

PROCUREMENT POLICY OF THE TRI-COG LAND BANK

As approved and adopted by the Board of Directors on June 5, 2017

Article I: Purpose

1.1 Purpose. The purpose of this document is to outline the procurement policy (the "Policy") of the Tri-COG Land Bank (the "Land Bank") applicable to the procurement of goods and services paid for by the Land Bank for its own use and benefit. This Policy is intended to assure the prudent and economic use of the Land Bank's funds, to facilitate the acquisition of goods and services of maximum quality at the lowest possible cost under the circumstances and to guard against favoritism, improvidence, extravagance, fraud and corruption.

Article II: Authority

2.1 Responsibility. The Executive Director of the Land Bank is responsible for procuring goods and services on behalf of the Land Bank. The Executive Director is responsible for the administration and implementation of this Policy including developing and implementing an adequate internal control structure to provide a satisfactory level of accountability. Internal control structure may include maintaining a proper paper trail, database or electronic record providing transaction descriptions, amounts, dates and other relevant information.

2.2 Board Approval. The following contracts shall require Board Approval:

- A. Any contract for goods or services exceeding \$25,000 in accordance with the Administrative Policies and Procedures; and
- B. Any contract involving Professional Services to be rendered over more than one year.

Article III: Agreements with Outside Contractors for Professional Services

3.1 Professional Services shall mean services which require special education and/or training; involve specialized expertise; or are license including without limitation to, legal, accounting, brokerage, appraisal, planning, statistical, research, public relations, architectural, engineering, surveying or other consulting, professional or technical services.

3.2 The following method of contract procurement maybe used for Professional Services:

- A. Contracts for Professional services with an estimated price of \$25,000 or less per calendar year. The Executive Director, in his or her discretion, may enter into a contract on behalf of the Land Bank without obtaining quotations.
- B. Contracts for Professional Services with an estimated price greater than \$25,000 per calendar year or contracts spanning multiple years. The Land Bank may request written proposals from eligible individuals or firms or, as appropriate, issue a public Request for Proposals. The Board may exercise its discretion and apply its judgement regarding any aspect of the Request for Proposals, the evaluation of proposals received and the negotiation and award of any contract resulting from the Request for Proposals.

3.3 Proposals shall be evaluated on the basis of all relevant factors such as the Outside Contractor's experience, reputation, technical qualifications, financial condition, past performance, size, quality and availability of staff, identity of supervisory personnel, possible conflicts of interest, proposed scope of work and proposed fee or commission.

No single factor shall necessarily be controlling, and the Outside Contractor submitting the proposal which is most favorable on an overall basis shall be selected, except that the Executive Director may reject any or all proposals if he or she considers such action is in the best interest of the Land Bank.

The Land Bank may contract for only portions, or not enter into an agreement for any of the Professional Services contemplated by the proposals solicited under this Policy.

Article IV. Purchase of Goods, and Other Services, including Construction Contracts

4.1 Method of Purchase. Selection of contracts for goods and services other than Professional Services, including construction contracts, shall be made only on a competitive basis except as otherwise set forth herein. The following method of purchase will be used when required by this Policy in order to achieve the highest quality and lowest cost:

- A. **Purchases of goods and services with an estimated price of \$5,000 or less.** The Executive Director, in his or her discretion, may enter into a contract on behalf of the Land Bank without obtaining quotations.
- B. **Purchases of goods and services with an estimated price of \$5,001 or higher.** At least three written quotations shall be obtained whenever possible. The Land Bank shall solicit such informal quotations utilizing sources most likely to identify the highest quality and lowest price of the particular good or service including, but certainly not limited to, newspaper and magazine advertisements, internet searches, catalogs, chamber of commerce recommendations and the prior experience of the Land Bank. The Land Bank shall create and maintain a written or digital record of the informal quotations solicited and received for such purchases.

4.2 Number of Proposals or Quotations. A good faith effort shall be made to obtain the required number of proposals or quotations. If the Land Bank is unable to obtain the required number of proposals or quotations, the Land Bank will document the attempt made at obtaining the proposals. In no event shall the failure to obtain the proposals be a bar to the procurement of the good or service.

