

# Policy and Procedures

**sgirc** | REGIONAL TRANSIT

**Section 002  
Procurement**

Revised 03.31.23

## **Section 002 - Procurement**

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Policy Name: **SGRC Transit Procurement Policy**

Effective Date: Revised 03/31/23

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## **1 INTRODUCTION**

### **1.1 Purpose**

This policy establishes guidelines and minimum standards that Southern Georgia Regional Commission (SGRC) Regional Public Transit System will use in the management of its third-party contracts. This manual is intended to ensure that SGRC Transit complies with Federal Transit Administration (FTA) and the Georgia Department of Transportation's standards to ensure full and open competition and equitable treatment of all potential sources for all purchases made with funding derived from the Federal, state, and local governments. In all purchasing activity, the goal of SGRC Transit is to ensure maximum open and free competition consistent with:

- FTA Circular 4220.1F "Third Party Contracting Guidance" or latest version thereof;
- 2 CFR § 200.317 – 200.326

### **1.2 Applicability**

This manual applies to all procurements undertaken and financed, in whole or in part, with FTA financial assistance provided to SGRC Transit to support open market procurements. An open market solicitation is used to purchase a good or service by soliciting from any available source. Most grantee procurement activity will be undertaken on the open market. Open market procurements exclude:

- Employment Contracts;
- Real Estate Contracts; and
- Intergovernmental Agreements.

The goal of this procurement policy is to provide an atmosphere in which all procurement transactions will be conducted in a manner providing full and open competition. SGRC Transit will avoid the following situations considered to be restrictive of competition:

- Application of unreasonable requirements placed on firms in order for them to qualify to do business;
- Imposition of geographic preference standards in the selection of vendors;
- Imposition of unnecessary experience and excessive bonding requirements;
- Use of noncompetitive pricing practices between firms or between affiliated companies;
- Employment of noncompetitive awards to any person or firm on retainer contracts;
- Failure to recognize organizational conflicts of interest, which means that because of other activities, relationships, or contracts, a contractor is unable, or potentially unable, to render

impartial assistance or advice to the grantee; a contractor's objectivity in performing the contract work is or might be otherwise impaired; or a contractor has an unfair competitive advantage;

- Use of "brand name" specifications without listing its salient characteristics and not allowing "an equal" product to be offered; and
- Any arbitrary action in the procurement process.

SGRC Transit will conduct procurements in a manner that does not give in-State or local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. This does not pre-empt Georgia licensing laws from being considered in those disciplines that are regulated by the State of Georgia. Geographic location may be a selection criterion in procurements for architectural and engineering (A&E) services if an appropriate number of qualified firms, given the nature and size of the project, are able to compete for the contract.

### **1.3 Third Party Contracting Capacity**

FTA regulations (2 CFR § 200.319(c) and FTA Circular 4220.1F, Chapter III, § 3a) requires SGRC Transit to have written procurement procedures. This policy is designed to meet FTA and GDOT's requirements in this regard.

### **1.4 Relationship to Other SGRC Policies**

The purpose of these purchasing policies and procedures are two-fold. First, the SGRC has established these policies and procedures to conform to the provisions of Federal procurement regulations that govern the SGRC's use of FTA and GDOT funds. Second, these policies and procedures assure that materials, supplies, services and equipment required for efficient and effective operation of the transit program are procured with regard to an analysis of price, quality, quantity, terms and delivery specifications. These policies and procedures pertain only to the SGRC's purchases made with FTA funds for the transit program; purchases with local funds and for purposes other than transit should follow the SGRC (agency-wide) Procurement Policy, and applicable Federal and Georgia laws.

These policies may not answer all questions related to purchasing; if any employee of SGRC Transit has a question regarding these procedures, GDOT should be contacted for clarification and guidance.

When SGRC Transit undertakes any purchase utilizing FTA funds, this policy shall supersede any existing purchasing policy promulgated by the SGRC. When any conflict exists between this policy and the existing policies of the SGRC, the procedures in this policy shall prevail. If any employee of SGRC Transit determines that a conflict exists between these policies and state and local law, SGRC Transit shall contact GDOT and communicate the conflict.

## **2 CODE OF EHTICS AND CONFLICT OF INTEREST POLICY**

### **2.1 Purpose**

Federal grant management rules (2 CFR § 200.318(c)(1)) require each recipient to maintain written standards of conduct governing the performance of its employees engaged in the award and administration of contracts. This policy must address:

- Personal conflicts of interest
- Gifts; and
- Violations.

### **2.2 Definition of Key Terms**

As used herein, the following definitions apply:

**Conflict of Interest** – A situation in which an employee, Chairman, officer, or agent has a private or personal interest sufficient to appear to influence the objective exercise of his or her official duties. A conflict of interest represents a divergence between a person covered by this policy and their private interests and their professional obligations to the SGRC Transit such that an independent observer might reasonably question whether the individual's professional actions or decisions are determined by considerations of personal gain, financial or otherwise.

**Financial Interest** – An officer, agent, Chairman, his or her partner, employee, or their immediate family, is considered as having a financial interest in a company if: they receive more than \$10,000 in consulting income, salaries, or equity in the company; they have more than 5 percent equity in the company; they have intellectual property rights in or receive royalties from the company; or they serve as a director, officer, partner, trustee, manager or employee of the company.

**Immediate Family** – Immediate family includes an employee's spouse, grandparent, parent, brother, sister, child or grandchild, his or her partner.

### **2.3 Applicability**

No employee, elected official, agent, or other individual under an employment contract with SGRC, or his or her immediate family member, partner, or organization that employs or is about to employ any of the foregoing may participate in the selection, award, or administration of a contract supported with FTA assistance if a conflict of interest, real or apparent, would be involved.

Such a conflict would arise when any of those previously listed individuals has a financial or other interest in the firm selected for award.

### **2.4 Gifts**

Any contractor, subcontractor, or supplier who has a contract with the SGRC; has performed under such a contract within the past year; or anticipates bidding on such a contract in the future shall be prohibited from making gifts or to providing favors to any individual defined in Section 2.2. who is charged with the duty of:

- Preparing plans, specifications, or estimates for public contract; or
- Awarding or administering public contracts; or
- Inspecting or supervising construction.

SGRC Transit also prohibits all covered individuals defined in Section 2.2. who perform the functions listed above from receiving or accepting any such gift or favor.

## **2.5 Employee Conflicts of Interest**

### **2.5.1 Conflicts of Interest**

It shall be a breach of ethical standards for any SGRC Transit employee to participate directly or indirectly in a procurement when the employee knows:

- The employee or any member of the employee's immediate family, Chairman, officer, agent, his or her partner, has a financial interest pertaining to the procurement;
- A business or organization in which the employee, or any member of the employee's immediate family, has a financial interest pertaining to the procurement; or
- Any other person, business or organization with whom the employee or any member of employee's immediate family is negotiating or has an arrangement concerning prospective employment is involved in the procurement.

### **2.5.2 Discovery of Actual or Potential Conflict of Interest (Disqualification and Waiver)**

Upon discovery of an actual or potential conflict of interest, an employee participating directly or indirectly in a procurement shall:

- Promptly file a written statement of disqualification with the Transportation Director; and
- Withdraw from further participation in the procurement.

The employee may, at the same time, request from the Transportation Director, an advisory opinion as to what further participation, if any, the employee may have in the procurement. It shall be at the sole discretion of the Transportation Director to determine if the employee may have any further participation in the procurement and, if so, the extent to which the employee may participate. Any employee who fails to comply with the provisions of this paragraph may be subject to disciplinary action.

