



CAMBRIDGE
REDEVELOPMENT
AUTHORITY

PROCUREMENT POLICY
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CAMBRIDGE REDEVELOPMENT AUTHORITY (CRA)
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A. GENERAL PROVISIONS

1. GENERAL POLICY STATEMENT

A. COMPLIANCE

It is the policy of the Cambridge Redevelopment Authority (CRA) that all procurement for services and/or materials shall be in accordance with applicable federal, Commonwealth of Massachusetts (State) and local laws, codes and regulations (collectively, the Legal Requirements).

B. POLICY

This policy establishes a broad framework of policies to ensure that the CRA's purchasing and contracting functions promote administrative flexibility and efficiency, while at the same time maintaining prudent internal controls and compliance with the Legal Requirements. Specific purposes of this policy include, but are not limited to, the following:

- 1) **Fairness and objectivity:** providing a fair, objective, and equitable selection and contracting environment for all individuals and firms seeking to do business or contracting with the CRA and in instances where the CRA is purchasing goods and services from others.
- 2) **Ensuring reasonable costs:** promoting competition, and negotiating (where applicable) to ensure that the CRA receives the best value and most favorable terms in its contracts.
- 3) **Efficiency:** ensuring that supplies and services (consultant, construction, social services, etc.) are obtained efficiently and effectively.
- 4) **Accountability:** promoting accountability of contracting actions by the CRA employees and encouraging employees to protect the CRA's resources and financial and other interests.
- 5) **Value-added procurement:** facilitating a procurement process that provides service and value to the CRA in obtaining goods and services.
- 6) **Ethical standards:** ensuring that the CRA's procurement activities are implemented with the highest regard for integrity, avoidance of conflicts of interest, and are consistent with applicable ethical standards.
- 7) **Sustainability:** practicing environmentally preferable purchasing and encouraging these practices with vendors.
- 8) **Legal considerations:** complying with all Legal Requirements.

C. PROCUREMENT AUTHORITY

- 1) The Chief Procurement Officer shall be the Executive Director, who shall be trained by and obtain certification from the Massachusetts Inspector's General Office.
 - 2) This policy outlines the authority of the Executive Director and the responsibilities of
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the Cambridge Redevelopment Authority Board (Board) on procurement and contracting oversight.

2. SCOPE

A. THIS POLICY SHALL GOVERN THE FOLLOWING:

- 1) Procuring, Purchasing, Contracting, Leasing, or Renting by the CRA for:
 - a) Goods, Supplies, Equipment, Materials and Services
 - b) Construction and Maintenance
 - c) Consultant Services
 - d) Architectural and Engineering (A & E) Design Services
 - e) Other Services

- 2) Disposition:
 - a) Concessions
 - b) Sale or Disposal of Surplus Material and Equipment

B. FUNDING SOURCES

The CRA receives funds from federal, state, and private sources. As such, in its procurement activities, the CRA shall ensure compliance with applicable Legal Requirements related to funding sources without necessarily imposing a higher standard than is necessary to ensure compliance. Nothing in this policy will prevent the CRA from complying with the terms and conditions of any grant, contract, gift, or bequest that is otherwise consistent with law.

C. EXCLUSIONS

- 1) The CRA is exempt from M.G.L. c. 30B when engaged in the sale, lease or acquisition of residential, institutional, industrial or commercial real property in accordance with an approved plan. The CRA will adopt procedures related to real estate transactions on a project-by-project basis, but will ensure that those procedures adhere to the policy purposes in Section B above.

- 2) The following shall not be governed by this policy:
 - a) Loan/Grant applications and related documents.
 - b) Grants or loans issued by the CRA as an element of a Board-approved community revitalization program.
 - c) Employment selection and agreements

3. LAWS, REGULATIONS & QUALIFICATIONS

A. COMPLIANCE WITH LEGAL REQUIREMENTS

- 1) In adopting this policy, the Board and Executive Director, as the CRA's contracting
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officer, each affirm that the policies are in compliance with all Legal Requirements.

- 2) In the event of a conflict between this policy and any Legal Requirement, the Legal Requirement shall prevail.
- 3) In the event a Legal Requirement is modified or eliminated, or a new Legal Requirement is adopted, the new or revised Legal Requirement shall, to the extent inconsistent with this policy, automatically supersede this policy, and the Executive Director or his/her designee shall make appropriate modifications to the inconsistent policies and procedures.

B. CONTRACTING FOR GOODS AND SERVICES (CHAPTER 30B)

The following chart, provided by the Massachusetts Office of the Inspector General,¹ summarizes the legal requirements under c. 30B:

CHART OF M.G.L. c. 30B PROCUREMENT OF SUPPLIES AND SERVICES

Estimated Contract Amount	Under \$10,000	\$10,000 to \$50,000	Over \$50,000
Procurement Procedure	Sound business practices ²	Solicit three written or oral quotes.	Sealed bids or proposals (M.G.L. c. 30B, §§ 5 or 6).
Advertising Required	No.	No.	Advertise once in a newspaper of general circulation in Cambridge at least two weeks before bids or proposals are due, and post a notice on Cambridge's bulletin board or the CRA website for two weeks before bids or proposals are due. If \$100,000 or more, advertise once in the <i>Goods and Services Bulletin</i> at least two weeks before bids or proposals are due.
Award contract to:	Person offering the best price	Responsible ³ and responsive ⁴ person offering the best price.	Under §5, the responsible and responsive bidder offering the best price. Under §6, the most advantageous proposal from a responsible and responsive proposer taking into consideration price and non-price proposals.
Written Contract Required⁵	No.	Yes.	Yes.
Maximum Contract Term⁶	Three years, unless majority vote of Board authorizes longer.		

¹ Available at <http://www.mass.gov/ig/publications/guides-advisories-other-publications/charts-proc.pdf>.

