

**GUAM HOUSING AND URBAN RENEWAL AUTHORITY
BOARD OF COMMISSIONERS
RESOLUTION NO. FY2025-020**

Moved By: NATHANAEL P. SANCHEZ

Seconded By: KARL E. CORPUS

**RESOLUTION APPROVING THE GUAM COMMUNITY DEVELOPMENT BLOCK GRANT –
DISASTER RECOVERY PROCUREMENT POLICY ADOPTING FEDERAL COMPLIANCE
STANDARDS**

- WHEREAS,** pursuant to Section 5104, Title 12 of the Guam Code Annotated, the Board of Commissioners of the Guam Housing and Urban Renewal Authority (GHURA), is given the right and responsibility to govern and control the operations of the Authority, and to establish policies for its day-to-day operations, and generally to undertake its responsibilities as supreme authority for the Agency; and
- WHEREAS,** pursuant to Section 5105(b), Title 12 of the Guam Code Annotated requires that GHURA comply with any Federal rules, requirements, regulations, or procedures and may execute declarations or other agreements or documents of every nature, as may be necessary, or required by the Federal Government and to fully comply with any conditions imposed by the Federal Government upon participation by GHURA in such programs; and
- WHEREAS,** on January 21, 2025, Guam was allocated the Community Development Block Grant Disaster Recovery (CDBG-DR) in the amount of \$500,825,000.00 to aid in the long-term recovery from Typhoon Mawar in May 2023 and the mitigation of future disasters, and
- WHEREAS,** this CDBG-DR Grant will be administered by GHURA; and
- WHEREAS,** the Board of Commissioners recognize that to implement and execute the CDBG-DR Grant, GHURA must certify and commit to its compliance with Federal statutes, regulations, rules, and requirements; and
- WHEREAS,** Section 5501, Title 5 of the Guam Code Annotated states, in part, that where procurement involving the expenditure of Federal funds, all persons within the government of Guam shall comply with such Federal law and regulations which are applicable and which may be in conflict with or may not be reflected; and
- WHEREAS,** pursuant to CDBG-DR Grant requirements relative to Public Law 118-158, 2 CFR 200, Section III.A.2d of the Universal Notice, required certification to timeliness in the Administrative Action Plan, the impending required certification to timeliness with the Action Plan submission; and
- WHEREAS,** the United States Department of Housing and Urban Development (HUD) provides that GHURA may elect and certify under Section II.A.1.B(i)(1) “Option 1” of the Universal Notice, to adopt Federal procurement standards in parts 2 CFR 200.318 through 2 CFR 200.327 for both its own procurement processes and for its subrecipients for CDBG-DR Grant B-25-DU-66-0001 in addition to other procurement requirements described in Section III.B.7 of the Universal Notice; and
- WHEREAS,** on February 27, 2025, HUD acknowledged GHURA’s intent to certify under Option 1 for its procurement and its subrecipients; and
- WHEREAS,** executive management proposes that Federal procurement standards be adopted for the procurement of goods, supplies, equipment, construction services and professional services funded under CDBG-DR Grant B-25-DU-66-0001; and, now, therefore, be it

RESOLVED, that the Board of Commissioners approves the following procurement policy provided herein below, to be utilized exclusively for procurement activities funded by the Community Development Block Grant – Disaster Recovery.

Guam Housing and Urban Renewal Authority

Community Development Block Grant – Disaster Recovery

Procurement Policy

It is the policy of the Guam Housing and Urban Renewal (GHURA) to adopt Federal procurement standards consistent with 2 CFR §§ 200.318 through 200.327. This policy is intended to guide procurements for all goods, supplies, equipment, construction services, and professional services for the GHURA Community Development Block Grant – Disaster Recovery.

Section 1 – Policy observance. All actual or prospective bidders, offerors, vendors, or contractors solicited for the procurement of goods, supplies, equipment, services, construction services, and professional services shall be required to submit in writing, by an authorized representative, an attestation in the affirmative, acknowledging and certifying to compliance with the standards set forth in this policy. Any actual or prospective bidders, offerors, vendors, or contractors who do not meet this requirement shall be deemed non-responsive and non-responsible.

Section 2 - General procurement standards.