4.3 Awarding Contracts. The award of a contract for goods or services other than Professional Services shall be made to the lowest priced responsible offeror which meets the Land Bank's specifications. In assessing whether an offeror is responsible, the Land Bank should consider all relevant factors, such as the offeror's capacity and financial ability to complete the contract, past performance, experience, reliability, and integrity. Alternatively, the Land Bank may elect to award a contract based on "best value." "Best value" is defined for this purpose as a basis for awarding contracts to the offeror which optimizes quality, cost, and/or efficiency among responsive and responsible offerors. For purposes of best value, a responsive offeror is an offeror meeting the Land Bank's minimum specifications. In assessing best value, non-price factors may be considered. Such factors include, but are not limited to, the unique or outstanding qualifications of the offeror (including past experience with a particular issue or familiarity with Land Bank operations) and the reliability,

efficiency of operation, difficulty/ease of maintenance, useful lifespan, and environmental impact of a product or practice, as applicable.

4.4 Documentation. Each action taken in connection with each method of procurement must be supported by documentation.

4.5 Circumstances when solicitation of Alternative Proposals of Quotations are not in the best interest of the Land Bank.

A. The Land Bank is not required to solicit alternative proposals or quotations if the Executive Director or Chairman, in his or her sole discretion, determines that such solicitation is not in the best interests of the Land Bank. Examples of when it may not be in the best interests of the Land Bank to solicit alternative proposals or quotations include:

- i. **Emergency Purchases.** In the case of emergency, goods or services may be purchased immediately without competitive procedures. An emergency is an unanticipated occurrence beyond the control of the Land Bank that (1) threatens the life, health, safety or welfare of any person; (2) threatens the continued use or function of any of the Land Bank's property; or (3) is likely to cause damage to the Land Bank's property if immediate action is not taken. This section does not preclude alternate proposals, if time permits.
- ii. **Sole Source.** Where there is only one source available for the required goods or service, the contract may be awarded without competitive procedures.
- iii. **Purchase of Second-Hand Goods.** Purchase of surplus or second-hand goods from any source may be purchased without competitive procedures.
- iv. **Experimental Projects.** When the Land Bank wishes to test a new product or technology or evaluate a new source for a product or technology, the Land Bank may award a contract without competitive procedures, provided the contract is limited to the purchase of such goods or services that are necessary to conduct the experiment or test.
- v. **Goods and services under \$5,000.**

VI. MBE, WBE, and DBE

6.1 The Land Bank shall make a good faith effort to include MBEs, WBEs and DBEs in the performance of this Policy. If the performance of a particular contract will require the use of subcontractors, the Land Bank shall consider requiring the contractor to act affirmatively to secure such participation by WBEs, MBEs, and DBEs and report such efforts to the Land Bank.

VII: Terminology and Definitions

- A. **Land Bank:** Unless otherwise specified, references to “the Land Bank” in this Policy means the Tri-COG Land Bank entity or the Land Bank Chair or the Chair’s designee, as context requires.
- B. **Board:** The Board of Directors of the Tri-COG Land Bank.
- C. **Chairman:** The Chairman of the Board.
- D. **DBE:** Certified Disadvantage-Owned Business Enterprise
- E. **Executive Director:** The Executive Director of the Tri-COG Land Bank.
- F. **Outside Contractor:** A person, firm or corporation performing Professional Services for the Land Bank pursuant to a written agreement.
- G. **Services:** Any services performed for the Land Bank for a fee or other compensation, including legal, accounting, management consulting, investment banking, financial custody, investment management, construction management, construction, repair, planning, training, statistical, research, public relations, architectural, engineering, surveying or other consulting, professional or technical services. Services shall not include any services performed for the Land Bank by its employees within the scope of their employment responsibilities.
- H. **MBE: Certified Minority-Owned Business Enterprise**
- I. **Outside Contractor:** A person, firm, sole proprietor, partnership, company or corporation performing Services for the Land Bank pursuant to a written agreement.
- J. **Procurement Contract** shall mean any agreement for the acquisition of goods or Services.
- K. **Professional Services:** Services which require special education and/or training; involve specialized expertise; or are license including without limitation, legal, accounting, brokerage, appraisal, planning, statistical, research, public relations, architectural, engineering, surveying or other consulting, professional or technical services.
- L. **WBE:** Certified Women-Owned Business Enterprise