² M.G.L. c. 30B, § 2 defines sound business practices as “ensuring the receipt of favorable prices by periodically soliciting price lists or quotes.”

³ M.G.L. c. 30B, § 2 defines a responsible bidder or offeror as “a person who has the capability to perform fully the contract requirements, and the integrity and reliability which assures good faith performance.”

⁴ M.G.L. c. 30B, § 2 defines a responsive bidder or offeror as “a person who has submitted a bid or proposal which conforms in all respects to the invitation for bids or request for proposals..”

⁵ M.G.L. c. 30B, § 17(a) states, “All contracts in the amount of [\$10,000] or more shall be in writing, and the governmental body shall make no payment for a supply or service rendered prior to the execution of such contract.”

⁶ M.G.L. c. 30B, § 12(b), states, “Unless authorized by majority vote, a procurement officer shall not award a contract for a term exceeding three years, including any renewal, extension, or option.”

1. PROCUREMENT AUTHORITY AND RESPONSIBILITY

This Policy grants the Executive Director and/or his/her designee the authority and responsibility for the use of the methods of procurement and selection of contract types as defined in this Section.

2. PROCUREMENT POLICY THRESHOLDS & PROCEDURES

These procedures follow Chapter 30B, the procurement law of Massachusetts covering all dollar amounts for procuring goods and services not directly involving construction projects. There are six different procurement processes that the CRA uses to obtain goods and services. The process to be used depends on the estimated amount of the contract and the nature of the contractor selection criteria. With each process there are different solicitation and bidding requirements. Sole Source Procurement of contracts up to \$25,000 occurs when, under thorough legal review, the Board determines that there is only one practicable source.

A. SOUND BUSINESS PRACTICES (Cost does not exceed \$9,999)

- 1) When the cost of goods and services does not exceed \$9,999, the CRA staff may utilize sound business practices for the procurements of goods and services for the CRA.
- 2) There is no requirement for formal scope of services or quotes, but it is advisable to have a description of services; prudent cost comparison is recommended. When calls are made to potential vendors, the \$9,999 limit must be mentioned.
- 3) The CRA is not allowed to purchase more than \$9,999 in goods and services from a single vendor within a fiscal year using sound business practices. If multiple projects select the same vendor for services, and those jobs would reach \$10,000, then the CRA must get three written quotes under the process described below.
- 4) A contract with a clear scope is required [not sure there is a difference, actually. I would say that a Service Agreement shall be adequate to serve as a contract. So long as both parties sign, it is a contract].
- 5) The contract may be authorized by the Executive Director, and shall be reported to the Board at its regular monthly meeting.
- 6) No amendments outside the scope of a contract are allowed. A new requisition process is required for revisions to the original scope of services. The CRA may increase the quantity of goods or services specified in a contract, provided that the unit price for such supplies or services remains the same or less, the Executive Director specifies in writing that an increase is necessary to fulfill the needs of the CRA under

the contract, and that the increase in the total contract price does not increase by more than 25 percent.⁷

- 7) Time limits must be adhered to. Staff should be conservative and realistic about the duration of the delivery of services and goods when utilizing this process.

B. WRITTEN QUOTES (Cost is between \$10,000 and \$50,000.00)

- 1) The three written quotes procurement methodology may be used when the cost of services or goods is between \$10,000 and \$50,000.00. No advertisement is required.
- 2) The CRA staff shall write a scope of services or product description. The Executive Director or his/her designee shall send requests to potential bidders, referencing relevant City of Cambridge bidders lists as available, and obtain responses.
- 3) Staff should evaluate whether statewide contracts managed by the Operational Services Division (OSD) offer benefits to the CRA, such as time-savings and/or increased value.
- 4) Alternatively or as an additional measure, staff may post on the CRA website, advertise in a newspaper of general circulation in Cambridge and distribute to appropriate listing services or websites.
- 5) At least three written signed quotes must be solicited. The lowest responsive and responsible bidder shall be selected for contracts for goods and services; for revenue-generating contracts, the best price is the highest price offered by a responsive and responsible offeror.
- 6) Bidders can be disqualified based on qualifications in scope of work. Examples of qualifications are:
 - a) Quality requirements
 - b) Relevant experience with providing similar goods or services
 - c) References
 - d) Examples of work
- 7) If, after making a reasonable effort, the CRA cannot obtain three quotes on the supply or service needed, the contract may be awarded on the basis of one or two quotes.
- 8) The CRA staff shall prepare a standard contract template with a detailed scope of services, including payment rate, schedule and deliverables.
- 9) Contract approval by the Board is required. A contract costing the CRA \$10,000 or more shall be signed by the Chair.

⁷ The 25 percent restriction does not apply to contracts for the purchase of gasoline or fuel, or to road salt or other ice and snow control supplies.

- 10) The CRA may increase the quantity of goods or services specified in a contract, provided that the unit price for such supplies or services remains the same or less. The Executive Director must specify in writing that an increase is necessary to fulfill the needs of the CRA under the contract, and that the increase in the total contract price does not increase by more than 25 percent.

C. INVITATION FOR BIDS (Cost is over \$50,000)

- 1) Used when the cost of services or goods is over \$50,000, when lowest price is the primary goal.
- 2) If the cost of the contract is over \$100,000, the Invitation for Bids must be filed in the *Goods & Services Bulletin*.
- 3) The CRA staff must write a clear scope of services or product description, including specific minimum qualifications.
- 4) The Invitation for Bids must be advertised once in a newspaper of general circulation within Cambridge at least two weeks before bids or proposals are due, **and** posted as a notice on the CRA website for two weeks before bids or proposals are due.
- 5) The Invitation for Bids may be distributed to appropriate listing services or websites. To request bids the CRA may also send requests to potential bidders; referencing relevant City and or State bidders list as needed.
- 6) Generally when conducting a solicitation utilizing the invitation to bid method, the lowest responsive and responsible bidder is chosen. However, the CRA may incorporate quality requirements to discourage less qualified vendors. Bidders can be disqualified based on qualifications in scope of work.
- 7) For revenue-generating contracts, the best price is the highest price offered by a responsive and responsible offeror through a bid process.
- 8) Contract approval by the Board is required. A contract costing the CRA \$10,000 or more shall be signed by the Chair.

