

RESOLUTION AMENDING PROCUREMENT POLICY

WHEREAS, at its organizational meeting held on March 19, 2009, the Board adopted a Procurement Policy (the "Policy") governing the acquisition, leasing or rental of or contracting for goods and services; and

WHEREAS, the Board may, from time to time by resolution, amend, expand or supplement the Policy; and

WHEREAS, amendments to Act 554, Public Acts of Michigan, 2008, relating to the procurement requirements of the Authority, necessitate amendment to the Policy.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Policy is hereby amended by adding the following definition to Section 1 of the Policy:

(d) "Qualified City" and "Qualified Metropolitan Area" shall have the meanings given such terms in Act 554.

2. The Policy is hereby amended by adding the following subsections to Section 2 of the Policy:

(c) The Board shall use its best efforts within the competitive solicitation requirements of Act 554 to achieve fairness in the number and value of contracts for goods or services entered into by the Authority with firms based in the Qualified City and each county within the Qualified Metropolitan Area, consistent with applicable law, although there shall be no quotas or set-asides for the Qualified City or any county in the Qualified Metropolitan Area.

X *(d) The Board shall cause to be prepared an annual report detailing all contracts entered into by the Authority during the immediately preceding fiscal year, which report shall be supplied to the Qualified City, and each county within the qualified metropolitan.*

(e) The Board shall actively solicit lists of potential bidders for Authority contracts from each Qualified City and each county in the Qualified Metropolitan Area.

3. The amendments set forth in this resolution shall take immediate effect.
4. Any resolutions or parts thereof conflicting with this resolution are hereby rescinded.

EXHIBIT A

**DETROIT REGIONAL CONVENTION FACILITY AUTHORITY
PROCUREMENT POLICY**

1. **Definitions:** For the purpose of this Procurement Policy, the following words and phrases shall have the meanings respectively ascribed to them:

- (a) "Act 554" shall mean the Regional Convention Facility Authority Act, Act 554, Michigan Public Acts, 2008, MCL 141.1351 *et seq.*
- (b) "Authority" shall mean the Detroit Regional Convention Facility Authority, a public body corporate and politic and metropolitan authority created by Act 554.
- (c) "Board" shall mean the board of directors of the Authority.
- (d) "Person" shall mean a human being or business entity. If a Person is a business entity, Person includes affiliates, subsidiaries, officers, directors, managerial employees, and any individual who, directly or indirectly, holds a pecuniary interest in that business entity of 20% or more.
- (e) "Policy" shall mean this Procurement Policy.

2. **Competitive Bidding; Exceptions:**

- (a) The Board shall make all discretionary decisions concerning the solicitation, award, amendment, cancellation, and appeal of Authority contracts. 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 process and procedure for the type of professional service required by the Authority. The Authority is not required to use competitive bidding when acquiring proprietary services, equipment, or information available from a single source, such as a software license agreement.
- (b) Except as otherwise provided in this Policy, the Authority shall utilize competitive solicitation for all purchases authorized under Act 554 unless 1 or more of the following apply:
 - i. Procurement of goods or services is necessary for the imminent protection of public health or safety or to mitigate an imminent threat to public health or safety, as determined by the Authority or its chief executive officer.

- ii. Procurement of goods or services is for emergency repair or construction caused by unforeseen circumstances when the repair or construction is necessary to protect life or property.
 - iii. Procurement of goods or services is 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.
 - iv. Procurement of goods or services is in response to a declared state of emergency under 1945 PA 302, MCL 10.31 to 10.33.
 - v. Procurement of goods or services is in response to a declared state of energy emergency under 1982 PA 191, MCL 10.81 to 10.89.
 - vi. Procurement of goods or services is under a cooperative purchasing agreement with the federal government, the State of Michigan, or more public entities for the purchase of goods and services necessary at fair and reasonable prices using a competitive procurement method for Authority operations.
 - vii. The value of the procurement is less than \$5,000.00, and the Board has established policies or procedures to ensure that goods or services with a value of less than \$5,000.00 are purchased by the Board at fair and reasonable prices. Procurement of goods or services with a value of less than \$5,000.00 may be negotiated with or without using competitive bidding as authorized in a procurement policy adopted by the Board.
3. **Cooperative Agreements.** The Authority may enter into a cooperative purchasing agreement with the federal government, the State of Michigan, or other public entities for the purchase of goods or services necessary for the Authority.
4. **Lease Purchases; Installment Purchases; Qualified Metropolitan Area Preference:** The Authority may enter into lease purchases or installment purchases for periods not exceeding the anticipated useful life of the items purchased unless otherwise prohibited by law. In all purchases made by the Authority, all other things being equal, preference shall be given first to products manufactured or services offered by firms based in the Authority's qualified metropolitan area, including, but not limited to, each qualified city and qualified county in the qualified metropolitan area, and next to firms based in the State of Michigan, if consistent with federal law.
5. **Cost-Plus Construction Contracting:** The Board may not enter into any cost-plus construction contract unless all of the following apply:
 - (a) The contract cost is less than \$50,000.00.
 - (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 requirements of applicable state or federal law.
6. **Board Approval of Contracts:** No authorized employee of an Authority shall not sign or execute a contract until the contract is approved by the Board.
7. **Criminal or Civil Liability Relating to Prospective Contractors:** The Board shall not enter into a procurement contract with a Person who has been convicted of a criminal offense incident to the application for or performance of a contract or subcontract with a governmental entity in the State of Michigan. The Board shall not enter into a procurement contract with a Person who has been convicted of a criminal offense, or 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.
8. **Monitoring of Contracts:** The Board shall monitor the performance of each contract including, but not limited to, a contract that exists on Transfer Date, to assure execution of the contract within the budget and time periods provided under the contract. The monitoring shall include oversight as to whether the contract is being performed in compliance with the terms of the contract, Act 554, and federal and state procurement law. Specific terms relating to the monitoring, control, supervision, management, and oversight of each contract to which the Authority is a party shall be determined by the Board on a case-by-case basis and shall be appropriate to nature of each contract. Without limitation, the following monitoring and oversight parameters shall apply:
- (a) A contract for service relating to a defined project, including but not limited to any construction or other capital project, shall provide for periodic written and oral reports to the Board, which at a minimum shall include detailed information relating to progress and budget, at intervals appropriate to the overall time period associated with the project, and shall provide for final oral and written reports upon completion. Where applicable, such reports shall include information relating to the activities of subcontractors.
 - (b) A contract for ongoing support, management, advisory or other professional service shall require periodic written and/or oral reports to the Board appropriate to the nature of the service. If applicable, such reports shall include information relating to the activities of subcontractors.