

Town of Plymouth

Procurement Standards Policy and Plan

Policy

The Town of Plymouth will comply with the terms and conditions of Federal and/or State funding that is awarded and accepted, including but not limited to, the terms and conditions of Grant Contract, Title 2 C.F.R. Part 200, and HUD implementing regulations contained in 24 C.F.R. § 570.489(g) which are incorporated by reference and included herein to the extent of its applicability. The Town, as the recipient of Federal and/or State CDBG funds, acknowledges its responsibility to and will adhere to the aforesaid North Carolina State and Federal Procurement Policies.

The Town of Plymouth will, to the extent applicable, follow methods of procurement, procure by contracting with small, minority firms, women's business enterprises, and labor surplus area firms. Additionally, the town will demonstrate contract cost and price awareness, and adhere to awarding agency review provisions (Title 2 C.F.R. Appendix II to Part 200 – Contract Provisions for Non-Federal Entity Contracts under Federal Awards).

The Town will comply with the terms and conditions of Federal Regulation **2 C.F.R. §200.319 Competition:**

(a) All procurement transactions must be conducted in a manner providing full and open competition consistent with the standards of this section. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements. Some of the situations considered to be restrictive of competition include but are not limited to:

- (1) Placing unreasonable requirements on firms in order for them to qualify to do business;
- (2) Requiring unnecessary experience and excessive bonding;
- (3) Noncompetitive pricing practices between firms or between affiliated companies;
- (4) Noncompetitive contracts to consultants that are on retainer contracts;
- (5) Organizational conflicts of interest;
- (6) Specifying only a "brand name" product instead of allowing "an equal" product to be offered and describing the performance or other relevant requirements of the procurement; and
- (7) Any arbitrary action in the procurement process.

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(b) The non-Federal entity must conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state, local, or tribal geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. Nothing in this section preempts state licensing laws. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

(c) The non-Federal entity must have written procedures for procurement transactions. These procedures must ensure that all solicitations:

(1) Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description must not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured and, when necessary, must set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a “brand name or equivalent” description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers must be clearly stated; and

(2) Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.

(d) The non-Federal entity must ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, the non-Federal entity must not preclude potential bidders from qualifying during the solicitation period.

Plan

All procurement of goods and services by Town with CDBG grant funds shall be accomplished in accordance with the regulations of **Procurement Standards**, where applicable, Recipient shall follow the procurement standards established in the " Uniform Administrative Requirements, Cost Principles, And Audit Requirements For Federal Awards" (2 C.F.R. Part 200) and HUD implementing regulations contained in 24 C.F.R. § 570.489(g), which explicitly prohibit cost plus a percentage of cost and percentage of construction cost methods of contracting. In addition, all purchase orders and contracts shall include any clauses required by Federal Statutes, Executive Orders, and implementing regulations including the Section 3 clause,

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per 24 C.F.R. 570.489 (g) and 24 C.F.R. 135.38, or the North Carolina General Statutes applying to procurement in general by the North Carolina municipalities and counties.

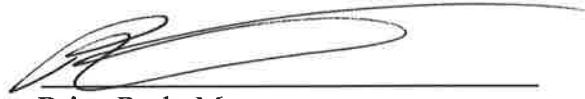
When the Federal and State regulations are different, the more restrictive regulations shall apply to the procurement in question. Additionally, the Town will adhere to the following guidelines during procurement of goods and services with Federal funds:

- In all cases where goods or services are procured on the basis of one bid or proposal received, the Town will follow established principles included in OMB Circular A 87 to verify the reasonable cost of the procurement, and shall contact the State agency supervising the grant program before making any contract award on the basis of non-competitive negotiation.
- Section 3 certified businesses, Underutilized businesses, including women-owned, and minority-owned enterprises shall be included on bidders' or professional services' lists maintained by the Town, and such, firm(s) shall be solicited for all competitive negotiations, small purchases, and informal and formal bids when such firms are potential competitive sources for good and services.
- The Town Shall develop a written scope of work for each service to be awarded on the basis of *competitive negotiation*, which shall include descriptions of tasks to be completed, project timetables, and outline of fee proposal requirements. The statement of work shall also include a written selection procedure. All *competitive negotiations* shall be awarded strictly on the basis of written selections procedures, and cost shall not be the sole or more important factor in selection of services through the use of *competitive negotiations*.
- Prior to any contract award, the Town shall verify the contractor's eligibility to participate in a federally-assisted program.
- No consultant or bidder shall assist in the evaluation of proposals or bid packages for contracts in which that consultant or bidder has an indirect or direct interest. The Town adhere to all applicable Federal and State conflict of interest regulations in making contract awards.
- The Town shall request references, or check references, of contractors or firms who are awarded contracts with Federal grant funds, and will request a written warranty for all goods and services provided through small purchases requests.

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- The Town shall not award any contract for federally-assisted projects on a contingency or cost plus percentage of cost basis.
- The Town shall hold a pre bid meeting and a pre-construction meeting for each bid under a CDBG project. A rating criteria for the bids might add points for attending the pre bid meeting of contractors, but it is not prerequisite for the potential bidders.

Adopted this 10th day of April, 2017 upon a motion made by Councilmember Wobbleton and seconded by Councilmember Wobbleton with a vote of 6-0.


Brian Roth, Mayor

ATTEST:

Nadine Moore, Town Clerk