY **AT** 10:00 A.M. **AT POUGHKEEPSIE HOUSING AUTHORITY , 4 HOWARD STREET, POUGHKEEPSIE, NY12601. PROSPECTIVE BIDDERS SHOULD MEET AT THE ABOVE-MENTIONED ADDRESS.**

Appendix 3. Sample Solicitation Amendment

POUGHKEEPSIE HOUSING AUTHORITY
4 HOWARD STREET
POUGHKEEPSIE, NY 12601

1. Amendment number:
2. Issued by:
3. Amendment of solicitation number: _____ dated: _____
4. The hour and date specified for receipt of bids/proposals is _____is not _____ extended to the following new hour and date:
5. The above-numbered solicitation is amended as set forth below. Bidders/offerors must acknowledge receipt of this amendment prior to the hour and date specified for receipt of bids/proposals, by signing this form below or by completing the acknowledgement on the form titled "Solicitation, Bid/Proposal and Award."
6. Description of amendment:

   {Cite specific sections and/or pages of the solicitation that are being amended.}

   Except as provided herein, all terms and conditions of the solicitation remain unchanged and in full force and effect.
7. Name and title of signer:

Signature and date:

Appendix 4. Sample Notice To Unsuccessful Bidders

(Letterhead)

Re: IFB#_____

1. Receipt of your bid is acknowledged in response to our invitation for bid referenced above.

2. The contract was awarded after competition by sealed bidding to the lowest responsive and responsible bidder. The total amount of the awarded contract was $_____. The award was made to:

(Insert Bidder Name)

3. Enclosed is the bid bond your company submitted for the above-referenced solicitation.

4. The Poughkeepsie Housing Authority appreciates your time and effort in preparing and submitting your bid. We hope that your firm will participate in future solicitations.

_____ _____

Name
Executive Director Date

Appendix 5. Sample Checklist for

Determination of Contractor Responsibility

Public Housing Agency Name: _____

_____

Solicitation Number: _____

_____

Contractor Name and Address: _____

_____

Circle all applicable statements:

1. A review of the GSA and HUD websites data dated _____ has been conducted and the contractor does/ does not appear as suspended, debarred or operating under a LDP.
2. The Contractor has/ has not performed satisfactorily on other contract(s) awarded by this PHA.
3. A survey of other agencies and companies doing business with the contractor was performed. Adverse/ no adverse information has been received that would bring the contractor's present responsibility and technical capability into question. List the agencies/companies contacted, dated contacted and person providing information.
4. A review of the Contractor's financial and technical resources indicates/ does not indicate that it is capable of performing the contract. List documentation reviewed.
5. State/local government agencies were contacted, and the contractor does/ does not have a record of any outstanding code violations, improper business practices, or similar history of non-compliance with public policy. List agencies contacted.
6. Other pertinent information received does/ does not affect the Contractor's responsibility. List parties contacted and results of contact (e.g., Better Business Bureau, Business Licenses, Dunn and Bradstreet, other credit agencies).

In accordance with **24 CFR 200.318(h)**, the contractor is considered to be responsible/ non-responsible and possesses/ does not possess the ability to successfully perform under the terms and conditions of this contract.

_____	_____	_____
Name Executive Director	Signature	Date

APPENDIX 6. SAMPLE LEGAL SERVICES ENGAGEMENT LETTER

The United States Department of HUD urges inclusion of the following provisions into all legal services contracts executed and/or administered by PHAs, unless no federally provided funds will be used to administer the contract.

ADDENDUM TO ENGAGEMENT AGREEMENT

1. The [name of PHA] and [name of legal service individual or firm] Legal Service Personnel (LSP) engaged to provide professional legal services to the PHA in connection with [briefly and precisely describe the nature, scope and limits of the legal services to be provided by the LSP] agree that the provisions of this Addendum to the Engagement Agreement are hereby incorporated into PHA and LSP's engagement agreement as if they had been set forth at length therein.

2. During the pendency of the legal services engagement, LSP shall not, without HUD approval, represent any officer or employee of PHA, in her/his individual capacity, in connection with potential civil liability or criminal conduct issues related to PHA operations.