### **2.5.3 Employee Disclosure Requirements**

A SGRC Transit employee, who has reason to believe that he/she or his/her immediate family have an interest that may be affected by his/her official acts or actions as a SGRC Transit employee or by the official acts or actions of SGRC Transit, shall disclose the precise nature and value of such interest in a written disclosure statement to the Transportation Director. The employee's disclosure statement will be reviewed by the Transportation Director and the Transportation Director will respond to the employee in writing with an opinion as to the propriety of said interest.

In the event that the Transportation Director has reason to believe that he/she or his/her immediate family has an interest that may be affected by his/her official acts or actions as a SGRC Transit employee or by the official acts or actions of SGRC Transit, he/she shall disclose the precise nature and value of such interest in a written disclosure statement to the Chairman of the SGRC Council.

### **2.5.4 Confidential Information**

A SGRC Transit employee may not directly or indirectly make use of, or permit others to make use of, for the purpose of furthering a private interest, confidential information acquired by virtue of their position or employment with SGRC Transit.

### 2.5.5 Solicitation Provision

SGRC Transit shall insert the following provisions in all formal competitive solicitation documents for products and services:

*These policies shall apply to SGRC Transit employees involved in procurement. It is a breach of ethical standards for any SGRC Transit employee to participate directly or indirectly in a procurement when the employee knows:*

- *The employee or any member of the employee's immediate family has a financial interest pertaining to the procurement;*
- *A business or organization in which the employee, or any member of the employee's immediate family, has a financial interest pertaining to the procurement; or*
- *Any other person, business or organization with whom the employee or any member of employee's immediate family is negotiating or has an arrangement concerning prospective employment is involved in the procurement.*

*In addition, any persons acting as members of an evaluation committee for any procurement shall, for the purposes of the procurement, be bound by conditions of this Section. Throughout the bid/proposal evaluation process and subsequent contract negotiations, offerors shall not discuss or seek specific information about this procurement, including but not limited to, the contents of submissions, the evaluation process or the contract negotiations, with members of any evaluation committee, the SGRC Council, or other SGRC employees other than the designated Transportation Director."*

### 2.6 Organizational Conflicts of Interest

The Transportation Director and technical personnel are encouraged to work closely with the SGRC attorney to review all situations that appear to have the potential for an organizational conflict of interest.

Organizational conflicts of interest may result in bias and potentially provide an unfair competitive advantage to a potential offeror. An organizational conflict of interest occurs due to the type of work to be performed under a third-party contract, or because of other activities or relationships such as:

- A contractor is unable, or potentially unable, to render impartial assistance or advice to the SGRC;
- A contractor's objectivity in performing contract work is or might otherwise be impaired; or
- A contractor has an unfair competitive advantage.

Bias arises when a contractor is placed in a situation where there may be an incentive to distort advice or decisions. Whenever a contract is awarded that involves the rendering of advice, the question must always be asked as to whether the potential for a conflict of interest exists for the contractor rendering the advice. SGRC Transit will utilize a "Conflict of Interest Disclosure Statement," in its solicitation when contracting for services of this nature.

### **3 SGRC Transit RESPONSIBILITIES UNDER FEDERAL LAW**

#### **3.1 Third Party Contracting Capacity**

SGRC Transit must maintain adequate technical capacity to carry out its FTA assisted projects and comply with Federal rules. SGRC Transit's third party contracting capability must be adequate to undertake its procurements effectively and efficiently in compliance with applicable Federal, state, and local requirements.

#### **3.2 Contract Administration System**

SGRC Transit must maintain a contract administration system to ensure that it and its third-party contractors comply with the terms, conditions, and specifications of their contracts or purchase orders and applicable Federal, state and local requirements.

##### **3.2.1 Written Procurement Procedures**

SGRC Transit must maintain and follow written procurement procedures that address:

- (a) Solicitations – Requirements for SGRC Transit solicitations are addressed in Section 5.
- (b) Necessity – Requirements related to SGRC Transit's need for products or services are addressed in Section 3.2.2.
- (c) Lease Versus Purchase – Requirements related to the use of lease or purchase alternatives to achieve an economical and practical procurement are addressed in Section 3.2.2
- (d) Metric Usage – Requirements related to the acceptance of products and services dimensioned in the metric system of measurement are addressed in Section 3.5.2.
- (e) Environmental and Energy Efficiency Preferences – Requirements related to preference for products and services that conserve natural resources, protect the environment, and are energy efficient are addressed in Sections 3.4.3 and 3.4.4.
- (f) Procurement Methods – Descriptions of the procurement methods that SGRC Transit may use are included in Section 5.
- (g) Legal Restrictions – Descriptions of Federal and state restrictions on SGRC Transit's acquisitions are included in Section 5.
- (h) Third Party Contract Provisions – Specific third-party contract provisions required for each third-party contract and flow down requirements to subcontracts are included in Section 3.1 through 3.7.
  - (1) Sources – Descriptions of the availability and use of various sources of products and services are addressed in Section 4.
  - (2) Resolution of Third-Party Contracting Issues – Procedures related to the resolution of third-party contracting issues are included in Section 6.8.

##### **3.2.2 Adequate Third-Party Contract Provisions**

SGRC Transit must include provisions in all of its third-party contracts that are adequate to form a sound and complete agreement.



### 3.2.3 Industry Contracts

SGRC Transit shall not use an industry developed contract or a contract that is provided by a bidder or offeror unless it has first evaluated the benefits of the contract. SGRC Transit shall ensure that such contracts include all required Federal provisions but do not include terms and conditions that may be unfavorable to SGRC Transit.

### 3.2.4 Revenue Contracts

SGRC Transit may enter into a revenue contract with a third party to generate revenues in connection with a transit related activity, or to create business opportunities utilizing an FTA funded asset. Any such said contract opportunity will follow a competitive selection procedures and principles outlined herein.

### 3.2.5 Record Keeping

SGRC Transit must prepare and maintain adequate and readily accessible project performance and financial records, covering procurement transactions as well as other aspects of project implementation. SGRC Transit must maintain these records for five (5) years after SGRC Transit and its subrecipients, if any, have made final payment and all other pending matters are closed. Specific record keeping requirements include:

- (a) Written Record of Procurement History – SGRC Transit must maintain and make available to GDOT and FTA written records detailing the history of each procurement. For all procurements above the micro-purchase level SGRC Transit must maintain records relating to:
  - (1) Procurement Method – SGRC Transit must provide its rationale for the method of procurement it used for each contract, including a sole source justification for any acquisition that does not qualify as competitive;
  - (2) Contract Type – SGRC Transit must state the reasons for selecting the contract type it used;
  - (3) Contractor Selection – SGRC Transit must state its reasons for contractor selection or rejection;
  - (4) Contractor Responsibility – SGRC Transit must provide a written determination of responsibility for the successful contractor;
  - (5) Cost or Price – SGRC Transit must evaluate and state its justification for the contract cost or price; and
  - (6) Reasonable Documentation – SGRC Transit must retain documentation commensurate with the size and complexity of the procurement.
  - (7) Vendor Verification – SGRC Transit must include verification of acceptance with a selected vendor/supplier/manufacturer through the Federal System of Award Management (SAM) for each project and associated project file.
- (b) Access to Records – SGRC Transit must provide FTA and GDOT officials, the Comptroller General, or any of their representatives, access to and the right to examine and inspect all records, documents, and papers, including contracts, related to any FTA project financed with Federal assistance.

