



PROCUREMENT AND CONTRACTING POLICY

**DETROIT REGIONAL CONVENTION
FACILITY AUTHORITY**
One Washington Blvd Detroit, MI 48226

Approved by the DRCFA Board of Directors 12/19/2024

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SECTION 1 - INTRODUCTION

1.1 Purpose

This Policy shall be known as the Detroit Regional Convention Facility Authority (DRCFA) Procurement and Contracting Policy. This Policy defines the parameters for procuring Goods and/or Services as well as authority for entering contracts on behalf of DRCFA.

1.2 Scope

This Policy shall govern all DRCFA procurement and contracting activities and phases in these processes. This Policy is implemented through Procedures. If there are additional procurement requirements for federal or state funded projects or initiatives, then those additional provisions shall also apply. Any DRCFA procurement and contracting governance programs approved by the Board shall automatically be integrated into this Policy to the extent applicable. This Policy applies to all DRCFA employees, Vendors and/or Subcontractors responsible for procuring Goods and/or Services or executing contracts on behalf of the DRCFA.

1.3 Supersession

This Policy supersedes all prior DRCFA Procurement Policies including the first adoption on March 19, 2009, amended on August 6, 2009; both were later superseded on December 8, 2022. This Policy also supersedes the Emergency Procurement Policy from February 2, 2012.

1.4 Conflict and Severability

If any provision of this Policy is held to be in conflict with the Act, the Act will take precedence as laws enacted by governing bodies hold greater authority than internal policies or guidelines. If any provision of this Policy is held to be invalid by a court or other tribunal of competent jurisdiction, then that invalidity shall neither affect the validity and enforceability of this Policy as a whole nor any provision other than that which is declared invalid.

The DRCFA Board of Directors has the power to override or deviate from the provisions outlined in this Policy. However, even when doing so, their actions must comply with the requirements and limitations set forth by the Act. The Board can exercise discretion over the Policy, provided their actions remain lawful and do not violate the governing statute.

1.5 Exclusions

Exclusions to this Policy include

- a) Any Board-adopted policy which states that it is excluded from this Policy.
- b) Efficiency Memorandum, dated March 27, 2013, remains in full force.
- c) Procurement/Credit Card is a separate Board-adopted policy.
- d) Event-related Permits.

1.6 Responsibility

The Chief Executive Officer (CEO) is responsible for ensuring compliance with this Policy and enforcing this Policy by taking all necessary measures to guarantee its purpose is accomplished. The CEO may delegate responsibility to the Chief Financial Officer (CFO), other DRCFA employees, and/or DRCFA vendors as may be appropriate in the Vendor's executed contract.

1.7 Procurement Procedures

The CEO shall, as necessary and appropriate, adopt procurement and contracting procedures that

further, and do not conflict with, this Policy.

1.8 Review and Revisions

This Policy may be amended as necessary to meet DRCFA's needs, Board of Directors' initiatives, best practices, and changes in law. DRCFA administration shall review this Policy, and if necessary, recommend amendments or revisions to the Policy for the Board's review and approval.

1.9 Competency

The CEO shall ensure that Team Members know and understand this Policy and its related Procedures to implement procurement activities efficiently, objectively, and accurately.

SECTION 2 – DEFINITIONS

Act 554 (“Act”)– Michigan Public Act 554 of 2008, MCL 1351, and as later amended. The Regional Convention Facility Authority Act created the Detroit Regional Convention Facility Authority in 2008.

Assumed Contract – A contract, change order, or purchase order with a Vendor originally executed by the City of Detroit and assumed by DRCFA on the Transfer Date of September 15, 2009.

Authority – The Detroit Regional Convention Facility Authority as created pursuant to the Act.

Best and Final Offer – (BAFO) The final proposal submitted after negotiations are completed that offers the Potential Vendor’s most favorable terms for Goods and Services.

Best Practices - A set of guidelines accepted by a peer group for an activity, procedure, or operation shown by research and experience to produce optimal results. These guidelines are established or proposed as a standard suitable for widespread adoption.

Best Value - The Act requires that bids and proposals are to be evaluated and awarded using best value analysis. This evaluation method includes cost-benefit analysis that defines the best combinations of quality, services, time, and cost considerations over the useful life of the acquired item or service.

Bid – A document conveying an offer from a party to provide Goods or Services to DRCFA in response to an RFB.

Bid Bond – An insurance agreement accompanied by a monetary commitment by which a third party (the surety) accepts liability and guarantees that the Potential Vendor will not withdraw their bid.

Bid Security – A monetary guarantee provided by a Potential Vendor to enter into a contract with DRCFA within the time specified and upon the substantive terms and conditions contained in the Solicitation. Bid Security is to be provided in the form of a Bid Bond or certified cashier’s check.

Blanket Purchase Order - A blanket purchase order allows for multiple delivery dates with one Vendor over a pre-determined period using contracted pricing. Blanket purchase orders are used where there is a recurring need for related procurements with the same Vendor within twelve (12) months. Blanket Purchase Orders are used to reduce administrative expenses resulting from small recurring purchases.

Board – When used with the article “the,” as in any reference to “the Board,” the body which directs and governs the Authority pursuant to the Act. The Board of Directors is the governing body to which the CEO is accountable for establishing, maintaining, and monitoring procurement functions within the parameters of this Policy.

Business – An activity, association, commercial entity, corporation, enterprise firm, franchise, holding company, joint stock company, limited liability company, organization, partnership,

receivership, self-employed individual, sole proprietorship, trust, or other legal entity established to earn or otherwise obtain money, whether for profit or non-profit purposes, excluding a municipal corporation or governmental entity.

Capital Asset - An asset with a lifecycle of more than one year with a value of more than a certain prescribed limit set by accounting standards or by governmental policy.

Change Order – A written modification or amendment to a Construction contract.

Competitive Labor - The process of inviting and obtaining solicitations from competing suppliers through a process that provides Potential Vendors with a reasonable and equitable opportunity to provide experienced, skilled labor force.

Competitive Solicitation – Procurement of Goods or Services by any Solicitation method referenced in this Policy, including, but not limited to:

- a) Informal Quotes
- b) Request for Bid (RFB)
- c) Request for Proposal (RFP)
- d) Request for Quotation (RFQ)

Concentration of Risk Evaluation – An evaluation of operational risk when a Vendor provides too great a percentage of a Good or Service that could negatively impact DRCFA operations if that Vendor encountered a failure to deliver a Good or Service.

Concessionaire – A person or company that is contracted, through the competitive solicitation process, to operate a business on DRCFA's property. The concessioner is responsible for providing goods or services to visitors or customers for a fee or percentage of profits. The concessionaire is required to follow rules and regulations set forth by DRCFA.

Conflict of Interest – Any instance in which a Team Member's personal interest, professional interest, or any other non-pecuniary interest, in a procurement, transaction, or some obligation owed to someone else, comes into conflict with the Team Member's fiduciary obligation to DRCFA or conflicts with Michigan's laws, DRCFA's ordinances and policies.