(a) ***Documented procurement procedures.*** The GHURA or subrecipient must maintain and use documented procedures for procurement transactions under a Federal award or subaward, including for acquisition of property or services. These documented procurement procedures must be consistent with Guam laws and the standards identified in 2 CFR §§ 200.318 through 200.327.

(b) ***Oversight of contractors.*** The GHURA and subrecipients must maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders. *See also* 2 CFR § 200.501(h).

(c) *Conflicts of interest.*

(1) The GHURA or subrecipient must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award, and administration of contracts. No employee, officer, agent, or board member with a real or apparent conflict of interest may participate in the selection, award, or administration of a contract supported by the Federal award. A conflict of interest includes when the employee, officer, agent, or board member, any member of their immediate family, their partner, or an organization that employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from an entity considered for a contract. An employee, officer, agent, and board member of the GHURA or subrecipient may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors. However, the GHURA or subrecipient may set standards for situations where the financial interest is not substantial or a gift is an unsolicited item of nominal value. The GHURA's or subrecipient's standards of conduct must also provide for disciplinary actions to be applied for violations by its employees, officers, agents, or board members.

(2) If the GHURA or subrecipient has a parent, affiliate, or subsidiary organization that is not a State, local government, or Indian Tribe, the GHURA or subrecipient must also maintain written standards of conduct covering organizational conflicts of interest. Organizational conflicts of interest mean that because of relationships with a parent company, affiliate, or subsidiary organization, the GHURA or subrecipient is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization.

(d) ***Avoidance of unnecessary or duplicative items.*** The GHURA's or subrecipient's procedures must avoid the acquisition of unnecessary or duplicative items. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. When appropriate, an analysis should be made between leasing and purchasing property or equipment to determine the most economical approach.

(e) ***Procurement arrangements using strategic sourcing.*** When appropriate for the procurement or use of common or shared goods and services, the GHURA and subrecipients are encouraged to enter into State and local intergovernmental agreements or inter-entity agreements for procurement transactions. These or similar procurement arrangements using strategic sourcing may foster greater economy and efficiency. Documented procurement actions of this type (using strategic sourcing, shared services, and other similar procurement arrangements) will meet the competition requirements of this part.

(f) ***Use of excess and surplus Federal property.*** The GHURA or subrecipient is encouraged to use excess and surplus Federal property instead of purchasing new equipment and property when it is feasible and reduces project costs.

(g) ***Use of value engineering clauses.*** When practical, the GHURA or subrecipient is encouraged to use value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value engineering means analyzing each contract item or task to ensure its essential function is provided at the overall lowest cost.

(h) ***Responsible contractors.*** The GHURA or subrecipient must award contracts only to responsible contractors that possess the ability to perform successfully under the terms and conditions of a proposed contract. The GHURA or subrecipient must consider contractor integrity, public policy compliance, proper classification of employees (*See* the Fair Labor Standards Act, 29 U.S.C. 201, chapter 8), past performance record, and financial and technical resources when conducting a procurement transaction. *See also* 2 CFR § 200.214.

(i) ***Procurement records.*** The GHURA or subrecipient must maintain records sufficient to detail the history of each procurement transaction. These records must include the rationale for the procurement method, contract type selection, contractor selection or rejection, and the basis for the contract price.

(j) ***Time-and-materials type contracts.***

(1) The GHURA or subrecipient may use a time-and-materials type contract only after a determination that no other contract is suitable and if the contract includes a ceiling price that the contractor exceeds at its own risk. Time-and-materials type contract means a contract whose cost to GHURA or subrecipient is the sum of:

(i) The actual cost of materials; and

(ii) Direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit.

(2) Because this formula generates an open-ended contract price, a time-and-materials contract provides no positive profit incentive to the contractor for cost control or labor efficiency. Therefore, each contract must set a ceiling price that the contractor exceeds at its own risk. Further, the GHURA or subrecipient awarding such a contract must assert a high degree of oversight to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.

(k) *Settlement of contractual and administrative issues.* The GHURA or subrecipient is responsible for the settlement of all contractual and administrative issues arising out of its procurement transactions. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve the GHURA or subrecipient of any contractual responsibilities under its contracts. HUD will not substitute its judgment for that of the GHURA or subrecipient unless the matter is primarily a Federal concern. The GHURA or subrecipient must report violations of law to the Federal, State, or local authority with proper jurisdiction.