(c) Use of Technology/Electronic Commerce – SGRC Transit may use an electronic commerce system to conduct third party procurements. If SGRC Transit uses an electronic commerce system, then the following requirements apply:

- (1) Sufficient System Capacity – SGRC Transit's system must have sufficient system capacity necessary to accommodate all Federal requirements for full and open competition.
- (2) Written Procedures – Before any solicitation takes place, SGRC Transit must establish adequate written procedures to ensure that all information FTA/GDOT requires for project administration is entered into the system and can be made readily available to GDOT as needed.

### **3.3 Determination of Needs**

SGRC Transit must maintain and follow adequate procedures for determining the types and amounts of products and services it needs to acquire. SGRC Transit shall comply with the following requirements when determining the types and amounts of products and services it needs to acquire:

### **3.4 Eligibility**

All products and services to be acquired with FTA funds must be eligible under the Federal law authorizing the FTA assistance award and any regulations thereunder. All products and services to be acquired with FTA funds must also be eligible for support within the scope of the underlying grant or cooperative agreement from which the FTA assistance to be used is derived.

### **3.5 Necessity**

SGRC Transit shall adhere to the following standards for avoiding the purchase of duplicative and/or unnecessary products and services it does not need.

#### **3.5.1 Unnecessary Reserves**

SGRC Transit shall limit the acquisition of Federally-assisted property and services to the amount it needs to support its operations.

#### **3.5.2 Acquisition for Assignment Purposes**

SGRC Transit shall contract only for its current and reasonably expected public transportation needs and shall not add quantities or options to third party contracts solely to permit assignment to another party at a later date. These limits on assignments, however, do not preclude joint procurements that are entered into simultaneously by two or more parties to obtain advantages unavailable for smaller procurements.

- (a) General Prohibition – SGRC Transit may contract only for its current and reasonably expected public transportation needs and may not add quantities or options to third party contracts solely to permit assignment to another party at a later date.
- (b) Changes in the Recipient's Needs – GDOT and FTA recognize that the quantity of property or services a recipient reasonably believes it may need at the time of contract award may change. SGRC Transit's later needs might decrease due to changed circumstances or honest mistakes. In those situations, SGRC Transit may assign its unneeded contract authority to another entity that would like to acquire the property or services.

- (c) Exceptions – These limits on assignments, however, do not preclude:
- (1) Joint Procurements – SGRC Transit and one or more other FTA recipients may enter into a single procurement at the same time to obtain advantages unavailable for smaller procurements.
  - (2) Participation in GDOT Sponsored Vehicle Procurements – SGRC Transit may enter into contracts developed by the State of Georgia to acquire vehicles.
- (d) Procurement Size – For every procurement, SGRC Transit shall consider whether to consolidate or break out the procurement to obtain the most economical purchase. Absent efforts to foster greater opportunities for Disadvantaged Business Enterprises (DBEs), small and minority firms and women’s business enterprises, SGRC Transit shall not split a larger procurement merely to gain the advantage of micro-purchase or small purchase procedures.
- (e) Options – SGRC Transit shall justify, as needed, all option quantities included in every solicitation and contract. An option is a unilateral right in a contract by which, for a specified time, SGRC Transit may acquire additional equipment, supplies, or services than originally procured. An option may also extend the term of the contract.
- (f) Lease Versus Purchase – SGRC Transit shall review lease versus purchase alternatives for acquiring property and shall prepare or obtain an analysis to determine the most economical alternative. If SGRC Transit chooses to lease an asset then it must prepare a written comparison of the cost of leasing the asset compared with the cost of purchasing or constructing the asset.
- (g) Specifications – SGRC Transit's procurement specifications shall clearly describe the products or services to be procured and shall state how the proposals will be evaluated. SGRC Transit's procurement specifications shall not be exclusionary, discriminatory, unreasonably restrictive or otherwise in violation of Federal or Georgia laws or regulations.

### **3.6 Contractor Responsibilities**

SGRC Transit, in awarding contracts, financed in whole or in part, with FTA financial assistance, shall follow guidance in this section to evaluate contractor capabilities to perform the contract.

In addition to the Federal rules (2 CFR § 200.318(h)) that require contract awards be made only to responsible contractors, Federal transit law at 49 U.S.C. § 5325(j) limits third party contractor awards to those contractors capable of successfully performing under the terms and conditions of the proposed contract. Before selecting a contractor for award, SGRC Transit must consider such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

#### **3.6.1 Debarment and Suspension**

Debarment and suspension regulations and guidance include the following provisions.

##### **3.6.1.1 DOT Debarment and Suspension Regulations**

U.S. Department of Transportation (DOT) regulations, “Nonprocurement Suspension and Debarment,” 2 CFR Part 1200 apply to each third party contract at any tier of \$25,000 or more, to each third party contract at any tier for a federally required audit (irrespective of the contract amount), and to each third party contract at any tier that must be approved by an FTA official irrespective of the contract amount (2 CFR § 1200). SGRC Transit shall apply DOT’s debarment and suspension requirements to itself and each third-party contractor at

every tier to the extent required by DOT's regulations that incorporate the requirements of Office of Management and Budget (OMB), "Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)" (2 CFR § 180.

### **3.6.1.2 System for Award Management**

The System for Award Management (SAM) combines Federal procurement systems and the Catalog of Federal Domestic Assistance into one new system. SAM includes the functionality from the following systems:

- Central Contractor Registry (CCR)
- Federal Agency Registration (Fedreg)
- Online Representations and Certifications Application
- Excluded Parties List System (EPLS)

At its discretion, SGRC Transit may collect a debarment and suspension certification from the prospective third party contractor or include a clause in the third party contract requiring disclosure. Additionally, it shall be the policy of SGRC Transit to verify that the prospective third party vendor is not listed as a debarred contractor on SAM.

### **3.6.2 Lobbying Certification and Disclosure**

If a third-party contract will exceed \$100,000, before awarding the contract, SGRC Transit will obtain a lobbying certification, and if applicable, a lobbying disclosure from a prospective third party contractor (see DOT regulations, "New Restrictions on Lobbying," 49 CFR Part 20, modified as necessary by 31 U.S.C. Section 1352).

### **3.6.3 Additional Requirements**

In addition to the requirements outlined above, there are various requirements that may apply to SGRC Transit's third-party contracts, depending upon the type of procurement and the anticipated dollar value of said contract. It is the responsibility of SGRC Transit to assess each procurement and determine the applicable FTA third party terms and conditions that should be included in the solicitation and contract documents. FTA Circular 4220.1F, Appendix D, has a matrix stipulating these conditions. These conditions may include:

- Federal Civil Rights Laws and Regulations
  - Federal Equal Employment Opportunity (EEO) Requirements
  - Nondiscrimination on the Basis of Sex
  - Nondiscrimination on the Basis of Age
  - Nondiscrimination in Federal Public Transportation Programs
  - Title VI of the Civil Rights Act
  - Environmental Justice
  - Limited English Proficiency (LEP)
  - Nondiscrimination on the Basis of Disability
- Socio-Economic Development Regulations
  - Disadvantaged Business Enterprises (DBE)
  - Small and Minority Firms and Women's Business Enterprises
  - Sensitive Security Information
  - Seat Belt Use
- Socio-Economic Requirements for the Acquisition of Property and Services
  - Labor Regulations
    - Wage and Hour Requirements