Construction – The building, demolition, remodeling, renovation, or repair of a DRCFA Facility, pursuant to a Contract with a scope of services that includes both the design and construction of a DRCFA Facility.

Contract – A legally binding written agreement in which DRCFA agrees to acquire Goods and/or Services from a Vendor in exchange for consideration. These written agreements specify both parties' obligations in relation to the transaction.

Contract Amendment – Any modification to a Contract (any Contract other than Construction) which includes the following types:

- a) Contract Extension – An action to extend a Contract expiration date.
- b) Contract Renewal – An action to exercise a Contract renewal option.
- c) Contract Price Increase – An action to increase a Contract price.
- d) Contract Price Decrease – An action to decrease a Contract price.

Contract Extension - An action to change and extend a contract termination date before it expires at the same terms and conditions, including pricing, as the original agreement. A contract extension must be pursuant to a provision in the original contract and upon written mutual agreement by both parties.

Contract Renewal - A clause in the contract that allows a new Contract with a current Vendor, based on an agreed term length and cost as defined in the current Contract, at the time of contract expiration.

Contractor - Any individual or business having an agreement with DRCFA to furnish Goods and/or services related to building construction and renovation work for an agreed upon price, scope of work, project schedule, and other pertinent terms and conditions.

Cooperative Procurement - Competitive solicitation conducted on behalf of two or more public procurement units who combine their requirements to obtain the benefits of volume purchases and/or reduction in administration expenses. These public procurement entities purchase from the same supplier or multiple suppliers using a single Invitation for Bids (IFB) or Request for Proposals (RFP). Cooperative procurement efforts may result in contracts that other entities, such as DRCFA, may "piggyback."

Cost-Plus Contract - A contract that reimburses the Contractor/Vendor for all incurred costs that are allowable and allocable under the terms of the contract and applicable laws and regulations; may include profit or fee. May also be referred to as a Cost Reimbursement Contract.

Deadline - The date and time by which a Bid, Proposal, Quote, or Request must be submitted in reply to a Solicitation issued by the DRCFA.

Default - A failure to fulfill a contractual obligation that has not been cured within the time specified by the DRCFA, and/or for which the DRCFA General Counsel has delivered a declaration of default to the Business.

DRCFA - The Detroit Regional Convention Facility Authority.

Economically Feasible - The benefit of a course of action outweighs the cost of that action.

Efficiency Memorandum - DRCFA's commitment to require union skilled labor for work activities related to exhibitions, conferences, and trade shows within the DRCFA's Exhibition Halls. The memorandum includes both employed and contracted skilled labor for the unions identified below.

These unions include the International Alliance of Theatrical Stage Employees and Moving Picture Technicians, Artists and Allied Crafts of the United States and Canada Local 38; the International Association of Bridge, Structural, Ornamental, Rigging, Machinery Erectors and Reinforcing Iron Workers Local Union No. 25; the International Brotherhood of Electrical Workers Local 58; the International Brotherhood of Teamsters Local 299; and the Michigan Regional Council of Carpenters Local 687.

Electronic (Bid or Proposal) - A Respondent's formal submission in response to a Competitive

Solicitation. The response is submitted electronically, whether via email or e-bid platform, with its contents prohibited from being revealed before the Deadline.

Emergency Procurement – A procurement method available when there exists an imminent threat of public health and welfare or to prevent an imminent violation of a required environmental permit or Administrative Consent Order under emergency conditions where Competitive Solicitation and prior authorization would be impossible or impractical under the circumstances. Usually, formal Competitive Solicitation procedures are waived, modified, or simplified.

Ethics Ordinance – A written code of conduct that demands integrity and honesty of all Team Members.

Evaluate – To analyze and rate a Bid, Proposal, or Quote, based upon the evaluation criteria contained in the applicable RFB, RFP, or RFQ through which the Bid, Proposal, or Quote was submitted.

Evaluation Criteria - Qualitative and Quantitative factors that Evaluators will use to evaluate and score a proposal to select the most qualified Respondent. The factors may include past performance, references, management and technical capability, price, quality, certification/licensing, performance requirements, and other criteria deemed important by the Team Members.

Evaluator - A Team Member assigned to evaluate proposals, interviews, and negotiations during the Solicitation process for a Good or Service.

Family - Means one or more of the following individuals: a Team Member's spouse, domestic partner, son, daughter, mother, father, brother, sister, grandparents, parents of a spouse or domestic partner and step relationships, as well as any relative or significant other thereof.

Freedom of Information Act (FOIA) - Act 442 of 1976 regulates and establishes the requirements for the disclosure of public records by all public bodies in the state per MCL15.231-15.2460. This law defines public records as recorded information "prepared, owned, used, in the possession of, or retained by a public body in the performance of an official function, from the time it is created".

General Counsel – The chief law firm or individual designated as chief legal advisor and counselor by the DRCFA Board of Directors.

Gift - Means any item or act of value conveyed to or performed for the benefit of Team Member or Team Member's Family, including any advance, award, contract, contribution, deposit, employment, favor, forbearance, gratuity, honorarium, non-permitted loan, payment, service, subscription, or the promise that any of these things or act of value will be conferred in the future, if such thing or act of value is conferred or performed without the lawful exchange of consideration which is at least equal in value to the thing or act conferred or performed.

Goods – Any fixtures, furniture, supplies, materials, equipment, other personal property, and other items of a similar nature provided to DRCFA. Includes all purchases not considered a service or real property.

Informal Quotation– A procurement method used for goods or services with a value of less than \$5,000 in which pricing may be negotiated, with or without using a competitive solicitation process, requested by a letter, fax, e-mail, or other manner, and does not require a formal bid or proposal, public opening, or other formalities.

Initial Term – The original, approved length of the Contract excluding Contract Renewals and/or Contract Extensions.

Intergovernmental Agreement – An agreement between DRCFA and another governmental entity or entities.

Invitation to Bid (ITB) – The Solicitation document used in the competitive bid process used for the purchase of Goods, with the intent of awarding a Contract to a Vendor in which cost is the main criteria for award. Also known as Request for Bid (RFB).

Job Order - A maximum dollar value or a fixed-term construction contract resulting from a competitive bid Solicitation in which the Contractor will perform according to separate job orders issued during the contract term. Prices for each job order are based on a unit price book. Allows for indefinite delivery and quantity of commonly encountered construction projects to be quickly finished.

Kickback – Any money, fee, commission, credit, gift, gratuity, thing of value, or any compensation provided, directly or indirectly, to any employees for the purpose of improperly obtaining or rewarding favorable treatment in connection with a contract and or purchase.

Letter of Intent - An instrument used to commence work on a project that is emergent in nature, or Contract negotiations continual or where the Contract has not been fully executed, stating the preliminary commitment of one party to do business with another party and outlines the main terms of the prospective deal. The CEO shall authorize Letters of Intent.