3. LSP has an obligation not to, and shall not, interfere with, disrupt, or inappropriately delay or hinder any authorized monitoring, review, audit, or investigative activity of HUD (including the Office of Inspector General), the General Accounting Office (GAO), or the officers and employees of HUD and GAO. Any and all representation by LSP cannot be inconsistent with the foregoing obligation. Specifically, LSP shall not deny access to HUD, GAO, or the officers and employees of HUD and GAO, to PHA records in response to document demands by HUD, GAO, or the officers and employees of HUD and GAO, notwithstanding possible discovery privileges that would otherwise be available to PHA. HUD requires PHAs to provide HUD, GAO, or the officers and agents of HUD and GAO, with "full and free" access to all their books, documents, papers and records. See **2 CFR 200.337(a)**.

4. PHA and LSP shall make available for inspection and copying, by HUD (including the Office of Inspector General), GAO, and the officers and employees of HUD and GAO, all invoices, detailed billing statements, and evidence of payment thereof relating to LSP's engagement. Such records constitute "PHA records" and are subject to section 3, above.

5. If HUD or PHA determines that LSP is violating any provision of this Addendum to the Engagement Agreement, it shall timely notify LSP of such violation. LSP will have 48 hours following its receipt of the notice of violation to cease and desist from further violation of the addendum. If LSP fails to adequately cure the noticed violation within 48 hours: (A) HUD, in its discretion, may demand that PHA terminate the professional legal services engagement for breach, or, henceforth, satisfy all costs associated with the engagement with non-Federal funds; and/or (B) PHA, in its discretion, may terminate the professional legal services engagement for breach. Additionally, HUD may sanction LSP pursuant to **2 CFR 200.214.**

6. Should any part, term, or provision of this Addendum to the Engagement Agreement be declared or determined by any court of competent jurisdiction to be illegal or invalid, the validity of the remaining parts, terms, and provisions shall not be affected.

Date: [Enter date]

[Enter name of PHA Exec. Dir.]

[Enter name of LSP key partner]

APPENDIX 7. SAMPLE CONTRACT MODIFICATION

1. Modification Number: _____

2. Effective Date: _____

3. Contract Number: _____ Dated: _____

4. This Modification Modifies The Contract As Described Below:

This Change Order Is Issued Pursuant To:

(Cite Contract Clause) _____

The Contract Is Modified To Reflect The Following Administrative Changes (E.G., Changes In Payment Office) _____

_____

This Supplemental Agreement Is Entered Into Pursuant

To: _____

(Cite Contract Clause Or Mutual Agreement Of The Parties)

Other (Specify Type Of Modification And Authority):

5. The contractor ___[is] or ___[is not] required to sign this document and return ____ copies to the Executive Director.

6. Description Of Modification: (Include Section, Clause, Page Number, And Subject Matter)

_____

Except As Provided Herein, All Terms And Conditions Of The Contract Remain Unchanged And In Full Force And Effect.

7. Name And Title Of Signer: _____

Date: _____

8. Name And Title Of Executive Director: _____

Date: _____

Appendix 9. Intergovernmental Agreement

for Supplemental Community Policing Services

A. General

This Agreement, between the Poughkeepsie Housing Authority (PHA) and the City of Poughkeepsie Police Department, is for the purpose of providing supplemental community policing services at Hudson Gardens Apartments, Martin Luther King Jr. Apartments, Dr. Joseph Brady Gardens Apartments, Thurgood Marshall Terrace Apartments, and Phillip Allen Swartz Apartments, all owned and managed by the PHA. This Agreement is made pursuant to the authority in **2 CFR 200** [and any other applicable law or regulation].

B. Services

In consideration of the mutual promises contained in this Agreement, the parties agree as follows:

1. *This agreement does not affect the normal, baseline services provided to the PHA through its Cooperation Agreement with the City of Poughkeepsie .*
2. *To the extent practical, the hours of the community policing program will be at the discretion of the police chief. The days and times may change based on the needs of the property.*
3. *To the extent possible, and to allow for continuity, the CPPD will try to maintain regularity in the personnel assigned to this program.*
4. *The primary emphasis of the program will be on crime prevention and youth intervention.*

C. Compensation

For the services rendered, the PHA will compensate the each officer an amount equal to $55.00 per hour. This amount covers all costs associated with the assignment of the equivalent of one full-time officer. It includes, for example, the cost of the officer's vehicle.