- Fair Labor Standards
- Environmental Protections
  - Environmental Mitigation
  - National Environmental Policy Act (NEPA)
    - Protections for Parks, Recreation Areas, Wildlife and Waterfowl Refuges, and Historic Sites
    - Clean Air
    - Clean Water
    - Recycled Products
    - Other Federal Environmental Protection Requirements
- Energy Conservation
- Preference for U.S. Property--Buy America
- Shipments of Property--U.S. Flag Requirements
  - Shipments by Ocean Vessel
  - Shipments by Air Carrier
  - Project Travel--Use of U.S. Flag Air Carriers
- Technical Restrictions on the Acquisition of Property and Services
  - Intelligent Transportation Systems (ITS)
  - Metric Measurements
  - Use of \$1 Coins
- Rolling Stock--Special Requirements
  - Accessibility
  - Transit Vehicle Manufacturer Compliance with DBE Requirements
  - Minimum Service Life
  - Spare Ratios
  - Air Pollution and Fuel Economy
  - Pre-award and Post Delivery Review
  - Bus Testing
  - In-State Dealers
  - Basis for Contract Award
  - Five-Year Limitation
- Public Transportation Services—Special Requirements
  - Protections for Public Transportation Employees
  - Drug and Alcohol Testing
  - Accessibility
  - Charter Service Restrictions
  - School Bus Restrictions
- Construction – Special Requirements
  - Bonding
  - Bid Guarantee
  - Performance Bond
  - Payment Bond
  - Anti-Kickback
  - Construction Safety
  - Labor Neutrality
  - Prevailing Wages

## **3.7 Bonding**

Some procurements may require SGRC Transit to require the vendor to submit a bid bond, performance bond, or payment bond (typically construction projects). When bonding is required, the following conditions will apply.

### **3.7.1 Thresholds**

For construction or facility improvement contracts or subcontracts exceeding the Simplified Acquisition Threshold, GDOT may accept the bonding policy and requirements of the SGRC provided that GDOT has made a determination that the Federal interest is adequately protected. If such a determination has not been made, the minimum requirements must be as follows:

#### **3.7.1.1 Bid Guarantee**

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 such contractual documents as may be required within the time specified.

#### **3.7.1.2 Performance Bond**

A performance bond on the part of the contractor for 100 percent of the contract price. A “performance bond” is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.

#### **3.7.1.3 Payment Bond**

A payment bond on the part of the contractor for 100 percent of the contract price. A “payment bond” is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

### **3.7.2 Acceptable Sureties**

Federal rules for non-governmental recipients requires the non-governmental recipient to obtain construction bonds from companies holding certificates of authority as acceptable sureties under Department of the Treasury regulations, “Surety Companies Doing Business with the United States,” (31 CFR Part 223). For a current list of approved sureties, see Department of the Treasury’s Listing of Approved Sureties (Department Circular 570). As FTA encourages governmental recipient to require similarly acceptable sureties, it shall be the policy of SGRC Transit to such accept sureties.

### **3.7.3 Reduced Bonding**

SGRC Transit recognizes that bonding costs can be expensive. SGRC Transit will accept a local bonding policy that conforms to the minimums described in Section 3.4.1. If bonding levels are sought at levels less than these amounts, SGRC Transit must obtain the prior approval of GDOT/FTA. GDOT/FTA shall approve such requests only if it determines that SGRC Transit's bonding policy adequately protects the Federal interest in the project.

### **3.7.4 Excessive Bonding**

SGRC Transit will adhere to FTA’s rules on excessive bonding requirements (FTA Circular 4220.1F, Chapter IV, § 2h(1)(f)). However, if SGRC Transit determines it has a material risk of loss because

of a failure of the prospective contractor, bonding requirements may exceed those outlined in Section 3.7.1 only with the prior approval of GDOT/FTA.

### **3.8 Preferences for U.S. Property – Buy America**

Any construction contract exceeding \$150,000 entered into by SGRC Transit with FTA assistance shall include provisions that require the third-party contractor to provide property produced or manufactured in the United States for use in the construction project that the recipient acquires, unless FTA has granted a waiver authorized by those regulations. FTA cautions that its Buy America regulations are complex and different from the Federal “Buy American Act” regulations in FAR Subparts 25.1 and 25.2.

Property that the contractor acquires to perform its construction activities for the recipient, such as tools, machinery, and other equipment or facilities, is not covered by FTA’s Buy America requirements unless the recipient intends to take possession of that property upon completion of the project. Thus, if a third-party contractor is acquiring property for its general inventory of equipment or facilities to conduct its overall business affairs, SGRC Transit may enter the cost of that acquisition into its calculations of overhead amounts applicable to the FTA assisted project irrespective of whether that property would comply with FTA’s Buy America regulations.

### **3.9 Accessibility**

Facilities to be used in public transportation service must comply with 42 U.S.C. Sections 12101 et seq. and DOT regulations, “Transportation Services for Individuals with Disabilities (ADA),” 49 CFR § 37; and Joint ATBCB/DOT regulations, “Americans with Disabilities (ADA) Accessibility Specifications for Transportation Vehicles,” 36 CFR § 1192 and 49 CFR § 38. Notably, DOT incorporated by reference the ATBCB’s “Americans with Disabilities Act Accessibility Guidelines” (ADAAG), revised July 2004, which include accessibility guidelines for buildings and facilities, and are incorporated into Appendix A to 49 CFR Part 37. DOT also added specific provisions to Appendix A modifying the ADAAG, with the result that buildings and facilities must comply with both the ADAAG and amendments thereto in Appendix A to 49 CFR Part 37.

## **4 Sources of Acquisitions**

### **4.1 Force Account**

Force account means use of SGRC Transit's own labor forces and equipment to undertake a project (typically construction, renovation, or repair). The use of force account labor is a project management function, rather than a procurement and contract administration function, except in the general sense of the SGRC's ability to perform work with its own forces rather than contracting with another entity to acquire the property or services it needs, and the cost implications of the recipient's decision. SGRC Transit does not charge force account labor to its FTA grants.

### **4.2 Joint Procurements**

SGRC Transit may participate in joint procurements whereby SGRC Transit and one or more other entities agree from the outset to use a single solicitation document and enter into a single contract with a vendor for delivery of products or services. The following requirements apply to SGRC Transit's participation in joint procurements:

- Solicitation documents may not be drafted for the purpose of accommodating the needs of other parties that may later want to participate in the benefits of the contract.
- SGRC Transit is responsible for ensuring that the joint procurement solicitation and contract complies with all Federal requirements and that the solicitation document and contract includes all required clauses and certifications.

### **4.3 State or Local Government Purchasing Schedules or Purchasing Contracts**

#### **4.3.1 Definition**

FTA uses the term "state or local government purchasing schedule" to mean an arrangement that a State or local government has established with several or many vendors in which those vendors agree to provide essentially an option to the State or local government, and its subordinate government entities, to acquire specific property or services in the future at established prices. These arrangements are somewhat similar to the General Services Administration's (GSA) Cooperative Purchasing Program available for Federal Government use.

#### **4.3.2 Applicability of Federal Provisions**

When obtaining property or services in this manner, SGRC Transit must ensure all Federal requirements, required clauses, and certifications (including Buy America) are properly followed and included, whether in the master intergovernmental contract or in the recipient's purchase document. While GDOT takes all precautions to ensure that such provision are in the original solicitation and contract documents, it is ultimately SGRC Transit's responsibility to ensure such documents and certifications are obtained.