D. REQUEST FOR PROPOSALS (Cost is over \$50,000)

- 1) Used when the cost of services or goods is over \$50,000, when specific criteria beyond price is the primary goal. The Board must make a motion to seek bidders through an RFP process.
- 2) An RFP must be advertised once in a newspaper of general circulation in Cambridge at least two weeks before bids or proposals are due, **and** posted as a notice on the CRA website for two weeks before bids or proposals are due.
- 3) If the scope is anticipated to be greater \$100,000 or more, the RFP must be advertised once in the *Goods and Services Bulletin* at least two weeks before bids or proposals

are due.

- 4) The CRA may choose to send requests to potential bidders, referencing relevant City and or State bidders list as needed, and distribute to appropriate listing services or professional websites.

E. SOLE-SOURCE PROVIDERS

- 1) A "sole-source" procurement is a purchase of supplies or services without advertising or competition.
- 2) The CRA may make sole-source procurements of any supply or service under \$50,000 when a reasonable investigation shows that there is only one practicable source for the required supply or service. The determination by the Executive Director that only one practicable source for the supply or service exists must be in writing and for contracts over \$10,000, must be confirmed by the Board.
- 3) The CRA may purchase water, gas, electricity, sewer, and telephone services in any amount without competition from a regulated industry company if it determines in writing that there is only one practicable source for the services.
- 4) The CRA can accept a single quote, bid, or proposal submitted in response to a solicitation of quotes, bids, or proposals, as described above. Receiving one response is not the same as making sole-source procurement.

3. EMERGENCY PROCUREMENT PROCEDURES

If the time required to comply fully with Chapter 30B requirement would endanger the health or safety of people or their property due to an unforeseen emergency, the CRA may procure the needed item or service without complying with the Chapter 30B requirements. The CRA may procure only those supplies or services necessary to meet the emergency needs.

**C. CONTRACTING FOR CONSTRUCTION CONTRACTS
(CHAPTER 30, §. 39M and CHAPTER 149)**

The following three charts, provided by the Massachusetts Office of the Inspector General,⁸ summarize public procurement procedures pursuant to M.G.L. c. 30 and c. 149:

**CHART OF M.G.L. c. 30, § 39M, PUBLIC WORKS (NON-BUILDING)
CONSTRUCTION CONTRACTS (WITH LABOR)**

Estimated Contract Amount	\$10,000 and under	Over \$10,000 to \$50,000		Over \$50,000
		M.G.L. c. 30, § 39M	M.G.L. c. 30B, § 5 Option⁹	M.G.L. c. 30, § 39M
Procurement Procedure	No.	Sealed bids.	Sealed bids.	Sealed bids.
Advertising Required	No.	Advertise once in the <i>Central Register</i> ¹⁰ and a newspaper of general circulation in Cambridge at least two weeks before bids are due, and post a notice on the City bulletin board for one week before bids are due.	Advertise once in the <i>Central Register</i> ² and a newspaper of general circulation in Cambridge at least two weeks before bids are due, and post a notice on the City bulletin board for one week before bids are due.	Advertise once in the <i>Central Register</i> ² and a newspaper of general circulation in Cambridge at least two weeks before bids are due, and post a notice on the City bulletin board for one week before bids are due.
DCAM Certification	No.	No.	No.	No.
OSHA Training	No.	Yes.	Yes.	Yes.
City/Town Prequalification	No.	No. ¹¹	No.	No.
Filed Sub-bids	No.	No.	No.	No.
Bid Deposit	No.	5% of the value of the total bid.	No.	5% of the value of the total bid.
Payment Bond	No.	No.	No.	50% payment bond.
Performance Bond	No.	No.	No.	No.
Prevailing Wage	Yes.	Yes.	Yes.	Yes.

⁸ Available at <http://www.mass.gov/ig/publications/guides-advisories-other-publications/charts-proc.pdf>.

⁹ Authorized by M.G.L. c. 30, § 39M(d).

¹⁰ M.G.L. c. 149, § 44J(a) and M.G.L. c. 9, § 20A and accompanying regulations require all contracts for construction services and all contracts for construction materials costing \$10,000 or more to be advertised in the *Central Register*.

¹¹ Although M.G.L. c. 30, § 39M does not mandate a contractor prequalification process, prequalification of bidders by the Massachusetts Department of Transportation is required for contracts of \$50,000 or more where the awarding authority receives State Aid funds under M.G.L. c. 90, § 34, or the work is on a state road, regardless of whether the awarding authority receives State Aid funds under M.G.L. c. 90, § 34.

**CHART OF M.G.L. c. 30, § 39M or M.G.L. c. 30B, § 5, CONSTRUCTION MATERIALS
PROCUREMENTS (WITHOUT LABOR)**

Estimated Contract Amount		\$10,000 and under	Over \$10,000	
			M.G.L. c. 30, § 39M	M.G.L. c. 30B, § 5 ¹² Option
Procurement Procedure	Sound business practices		Sealed bids.	Sealed bids.
Advertising Required	No.		Advertise once in the <i>Central Register</i> ¹³ and newspaper of general circulation in Cambridge at least two weeks before bids are due, and post notice on the City bulletin board for one week before bids are due.	Advertise once in the <i>Central Register</i> ² and a newspaper of general circulation in Cambridge at least two weeks before bids are due, and post a notice on the City bulletin board for one week before bids are due.
DCAM Certification	No.		No.	No.
OSHA Training	No.		No.	No.
City/Town Prequalification	No.		No.	No.
Filed Sub-bids	No.		No.	No.
Bid Deposit	No.		5% of the value of the total bid.	No.
Payment Bond	No.		No.	No.
Performance Bond	No.		No.	No.
Prevailing Wage	No.		No.	No.
Award contract to:	No.		Lowest responsible and eligible bidder.	Lowest responsive and responsible bidder.