(l) Right to Protest. Any actual bidder, offeror, vendor, or contractor who may be aggrieved in connection with the method of course selection, solicitation or award of a contract may protest to the CDBG-DR Grant Manager. The protest shall be submitted in writing within fourteen (14) days after such aggrieved person knows or should have known of the facts giving rise thereto.

(2) Decision. If the protest is not resolved by mutual agreement, the CDBG-DR Grant Manager shall promptly issue a decision in writing within fifteen (15) days from the date the protest is filed. The decisions shall:

(i) state the reasons for the action taken; and

(ii) inform the protestant of its right to administrative appeal.

(3) Appeal. A decision under (l)(2) of this Section may be appealed by the protestant to the GHURA Executive Director within fifteen (15) days after receipt by the protestant of the notice of decision.

(4) Finality. For the purposes of this Section, the determination of facts and decisions by the GHURA Executive Director for the resolution shall be final and conclusive with no further right of administrative appeal.

(5) No Entitlement to Costs. There shall be no entitlement to costs or fees regardless of the outcome of the protest or appeal.

Section 3 - Competition.

(a) All procurement transactions under the Federal award must be conducted in a manner that provides full and open competition and is consistent with the standards of this section and 2 CFR § 200.320.

(b) To ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids must be excluded from competing on those procurements.

(c) Examples of situations that may restrict competition include, but are not limited to:

(1) Placing unreasonable requirements on firms for them to qualify to do business;

(2) Requiring unnecessary experience and excessive bonding;

(3) Noncompetitive pricing practices between firms or between affiliated companies;

(4) Noncompetitive contracts to consultants that are on retainer contracts;

(5) Organizational conflicts of interest;

(6) Specifying only a "brand name" product instead of allowing "an equal" product to be offered and describing the performance or other relevant requirements of the procurement; and

(7) Any arbitrary action in the procurement process.

(d) The GHURA or subrecipient must have written procedures for procurement transactions. These procedures must ensure that all solicitations:

(1) Are made in accordance with 2 CFR § 200.319(b);

(2) Incorporate a clear and accurate description of the technical requirements for the property, equipment, or service being procured. The description may include a statement of the qualitative nature of the property, equipment, or service to be procured. When necessary, the description must provide minimum essential characteristics and standards to which the property, equipment, or service must conform. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to clearly and accurately describe the technical requirements, a "brand name or equivalent" description of features may be used to provide procurement requirements. The specific features of the named brand must be clearly stated; and

(3) Identify any additional requirements which the offerors must fulfill and all other factors that will be used in evaluating bids or proposals.

(e) The GHURA or subrecipient must ensure that all prequalified lists of persons, firms, or products used in procurement transactions are current and include enough qualified sources to ensure maximum open competition. When establishing or amending prequalified lists, the GHURA or subrecipient must consider objective factors that evaluate price and cost to maximize competition. The GHURA or subrecipient must not preclude potential bidders from qualifying during the solicitation period.

(f) To the extent consistent with established practices and legal requirements applicable to the GHURA or subrecipient, this subpart does not prohibit the GHURA or subrecipients from developing written procedures for procurement transactions that incorporate a scoring mechanism that rewards bidders that commit to specific numbers and types of U.S. jobs, minimum compensation, benefits, on-the-job-training for employees making work products or providing services on a contract, and other worker protections. This subpart also does not prohibit the GHURA and subrecipients from making inquiries of bidders about these subjects and assessing the responses. Any scoring mechanism must be consistent with the U.S. Constitution, applicable Federal statutes and regulations, and the terms and conditions of the Federal award.

(g) Noncompetitive procurements can only be awarded in accordance with 2 CFR § 200.320(c).

Section 4 - Procurement methods.

There are three types of procurement methods described in this section: informal procurement methods (for micro-purchases and simplified acquisitions); formal procurement methods (through sealed bids or proposals); and noncompetitive procurement methods. For any of these methods, the GHURA or subrecipient must maintain and use documented procurement procedures, consistent with the standards of this policy consistent with 2 CFR §§ 200.318 through 200.327.