If such requirements, clauses, and certifications were not included in the original purchase solicitation and contracts, SGRC Transit may request the vendor to append the required Federal clauses in the purchase order or other document that effects the SGRC Transit's procurement. When this method is used, SGRC Transit shall obtain Buy America certification before entering into the purchase order. This method cannot be used to circumvent FTA's Buy America requirements.



### 4.3.3 Federal Supply Schedules

Purchases by SGRC Transit from Federal Supply Schedules established by the U.S. General Services Administration (GSA) are limited to the purchase of information technology (IT) products and to products and services to facilitate recovery from a major disaster. The following requirements apply to SGRC Transit purchases from GSA schedules:

- SGRC Transit is authorized to use GSA schedules for purchases of products and services to facilitate recovery from a major disaster that is declared by the President of the United States. Upon declaration of a major disaster by the President, SGRC Transit may purchase products and services from GSA schedules both in advance and in the aftermath of the emergency event. SGRC Transit shall be responsible for ensuring that the products and services acquired will only be used for recovery.
- SGRC Transit must ensure that all Federal requirements, required clauses and certifications are properly followed and included, whether in the master intergovernmental contract or SGRC Transit's purchase document.
- SGRC Transit is required to evaluate the reasonableness of prices obtained from GSA schedules. GSA schedule pricing may not be used as a sole or single source for procurement. SGRC Transit may only use GSA schedule pricing as one of multiple pricing sources solicited in accordance with its requirements for small purchases described in Section 5.

### 4.3.4 Existing Contracts

SGRC Transit may use existing contract rights as an acquisition source. An "existing contract" means a contract that, when formed, was intended to be limited to the original parties thereto.

#### 4.3.4.1 Permissible Actions

Within the conditions set forth below, SGRC Transit may use existing contract rights held by another recipient of FTA assistance:

- (a) Exercise of Options – SGRC Transit may use contract options held by another recipient of FTA assistance with the following limitations:
- (1) Consistency with the Underlying Contract – SGRC Transit must ensure that the terms and conditions of the option it seeks to exercise are substantially similar to the terms and conditions of the option as stated in the original contract at the time it was awarded.
  - (2) Price – SGRC Transit may not exercise an option unless it has determined that the option price is better than prices available in the open market, or that when it intends to exercise the option, the option is more advantageous.
  - (3) Awards Treated as Sole Source Procurements – The following actions constitute sole source awards:
    - i. Failure to Evaluate Options Before Awarding the Underlying Contract – If a contract has one or more options and those options were not evaluated as part of the original contract award, exercising those options after contract award will result in a sole source award.
    - ii. Negotiating a Lower Option Price – Exercising an option after SGRC Transit has negotiated a lower or higher price will also result in a sole

source award unless that price can be reasonably determined from the terms of the original contract, or that price results from Federal actions that can be reliably measured.

- (b) Assignment of Contract Rights (“Piggybacking”) – If SGRC Transit finds that it has inadvertently acquired contract rights in excess of its needs, it may assign those contract rights to another GDOT subrecipient if the original contract contains an assignability provision that permits the assignment of all or a portion of the specified deliverables under the terms originally advertised, competed, evaluated, and awarded, or contains other appropriate assignment provisions. SGRC Transit may use contractual rights through assignment from another recipient of FTA assistance after first determining the contract price remains fair and reasonable, and the contract provisions are adequate for compliance with all Federal requirements. SGRC Transit need not perform a second price analysis if a price analysis was performed for the original contract; however, SGRC Transit must determine whether the contract price or prices originally established are still fair and reasonable before using those rights. SGRC Transit shall be responsible for ensuring the contractor’s compliance with FTA’s Buy America requirements and execution of all the required pre-award and post-delivery Buy America review certifications. Before proceeding with the assignment, however, SGRC Transit shall review the original contract to be sure that the quantities the assigning recipient acquired, coupled with the quantities that SGRC Transit seeks, do not exceed the amounts available under the assigning recipient’s contract.

#### **4.3.4.2 Impermissible Actions**

SGRC Transit may not use Federal assistance to finance:

- (a) Improper Contract Expansion – A contract has been improperly expanded when it includes a larger scope, greater quantities, or options beyond the recipient’s reasonably anticipated needs. A contract has also been improperly expanded when excess capacity has been added primarily to permit assignment of those contract rights to another entity.
- (b) Cardinal Changes – A significant change in contract work that causes a major deviation from the original purpose of the work or the intended method of achievement, or causes a revision of contract work so extensive, significant, or cumulative that, in effect, the contractor is required to perform very different work from that described in the original contract, is a cardinal change or “tag-on”. A change within the scope of the contract is not a cardinal change or “tag-on”.

#### **4.4 The Open Market**

SGRC Transit will acquire most of the property and services it needs through procurements in the open market using procedures described in Section 5 of this Manual.

## **5 Procedures for Open Market Procurements**

### **5.1 Solicitation of Competitive Price Quotes, Bids or Proposals**

Compliance with the solicitation procedures described in Section 5.4 below will fulfill FTA requirements for “full and open competition.”

### **5.2 Receipt and Evaluation of Unsolicited Proposals**

SGRC Transit may enter into contracts based on an unsolicited proposal when authorized by applicable State law or regulation. Receipt of an unsolicited proposal does not, by itself, justify contract award without providing for full and open competition. Unless the unsolicited proposal offers a proprietary concept that is essential to contract performance, SGRC Transit must seek competition. To satisfy the requirement for full and open competition, SGRC Transit must take the following actions before entering into a contract resulting from an unsolicited proposal:

- Publicize its receipt of the unsolicited proposal;
- Publicize an adequate description of the products or services offered without improperly disclosing proprietary information or disclosing the originality of thought or innovativeness of the products or services sought;
- Publicize its interest in acquiring the products or services described in the proposal;
- Provide an adequate opportunity for interested parties to comment or submit competing proposals; and
- Publicize its intention to award a contract based on the unsolicited proposal or another proposal submitted in response to the publication.

If it is impossible to describe the products or services offered without revealing proprietary information or disclosing the originality of thought or innovativeness of the products or services sought, SGRC Transit may make a sole source award to the offeror. A sole source award may not be based solely on the unique capability of the offeror to provide the specific products or services proposed.

### **5.3 Prequalification**

SGRC Transit may prequalify bidders, offerors, and products for procurement purposes; however, SGRC Transit is not required to do so. The decision of whether to require prequalification for eligibility to participate in procurement shall be made separately for every procurement and shall be approved by the Transportation Director.

If SGRC Transit opts to prequalify bidders, offerors, and products for procurement purposes, the following conditions apply:

- SGRC Transit must ensure that all prequalification lists it uses are current;
- SGRC Transit must ensure that all prequalification lists it uses include enough qualified sources to provide maximum full and open competition; and
- SGRC Transit must permit potential bidders or offerors to qualify during the solicitation period (from the issuance of the solicitation to its closing date). SGRC Transit is not required to hold a particular solicitation open to accommodate a potential supplier that submits products for

approval before or during that solicitation nor must SGRC Transit expedite or shorten prequalification evaluations of bidders, offerors, or products presented for review during the solicitation period.

## **5.4 Solicitation Requirements and Restrictions**

Every procurement solicitation that SGRC Transit issues above the micro-purchase level (currently established in Federal guidance at \$10,000), must include the following information and be advertised in a manner that ensures adequate and open competition.