¹² Authorized by M.G.L. c. 30, § 39M(d).

¹³ M.G.L. c. 149, § 44J(a) and M.G.L. c. 9, § 20A and accompanying regulations require all contracts for construction services and all contracts for construction materials costing \$10,000 or more to be advertised in the Central Register.

CHART OF M.G.L. c. 149 -- BUILDING CONSTRUCTION CONTRACTS¹⁴

Estimated Contract Amount	Under 10,000	\$10,000 to \$50,000	\$50,000 to \$100,000	Over \$100,000	Over \$10,000,000
Procurement Procedure	Sound business practices	Solicit written responses.	Sealed bids (using M.G.L. c. 30, § 39M procedure).	Sealed bids.	Solicit statements of qualifications prior to soliciting sealed bids.
Advertising Requirements	No.	Advertise once in the <i>Central Register</i> ¹⁵ and post a notice on the CRA website and the City's bulletin board for at least two weeks before responses are due. Posting on COMMBUYS is optional.	Advertise once in the <i>Central Register</i> ² and a newspaper of general circulation in Cambridge at least 2 weeks before bids are due. Post on the City's bulletin board and the CRA website for at least 1 week before bids are due. Posting on COMMBUYS is optional.	Advertise once in the <i>Central Register</i> ² and a newspaper of general circulation in Cambridge at least 2 weeks before bids are due, and post on the City's bulletin board and the CRA website for at least 1 week before bids are due. Posting on COMMBUYS is optional.	Advertise the request for qualifications once in the <i>Central Register</i> ² , newspaper of general circulation in Cambridge, the CRA website, and COMMBUYS at least two weeks before responses are due. ¹⁶
DCAM Certification	No.	No.	No.	Required for general bidders and filed sub-bidders.	Required for general bidders and filed sub-bidders.
OSHA Training	No.	Yes.	Yes.	Yes.	Yes.
City/Town Prequalification	No.	No.	No.	Optional. ¹⁷	Yes.
Filed Sub-bids	No.	No.	No.	Yes (\$20,000 and over).	Yes (\$20,000 and over).
Bid Deposit	No.	No.	5% of the value of the total bid.	5% of the value of the total bid, or sub-bid.	5% of the value of the total bid, or sub-bid.
Payment Bond	No.	No.	50% payment bond.	100% payment bond.	100% payment bond.
Performance Bond	No.	No.	No.	100% performance bond.	100% performance bond.
Prevailing Wage	Yes.	Yes.	Yes.	Yes.	Yes.
Contractor Evaluation	No.	No.	No.	Yes.	Yes.

¹⁴ M.G.L. c. 149, § 44A(2)(A) as amended by Chapter 188 of the Acts of 2010.

¹⁵ M.G.L. c. 149, § 44J(a) and M.G.L. c. 9, § 20A and accompanying regulations require all contracts for construction services and all contracts for construction materials costing \$10,000 or more to be advertised in the *Central Register*.

¹⁶ The advertising procedures listed pertain only to the request for qualifications. Within 14 days of the completion of the prequalification evaluation process, you are required to post a notice in your jurisdiction and on COMMBUYS listing those general and subcontractors who have been prequalified. A copy of the notice must be sent via first class mail, postage pre-paid to all prequalified general and subcontractors along with an invitation to bid. The invitation to bid must have a deadline of at least two weeks. Although you may only consider bids from those general and subcontractors who have been prequalified, the advertising requirements for building construction contracts over \$100,000 apply.

¹⁷ If you decide to use the optional prequalification process for projects over \$100,000, follow the procedures listed in the "Over \$10,000,000" column.

1. AUTHORITY AND RESPONSIBILITY

This Policy grants the Executive Director and/or his/her designee the authority and responsibility for the use of the methods of procurement and selection of contract types as defined in this Section.

A. ENSURING REASONABLE COSTS

As a public agency accountable to governmental funding agencies, the CRA is committed to ensuring that costs paid for obtaining necessary goods and services are reasonable and that the CRA's interests are adequately protected. In doing so, the Executive Director or his/her designee will evaluate the reasonableness of costs proposed by a contractor, consultant, or vendor.

B. BIDDERS AND SUB-BIDDERS QUALIFICATIONS

- 1) If required by the Legal Requirements, each bidder and sub-bidder must provide, at the time of bid submission, an updated certification issued by the Division of Capital Asset Management and Maintenance ("DCAM"), pursuant to MGL Chapter 149, Section 44D Submission of Bid or offer; Application for Certification.
- 2) The Executive Director or his/her designee may develop, as part of bidding documents, specific and objective qualification requirements for the bidder or sub bidder beyond the DCAM Certification Requirements that may be used in evaluating whether a bidder or sub bidder is responsible and capable of performing the proposed work.

C. PERFORMANCE EVALUATION PROGRAM

The Executive Director or his/her designee shall develop and implement a performance evaluation system to evaluate the performance of contractors, consultants, and/or vendors doing business with the CRA on all projects bid under MGL c.149A and 149 § 44 (A-J). Negative evaluation results under this process will be used as part of future procurement award decision-making.