Liquidated Damages - A specific amount of compensation that DRCFA may recover in the event the Vendor fails to complete the project in accordance with the Contract terms. Damages may be applied daily for as long as the breach is in effect, but they may not be imposed as an arbitrary penalty. The key to establishing liquidated damages is reasonableness; it is incumbent upon the CEO to demonstrate, through quantifiable means, that damages did occur.

Materials – Property that is incorporated into or attached to an end item or consumed in performing a Contract.

Notice to Proceed (NTP) – Issued by the CEO indicating an approved Contract has been executed and work may begin. Usually used in construction, an NTP is a notification letter from DRCFA to a Contractor that states the date on which the Contractor is to begin work on an awarded project; it also marks the beginning of the performance period as stated in the contract.

Payment Bond - A financial or contractual instrument issued by a Vendor's surety, after Board approval, that guarantees that subcontractors will be paid for labor and materials expended on the Contract. Bond is required for Construction projects, including contract modifications, that exceed \$50,000. Acceptable forms of payment bonds may include a cashier's check, certified check, or

irrevocable letter of credit issued by a financial institution; a surety or blanket bond; United States Treasury bond; or certificate of deposit. Also known as Labor and Materials Bond.

Performance Bond - A financial or contractual instrument issued by a Vendor's surety, after Board approval, that protects DRCFA from loss in the case of the Vendor's inability to complete the contract as agreed. A risk mechanism that secures the fulfillment of all contract requirements. Bond is required for Construction projects, including contract modifications, that exceed \$50,000. Acceptable forms of payment bonds may include a cashier's check, certified check, or irrevocable letter of credit issued by a financial institution; a surety or blanket bond; United States Treasury bond; or certificate of deposit.

Personal Property – Anything (including intellectual property) that is the subject of ownership, other than Real Property.

Piggyback Agreement - A form of intergovernmental agreement in which a large purchaser (or consortium of purchasers) publicly solicits competitive bids for Goods and Services, enters a Contract, and arranges, as part of the Contract, for other public procurement units to purchase from the selected Vendor under the same terms and conditions as itself.

Policy – This document sets forth the terms and conditions of the Board approved procurement policy.

Potential Vendor – An individual or Business that expresses an interest in working with the Authority.

Pre-Qualification - The screening of Potential Vendors in which such factors as financial capability, experience, reputation, and management are considered to develop a list of qualified businesses who may then be permitted to submit bids and/or proposals.

Prevailing Wage – The wage and fringe benefits currently paid for skilled labor for applicable job categories as established by the State and Federal Government.

Procedures - The document that sets forth related activities that must be completed to accomplish a given task by which the objectives of this Policy shall be carried out.

Procurement - The Solicitation and purchase of goods, services or any combination of goods and services by DRCFA from Potential and awarded Vendors pursuant to its Procurement Policy.

Procurement Card (P-card) – An ordering and payment method whereby authorized DRCFA employees are empowered to deal directly with suppliers for purchases using a credit card issued by a bank or major credit card provider. The card facilitates on-line ordering and point-of-sale purchases, frequently from pre-approved Vendors.

Procurement Policy – A set of rules and guidelines that govern the process of acquiring Goods and Services needed by DRCFA. It outlines the principles and standards that direct the procurement-related decisions and actions and is formally approved by the Board of Directors.

Professional Services – Services rendered by members of a recognized profession or possessing a

special skill or professional license. These services are acquired to obtain information, advice, training, or direct assistance.

Professional Services Professional - Services provided by registered architects or engineers associated with research, planning, development, and design for construction, alteration, or repair work.

Proposal - A document conveying an offer from a party to provide Services to DRCFA in response to an RFP. The proposal may be submitted electronically or in a sealed envelope.

Purchase Order (PO) - A short form of Contract indicating types, quantities, payment terms and prices for Goods or Services.

Qualifications-Based Selection (QBS) - An evaluation method that facilitates the selection of Professional Services based on qualifications and competence in relation to a particular project's scope and needs.

Qualified City - City of Detroit, located in Wayne County, Michigan.

Qualified Metropolitan Area - A geographic area of this state that includes the City of Detroit, Wayne County, and two (2) counties (Macomb and Oakland) that border the qualified county and have the largest population.

Quote - A written offer submitted to the DRCFA in response to an RFQ or informal quote process.

Real Estate - Land, buildings, and appurtenances that are permanently affixed to the land. Fixtures include buildings, fences, and anything attached to buildings such as plumbing, heating, and light fixtures.

Real Property - Land, fixtures attached to land, or equipment integrated to land, anything growing on land, and any interest in land, including to but limited to, remainder rights, mineral rights, tenancies or estates, airspace rights, and easements.

Request for Bid (RFB) - The Solicitation document used in the competitive bid process used for the purchase of Goods, with the intent of awarding a Contract to a Vendor in which cost is one of the main criteria for award. Also known as Invitation to Bid (ITB).

Request for Information (RFI): A non-binding procurement practice used to get comments or feedback from potential Respondents prior to issuing a Solicitation. Feedback may include best practices, industry standards, technology issues, etc. Price or cost is not required.

Request for Proposal (RFP) - The Solicitation document used to solicit competitive proposals from Potential Vendors for higher cost goods and complex services. Price is usually not a primary evaluation factor. Best and Final Offer negotiations with Potential Vendors, prior to final selection and award of a contract, are permissible.

Request for Quote (RFQ) - The Solicitation document used to solicit multiple competitive prices for small orders under certain dollar thresholds. Evaluation and recommendation for award is

based on price, quality, delivery, service, past performance, and reliability.

Requestor – The DRCFA area, group, team, or stakeholder group for whom the CEO collaborates with in procuring requested goods or services for use in carrying out the Requestor’s functional responsibilities.

Respondent – A Business that submits a Response, from a Solicitation, to the DRCFA.

Response – A written offer submitted to DRCFA in response to a Competitive Solicitation.

Responsible – A determination made by DRCFA that a Respondent meets the minimum qualifications or other requirements set forth in the applicable Solicitation and does not hold, at a minimum, a status of suspended or debarred. and is eligible to contract with the DRCFA.

Responsible Contractor - A Potential Vendor who has responded to a capital project RFP which exceeds \$50,000, meets the minimum qualifications, has affirmed their compliance with specific criteria listed in Section 8.4, and all other requirements set forth in the applicable Solicitation, and is thereby eligible to contract with the DRCFA.

Responsive – A timely-submitted Bid, Proposal, or Response which conforms to all material requirements of the Solicitation in response to which it was submitted.

Rogue Procurement - Any purchase that occurs outside of DRCFA’s official procurement processes without prior authorization.

Scope of Work –A written description provided by the Requestor of needs and desired outcomes and becomes the requirements in resulting Solicitation.

Self-Perform - Strategy where the Contractor or construction company completes jobs with its own in-house skilled labor team.

Services – The performance of tasks to support DRCFA which are qualitatively different from anything necessarily done in connection with the sale of Goods or the performance of another service. Services include the furnishing of labor, time, or effort by a Business.

Single Source – A procurement decision whereby purchases are directed to one (1) source for proprietary services, equipment, or information available from a single source.