### **5.4.1 Description of the Property or Services**

The solicitation and the contract awarded thereunder must include a clear and accurate description of SGRC Transit's technical requirements for the products or services to be acquired in a manner that provides for full and open competition.

#### **5.4.1.1 Descriptive Elements**

SGRC Transit will prepare descriptions of property, goods, or service in terms of functions to be performed or level of performance required, including the range of acceptable characteristics or minimum acceptable standards. Detailed product specifications should be avoided if at all possible; however, there is no prohibition against their use when appropriate.

#### **5.4.1.2 Quantities**

Additional quantities or options above SGRC Transit's needs at the time of acquisition may not be added to contracts solely to allow assignment of those quantities or options at a later date.

#### **5.4.1.3 Brand Name or Equal**

When it is impractical or uneconomical to provide a clear and accurate description of the technical requirements of the property to be acquired, a "brand name or equal" description may be used to define the performance or other salient characteristics of a specific type of property. The salient characteristics of the named brand that bidders or offerors must provide must be identified.

#### **5.4.1.4 Prohibited Practices**

Solicitations with requirements that contain features that unduly restrict competition may not be used. SGRC Transit shall not:

- Impose unreasonable business requirements for bidders or offerors.
- Impose unnecessary experience requirements for bidders and offerors.
- Use prequalification procedures that conflict with the prequalification standards described in Section 5.3.
- Make a noncompetitive award to any person or firm on a retainer contract with SGRC Transit if that award is not for the property or services specified for delivery under the retainer contract.
- Impose unreasonable restrictive bonding requirements on bidders and offerors in excess of FTA and state requirements.

- Specify only a “brand name” product without allowing offers of an “equal” product, or allowing an “equal” product without listing the salient characteristics that the “equal” product must meet to be acceptable for award.
- Specify in-state or local geographical preferences, or evaluating bids or proposals in light of in-state or local geographic preferences, even if those preferences are imposed by State or local laws or regulations. The only exception expressly mandated or encouraged by Federal law that may be applicable to SGRC Transit is the procurement of Architectural and Engineering (A&E) Services. Geographic location may be a selection criterion in the procurement of A&E services if an appropriate number of qualified firms are eligible to compete for the contract in view of the nature and size of the project.
- Engage in practices that result in organizational conflicts of interest. An organizational conflict of interest occurs when any of the following circumstances arise:
  - Lack of Impartiality or Impaired Objectivity – When the bidder or offeror is unable, or potentially unable, to provide impartial and objective assistance or advice to SGRC Transit due to other activities, relationships, contracts, or circumstances.
  - Unequal Access to Information – When the bidder or offeror has an unfair competitive advantage through obtaining access to nonpublic information during the performance of an earlier contract.
  - Biased Ground Rules – When during the conduct of an earlier procurement, the bidder or offeror has established the ground rules for a future procurement by developing specifications, evaluation factors, or similar documents.
- Support or acquiesce in noncompetitive pricing practices between firms or between affiliated companies.
- Take any arbitrary action in the procurement process.

#### **5.4.2 Evaluation Factors**

All solicitations issued by shall identify all factors to be used in evaluating bids or proposals. At the discretion of Transportation Director, the relative order of importance and/or weights may be communicated to prospective offerors.

#### **5.4.3 Permissible Contract Types**

SGRC Transit shall state the type of contract that will be awarded in all solicitation documents. The following types of contracts will typically be executed with the successful vendor:

##### **5.4.3.1 Firm Fixed Price**

A firm fixed price contract includes a price that remains fixed irrespective of the contractor’s cost experience in performing the contract. A firm fixed price contract may include an economic price adjustment provision, incentives, or both.

##### **5.4.3.2 Cost Reimbursement**

A cost-reimbursement contract provides for payment of the contractor’s allowable incurred costs, to the extent prescribed in the contract. Allowable costs may include incentives if the

recipient believes they can prove helpful. Cost-reimbursement contracts are suitable for use only when uncertainties involved in contract performance do not permit costs to be estimated with sufficient accuracy to use any type of fixed price contract.

#### **5.4.4 Prohibitive or Restricted Contract Types**

The following contract types are prohibited or restricted:

##### **5.4.4.1 Cost Plus Percentage of Cost**

Cost plus Percentage of Cost type contracts are prohibited.

##### **5.4.4.2 Time and Materials**

Time and Materials type contracts may be used only after a written determination is made that no other contract type is suitable. In addition, the contract between SGRC Transit and the Contractor must specify a ceiling price that the Contractor may not exceed except at its own risk.

#### **5.4.5 Other Federal Requirements Affecting the Property or Services to be Acquired**

The solicitation and resulting contract must identify those Federal requirements that will affect contract scope and performance.

#### **5.4.6 Other Federal Requirements Affecting the Bidder or Offeror or the Contractor**

The solicitation and resulting contract must identify all Federal requirements that a bidder or offeror must fulfill before and during contract performance.

#### **5.4.7 Reservation of Right to Award to Other Than the Low Bidder or Offeror**

The solicitation must specifically reserve SGRC Transit right to award a contract to other than the low bidder or offeror. If the solicitation documents do not specify this right, SGRC Transit will be obligated to award the contract to the low bidder.

#### **5.4.8 Reservation of Right to Reject All Bids or Offers**

The solicitation must specifically reserve SGRC Transit's right to reject all bids or offers.

### **5.5 Methods of Procurement**

SGRC Transit shall use competitive procedure(s) appropriate for the acquisition undertaken. The procedures used must comply with Georgia and local law as well as with Federal requirements. Federal restrictions vary with the type of procurement method used. The following guidance is based on the requirements of 2 CFR § 200.318 – 200.326, supplemented by FTA policies that address the needs of FTA recipients.

SGRC Transit employees shall reference the SGRC (agency-wide) Procurement Policy for the correct forms to use to initiate purchases.

## **5.5.1 Micro-Purchases**

### **5.5.1.1 Definition**

Micro-purchases are those purchases of products and services that cost \$10,000 or less, as defined by 2 CFR §200.67 (or current threshold established by Federal Acquisition Regulations (FAR)); for purposes of this policy, SGRC Transit will use this \$10,000 threshold for relatively simple purchases as a means to expedite the completion of its lowest-dollar small purchase transactions and minimize the associated administrative burden and cost.

### **5.5.1.2 Approval Authority**

Micro-purchases must be approved in writing by one of the following SGRC Transit employees:

- Purchases of less than or equal to \$250.00 may be processed with the approval and signature of only the Transportation Director.
- All other purchases more than \$250.00 require the approval and signature of both the Transportation Director and Executive Director.
- Micro-purchases involving travel expenditures (meeting registration, airfare, lodging, per diem, parking, etc.) are required to use the procurement approval methods included in the SGRC (agency-wide) Procurement Policy and SGRC Travel Policy, that require Executive Director approval, regardless of cost.

### **5.5.1.3 Competition**

SGRC Transit may acquire products and services valued at less than \$10,000 without obtaining competitive quotations. Micro-purchases should be distributed equitably among qualified suppliers.

Micro purchases are exempt from FTA's Buy America requirements. Davis-Bacon prevailing wage requirements, however, will apply to construction contracts exceeding \$2,000, even though the recipient uses micro-purchase procurement procedures.