D. OWNER'S PROJECT MANAGER

M.G.L. c. 149 §44A ½, requires public awarding authorities to engage the services of an owner's project manager (defined as "an individual, corporation, partnership, sole proprietorship, joint stock company, joint venture, or other entity engaged in the practice of providing project management services for the construction and supervision of construction of buildings.") on a building projects estimated to cost \$1.5 million or more.

The CRA shall, prior to contracting for design services where the project is estimated to cost \$1.5 million or more, procure the services of a project manager. At the Executive Director's discretion, a CRA employee or a City of Cambridge employee may be selected and serve as the Owner's Project Manager, providing he or she meets the required minimum qualifications.

2. PROCUREMENT POLICY THRESHOLDS & PROCEDURES

Following Massachusetts's laws covering construction related contracts and materials there are three different procurement processes that the CRA may use. The CRA process to be used depends on the estimated amount of the contract. With each process there are different solicitation and bidding requirements.

A. SOUND BUSINESS PRACTICES (Contracts costing less than \$9,999)

- 1) When the estimated cost of construction services or construction materials to the CRA does not exceed \$9,999, staff may follow sound business practice to efficiently facilitate procurement while seeking quality construction or materials at reasonable costs.
- 2) There is no requirement for formal scope of services or quotes, but it is advisable to have a description of services. Prudent cost comparison is required. When calls are made to potential vendors, the \$9,999 limit must be mentioned.
- 3) The CRA is not allowed to purchase more than \$9,999 in materials or construction services from a single vendor within a fiscal year using the 'sound business practice' procurement procedures. If multiple projects select the same vendor for contract work, and those jobs would reach \$10,000, then the CRA must get three written quotes under the process described below.
- 4) A contract with a clear scope and approved plans is required for construction services.
- 5) The Executive Director may authorize the contract if under \$10,000, and shall report all contracting activity to the Board at its regular monthly meeting.
- 6) No amendments outside the scope of a contract are allowed to contracts procured under this process.¹⁸ A new requisition process is required for revisions to the original scope of services.

B. WRITTEN QUOTES (Contracts costing between \$10,000 and \$50,000)

- 1) Used only for construction contracts, when the cost of the estimated contract amount is between \$10,000 and \$50,000.00.
- 2) The CRA staff shall write a scope of services or product description. The Executive Director or his/her designee shall send requests to potential bidders, referencing

¹⁸ Massachusetts law allows adjustment of price in construction projects under c. 149 where field conditions differ substantially from original construction plans or where the awarding authority suspends work for 15 days or more. See M.G.L. c. 30, §§39N-39O. The awarding authority may authorize changes to construction projects in writing, where deviations from original plans are explained, where they do not damage the project as a whole, and where they are in the awarding authority's best interest. See M.G.L. c. 30, § 39I.

relevant City of Cambridge bidders list as available, and obtain responses.

- 3) Staff should evaluate whether statewide contracts managed by the Operational Services Division (OSD) offer benefits to the CRA, such as time savings and/or increased value.
- 4) The solicitation for quotes must be advertised once in the *Central Register* and posted on the CRA website. Advertising in a newspaper of general circulation or on the COMMBUYS website is optional.
- 5) Not fewer than three written signed quotes must be solicited. The lowest responsive and responsible bidder shall be selected.
- 6) Bidders can be disqualified based on qualifications in scope of work. Examples of qualifications are:
 - a) Quality requirements
 - b) Relevant experience with providing similar goods or services
 - c) References
 - d) Examples of work
- 7) If, after making a reasonable effort, the CRA cannot obtain three quotes on the desired scope of work, the contract may be awarded on the basis of one or two quotes.
- 8) The CRA staff shall prepare a standard contract template with a detailed scope of services, including payment rate, schedule and deliverables.
- 9) Approval by vote of the Board is required, and contracts shall be signed by the Chair.

C. INVITATION FOR BIDS (Cost is over \$50,000)

- 1) Lowest Bid solicitation shall be used when the cost of construction services to the CRA or materials is over \$25,000.
- 2) The CRA staff must provide a complete bid package, including specific minimum qualifications.
- 3) The Invitation for Bids must be advertised once in a newspaper of general circulation within Cambridge at least two weeks before bids or proposals are due, advertised in the *Central Register* and posted as a notice on the CRA website for two weeks before bids or proposals are due.
- 4) The Invitation for Bids may be distributed to appropriate listing services or websites. To request bids the CRA may also send requests to potential bidders; referencing relevant City and or State bidders list as needed.
- 5) When selecting a contractor, the lowest responsive and responsible bidder shall be chosen. Bidders may be disqualified based on failure to meet minimum qualifications.
- 6) Approval by vote of the Board is required, and contracts shall be signed by the Chair.

D. DESIGN SERVICES

1. APPLICABLE LAWS

- A. Under M.G.L. c. 7C, §54(a), cities and towns, as well as their authorities and instrumentalities, must develop written procedures to award contracts for design services where the estimated cost of the construction project is greater than \$100,000. These procedures must comply with the purpose and intent of M.G.L. c. 7C, §§44-57, the Designer Selection Law. The policies outlined below are shaped by Massachusetts Office of the Inspector General guidance on designer selection, and designed to comply with the purpose and intent of the Law.0
- B. Design services include preparation of master plans, feasibility and other studies, surveys, soils tests, cost estimates or programs; preparation of drawings, plans, and specifications, including schematics and preliminary plans; supervision or administration of a construction contract; and construction management and scheduling.
- C. When participating in the design of affordable housing with state funds, the CRA must follow the procedures established by the Massachusetts Department of Housing and Community Development (DHCD) for the Design of State-Funded Housing. The DHCD's procedures follow M.G.L. c. 7C processes and prescribe the role of DHCD and of the local authority in the selection process.