(a) **Informal procurement methods for small purchases.** These procurement methods expedite the completion of transactions, minimize administrative burdens, and reduce costs. Informal procurement methods may be used when the value of the procurement transaction under the Federal award does not exceed the simplified acquisition threshold as defined in § 200.1. The GHURA and subrecipients may also establish a lower threshold. Informal procurement methods include:

(1) **Micro-purchases** —

(i) **Distribution.** The aggregate amount of the procurement transaction does not exceed the micro-purchase threshold established in this policy. To the extent practicable, the GHURA or subrecipient should distribute micro-purchases equitably among qualified suppliers.

(ii) **Micro-purchase awards.** Micro-purchases may be awarded without soliciting competitive price or rate quotations if the GHURA or subrecipient considers the price reasonable based on research, experience, purchase history, or other information; and maintains documents to support its conclusion. Purchase cards may be used as a method of payment for micro-purchases.

(iii) **Micro-purchase thresholds.** The GHURA or subrecipient is responsible for determining and documenting an appropriate micro-purchase threshold based on internal controls, an evaluation of risk, and its documented procurement procedures. The GHURA establishes a micro-purchase threshold not to exceed \$10,000.00.

(2) **Simplified acquisitions** —

(i) **Simplified acquisition procedures.** The aggregate dollar amount of the procurement transaction is higher than the micro-purchase threshold but does not exceed the simplified acquisition threshold. If simplified acquisition procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources. Unless specified by HUD the GHURA or subrecipient may exercise judgment in determining what number is adequate.

(ii) **Simplified acquisition thresholds.** The GHURA or subrecipient is responsible for determining an appropriate simplified acquisition threshold based on internal controls, an evaluation of risk, and its documented procurement procedures, which may be lower than, but must not exceed, the threshold established in the Federal Acquisition Regulation (FAR). The GHURA establishes Simplified Acquisition Threshold (SAT) of \$250,000.00. The following limitations shall be applied on informal procurement methods for small purchases:

(iia) \$250,000.00 for construction services; and

(iib) \$100,000.00 for goods, supplies, equipment, and professional services.

(b) **Formal procurement methods.** Formal procurement methods are required when the value of the procurement transaction under a Federal award exceeds the simplified acquisition threshold of the GHURA or subrecipient. Formal procurement methods are competitive and require public notice. The following formal methods of procurement are used for procurement transactions above the simplified acquisition threshold determined by the GHURA or subrecipient in accordance with paragraph (a)(2)(ii) of this section:

(1) **Sealed bids.** This is a procurement method in which bids are publicly solicited through an invitation and a firm fixed-price contract (lump sum or unit price) is awarded to the responsible bidder whose bid conforms with all the material terms and conditions of the invitation and is the lowest in price. The sealed bids procurement method is preferred for procuring construction services.

(i) For sealed bidding to be feasible, the following conditions should be present:

(A) A complete, adequate, and realistic specification or purchase description is available;

(B) Two or more responsible bidders have been identified as willing and able to compete effectively for the business; and

(C) The procurement lends itself to a firm-fixed-price contract, and the selection of the successful bidder can be made principally based on price.

(ii) If sealed bids are used, the following requirements apply:

(A) Bids must be solicited from an adequate number of qualified sources, providing them with sufficient response time prior to the date set for opening the bids. Unless specified by the Federal agency, the GHURA or subrecipient may exercise judgment in determining what number is adequate. For local governments, the invitation for bids must be publicly advertised.

(B) The invitation for bids must define the items or services with specific information, including any required specifications, for the bidder to properly respond;

(C) All bids will be opened at the time and place prescribed in the invitation for bids. Bids must be opened publicly.

(D) A firm-fixed-price contract is awarded in writing to the lowest responsive bid and responsible bidder. When specified in the invitation for bids, factors such as discounts, transportation cost, and life-cycle costs must be considered in determining which bid is the lowest. Payment discounts must only be used to determine the low bid when the GHURA or subrecipient determines they are a valid factor based on prior experience.

(E) The GHURA or subrecipient must document and provide a justification for all bids it rejects.