### **5.5.1.4 Prohibited Divisions**

The size or dollar value of procurements may not be divided or reduced merely to come within the micro purchase limit. The only allowable exception to this restriction is for the express purpose of fostering greater participation of DBEs, small and minority firms and women's business enterprises in SGRC Transit's Federally-assisted procurements.

### **5.5.1.5 Documentation**

Every micro-purchase must be accompanied by a written determination that the price is fair and reasonable and a description of how that determination was made.

## **5.5.2 Small Purchases**

### **5.5.2.1 Definition**

FTA defines small purchases are those purchases of products and services, including construction services, that cost greater than \$10,000 but not more than \$250,000. For

purposes of this policy, SGRC Transit will consider small purchases those that cost greater than \$10,000 but not more than \$250,000.

#### **5.5.2.2 Approval Authority**

Small purchases must be approved in writing by one of the following SGRC Transit employees:

- Transportation Director and Executive Director

#### **5.5.2.3 Required Competition**

Price or rate quotations must be obtained from an adequate number of qualified sources. It is the responsibility of SGRC Transit to ensure that an adequate number of quotations, bids, or proposals are received.

#### **5.5.2.4 Prohibited Divisions**

The size or dollar value of procurements may not be divided or reduced merely to come within the small purchase limit. The only allowable exception to this restriction is for the express purpose of fostering greater participation of DBEs, small and minority firms and women's business enterprises in SGRC Transit's Federally-assisted procurements.

#### **5.5.2.5 Documentation**

Every small purchase must be documented in the grantee's written procurement history file. The level of documentation is stipulated in Section 6.6.1.

For small purchases, price quotations may be oral or written

#### **5.5.2.6 Special Considerations**

SGRC Transit may acquire products and services directly from State contract vendors in lieu of competitively procuring such products and services itself through the small purchase method of procurement.

SGRC Transit reserves the right to use formal purchase methods, even if small purchase thresholds are met, if the Transportation Director believes it is in the best interests of the SGRC Transit to do so.

### **5.5.3 Formal Purchases**

#### **5.5.3.1 Definition**

Formal purchases are those purchases of products and services that cost greater than the current Federal threshold of \$250,000. For purposes of this policy, SGRC Transit will use formal procedures for all purchases over \$250,000.

#### **5.5.3.2 Approval Authority**

Large purchases must be approved in writing by the following SGRC Transit employees or officials:

- Transportation Director and Executive Director



No further delegation of approval authority for large purchases may be made.

### **5.5.3.3 Procurement Methods**

There are two primary methods of procurement for large purchases of products and services:

- Sealed Bid method; and
- Competitive Proposal method.

### **5.5.3.4 Required Competition**

Formal bids and competitive proposals must be publicly advertised.

For formal purchases by the sealed bid method of procurement, two or more responsible bidders must be willing and able to compete effectively for the business.

For formal purchases by the competitive proposal method of procurement, two or more offerors must be willing and able to submit an offer or proposal.

### **5.5.3.5 Required Documentation**

Every formal purchase must, at a minimum, be supported by a written independent cost estimate, formal bids or proposals, a written cost or price analysis as appropriate, a written justification and detailed rationale for contractor selection (including application of evaluation criteria) and a written determination of the responsibility of the contractor. Additional documentation requirements are dependent upon the formal procurement method that is utilized to make the purchase.

### **5.5.3.6 Special Considerations**

SGRC Transit may acquire products and services via state contract in lieu of competitively procuring such products and services itself through the sealed bid and competitive proposal methods of procurement.

### **5.5.3.7 Procedural Methods for Sealed Bids**

The sealed bid method of procurement is a formal method in which bids are publicly solicited and a firm fixed price contract is awarded to the responsible bidder whose bid, conforming to all the material terms and conditions of the Invitation for Bids (IFB), is lowest in price. The vehicle through which bids are solicited is an IFB. The IFB document contains technical specifications for the product or service to be purchased, a description of the procedures for submitting a bid, and the forms on which bids must be submitted.

(a) When Appropriate – The sealed bid method of procurement is the preferred method for acquiring products and services that, including construction services, cost greater than \$250,000. The sealed bid method of procurement may also be used for small purchases if it is determined to be appropriate. The sealed bid method of procurement is appropriate if the following conditions apply:

- (1) Precise Specifications – A complete, adequate, precise, and realistic specification or purchase description is available.
- (2) Adequate Sources – Two or more responsible bidders are willing and able to compete effectively for the business.

- (3) Fixed Price Contract – The procurement generally lends itself to a firm fixed price contract.
  - (4) Price Determinative – The successful bidder can be selected on the basis of price and those price-related factors listed in the solicitation including, but not limited to, transportation costs, life cycle costs, and discounts expected to be taken. Apart from responsibility determinations, contractor selection may not be determined on the basis of other factors whose costs cannot be measured at the time of award.
  - (5) Discussions Unnecessary – Discussions with one or more bidders after bids have been submitted are expected to be unnecessary as award of the contract will be made based on price and price-related factors alone.
- (b) Requirements for Sealed Bids – The following requirements apply to the sealed bid method of procurement:
- (1) Publicity – The Invitation for Bids must be publicly advertised.
    - i. The Transportation Director shall ensure that sufficient time is allowed to prepare bids before the date of bid opening.
    - ii. Notice of bidding opportunities may be provided in other ways in addition, but not as a substitute, to a published notice. The methods may include, but not necessarily be limited to:
      - a. Direct notice, based on compiled vendor lists or from pre-qualification list, sent to prospective offerors; or
      - b. Use of advertisement by electronic means.
  - (2) Adequate Sources – Bids must be solicited from an adequate number of known suppliers.
  - (3) Adequate Specifications – The Invitation for Bids, including any specifications and pertinent attachments, must describe the property or services sought in sufficient detail that a prospective bidder will be able to submit a proper bid.
  - (4) Sufficient Time – Bidders must be allowed sufficient time to prepare bids before the date of bid opening.
  - (5) Public Opening – All bids must be publicly opened at the time and place prescribed in the Invitation for Bids.
  - (6) Fixed Price Contract – A firm fixed price contract must be awarded in writing to the lowest responsive and responsible bidder unless the Invitation for Bids specifically allowed for award of a fixed price incentive contract or the inclusion of an economic price adjustment provision.
  - (7) Rejection of Bids – Any or all bids may be rejected if there is a sound, documented business reason.

### 5.5.3.8 Competitive Proposals

The competitive proposal method of procurement is a formal method in which written proposals are publicly solicited and a contract is awarded to the responsible offeror whose proposal, taking into consideration price and other factors, is considered to be the most advantageous to SGRC Transit or that is considered to be the “best value” to SGRC Transit. The vehicle through which proposals are solicited is Request for Proposals (RFP). The RFP document contains technical specifications for the product or service to be purchased, a description of the procedures for submitting a proposal and the forms on which proposals must be submitted, if applicable.

(a) When Appropriate – The competitive proposal method of procurement is appropriate for the acquisition of products and services that cost greater than \$250,000 when the nature of the procurement does not lend itself to sealed bidding and SGRC Transit expects that more than one source will be willing and able to submit a proposal. The competitive proposal method of procurement may also be used for small purchases if it is determined to be appropriate. The competitive proposal method of procurement may not be used for the procurement of construction services. The competitive proposal method of procurement is appropriate when any of the following circumstances are present:

- (1) Type of Specifications – The products or services to be acquired are described in a performance or functional specification, or if described in detailed technical specifications, other circumstances such as the need for discussions or the importance of basing contract award on factors other than price alone are present.
- (2) Uncertain Number of Sources – Uncertainty about whether more than one bid will be submitted in response to an Invitation for Bids.
- (3) Price Alone Not Determinative – Due to the nature of the procurement, contract award need not be based exclusively on price or price-related factors.
- (4) Discussions Expected – Separate discussions with individual offerors are expected to be necessary after they have submitted their proposals.