2. PROCUREMENT PROCEDURES FOR DESIGN SERVICES

When procuring Design Services , the CRA shall usually utilize a qualifications-based selection process, outlined in the Designer Selection Law and described in greater detail below.

A. APPLICABILITY

The Procurement Procedures for Design Services will be applicable to procurement of design services where the estimated design fee exceeds \$10,000 and the cost of construction is estimated to exceed \$100,000.

B. ADVERTISING

The CRA shall publish a notice inviting application from interested designers in a newspaper of general circulation in Cambridge and in the Central Register at least two weeks before the deadline for receiving applications.

The published notice shall contain:

- 1) A description of the overall project, including the specific design services sought, the time period in which the project is to be completed, and the estimated construction cost, if available.
- 2) If a study or program has already been completed, indication when and where it is available for inspection, or a statement that a study has not yet been completed.
- 3) Any specific professional qualifications required for the design contract, as well as any categories of work for which the CRA will require the designer to list the sub-consultants that the designer plans to use.
- 4) If a briefing session will be held for potential applicants, indication of when and where.

- 5) If a design fee has been set, a statement of the design fee and whether it will be negotiated.
- 6) Instructions on how to obtain the Request for Qualifications and where and when to submit completed applications, and information on whom to contact for further information.

C. STANDARD DESIGNER SELECTION FORM

The CRA will ask all applicants to provide the same information, using the “Standard Designer Application Form for Municipalities and Public Agencies Not Within DSB Jurisdiction,” available at www.mass.gov/dcamm.

D. REQUEST FOR QUALIFICATIONS

The CRA will make available the Request for Qualifications (RFQ) to interested applicants. The RFQ will contain information regarding the following:

- 1) A statement of the project scope, including the services sought.
- 2) A list of defined deliverables.
- 3) A timeline for producing each deliverable.
- 4) A statement of the evaluation criteria, including those discussed below under “Selection of Finalists.”
- 5) A copy of the Standard Designer Selection Form.
- 6) A statement of the set fee or not-to-exceed limit, if available. The fee or not-to-exceed limit shall be expressed in terms of fixed dollars, not as a percentage of the construction cost.

E. SELECTION OF FINALISTS

The Executive Director shall be responsible for reviewing applications and selecting and ranking finalists. The Executive Director may, at his or her discretion, appoint a committee to advise him or her in making selection and ranking decisions. Individuals who have a conflict of interest (direct or indirect financial interest, personal involvement, or other interest), real or apparent, with regard to a design firm applying for a contract may not participate in the selection process for that contract.

The executive director shall, at a minimum, take into account the following criteria in selecting and ranking finalists:

- 1) Experience;
- 2) Quality of Work;
- 3) Public Sector Knowledge;
- 4) Professional Registrations and Licenses;
- 5) Sub-consultant Registrations and Licenses; and
- 6) Capacity.

The Executive Director shall select at least three finalists unless, after reasonable effort, fewer than three applications are received, in which case the CRA may proceed with one or two

finalists. The Executive Director may seek additional information regarding qualifications, provided that the same information is sought from all finalists; similarly, if one finalist is given the opportunity to make a presentation or provide other proof of its qualifications, all finalists must be afforded the same opportunity.

The Executive Director shall prepare a written explanation of the reasons for selecting the designer that was awarded the contract, and records must be maintained for each procurement, including copies of public notices, applications received, evaluations, rankings and explanations thereof, the explanation of the selection decision, the notification of the award, and other relevant documents.

F. NEGOTIATING AND FINALIZING THE CONTRACT

The CRA shall seek the following information from the top ranked finalist:

- 1) The amount of time to be devoted to each phase of the project by key individuals, such as the designer's project manager;
- 2) The hourly rates the designer will use to calculate prices for additional work that is not included in the initial scope; and
- 3) The markup, if any, that the designer will add to costs, including sub-consultant fees, resulting from a change in the scope of work.

If the CRA has set a not-to-exceed fee limit, the CRA shall also seek a fee proposal including an itemized breakdown of costs and fees. Upon receipt of the necessary information, the CRA may negotiate the fee, not-to-exceed fee limit, amount of time to be devoted to the project by the designer, or other factors of the contract as the CRA deems warranted.

If the negotiation is successful, the top ranked designer shall be awarded the contract. If not, the CRA shall proceed to request information from, and negotiate with, the next highest ranked designer, and continue in like fashion until negotiations are successful and a contract can be awarded.

G. EMERGENCIES

Where required to protect the health or safety of any persons or to meet a deadline for action on a project set by a federal agency, the CRA shall utilize an expedited designer selection process. The CRA may procure only those supplies or services necessary to meet the emergency needs.

3. MINORITY AND WOMEN OWNED BUSINESS ENTERPRISES

- A. All contracts for design services over \$100,000 shall submit documents to comply with the City of Cambridge and the Commonwealth's requirements for Minority (MBE) and Women-owned (WBE) business requirements.
- B. The CRA adopts the City of Cambridge's commitments to contracting and sub-contracting to Minority and Women Owned Business, as it may be amended from time to time.

E. GENERAL PROVISIONS

1. AUTHORITY & INTERNAL CONTROLS

A. DELEGATION OF PROCUREMENT AUTHORITY

Per the resolution of the Board adopting this Policy, the Executive Director is hereby delegated the following procurement authority, with the authority to re-delegate as the Executive Director sees fit, to implement and manage this Policy.

- 1) Authority to enter into contracts for goods and services not to exceed \$10,000.
- 2) Authority to enter into contracts for construction not to exceed \$10,000.
- 3) Authority to enter into leases of equipment for periods not to exceed three consecutive years, irrespective of the total monetary amount of the procurement.

The Executive Director is to notify the Board of all signed contracts at their next scheduled meeting. All contracts in excess of \$10,000 require the approval of the Board and signature of the Chair.