Small Business Enterprise (SBE) – An independently owned and operated business that has been granted small business certification from the United States Small Business Administration. Proof of SBE certification will be accepted from a federal agency, the State of Michigan, or a Michigan local unit of government.

Small Dollar Procurement – Competitive solicitation is not required for Goods and Services purchases less than \$5,000. Costly purchases shall not be artificially divided to constitute a Small Dollar Procurement.

Sole Source – The desired Goods and Services are commercially available only from one (1) source.

A non-competitive method of procurement used when only one supplier possesses the unique ability or capability to meet DRCFA's requirements or when only one supplier is available.

Solicitation - An RFB, RFP, and RFQ used by the CEO to obtain competitive bids or proposals for the purpose of entering a Contract with a Vendor.

Solicitation Phase - The period of time from which the Solicitation has been issued and concludes on the date that bids, quotes, or proposals are due. A minimum of 14 calendar days' phase period is recommended.

Subcontractor- A person or business which has a contract with a Vendor to provide some portion of the Goods or Services and which does not hold a suspended or debarred status.

Surplus - Useful furniture, fixtures, equipment, supplies, or other Personal Property owned by the DRCFA that is no longer needed by the DRCFA.

Tangible Personal Property - Physical assets that can be touched, moved, or physically used.

Team Member - Includes DRCFA Board Members, Officers, employees, and Professional Services Vendor involved in the procurement process on behalf of DRCFA's interest. All Team Members owe a fiduciary duty to DRCFA.

Transfer Date -The DRCFA was established on September 15, 2009.

Vendor - An individual, partnership, company, corporation, contractor, supplier, affiliate, service provider, subsidiary, parent company or other business entity that provides Goods or Services to the Authority. A Vendor has been deemed both Responsible and Responsive, and has not been convicted of a criminal offense incident or been held liable in a civil proceeding that negatively reflects on the person's business integrity, based on a finding of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or violation of state or federal antitrust statutes, or similar laws.

Vendor Debarment - A Vendor shall be precluded from entering a procurement agreement with DRCFA that has been convicted of any of the following:

- a) A criminal offense incident to the application for or performance of a contract or subcontract with DRCFA or any local government, state, or federal governmental entity.
- b) Vendor who has been held liable in a civil proceeding.
- c) Has been convicted of a criminal offense that negatively reflects on the Vendor's business integrity.
- d) Based on a finding of embezzlement, theft, forgery, bribery, falsification, or destruction of records, receiving stolen property.
- e) Violation of state or federal antitrust statutes, or similar laws.

SECTION 3 - AUTHORITY

3.1 Contracting Authority

The DRCFA Board of Directors shall approve the award of all Vendor Contracts and Contract Amendments in which the Contract price has exceeded the values shown in this Policy. A Contract shall not be purposefully divided to avoid Board approval.

3.2 Management of Procurement

The CEO shall manage the procurement of Goods and/or Services. Oral agreements are expressly prohibited and unenforceable against DRCFA. DRCFA only becomes legally responsible when the Contract is fully executed. Work shall not begin until an executed Purchase Order or Contract is provided to the approved Vendor.

3.3 Delegation of Authority

The Board of Directors has elected to delegate some of their authority to the DRCFA's CEO via this policy and may from time-to-time modify this delegation related to specific transactions via a formal action at a Board of Directors' meeting. The CEO may delegate his/her authority to manage the procurement of Goods and/or Services at any time. This delegation must be clearly described in Procedures.

3.4 Ethics and Code of Conduct

A Team Member shall not use his or her position for benefit, gain, or advantage for the Team Member, the Team Member's Family, or an associated DRCFA Vendor or Potential Vendor. At every phase of procurement and contracting this Policy and its Procedures shall insure public trust by establishing, maintaining, and enforcing business practices that promote fair, ethical, and financially sound procurement practices and in alignment with the DRCFA's Ethics Ordinance and any other laws relating to ethics and public duties applicable to Team Members.

SECTION 4 – EXCEPTIONS TO COMPETITIVE SOLICITATIONS

4.1 Exceptions to Competitive Solicitations

Allowable exceptions to the Competitive Solicitation process include:

- a) Small Dollar Purchases
- b) Sole Source Procurements
- c) Intergovernmental Agreements and Cooperative Procurements
- d) Emergency Procurements

4.2 Small Dollar

It is preferable to use existing DRCFA Contracts or Cooperative Contracts for purchases less than the established competitive solicitation threshold.

4.3 Sole Source

DRCFA is not required to use the competitive solicitation process when acquiring proprietary goods, services, equipment, software, or information available from only one source. The CEO must verify the validity of sole source declarations prior to initiating a Contract. The use of anti-competitive Goods and Services should be discouraged whenever possible.

4.4 Intergovernmental Agreements and Cooperative Procurements

The CEO may enter intergovernmental agreements with the federal government, State of Michigan, or other public entities. The CEO may select Vendors awarded through intergovernmental agreements. Contracts procured via intergovernmental agreements or Cooperative Procurements are subject to the same approval requirements as other Contracts.

The CEO may choose to sponsor, conduct, or administer a Cooperative Procurement program for the benefit of DRCFA and participating public entities. All such procurements shall follow the rules and regulations of DRCFA's Procurement and Contracting Policy and in accordance with enabling legislation.

4.5 Emergency Procurement

Team Members shall immediately notify the CEO of emergencies. Emergency procurement of Goods or Services is permissible in the following instances:

- a) For the imminent protection of public health or safety or to mitigate an imminent threat to public health or safety, as determined by the CEO.
- b) For emergency repair or construction caused by unforeseen circumstances when the repair or construction is necessary to protect life or property.
- c) In response to a declared state of emergency or state of disaster under the emergency management act, 1976 PA 390, MCL 30.401 to 30.421.
- d) In response to a declared state of emergency under 1945 PA 302, MCL 10.31 to 10.33.
- e) In response to a declared state of energy emergency under 1982 PA 191, MCL 10.81 to 10.89.

It is recommended to use DRCFA Contracts or Cooperative Contracts to provide Goods and Services in an emergency. Utilize a Responsible and Responsive Vendor if an existing Contract is not in force. The CEO shall issue a Letter of Intent to the Vendor. The CEO shall, as soon as possible, provide written notice to the Board of Directors of the basis for the determination to utilize an Emergency

Procurement. The CEO shall report all Emergency Procurements to the Board at or before the next regularly scheduled Board Meeting.

SECTION 5 – COMPETITIVE SOLICITATION

5.1 Procurement of Goods and/or Services

Procurement shall be performed using responsible Solicitation methods, ethics, fairness, and best business practices to promote competitiveness and provide the public with outstanding services and products, and which efficiently and effectively meet the needs of DRCFA. All procurements, unless an exception applies, shall use competitive transparent procurement methods to secure the best value for DRCFA.