(2) **Proposals.** This is a procurement method used when conditions are not appropriate for using sealed bids. This procurement method may result in either a fixed-price or cost-reimbursement contract. They are awarded in accordance with the following requirements:

(i) Requests for proposals require public notice, and all evaluation factors and their relative importance must be identified. Proposals must be solicited from multiple qualified entities. To the maximum extent practicable, any proposals submitted in response to the public notice must be considered;

(ii) The GHURA or subrecipient must have written procedures for conducting technical evaluations and making selections;

(iii) Contracts must be awarded to the responsible offeror whose proposal is most advantageous to the GHURA or subrecipient considering price and other factors; and

(iv) The GHURA or subrecipient may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby the offeror's qualifications are evaluated, and the most qualified offeror is selected, subject to negotiation of fair and reasonable compensation. The method, where the price is not used as a selection factor, can only be used to procure architectural/engineering (A/E) professional services. The method may not be used to purchase other services provided by A/E firms that are a potential source to perform the proposed effort.

(c) ***Noncompetitive procurement.*** There are specific circumstances in which the GHURA or subrecipient may use a noncompetitive procurement method. The noncompetitive procurement method may only be used if one of the following circumstances applies:

- (1) The aggregate amount of the procurement transaction does not exceed the micro-purchase threshold (*See* paragraph (a)(1)(iii) of this section);
- (2) The procurement transaction can only be fulfilled by a single source;
- (3) The public exigency or emergency for the requirement will not permit a delay resulting from providing public notice of a competitive solicitation;
- (4) The GHURA or subrecipient requests in writing to use a noncompetitive procurement method, and HUD provides written approval; or
- (5) After soliciting several sources, competition is determined inadequate.

Section 5 - Contracting with small businesses, minority businesses, women's business enterprises, veteran-owned businesses, and labor surplus area firms.

(a) When possible, the GHURA or subrecipient should ensure that small businesses, minority businesses, women's business enterprises, veteran-owned businesses, and labor surplus area firms (*See* U.S. Department of Labor's list) are considered as set forth below.

(b) Such consideration means:

- (1) These business types are included on solicitation lists;
- (2) These business types are solicited whenever they are deemed eligible as potential sources;
- (3) Dividing procurement transactions into separate procurements to permit maximum participation by these business types;
- (4) Establishing delivery schedules (for example, the percentage of an order to be delivered by a given date of each month) that encourage participation by these business types;
- (5) Utilizing organizations such as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
- (6) Requiring a contractor under a Federal award to apply this section to subcontracts.

Section 6 - Domestic preferences for procurements.

(a) The GHURA or subrecipient should, to the greatest extent practicable and consistent with law, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this section must be included in all subawards, contracts, and purchase orders under Federal awards.

(b) For purposes of this section:

(1) "Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.

(2) "Manufactured products" means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

Section 7 - Procurement of recovered materials.

(a) The GHURA or subrecipient that is a State agency or agency of a political subdivision of a State and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 as amended, 42 U.S.C. 6962. The requirements of Section 6002 include procuring only items designated in the guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000.00 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000.00; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

(b) The GHURA or subrecipient should, to the greatest extent practicable and consistent with law, purchase, acquire, or use products and services that can be reused, refurbished, or recycled; contain recycled content, are biobased, or are energy and water efficient; and are sustainable. This may include purchasing compostable items and other products and services that reduce the use of single-use plastic products. *See* Executive Order 14057, section 101, Policy.

Section 8 - Contract cost and price.

(a) The GHURA or subrecipient must perform a cost or price analysis for every procurement transaction, including contract modifications, in excess of the simplified acquisition threshold. The method and degree of analysis conducted depend on the facts surrounding the particular procurement transaction. For example, the GHURA or subrecipient should consider potential workforce impacts in their analysis if the procurement transaction will displace public sector employees. However, as a starting point, the GHURA or subrecipient must make independent estimates before receiving bids or proposals.

(b) Costs or prices based on estimated costs for contracts under the Federal award are allowable only to the extent that the costs incurred or cost estimates included in negotiated prices would be allowable for the GHURA or subrecipient under 2 CFR 200 subpart E. The GHURA or subrecipient may reference its own cost principles as long as they comply with 2 CFR 200 subpart E.

(c) The GHURA or subrecipient must not use the "cost plus a percentage of cost" and "percentage of construction costs" methods of contracting.

Section 9 - Federal agency or pass-through entity review.