B. PURCHASING CARDS

The Board has authorized that the Executive Director be issued bank-sponsored credit card (purchasing card), in order to expedite the purchasing and payment process and reduce the administrative costs of small purchase transactions and regular debits for service subscriptions of up to \$1,000.

2. IMPLEMENTATION OF THIS POLICY

A. AVAILABILITY

These policies shall be listed and available for review on the CRA's website and provided to all staff and Board members for use during procurement activities. These policies will be referenced in all relevant solicitation documents.

B. ENSURING REASONABLE COSTS

As a public agency accountable to governmental funding agencies, the CRA is committed to ensuring that costs paid for obtaining necessary goods and services are reasonable and that the CRA's interests are adequately protected. In doing so, the Executive Director or his/her designee will evaluate the reasonableness of costs proposed by a contractor, consultant, or vendor.

C. PROCEDURES FOR BIDDING

The CRA shall refer to and utilize the existing procedures and bidding forms of the City of Cambridge in implementation of this policy to the maximum extent possible.

D. INTERNAL CONTROLS

- 1) The CRA shall maintain a system of internal controls, which shall include:
 - a) Delegation of procurement authority;
 - b) Segregation of duties;
 - c) Receipt of goods and services;
 - d) Custody and safeguarding of its assets;
 - e) Recording financial transactions; and
 - f) Recordkeeping of contract solicitation.
- 2) The Executive Director, or his/her designee shall encumber designated funds under a professional services or construction contract, through an electronic ledger that additionally reflects fund availability through the appropriate budget categories within the adopted budget of the CRA.

3. ETHICAL STANDARDS

A. AUTHORITY AND RESPONSIBILITY

- 1) In the conduct of the CRA's procurement system, the Board and the CRA employees shall be aware of, and comply with, all Legal Requirements
- 2) Contracts not funded with federal funds shall not be bound by any of the federal requirements.

B. DISCIPLINARY ACTIONS

Breaches of the ethical standards of this chapter of the procurement policies may result in a CRA employee being subject to disciplinary actions up to and including termination, consistent with the CRA Personnel Policy.

C. CONFLICT OF INTEREST

- 1) No CRA employee shall participate in the selection, award, or administration of a contract if a conflict of interest (direct or indirect financial interest, personal involvement, or other interest), real or apparent, would be involved. Participation shall include, but not be limited to: serving on an evaluation panel to select a firm; reviewing, endorsing, or recommending an award or selection; approving or rejecting an award of a contract or purchase order.
- 2) No CRA employee shall own or hold an interest in any contract or property or engage in any business, transaction, or professional or personal activity that would:

- a) Be, or appear to be, in conflict with the employee's official duties, or
 - b) Secure, or appear to secure, an unwarranted privilege or advantage for the employee, or
 - c) Prejudice, or appear to prejudice, the employee's independence of judgment in the exercise of his or her official duties relating to the CRA.
- 3) Confidential information: No CRA employee shall knowingly use confidential information for the employee's or another's actual or anticipated personal gain.

D. GIFTS AND GRATUITIES

- 1) An employee may not solicit or accept gifts, entertainment, gratuities, favors, or anything of monetary value from contractors or subcontractors, or potential contractors or subcontractors that could influence, or be perceived to influence, contracting or purchasing decisions.
- 2) Exception: In general, a nominal gift of less than \$50.00 in value that was not solicited by an employee, and which can be and is shared with all employees and/or the public, may be considered acceptable. Employees are expected to exercise good judgment before accepting any gift, and to check with the Executive Director or the Board Chair if in doubt.

E. CONTRACTING WITH FORMER CRA EMPLOYEES

One year prohibition: within one year after an employee or Board member leaves the CRA, the CRA shall not contract with such employee or Board member if the individual was responsible for formulating policy or influencing decisions with respect to the project(s) being contracted for.

4. ELIGIBILITY TO CONTRACT WITH THE CRA

A. AUTHORITY AND RESPONSIBILITY

The Executive Director or his/her designee shall take all actions necessary to assure that the CRA award contracts only to eligible, responsible prospective contractors who have the ability to perform successfully under the terms and conditions of the proposed contract.

B. DETERMINATION OF RESPONSIBILITY OF PROSPECTIVE CONTRACTOR

- 1) In determining the responsibility of a bidder, the CRA shall consider such matters as the bidder's:
 - a) Integrity;
 - b) Compliance with public policy;
 - c) Record of past performance; and
 - d) Financial and technical resources (including construction and technical

equipment).

- 2) Before a bid or proposal is considered for award, the bidder may be requested by the CRA to submit a statement or other documentation regarding any of the items in the paragraph above. Failure by the bidder to provide such additional information shall render the bidder nonresponsive, non-responsible, and ineligible for award.

C. DEBARMENT STATUS REVIEW

The Executive Director shall ensure, prior to award of a contract that the proposed business has not been debarred or otherwise declared ineligible for award by an applicable regulatory agency. The following non-exclusive list of sources shall be reviewed when required:

- a) U.S. General Services Administration's "List of Parties Excluded From Federal Procurement and Non-Procurement Programs"
- b) U.S. Department of Housing and Urban Development's "Limited Denial of Participation" List
- c) Lists of Suspended or Debarred Contractors Maintained by the Commonwealth of Massachusetts office of the Attorney General and the Division of Capital Asset Management.

D. COMPLIANCE WITH IRS REGULATIONS

Prior to making payment to a business, the Executive Director or his/her designee shall ensure that the CRA receives from the business (if not already on file from bid or proposal submissions):

- a) a W-9 or W-9 substitute form.
- b) A Data Universal Numbering System (D-U-N-S) number as issued by Dun and Bradstreet.