D. Invoicing and Payment

The CPPD shall invoice the PHA weeklyy. The invoice should include a listing of the hours worked, by personnel, and along with a summary of daily activities. Invoices should be sent to:

Executive Director
Poughkeepsie Housing Authority
4 Howard Street
Poughkeepsie, NY 12601

The PHA will process invoices within one week of receipt.

E. Term

The parties may bilaterally modify this Agreement in writing at anytime.

This agreement shall be in effect for one year, from _____ (date) until _____ (date).

Either party may withdraw from this Agreement at any time upon written notice to the other party with 30 days notice.

IN WITNESS WHEREOF, the parties to this Memorandum have caused their names to be affixed hereto by their proper officers this _____day of_____ 20____.

Poughkeepsie Housing Authority

By_____

City of Poughkeepsie Police Department

Attest: _____ By:_____

POUGHKEEPSIE HOUSING AUTHORITY
Resolution 2024-11

Approval for Change Order for Water Heater Replacement Work at Hudson Gardens

By Commissioner: _____

WHEREAS, the Poughkeepsie Housing Authority (hereinafter "PHA"), by Resolution No. 2023-26, previously approved a contract with Photon Mechanical LLC, to perform the work of removing and replacing the Water Heaters at the Hudson Gardens Apartment Complex; and

WHEREAS, the Board approved the contract in an amount of $311,101.14, to be paid out of PHA's Capital Fund; and

WHEREAS, during the course of the work it was determined that additional work needed to be performed which was not in the original bid nor contract in order to complete the removal and replacement work; and

WHEREAS, such additional work was performed at a cost of $45,112.42, which costs represents the cost of the materials and labor for the additional work; and

WHEREAS, Resolution No. 2023-26 requires that the Board approve any change orders that which result in the project cost exceeding $311,101.14;

NOW, THEREFORE,

Upon motion duly made, seconded and carried, it is

RESOLVED, that the PHA hereby approves the execution of a change order with Photon Mechanical LLC in the amount of $45,112.42, for the additional work performed in the course of removing and replacing the water heater at Hudson Gardens, which is to be paid out of the Capital Fund; and it is further

RESOLVED, that the Executive Director is hereby authorized to enter into such contract, and to execute any and all documents necessary to give effect to this resolution, consistent with the terms herein.

Second by Commissioner: _____

Ayes Nays Abstentions

I hereby certify the foregoing to be a true and correct copy of Resolution No. 2024-11 duly adopted at the meeting of the Poughkeepsie Housing Authority held in the City of Poughkeepsie on the 9th day of October 2024.

_____

Jacquetta Brown, Secretary

Photon Mechanical LLC Services and Repairs

Boiler Group

"Shedding Light on Quality Service"
"If it is broke we can fix it...try us"
845-393-0077
10 Ardmore Street
'New Windsor NY 112553

ADDENDUM INVOICE

INVOICE #-4858862-01
DATE: SEP 12, 2024

To:	FOR: ADDITIONAL WORK NEEDED FOR
Poughkeepsie Housing Authority 4 Howard St Poughkeepsie, NY 12601	Water Heater Replacement 120 Hudson Avenue Poughkeepsie, NY 12601

Scope of Work:

- Pumps, Equipment Piping, supplies and materials. $23,112.24

Sub Total: $23,112.24

Labor:
Installation of additional equipment. $22,000.00

Total Invoiced Amount Due: $45,112.42

Photon Mechanical LLC Services and Repairs

Boiler Group

"Shedding Light on Quality Service"
"If it is broke, we can fix it...try us"

10 Ardmore Street
New Windsor, NY 12553

Addendum

ADDENDUM #4858862-01
DATE: SEP 12, 2024

TO: POUGHKEEPSIE HOUSING AUTHORITY ATTN: Sandra Boothe 4 Howards Street Poughkeepsie NY, 12603	**FOR: WATER HEATER REPLACEMENT** **120 HUDSON AVE POUGHKEEPSIE, NY 12601**
Scope of Work: Additional work necessary for proper system functioning.	

On January 16th 2024 PHA and PMBG entered into a contract 4858862-103 for installation as per their spec for water heater replacement with additional 500 Gallon water storage tank.

Except as otherwise provided in the original contract all the terms and conditions of the contract remain unchanged and in full force and in effect and completed as stated in the original contract.