5.2 Threshold for Formal Bidding, Proposals, and Quotes

The CEO must adhere to the minimum Competitive Solicitation thresholds shown in Table 1. The option to use a more formal Solicitation process for any individual Solicitation is allowed. The Board understands and agrees that changes in labor markets and/or the cost of Goods may, upon occasion, prompt the review and recommendation to amend or revise Table 1. Revisions shall not be allowed prior to the Board's review and approval.

5.3 Competitive Skilled Labor Wages

The CEO shall use the State of Michigan's unofficial prevailing wage rates for skilled labor capital expenditures exceeding \$50,000 and paid in whole, or in part, with State funds. The CEO shall elect to use the Federal Government's official prevailing wage rates for skilled labor paid in whole, or in part, with Federal funds. The prevailing wage rates utilized must be applicable for the county, classification category, and classification level requested in the solicitation.

5.4 Split Purchases Not Allowed

For the purposes of determining if a purchase meets the threshold in Table 1, Team Members shall not divide the quantity or duration to circumvent the required Competitive Solicitation thresholds.

5.5 Funding Sources

The funding source must be established within an approved budget and approved by the CEO before the procurement's initiation. Funding sources may include, but are not limited to, federal and state funding, event-related revenue, commissary funds, bonds, and grants. Funding sources may have their own stated laws, regulations, and/or terms that must be followed throughout the procurement and contracting process.

5.6 Pre-Qualification of Vendors

Pre-qualification of Vendors permits a shortened period of a Vendor's response for Services where a limited response to the underlying scope of work and cost are provided by the Potential Vendor. A Job Order document may be used after pre-qualifying vendors.

Table 1. Solicitation Types, Thresholds and Signature Authority

Description	Annual Contract Value and Contract Amendment	Solicitation Method (1)	Signature Authority
Furniture, Equipment, Materials, and Supplies	Less than \$5,000	Informal Quote	CEO
	\$5,000 - \$30,000	RFQ	CEO
	Greater than \$30,000	RFB	CEO with Board authorization
Inspections, Maintenance, and Repair Services	Less than \$5,000	Informal Quote	CEO
	\$5,000 - \$30,000	RFQ	CEO
	Greater than \$30,000	RFP	CEO with Board authorization
Construction and Renovation Services	Less than \$5,000	Informal Quote	CEO
	\$5,000 - \$30,000	RFQ	CEO
	Greater than \$30,000	RFP	CEO with Board authorization
Professional Services	Less than \$5,000	Informal Quote	CEO
	\$5,000 - \$30,000	RFQ	CEO
	Greater than \$30,000	RFP	CEO with Board authorization
Equipment Leases Lease term cannot exceed the useful life of the equipment	Less than \$5,000 and less than 3-year term	Informal Quote	CEO
	\$5,000 - \$30,000 and exceed 3-year term	RFQ	CEO
	Greater than \$30,000 and exceed 3-year term	RFB	CEO with Board authorization
Real Estate Acquisition Purchase or lease of Real Estate	Any Value	Single Source	CEO with Board authorization
Long Term Purchase Any purchase which exceeds an initial Contract term of 5 years	Any Value	RFB or RFP	CEO with Board authorization
Revenue Generating DRCFA contracts only	Less than \$100,000	Informal Quote	CEO
	Greater than \$100,000 or exceed 1 year term	RFP	CEO with Board authorization
Emergency Procurement	Less than \$100,000	Informal Quote or Single Source	CEO
	Greater than \$100,000	Informal Quote or Single Source	CEO with Board authorization

Note (1): Intergovernmental Agreement and Cooperative Procurement is another acceptable solicitation method for all types of purchases.

SECTION 6 – SOLICITATION DEVELOPMENT

6.1 Solicitation Development and Advertisement

The CEO shall facilitate, inform, control, and manage the solicitation and contract award process. The Requestor's role is to interact with the CEO to provide the Solicitation's content to ensure that operational objectives, criteria for success, and operational considerations are clearly conveyed to the Vendor community. Solicitation must provide sufficient information for Potential Vendors to provide cost-effective responses for a preferred outcome.

6.2 Methods of Solicitation

Unless an exclusion or exception applies, DRCFA shall procure all Goods and Services using the Solicitation methods as outlined in this Policy.

6.3 Vendor Participation

Vendors engaged or contracted to prepare the Solicitation, including the scope of work and/or equipment manufacturer/model, shall maintain a relationship of trust and confidence with the DRCFA by prioritizing DRCFA's needs and interests. The CEO is responsible for ensuring the resulting Solicitation does not unduly restrict competition. The CEO reserves the right to disqualify the Vendor from award consideration or to initiate the re-bid process when restrictive specifications were utilized in the Solicitation.

Potential Vendors shall be given equal access to Solicitation documents and shall not be unduly encumbered. Repository locations for Solicitation documents shall be of zero, or minimal, cost to Potential Vendors. The Authority shall include all pertinent information in the Solicitation and incorporate additional/amended information (where possible) requested by Potential Vendors. DRCFA shall issue a written Addendum incorporating the changes. An Addendum is a written modification, clarification, or correction to, or answer a question posed by a Potential Vendor pertaining to a Solicitation issued by DRCFA.

6.4 Specifications for Goods and Materials

Competitive solicitations for Goods and Materials shall include the desired manufacturer and model number when applicable. The DRCFA may, but is not required to, evaluate Responses that propose an alternative manufacturer and/or model number.

6.5 Professional Services

The Board shall provide for the acquisition of professional services, including, but not limited to, architectural services, engineering services, surveying services, accounting services, services related to the issuance of bonds, and legal services, in accordance with a competitive, qualifications-based selection (QBS) process method of procurement.

6.6 Capital Program Methods and Alternatives

The intensive capital investment of DRCFA's operations allows for contracting methods and alternatives that foster innovation and best practices in the delivery of the capital program.

Traditional Project Delivery Methods allowed by the Act:

- a) Design-Bid-Build - The traditional contracting method for construction projects. It is a project delivery method in which DRCFA contracts with separate entities for the design and construction of a project.
- b) Alternative Proposals - In addition to submitting a proposal in accordance with the

Solicitation to be considered Responsible Vendors, Potential Vendors are allowed (where specified in the Solicitation) to provide a voluntary alternative proposal(s) that is equivalent in every way to the specified Good or Service. Cost savings or other efficiencies should be clearly identified.

- c) Value Engineering (VE) - In addition to submitting a technical proposal in accordance with the Solicitation to be considered Responsible Vendors, Potential Vendors may also submit an alternative proposal that is more economically feasible, efficient, and/or effective system or approach to the scope of work specified in the Solicitation. Cost savings should be clearly identified.
- d) Alternative Project Delivery Methods (APDM) - Non-traditional contracting methods provide for the Potential Vendor to participate in or advise on the design or may be entirely responsible for the design. The Potential Vendor's selection is based on qualifications or best value and may include construction management or an alliance between two or more entities to deliver the project.

6.7 Risk Management

DRCFA shall mitigate or transfer risks using appropriate terms and conditions in the Solicitation document. DRCFA may impose limitations of liability, retainage, indemnities, warranties, payment terms, contract termination, and bonding requirements. Deviations to risk responsibility may be accepted by the CEO, with appropriate consultation with General Counsel, if necessary, prior to the Contract award. The DRCFA is encouraged to perform a Concentration of Risk evaluation on Respondents.