5. DIVERSITY IN CONTRACTING

A. RESPONSIBILITY

The Executive Director and the Board will take affirmative steps to encourage the use of women and minority-owned businesses (W/MBEs), businesses owned by economically disadvantaged persons, and small businesses as contractors, subcontractor's consultants, and service providers.

6. DISPUTES, PROTESTS AND APPEALS

A. AUTHORITY AND RESPONSIBILITY

The Executive Director shall attempt to resolve all procurement-related (solicitation, award, and contractual) disputes, protests, and appeals internally without outside review by either the Office of the Inspector General (OIG) or the court system.

B. PROTESTS

- 1) The following shall apply to protests (unless otherwise specified, this section will use the term "protest" to also include disputes and appeals):
 - a) Solicitations: Any protest against a solicitation issued by the CRA must be received by the Executive Director before the bid or proposal submittal deadline, or it will not be considered.
 - b) Awards: Any protest against the award of a contract based on an Invitation For Bids (IFB) must be received by the Executive Director no later than two full business days after the bid submittal deadline, or before award of the contract, whichever is earlier, or the protest will not be considered.
 - c) Any appeal of a decision by the CRA to reject a bid submitted in response to an IFB must be received by the Executive Director within two business days after being notified in writing of the CRA's decision, or the appeal will not be considered.
 - d) Any protest against the award of a contract based on an RFP or RFQ or appeal of a decision by the CRA to reject a proposal, must be received by the Executive Director within three business days after notification to an unsuccessful proposer that they were not selected, or the protest will not be considered.
 - e) Any protest against the award of a contract based on an informal solicitation must be received by the Executive Director prior to award.

C. MASSACHUSETTS OFFICE OF THE INSPECTOR GENERAL (OIG)

There are no statutory provisions or regulations establishing an administrative procedure for bid protests under M.G.L. c. 30b. However, in keeping with the OIG's prevention agenda, the OIG has developed an informal process to help resolve disputes efficiently and ensure compliance with the law.

D. WAIVER OF INFORMALITIES

M.G.L. C. 30B, §5(F) provides that "[t]he procurement officer shall waive minor informalities or allow the bidder to correct them." Minor informalities are defined within M.G.L. C. 30B as "minor deviations, insignificant mistakes, and matters of form rather than substance of the bid, proposal, or contract document which can be waived

or corrected without prejudice to other offerors, potential offerors, or the governmental body."

E. ALTERNATIVE DISPUTE RESOLUTION

The Executive Director is authorized to enter into agreements to submit disputes arising from contracts entered into pursuant to this policy to arbitration, mediation, and other alternative dispute resolution procedures for the Commonwealth of Massachusetts.

7. CANCELLATION OR REJECTION OF INVITATION FOR BIDS, REQUEST FOR PROPOSALS, OR OTHER SOLICITATION

Section 9 of M.G.L. C. 30B provides that "the procurement officer may cancel an invitation for bids, a request for proposals, or other solicitation, or may reject in whole or in part any and all bids or proposals when the procurement officer determines that cancellation or rejection serves the best interests of the governmental body. The procurement officer is required to state, in writing, the reason for a cancellation or rejection."

8. DISPOSAL OF SURPLUS PROPERTY

A. AUTHORITY AND RESPONSIBILITY

- 1) The Executive Director, or his/her designee, shall be responsible for the disposition of surplus property (non-real property) no longer necessary for the CRA's purposes and shall establish procedures for the transfer, sale, or disposal of such property, consistent with applicable laws.
- 2) The Executive Director is authorized to donate, recycle or dispose of office furniture and equipment of value of less than \$1,000 in a manner that minimizes the CRA cost and maximizes potential reuse value of equipment to the public.

9. RECORD MAINTENANCE AND PUBLIC ACCESS TO PROCUREMENT INFORMATION

A. RESPONSIBILITY

- 1) The Executive Director or his/her designee shall maintain records sufficient to detail the significant history of each procurement. These records will include, but are not necessarily limited to, the following:
 - a) rationale for the method of procurement;
 - b) selection of contract type;
 - c) contractor selection or rejection;
 - d) and the basis for the contract price.

All procurement records shall be maintained and disposed of in accordance with the CRA records retention and disposal policy and procedure. Permission from the Secretary of State for the Commonwealth of Massachusetts must be requested prior to disposal of such records.

- 2) All documents should be placed on file and maintained on site in the CRA office during the contract activity. Additionally all documents should be scanned for digital recording or otherwise saved electronically

B. PUBLIC RECORDS

- 1) The CRA procurement information shall be a matter of public record to the extent provided for in MGL chapter 66. Public Records and will be made available upon request as provided by such statute.
- 2) A present or former board member, employee of, or person acting on behalf of or advising the CRA on a procurement, who has or had access to contractor bid or proposal information shall not disclose such information before the award of the contract to which the information relates.
- 3) Contractor bid or proposal information means information not made available to the public and includes:
 - a) Cost or pricing data;
 - b) Indirect costs and direct labor rates;
 - c) Proprietary information about processes, operations or techniques; and
 - d) Information marked by the contractor as “contractor bid or proposal information.”
- 4) Source selection information means information not made available to the public and includes:
 - a) Bid prices;
 - b) Proposed costs or prices from bidders;
 - c) Source selection and technical evaluation plans;
 - d) Technical evaluations, cost or price evaluations, competitive range determinations, rankings of bids, reports of source selection panels; and
 - e) Other information marked as “source selection” based on a determination that its disclosure would jeopardize the procurement.
- 5) Contractor payroll reports: payroll reports received by the CRA from contractors and subcontractors on construction projects, for the purpose of monitoring prevailing wage requirements, shall not be released to outside parties unless the employees’ personal identifiers (e.g., name, address, social security number) are redacted.