

STATE OF MICHIGAN
VILLAGE OF BANCROFT
RESOLUTION NO. 2025-05

(Enacted August 13th, 2025)

A RESOLUTION TO ADOPT A PROCUREMENT POLICY FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT

WHEREAS, the Village of Bancroft is committed to ensuring a fair and just method of procurement; and

WHEREAS, the implementation of a procurement policy allows the village to standardize the procurement process; and

WHEREAS, the Village recognizes the importance of a standardized procurement policy that ensures fairness; and

WHEREAS, the Village has conducted a thorough review of the potential benefits and privacy considerations associated with a procurement policy;

NOW, THEREFORE, BE IT RESOLVED, that the Village of Bancroft hereby adopts a procurement policy for the Community Development Block grant as follows:

PROCUREMENT POLICY

For Community Development Block Grant (CDBG) Funded Projects

I. PURPOSE

This Procurement Policy establishes procedures for the procurement of supplies, materials, services, and equipment using Community Development Block Grant (CDBG) funds. This policy ensures full and open competition, promotes the use of small, minority-, and women-owned businesses, and ensures compliance with 2 CFR Part 200 and Michigan State Housing Development Authority (MSHDA) procurement standards.

II. GENERAL PROCUREMENT STANDARDS

1. Code of Conduct

- No employee, officer, or agent may participate in CDBG-funded procurement if they have a real or perceived conflict of interest.
- Acceptance of gifts, favors, or anything of monetary value from contractors or potential contractors is prohibited.

- Violations may result in disciplinary action, up to and including termination or legal action.
- 2. Procurement Review**
 - Staff must avoid unnecessary or duplicative purchases.
 - All costs must be reasonable and necessary for the program.
- 3. Affirmative Efforts**
 - Efforts must be made to use minority-owned, women-owned, and labor surplus area firms.
 - Maintain a directory of such firms and include them in solicitations.
- 4. Acceptable Contract Types**
 - Fixed-Price, Cost Reimbursement, and Time & Materials contracts are allowed.
 - Cost-plus-percentage-of-cost contracts are strictly prohibited.
- 5. Dispute Resolution**
 - Written procedures must be used to handle procurement disputes.
- 6. Open and Free Competition**
 - All procurement transactions must be conducted in a manner that maximizes competition.
 - Practices that restrict competition are prohibited.

III. PROCUREMENT METHODS

- 1. Micro-Purchase Procedures (<\$10,000)**
 - Distribute purchases equitably among qualified suppliers.
 - No competitive quotes required if price is reasonable.
- 2. Small Purchase Procedures (up to \$250,000)**
 - Obtain quotes from at least three qualified sources.
 - Document basis for vendor selection.
- 3. Sealed Bids (>\$250,000)**
 - Publicly solicit and open bids.
 - Award made to lowest responsive and responsible bidder.
- 4. Competitive Proposals**
 - Used for services exceeding \$250,000 where sealed bids are not suitable.
 - RFPs must be publicly advertised for at least 14 days.
 - Evaluation factors must be disclosed and used in award decision.
- 5. Architect/Engineer Services (Qualifications-Based RFQs)**
 - Selection based solely on qualifications.
 - Price negotiated only after selection.
- 6. Noncompetitive Proposals**
 - Only allowed with MSHDA approval.
 - Used when competition is not feasible and justified.

- Cost analysis required.

IV. SOLICITATION REQUIREMENTS

- Clearly define technical requirements.
- Disclose all evaluation criteria.
- Maintain procurement records including rationale for procurement method, contractor selection, and price justification.

V. COST AND PRICE ANALYSIS

- Price analysis required for every procurement.
- Cost analysis required for noncompetitive proposals and when adequate price competition is lacking.
- Maintain documentation using Form 4-D or similar.

VI. CONTRACT ADMINISTRATION

- Monitor contractor performance.
- Ensure compliance with contract terms.
- Maintain complete procurement records for auditing purposes.

VII. MBE/WBE PARTICIPATION

- Actively solicit bids from minority and women-owned firms.
- Use MSHDA's MBE/WBE directory.
- Complete and submit Form 11-C within 10 days of contract signing.

VIII. BONDING REQUIREMENTS (For Construction Contracts > \$250,000)

1. 5% bid guarantee.
2. 100% performance bond.
3. 100% payment bond.

IX. CONTRACTOR ELIGIBILITY

- Check www.sam.gov and HUD's Limited Denial of Participation List before awarding contracts.

X. APPROVAL AND UPDATES

- This policy must be adopted prior to any CDBG-funded procurement.
- Policy will be reviewed and updated as needed to remain in compliance with federal and state regulations.

Larry Fall

Seconded by:

Ben Monroe

YEAS:

Ben Monroe, Larry Fall, Ed Labadie, Caleb Hutchins, and

NAYS:

Brian Barnum

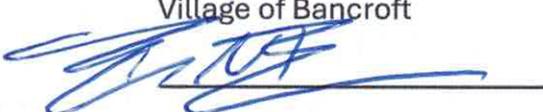
None

ABSENT:

Heather Boggetta and Fred Simpson

ABSTAIN:

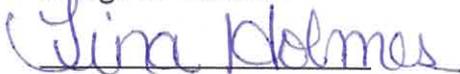
Village of Bancroft


By: Brian Barnum Its: President

Certification of Clerk

I hereby certify that the foregoing is a true and complete copy of a Resolution adopted by the Village of Bancroft, County of Shiawassee, State of Michigan, at a regular meeting held on the August 2025, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the Minutes of said meeting were kept and will be or have been made available as required by said Act.

Village of Bancroft



By: Tina Holmes

Its: Village Clerk