6.8 Insurance

Contract insurance requirements should be detailed in each Solicitation. To be considered a Responsible Vendor, the Potential Vendor shall possess the required insurance which meets or exceeds the Contract's terms and conditions for each insurance policy and maintain during the term of the Contract at its sole expense. Deviations to insurance requirements may be accepted by the CEO, with appropriate consultation with General Counsel and Insurance Broker, if necessary, prior to the Contract award.

At a minimum, commercial general liability, automobile liability, worker's compensation and employer's liability shall be required. Additional types of coverage may be required for construction, hazardous, professional services, technology security, and vital infrastructure services. A Vendor may also be required to maintain specified insurance policies after the conclusion of a Contract for the duration specified in the Contract.

Policies shall be held by the DRCFA as the certificate holder. DRCFA and its Board Members, the City of Detroit, onsite contracted Event and Facility Management Vendor, Huntington Place, along with their respective subsidiaries, affiliates, officers, directors, employees, and agents shall be named, at a minimum, additional insured on such policies.

6.9 Bid Security

The CEO may require Potential Vendors to include Bid Security to protect DRCFA from Potential Vendors withdrawing their bids prior to the end of their bid validity period, refusing to sign the contract; or failure to hold their submitted pricing. Acceptable forms of Bid Security include a Bid Bond secured through surety or a certified cashier's check. Bid Security, if required, will be returned to the Respondent at the time of the Contract award.

6.10 Performance and Payment Bonds

Performance and payment bonds in an amount equal to 100% of the contract amount are required for all Construction procurements exceeding \$50,000. The cost of the bonds shall be included in the Contractor's proposal. The bonds are conditioned on the Contractor's faithful performance in accordance with the plan, specifications, and terms thereof, and the payment of all laborers performing work on the applicable project. Bonds may also be required for non-construction projects if so, deemed necessary by the CEO.

The surety that issues the performance and payment bonds must be authorized to conduct business in the State of Michigan. Bonds shall not be called without prior authorization by the CEO in consultation with General Counsel.

6.11 Retainage

DRCFA shall retain a portion of each payment to a Contractor for work in place under the Construction contract, when required by the Michigan Public Agency Construction Contracts Act, MCL 125.1561 or any successor statute or regulation thereto. This provision does not preclude DRCFA from withholding a retainage amount on a Construction contract not called for by the same statute.

6.12 Sales and Use Tax

The DRCFA, being a municipal public body corporate and politic and a metropolitan authority, is held to specific rules about the payment of sales tax, along with the requirement of contracted Vendors to pay use tax.

DRCFA is exempt from sales and use taxes for all direct purchases of tangible personal property, but Vendors and Contractors may be responsible for state sales or use taxes for purchased materials that are used and affixed by the company to real property owned by DRCFA. DRCFA will provide a sales tax exemption form only upon request by the Awarded Vendor. DRCFA Team Members shall not provide counsel to Vendors or Potential Vendors on the subject of charging or payment of sales and use taxes.

SECTION 7 – PUBLIC SOLICITATION

7.1 Notice Requirement

Competitive Solicitations shall be advertised electronically and/or using other media as determined by DRCFA to promote vendor participation and fair competition. Good judgment shall be exercised to determine the minimum number of days, preferably fourteen (14) calendar days, that a Competitive Solicitation shall be made available for participation by any Potential Vendor.

7.2 Reservation of Rights

DRCFA reserves the right to amend, withdraw or cancel a Solicitation, without any financial or legal obligation to a Potential Vendor. DRCFA reserves the right to split the award, award a portion of the Solicitation, or reject any or all bids if it is determined that such action is in the best interests of DRCFA. DRCFA is not required to award the lowest cost proposal. DRCFA will allow a Potential Vendor to withdraw their bid/submittal if requested before the Solicitation opening.

7.3 Response to Solicitation

To participate in the solicitation process, Potential Vendors shall submit a response to the Solicitation in the method, format, and within the deadline specified. The response shall be signed by an individual with the authority to bind the Potential Vendor to a Contract. Bid responses shall be kept confidential until public bid opening.

7.4 Bid Opening

All properly submitted proposals offered by Potential Vendors shall be opened at the location and deadline specified in the Solicitation document. A minimum of two (2) Team Members shall be present throughout the bid opening event. The bid opening must be an open and public meeting. All people attending the event must record their attendance. The minimum required information to be disclosed is the Responder's company name and bid security (if applicable).

7.5 Response Submitted After Deadline

Potential Vendor's responses submitted after the Deadline shall be immediately rejected. The rejected response will not be opened, considered for award of contract, or evaluated.

SECTION 8 – VENDOR SELECTION

8.1 DRCFA'S Responsibility

DRCFA shall assess Solicitation responses to determine, in its sole discretion, the best value proposal offered from a Responsive and Responsible Vendor that will meet or exceed the requirements of the Solicitation.

8.2 Responsive

The DRCFA CEO shall deem a Potential Vendor as Responsive and eligible for evaluation when its bid response conforms in all material aspects to the Solicitation requirements.

8.3 Responsible

The DRCFA will evaluate Potential Vendors using the qualifications and requirements set forth in the Solicitation. The DRCFA shall also consider, at a minimum, the below criteria to deem Potential Vendors as Responsible:

- a) Business cannot be in arrears more than thirty (30) days and has not received a default notice from the DRCFA under any contract, debt, or other obligation.
- b) Business has operated in compliance with the DRCFA's Ethics Ordinance, to the knowledge of the CEO, within the past two (2) years.
- c) Business has not violated any state, federal or local laws or regulations, including MIOSHA and OSHA, Iran Linked Business, wage and hour laws, worker's compensation or unemployment compensation laws, rules, or regulations in the last five (5) years.

8.4 Responsible Contractor

The DRCFA will evaluate Potential Vendors for capital projects \$50,000 or more using the qualifications and requirements set forth in the Solicitation. The DRCFA shall consider, at a minimum, the below criteria to deem Potential Vendors as Responsible:

- a) Business shall not be in default with the DRCFA under any contract, debt, or other obligation.
- b) Business has operated in compliance with the DRCFA's Ethics Ordinance, to the knowledge of the CEO, within the past two (2) years.
- c) A statement regarding the bidder's staffing capabilities and labor sources including subcontractors and a verification from the bidder that construction workers will not be misclassified as independent contractors in violation of state or federal law.
- d) A statement from the Potential Vendor to the best of their ability, as to the percentage of its workforce can be drawn significantly from residents who live in the Qualified Metropolitan Area as much as is economically feasible while retaining the high quality of construction required for its construction activities, consistent with applicable law.
- e) Ensure Equal Opportunity Employment practices for minorities, women, veterans, returning citizens, and small businesses.