(a) The Federal agency or pass-through entity may review the technical specifications of proposed procurements under the Federal award if the Federal agency or pass-through entity believes the review is needed to ensure that the item or service specified is the one being proposed for acquisition. The GHURA or subrecipient must submit the technical specifications of proposed procurements when requested by the Federal agency or pass-through entity. This review should take place prior to the time the specifications are incorporated into a solicitation document. When the GHURA or subrecipient desires to accomplish the review after a solicitation has been

developed, the Federal agency or pass-through entity may still review the specifications. In those cases, the review should be limited to the technical aspects of the proposed purchase.

(b) When requested, the GHURA or subrecipient must provide procurement documents (such as requests for proposals, invitations for bids, or independent cost estimates) to the Federal agency or pass-through entity for pre-procurement review. The Federal agency or pass-through entity may conduct a pre-procurement review when:

- (1) The GHURA's or subrecipient's procurement procedures or operation fails to comply with the procurement standards in 2 CFR § 200;
- (2) The procurement is expected to exceed the simplified acquisition threshold and is to be awarded without competition, or only one bid is expected to be received in response to a solicitation;
- (3) The procurement is expected to exceed the simplified acquisition threshold and specifies a "brand name" product;
- (4) The procurement is expected to exceed the simplified acquisition threshold, and a sealed bid procurement is to be awarded to an entity other than the apparent low bidder; or
- (5) A proposed contract modification changes the scope of a contract or increases the contract amount by more than the simplified acquisition threshold.

(c) The GHURA or subrecipient is exempt from the pre-procurement review in paragraph (b) of this section if the Federal agency or pass-through entity determines that its procurement systems comply with the standards of 2 CFR § 200.

(1) The GHURA or subrecipient may request that the Federal agency or pass-through entity review its procurement system to determine whether it meets these standards for its system to be certified. Generally, these reviews must occur where there is continuous high-dollar funding and third-party contracts are awarded regularly.

(2) The GHURA or subrecipient may self-certify its procurement system. However, self-certification does not limit the Federal agency's or pass-through entity's right to review the system. Under a self-certification procedure, the Federal agency or pass-through entity may rely on written assurances from the GHURA or subrecipient that it is complying with the standards of this part. The GHURA or subrecipient must cite specific policies, procedures, regulations, or standards as complying with these requirements and have its system available for review.

Section 10 - Bonding requirements.

(a) A bid guarantee from each bidder equivalent to five percent of the bid price. The bid guarantee must consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of the bid, execute any required contractual documents within the specified timeframe.

(b) A performance bond on the contractor's part for 100 % of the contract price. A performance bond is a bond executed in connection with a contract to secure the fulfillment of all the contractor's requirements under a contract.

(c) A payment bond on the contractor's part for 100 % of the contract price. A payment bond is a bond executed in connection with a contract to assure payment as required by the law of all persons supplying labor and material in the execution of the work provided for under a contract.

Section 11 - Contract provisions.

The GHURA's or subrecipient's contracts must contain the applicable provisions described in Appendix II to 2 CFR 200 – Contract Provisions for Non-Federal Entity Contracts under Federal Awards.

Section 12 - Severability.

(a) Any part of this policy made non-compliant or otherwise in conflict of Federal statutes, regulations, rules, or requirements since its enactment, by way changes in Federal statutes, regulations, rules, or requirements, Presidential Executive Orders, or the rescinding of Presidential Executive Orders are automatically severed.

(b) The CDBG-DR Grants Manager when made aware of a change in Federal statutes, regulations, rules, or requirements, Presidential Executive Orders, or the rescinding of Presidential Executive Orders requiring an update to this policy shall bring it before the GHURA Board of Commissioners within 60-days of the applicable changes.

IN A SCHEDULED BOARD MEETING, SINAJANA, GUAM – MARCH 25, 2025

PASSED BY THE FOLLOWING VOTES:

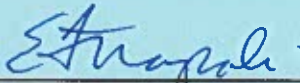
AYES: Nathanael Sanchez, Emilia Rice, Victor Torres, Karl Corpus

NAYES: NONE

ABSENT: John Rivera, Anisia Delia


ABSTAINED: NONE

I hereby certify that the foregoing is a full, true and correct copy of a Resolution duly adopted by the Guam Housing and Urban Renewal Board of Commissioners on March 25, 2025.



ELIZABETH F. NAPOLI

Board Secretary / Executive Director



(S E A L)