An Inspection by the City of Poughkeepsie for Permit # 24-0457 was completed on 9/6/2024 and passed. The units were tagged by the inspector to reflect compliance.

The completion of the final work wrapping the pipes with insulation was planned to be completed 2 months after the system was running after the final inspection, this was to ensure that all piping and equipment is leak free . Scheduling conflicts further pushed final inspection from the city and licensing contractor extending the timeframe.

:Additional work required or specifically requested as follows.

1: Circulator Pumps

Install 2 new additional circulator pumps 2/5 HP Bell and Gossett Bronze pumps. One pump in far east wing of building 10, and one pump in far west end of the building 1.

Original pumps were not functioning properly nor were up to code being they were cast iron pumps. The code requires only bronze or stainless-steel pumps be used in domestic water applications additionally they were undersized. Additional piping valves and fittings were needed due to pipes that were failing from corrosion, while system had new equipment being installed. Completed 5/17/2024

2: Storage tank relocation with additional piping.

Install additional piping, valves, fasteners and supplies for relocating 500 Gallon storage tank from original planned location, due to space with piping not being able to work per planned location with the configuration of the tank as per its manufacturing. Install proper relief valve and blow off piping to meet code to house drainage.
Completed 5/20/2024

3: Provide and install 4 New Gas Pressure regulators. The Regulators needed to be replaced (2) units were found to be inoperable and (2) that were not functioning optimally. Jason Folscher was made aware of the issue and he approved PMBG to replace all 4 regulator units. Central Hudson had to be called in to verify house gas pressure, upon testing it was discovered that the house supplied gas pressure was below spec and below the volume that PHA was paying for. Subsequently the supply pressure was raised to meet delivered requirements for the 120 Hudson St housing complex. Once Central Hudson adjusted the gas pressure PMBG was able to properly adjust new regulators for each individual water heater.
Completed 5/21/2024

4: Pipe Insulation Wrap

Wrapping of the pipes for increasing efficiency , reducing corrosion, protects against abrasion and impact reduction of condensation.

POUGHKEEPSIE HOUSING AUTHORITY
Resolution 2023-26

Contract for Water Heater Removal & Replacement at Hudson Gardens

By Commissioner: Brugger

WHEREAS, the Poughkeepsie Housing Authority (hereinafter "PHA") is desirous of the services of a contractor to perform the work of removing and replacing the Water Heaters at Hudson Gardens Apartment Complex; making improvements to the Philip Allen Swartz Apartments complex by replacing the doors, windows and storefronts at that complex; and

WHEREAS, the funds for the desired services are currently allocated in the PHA's Capital Fund; and

WHEREAS, the procurement of the desired services has been sought consistent with the United States Department of Housing and Urban Development and PHA procurement guidelines; and

WHEREAS, PHA advertised for the desired services by issuing three (3) separate requests for proposals (RFPs) for the desired services; and

WHEREAS, in response to the RFPs, PHA only received proposals from one contractor, Photon Mechanical LLC; and

WHEREAS, Photon Mechanical LLC is qualified and has the skills, experience, and expertise necessary to provide the desired services; and

WEHREAS, issuing a fourth RFP is unlikely to result in additional bids that would result in lower costs or otherwise serve the interests of PHA; and

WHEREAS, PHA is desirous of entering into a contract with Photon Mechanical LLC, in terms consistent with those set forth in the request for proposals and responsive bid package;

NOW, THEREFORE,

Upon motion duly made, seconded and carried, it is

RESOLVED, that the PHA hereby approves and awards the contract for removal and replacement of 4 water heaters at the Hudson Gardens Apartments complex to Photon Mechanical LLC, in an amount not to exceed $311,101.14 and to be paid out of the Capital Fund. Any change orders which will result in the project cost exceeding this amount shall be submitted to the board for approval.

RESOLVED, that the Executive Director is hereby authorized to enter into such contract, and to execute any and all documents necessary to give effect to this resolution, consistent with the terms herein.

Second by Commissioner: Watson

Ayes	Nays	Abstentions
Adams		
Brugger		
Watson		
Flowers		

I hereby certify the foregoing to be a true and correct copy of Resolution No. 2023-26 duly adopted at the meeting of the Poughkeepsie Housing Authority held in the City of Poughkeepsie on the 8th day of November 2023.

Jacquetta Brown

Jacquetta Brown, Secretary