8.5 Single Response

In the event that DRCFA receives only one (1) Bid, Proposal, or Quotation in response to a Solicitation, the CEO may not recommend a contract award unless all the following apply:

- a) The Bid, Proposal, or Quotation is Responsive.
- b) The Potential Vendor is Responsible
- c) Such Responsive and Responsible determination is made in accordance with this Policy.

8.6 Former Employees as Vendors

Former DRCFA employees cannot, for one (1) year from the date of separation, be an independent contractor providing Goods or Services related to contracts through which they engaged in negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contact while employed in any capacity by DRCFA.

8.7 Evaluation Methods

There are three major scoring methods that may be used under this Policy to determine the best value proposal:

- a) Low Bid – An RFB evaluation based on the lowest cost Vendor deemed Responsive and Responsible.
- b) Qualifications Based Selection (QBS) – An RFP evaluation for Professional Services based on demonstrated qualifications competence through the QBS process as evaluated by Committee Members. After the Potential Vendor has been selected using the QBS process, the fee proposal will be analyzed. DRCFA shall have the right to exclude a Potential Vendor from consideration if the parties cannot agree to contract terms or conditions or the fee proposal is deemed noncompetitive.
- c) All Factors – An RFP evaluation based on qualitative/quantitative factors and weights. These factors and weights shall be tailored to each procurement and include only those that will impact the source selection decision. These factors are to be identified in the Solicitation. An Evaluation Committee may be involved in the evaluation, although the use of a committee is not required.

8.8 Economic Equity and Development

As a municipal public body corporate and politic and a metropolitan authority, DRCFA is committed to strengthen and foster economic development of the Qualified Metropolitan Area and state, in accordance with enabling legislation, the evaluation of all Solicitations will prioritize the following preference criteria for a business presence, when all other factors are equal:

- 1) Preference shall first be given to products manufactured and services offered by firms based in the Authority's Qualified Metropolitan Area.
- 2) Second preference shall be given to firms based in this state.
- 3) Third preference shall be given to certified Small or Disadvantaged Business Enterprise owned firms as accepted from a federal agency, the State of Michigan, or a Michigan local unit of government. Examples include, but may not be limited to, minority-owned, LGBTQ-owned, veteran-owned, and woman-owned.

DRCFA shall consider the following criteria in the determination of Qualified City, Qualified Metropolitan Area, or State of Michigan business presence:

- a) Firm has a physical presence in the state,
- b) Pay property taxes on real or personal property,
- c) Employ at least one (1) worker that physically works in the State of Michigan,
- d) A significant portion of Firm's revenue comes from business activities in the state.

Note that this section does not prohibit action that must be taken to establish or maintain eligibility for any federal program if ineligibility would result in a loss of federal funds to DRCFA or the State of Michigan.

8.9 Concentration of Risk Evaluation

A concentration of risk evaluation and other strategies that mitigate risk must be considered prior to Vendor selection. Due diligence activities can include, but not limited to, customer reference checks, disbarment status, Potential Vendor's company history (consolidations and/or mergers), analysis of financial records, and proven qualifications and experience may be considered.

8.10 Evaluation Team

Evaluators shall be technically proficient in the field that is the subject of the procurement and/or end users of the procurement. Solicitation drafters may be Evaluators. Board members having interest, knowledge, and/or experience in the subject matter may participate as Evaluators. Evaluators shall be free from conflicts of interest and be able to provide independent observations and input in a manner which demonstrates that decisions are based on facts, data, good judgment, and logical inference.

8.11 Confidentiality and Non-Disclosure

Team Members involved in the Solicitation process shall be held to confidentiality and non-disclosure. Team Members shall not divulge information pertaining to the contents, status, or proposals to anyone other than the Evaluators.

Disclosure or otherwise divulge includes reproduction of any part of portion of any proposal, quote, or supplier correspondence. Confidentiality of this information will ensure integrity of the procurement process, pricing, negotiations, and contract agreement.

8.12 Rebid Process

The decision to rebid a Solicitation within six (6) months after the opening of competitive proposals shall be restricted to the following circumstances:

- a) A latent finding of incomplete, incorrect, or some other significant issue with the Solicitation's scope of work or product specifications.
- b) A judgment made that all proposals were deemed non-responsive and/or non-responsible.

Dissatisfaction with the quantity of proposals received should not be a sufficient reason, by itself, to initiate the rebid process within the six (6) month timeframe.

SECTION 9 – CONTRACT DEVELOPMENT

9.1 Required Documents

The Vendor shall produce all required documents including performance bonds, insurance, legal affidavits, and licenses. If the Vendor is unwilling or unable to produce required documents in the time limit required by DRCFA, DRCFA reserves the right to rescind and/or revoke the award without financial or legal obligation to the Vendor.

9.2 Zero Dollar

Zero Dollar agreements are not recommended except for collective bargaining contracts, grant agreements that involve monetary matches or other obligations, project development agreements, and brokerage agreements. A Blanket Purchase order with a do-not-exceed cost should be used instead for Goods and Services needed on a demand basis, in indefinite quantities, with deliveries made as requested.

9.3 Contract Term

It is recommended that Contracts do not exceed five (5) years. Any combination of initial contract length and number of contract renewals is allowed. The Board may approve a longer Contract term for any reason.

9.4 Contract Renewals

The CEO may consider Contract renewal options referenced in the Contract or Assumed Contract. Prior to a Contract Renewal, the CEO shall consider the Vendor's performance in complying with the Contract, and any requested Contract changes. A formal process is required before purchasing additional goods or services during a renewal period.

9.5 Assumed Contracts

DRCFA's current form of contracts will be utilized when Assumed Contracts are eligible for renewal or extension.

9.6 Limitations on Duration of Leases and Installment Procurements

The Competitive Solicitation process shall be conducted for equipment financed through leases or installment purchase arrangements. DRCFA shall not enter into a lease or installment purchase for a period exceeding the anticipated useful life of the asset.

9.7 Cost Plus Construction Contract

DRCFA shall not enter any cost-plus construction contracts unless all the following apply:

- a) The contract cost is less than \$50,000.
- b) The contract is for emergency repair or construction caused by unforeseen circumstances.
- c) The repair or construction is necessary to protect life or property.
- d) The contract complies with the requirements of applicable state or federal law.

SECTION 10 – CONTRACT APPROVAL

10.1 Initial Contract Approval

Contract approval requests shall comply with this Policy. Prior to the request for approval, all Contracts shall be evaluated for insurance requirements and conflicts of interest. In addition, the DRCFA's General Counsel shall approve the Contract as to form and substance. Contracts shall be recognized as authorized when approval requirements have been met in accordance with this Policy as evidenced by appropriate signature(s). Contracts shall not be divided or fragmented to circumvent the approval requirements in this Policy.

10.2 Subsequent Contract Approvals

All contract amendments, modifications, or extensions that exceed CEO authorization thresholds must be approved by the DRCFA's Board of Directors. The CEO and Requestor shall determine the new Contract value to ascertain notification and approval to encumber the funds by utilizing the parameters listed in this Policy.

