



Memo

To: Mayor and City Council
From: Don Postell, City Attorney
William A. Hills, Director, HNS
Date: July 1, 2016
Re: HNS Bidding Procedures

At the request of the Mayor and City Council, we have reviewed the Housing and Neighborhood Services Departments (HNS) bidding practices. The actual process is a bidding procedure designed to adhere to 24 CFR Part 85, as required by HUD regulations. Any changes or alterations to this process will require HUD approval.

The federal regulations regarding procurement, as it relates to State and local governments and Indian tribes, are found in 24 CFR Part 85, which states, "Both grantees and sub recipients must follow federal procurement rules when purchasing services, supplies, materials, or equipment". The Federal regulation provides specific guidance that Grantees must send a request for quotes to potential vendors with a detailed description of the goods or services needed. In return they receive competitive written quotations from an adequate number of qualified sources.

Each quote should include pricing information that allows the grantee to compare cost across bidders and ensure cost reasonableness. Documentation of the quotes shall be maintained in the grantee's files. The award should be made to the lowest responsive and responsible source; however, there is not a federal definition of these terms provided.

By virtue of this regulation the City of Grand Prairie Housing and Neighborhood Services Department developed and established procedures for the procurement of construction services over a decade ago. Upon completion these procedures were submitted to HUD for approval and have been utilized by the Department with occasional revisions as required by HUD. These procedures are used for all projects utilizing CDBG, HOME and HCV funds provided or awarded to the city.