

MICHIGAN MUNICIPAL SERVICES AUTHORITY
Executive Committee

RESOLUTION 2013-20
Adoption of Procurement Policy

The Executive Committee of the Michigan Municipal Services Authority (“Authority”) resolves that the following policy is adopted as the procurement policy of the Authority and supersedes any prior procurement policy:

Policy for Purchasing Goods and Services

1. Objectives

- a. Realizing the best value in all purchases of goods and services, balancing advantages in quality, durability, appearance, experience, and other non-price considerations against price, obtaining the maximum combined advantage of all.
- b. Achieving efficient and effective management of purchasing functions, while also seeking to minimize costs.
- c. Encouraging competition and seeking multiple responses to solicitations for the provision of goods and services.
- d. Affording an opportunity for responsible vendors to respond to solicitations, especially when requested by a vendor.
- e. Fostering a reputation of honesty and transparency in purchasing activities.
- f. Reducing paper waste and increasing efficiency by utilizing Internet-based purchasing processes whenever possible.

2. Procurement Authorization

The Chief Executive Officer (“CEO”) of the Michigan Municipal Services Authority (“Authority”) is authorized to issue requests for the provision of goods and services to or through the Authority or otherwise procure goods and services consistent with the objectives under Section 1 as necessary for the operation and administration of the Authority and the execution of Authority projects or initiatives consistent with the interlocal agreement creating the Authority and policies and procedures adopted by the Executive Committee of the Authority.

3. Solicitation

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- a. The CEO shall solicit competitive bids for the provision of goods and services to or through the Authority if the estimated value of the goods and services solicited is \$10,000.00 or more.
- b. The CEO shall exert diligent efforts to obtain not less than 3 price quotations for goods or services with an estimated value of more than \$3,000.00 and less than \$10,000.00, except for goods or services for which competitive sources are not available. The requirements of this paragraph do not apply to emergency acquisitions or to routine goods or supplies purchased on a regular basis from a local source of supply.
- c. Whenever practical, all purchases of supplies and equipment shall be made on the basis of competitive pricing to appropriate specifications.
- d. All solicitations and specifications relating to a solicitation shall be available to the public, including potential responders.
- e. Specifications for a solicitation shall describe clearly and completely the product or service solicited. Specifications shall be constructed in a manner to assure that legitimate suppliers are not eliminated from competition.
- f. Solicitations may be advertised as the CEO deems necessary to attract competitive responses.

4. Responses to Solicitations

- a. Responses to solicitations shall be opened at the date and time described in the solicitation.
- b. Responses received after the specified date and time shall not be considered.

5. Awards

- a. When considering responses to solicitations, the Authority will select the vendor that submitted a response of acceptable quality and that represents the best value for the Authority and local governments potentially contracting with the Authority. Applicable factors to consider in the selection of a response, include, without limitation, all of the following:
 - i. Unit price.
 - ii. Total price.
 - iii. Delivery date.
 - iv. Payment terms.

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- v. Shipping costs.
- vi. Experience.
- b. The Authority may consider response variations satisfying the requirements of the Authority.
- c. The Authority may accept or reject any or all responses or any parts of a response.
- d. Whenever a respondent submitting the lowest bid does not receive the award, specific reasons for this decision shall be made a matter of record.
- e. An itemized list of all awards approved by the Authority shall be distributed with the agenda for each regular meeting of the Executive Committee of the Authority. If a regular meeting of the Executive Committee is cancelled, an itemized list of the approved awards shall be forwarded to the Executive Committee by the date on which the cancelled meeting would have been held.

6. Conflicts of Interest

No entity in which the CEO, a member of the Authority Board, or a member of the Executive Committee has a direct or indirect interest shall transact business with the Authority unless the interest is disclosed to the Executive Committee before entering into any contract or agreement with the Authority. If a conflict of interest exists, the CEO or member involved in the conflict shall not take any part in the negotiations for or approval of the contract or agreement.

7. Vendors

- a. The Authority shall maintain a list of vendors providing goods or services to or through the Authority. Pertinent information related to the vendor, including, but not limited to, name, address, city, state, telephone number, representative's name, discounts offered, and terms shall be recorded. The vendor list shall be revised on a continuing basis to include new vendors and to eliminate prior vendors that provided unsatisfactory products or services.
- b. Information concerning vendor performance and condition shall be accumulated and evaluated periodically to determine the following:
 - i. Whether or not the vendor meets delivery dates.
 - ii. Quality of goods or services.
 - iii. The vendor's policies or practices regarding making adjustments for defective goods or services.

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- iv. The vendor's financial condition and apparent ability to perform.

8. Policy Exceptions

- a. A deviation from this policy requires approval by the Executive Committee. The reason for deviating from this policy shall be detailed in writing and retained as a record of the Authority.
- b. It may occasionally be necessary for the Authority to make emergency acquisitions. An emergency means a condition that threatens public health, safety, or welfare that demands an immediate remedy on property, operations, or conditions that will continue to degrade and become increasingly costly and difficult to restore if immediate action is not taken. In such situations, the CEO may verbally authorize a vendor to obtain the goods or services necessary to respond to the emergency. Written confirmation in the form of a purchase order or contract shall follow at a later date. Any emergency purchase of \$1,500.00 or more shall require written justification from the CEO describing the emergency and the justification shall be reviewed by the Executive Committee at its next regular meeting.

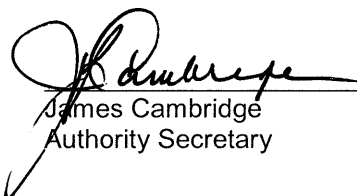
9. Contracting Authority

- a. This policy does not authorize the CEO to enter into contracts on behalf of the Authority or otherwise delegate authority to enter into contracts. The CEO may enter into contracts only pursuant to a delegation of authority by the Executive Committee then in effect. All other contracts require the approval of the Executive Committee.

Secretary's Certification:

I certify that this resolution was duly adopted by the Executive Committee of the Michigan Municipal Services Authority at a properly-noticed open meeting held with a quorum present on the 8th day of August, 2013.

By:


James Cambridge
Authority Secretary