10.3 Change Order (CO) Approvals

A Change Order is a written order generated by the Requestor directing the Contractor to amend the contracted construction or renovation work in any manner. All changes in the project must be stated along with a corresponding adjustment to the approved Contract. All change orders must be approved in accordance with Table 1 requirements prior to the execution of activities related to the change order.

10.4 Executed Contracts

A Contract shall not be promised, sent, or otherwise communicated to the Vendor unless appropriate approvals have been given. The Vendor shall sign and date the Contract prior to the DRCFA designated authority in accordance with Table 1.

10.5 Unauthorized Purchases

Unauthorized purchases are purchase transactions that are either entered into by an individual that is not authorized to contract, by an individual who uses an unauthorized procurement method, purchases not in compliance with state and/or federal regulations/guidelines, purchases involving gifts or kickbacks, or purchases not in compliance with procedures and/or policies.

Contributions or appropriations which are not specifically authorized by law or statute cannot be authorized regardless of the worthiness of the cause. Examples include contributions to non-profit organizations, funeral expenses, donations, office refreshments, retirement recognition gifts, flowers, etc. The foregoing is not intended to be an exhaustive list of illegal expenditures but is an attempt to explain the most common questions and concerns raised on these issues.

The Requestor shall immediately terminate Services, return Goods, and in all other respects, cancel the purchase. The Requestor shall perform all duties required to ensure Vendor is made whole and restored to its position prior to the Unauthorized Purchase.

SECTION 11 – CONTRACT ADMINISTRATION

11.1 Contract Administration

The CEO shall supervise, administer, and oversee DRCFA approved Contracts in partnership with the Requestor. The CEO may adopt systems, procedures, standards, along with performance evaluation and reporting tools to manage this process efficiently and effectively.

Each procurement shall be monitored to assure execution of the Contract within the approved budget, time periods, and scope agreed to in the terms of the procurement, the Procurement and Contracting Policy, the enabling legislation, and federal and state procurement law.

11.2 Vendors to Remain Independent Contractors

DRCFA Team Members shall always interact with Awarded Vendor as an independent contractor in the performance of their Contract. DRCFA Team Members shall not create a relationship of servant, employee, partnership or agency between any officer, employee, or agent between Awarded Vendor and the DRCFA.

Awarded Vendor, as an independent contractor, assumes all responsibility for carrying out and accomplishing the services required in the Contract. Additionally, as an independent contractor, Awarded Vendor and its employees shall make no claim of DRCFA employment nor any related employment benefits, social security, and/or retirement benefits claims against the DRCFA.

11.3 Liquidated Damages

The CEO, in agreement with contracted General Counsel, has the right to impose liquidated damages, where specified and/or sought out, onto a Vendor who has stopped performing or is underperforming their contractual obligations to the DRCFA. The Requestor or Team Member shall first make all attempts to communicate the deficiencies to the Vendor and work collaboratively to remove any obstacles.

SECTION 12 – CONTRACT STANDARDS AND COMPLIANCE

12.1 Contract Compliance

A Vendor shall supply Goods and/or Services conforming to the specifications and performance requirements of the Contract. Failure to perform within the specification and performance requirements may result in Contract termination as allowed in the Contract and approved by the CEO. The CEO will provide guidance to ensure compliance with all governmental requirements and regulations.

12.2 Standards for Federally Funded Projects

Federally funded projects, whether in full or part, are subject to the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Federal Procurement Standards CFR 200.318 – 200.326 or as may be amended). The CEO shall establish procedures to incorporate these required federal provisions for federally funded projects, regardless of the amount of funding. The Authority will follow and comply with the relevant rules for purchasing goods and services under Federal awards, as specified in Subpart D, Section 200.317- 200.327, of the Uniform Guidance Act.

Uniform Guidance (UG) standards place a strong emphasis on procurement methodology. Key components include competition, documented policies, conflict of interest reporting mechanisms, necessary purchases, use of state and local preferences, and record/documentation processes. UG standards outline the following allowable procurement methods, each with unique dollar thresholds and solicitation requirements. DRCFA shall utilize the more stringent requirements (DRCFA’s enabling legislation and Procurement Policy or federal procurement standards) per Solicitation.

- a) Informal Procurement
 - Micro Purchases
 - Simplified Acquisitions/Small Purchases
- b) Formal Procurement
 - Sealed (or Electronic) Bids
 - Proposals
- c) Noncompetitive Procurement

12.3 Uniform Commercial Code

The Uniform Commercial Code (UCC) is a comprehensive set of laws that govern all commercial interstate transactions in the United States. It is a uniformity adopted state law specifically related to interstate commerce. This code governs the sale of goods, leases, negotiable instruments, bank deposits, fund transfers, letters of credit, bulk sales, title documentation, secured transactions, and virtual currencies and other technologies. This code provides guidance to help resolve disputes related to the movement of Goods across state lines. This code should supplement, but not replace, the guidance and support from contracted General Counsel.

SECTION 13 – REQUIRED DOCUMENTATION

13.1 Procurement Procedures

DRCFA's Procurement Policy and Procedures must comply with applicable local, state, and federal laws. Procurement recommendations, Vendor agreements, and contract renewals are to be in writing and supported by sufficient documentation; such as scope of work, rationale for the Vendor selection, budget, the price or cost analysis to support the basis for the contract price and include the contract terms and conditions.

13.2 Reporting

The Authority shall present an annual report detailing Vendor contracts in force by the Authority during the immediately preceding year. This report, upon request, shall be provided to the Qualified City, State, and each county within the Qualified Metropolitan Area.

13.3 DRCFA Authorization Report

The Authority shall frequently present reports detailing new Vendor contracts executed by the Authority as the result of the competitive RFQ process. This report, upon request, shall be provided to the Qualified City, State, and each county within the Qualified Metropolitan Area.

13.4 Record Retention and Disposal

Procurement records shall be retained in accordance with Michigan Law (MCL 399.811 and 750.491) which identifies the minimum amount of time that records must be kept to satisfy administrative, legal, fiscal, and historical needs. General Retention Schedule #31 specifically addresses retention and disposal of the following documents:

- a) Bids and Quotations Awards – Includes RFB, RFP, and RFQ Solicitations, submitted proposals, Evaluation Committee documentation, and award recommendation materials.
- b) Bids and Quotes Not Awarded - Includes RFB, RFP, and RFQ Solicitations, submitted proposals, and Evaluation Committee documentation.
- c) Contracts and Change Orders, Agreements and Amendments, including correspondence with the Vendor, warranties, bonds, purchase orders, etc.
- d) Insurance Certificates.

13.5 Open Records

Anyone, including Potential Vendors, may submit a FOIA request for DRCFA records at any time and for any reason. To maintain competitiveness and fairness during the Open Solicitation process, the CEO may elect to provide the FOIA related documents to all Potential Vendors. Unopened Submittals are exempt from FOIA law until such date and time scheduled for opening of the Submittals. Team Members shall comply with all FOIA requests in its entirety and within the deadline required by FOIA law.