(b) Requirements for Competitive Proposals – The following requirements apply to the competitive proposal method of procurement:

- (1) Publicity – The Request for Proposals must be publicly advertised.
- (2) Evaluation Factors – All evaluation factors and their relative importance must be specified in the solicitation, but numerical or percentage ratings or weights need not be disclosed.
- (3) Adequate Sources – Proposals must be solicited from an adequate number of qualified sources.
- (4) Evaluation Method – A specific method must be established and used to conduct technical evaluations of the proposals received and to determine the most qualified offeror.
- (5) Price and Other Factors – An award must be made to the responsible offeror whose proposal is most advantageous to SGRC Transit or that represents the “best value” to SGRC Transit with price and other factors considered.

- (6) Best Value – SGRC Transit may award a contract to the offeror whose proposal provides the greatest value to SGRC Transit. To do so, the solicitation must inform potential offerors that the award will be made on a “best value” basis and identify what factors will form the basis for award. SGRC Transit must base its determination of which proposal represents the “best value” on an analysis of the tradeoff of qualitative technical factors and price or cost factors.

### 5.5.3.9 Two-Stop Procurements

SGRC Transit may use two-step procurement procedures in both sealed bid and competitive proposal procurements, provided the opportunity for full and open competition is retained.

- (a) Review of Technical Qualifications and Approach – The first step is a review of the prospective contractors’ technical approach to SGRC Transit’s request and their technical qualifications to carry out that approach followed by the establishment of a competitive range consisting of prospective contractors that demonstrate a technically satisfactory approach and have satisfactory qualifications.
- (b) Review of Bids and Proposals Submitted by Qualified Prospective Contractors – The second step consists of soliciting and reviewing complete bids or proposals, including price, submitted by each prospective contractor determined to be qualified. Absent exceptional circumstances, bids or proposals must be solicited from at least three qualified prospective contractors.

### 5.5.3.10 Architectural and Engineering (A&E) Service and Other Services

FTA’s enabling legislation at 49 U.S.C. § 5325(b)(1) requires the use of the qualifications-based procurement procedures contained in the “Brooks Act,” 40 U.S.C. § 1101 through 1104, to acquire A&E services.

- (a) Qualifications-Based Procurement Procedures Required – SGRC Transit must use qualifications-based procurement procedures to acquire architectural and engineering (A&E) services as well as certain other services that are directly in support of, directly connected to, directly related to, or lead to construction, alteration, or repair of real property. In addition to A&E services, other services that must be procured by qualifications-based procurement procedures include:
- Program management;
  - Construction management;
  - Feasibility studies;
  - Preliminary engineering;
  - Design, architectural, engineering;
  - Surveying, mapping; and
  - Other related services.

The nature of the work to be performed and its relationship to construction, not the nature of the prospective contractor, determine whether qualifications-based procurement procedures may be used.

- (b) Qualifications-Based Procurement Procedures Prohibited – Unless FTA determines otherwise in writing, qualifications-based procurement procedures may not be used to acquire other types of services if those services are not directly in support of, directly connected to, directly related to, or do not lead to construction, alteration, or repair of real property. Qualifications-based procurement procedures may not be used for actual construction, alteration or repair to real property.

(c) Qualifications-Based Procurement Procedures – The following procedures apply to qualifications-based procurements:

- (1) Qualifications – Unlike other two-step procurement procedures in which price is an evaluation factor, an offeror's qualifications are evaluated to determine contract award.
- (2) Price – Price is excluded as an evaluation factor.
- (3) Most Qualified – Price negotiations are first conducted with only the most qualified offeror.
- (4) Next Most Qualified - Only after failing to agree on a fair and reasonable price may negotiations be conducted with the next most qualified offeror. Then, if necessary, negotiations with successive offerors in descending order may be conducted until contract award can be made to the offeror whose price the recipient believes is fair and reasonable.

## 5.6 Procurement by Other Than Full and Open Competition

Normally, SGRC Transit must provide for full and open competition when soliciting bids or proposals. Federal regulations at 2 CFR § 200.320(f)(1) – (4), however, acknowledges that under certain circumstances, a recipient may conduct procurements without providing for full and open competition.

### 5.6.1 When Appropriate

Noncompetitive procurement procedures may only be used when the procurement is inappropriate for small purchase procedures, sealed bids, or competitive proposals, and at least one of the following circumstances are present:

#### 5.6.1.1 Competition Adequacy

After soliciting several sources and receiving an inadequate response, SGRC Transit shall review its specifications to determine if they are unduly restrictive or if changes can be made to encourage submission of more price quotes, bids or proposals. If SGRC Transit determines that the specifications are not unduly restrictive and changes cannot be made to encourage greater competition, SGRC Transit may determine the original competition adequate and complete the purchase from among the sources that submitted a price quote, bid or proposal. A cost analysis must be performed in lieu of a price analysis when this situation occurs.

#### 5.6.1.2 Sole Source

When SGRC Transit requires products or services available from only one responsible source, and no other products or services will satisfy its requirements, SGRC Transit may make a sole source award. In addition, when SGRC Transit requires an existing contractor to make a change to its contract that is beyond the scope of that contract, SGRC Transit will consider the change a sole source award that must be justified. Sole source awards are only appropriate when one of the following conditions apply:

- (a) Unique Capability or Availability – The products or services are available from only one source if one of the conditions described below is present:

- (1) Unique or Innovative Concept – The offeror demonstrates a unique or innovative concept or capability not available from another source. Unique or innovative concept means a new, novel, or changed concept, approach, or method that is the product of original thinking, the details of which are kept confidential or are patented or copyrighted, and is available to SGRC Transit only from one source and has not in the past been available to SGRC Transit from another source.
  - (2) Patents or Restricted Data Rights – Patent or data rights restrictions preclude competition.
  - (3) Substantial Duplication Costs – In the case of a follow-on contract for the continued development or production of highly specialized equipment and major components thereof, when it is likely that award to another contractor would result in substantial duplication of costs that are not expected to be recovered through competition.
  - (4) Unacceptable Delay – In the case of a follow-on contract for the continued development or production of a highly specialized equipment and major components thereof, when it is likely that award to another contractor would result in unacceptable delays in fulfilling SGRC Transit's needs.
- (b) Single Bid or Proposal – Upon receiving a single bid or proposal in response to a solicitation, SGRC Transit should determine if competition was adequate. This should include a review of the specifications for undue restrictiveness and might include a survey of potential sources that chose not to submit a bid or proposal.
- (1) Adequate Competition – Competition is adequate when the reasons for a single response were caused by conditions beyond SGRC Transit's control.
  - (2) Inadequate Competition – Competition is inadequate when the reasons for a single response were caused by conditions within SGRC Transit's control.
- (c) Unusual and Compelling Urgency – SGRC Transit may limit the number of sources from which it solicits bids or proposals when SGRC Transit has such an unusual and urgent need for the products or services that SGRC Transit would be seriously injured unless it were permitted to limit the solicitation. SGRC Transit may also limit the solicitation when the public exigency or emergency will not permit a delay resulting from competitive solicitation for the products or services.
- (d) Authorized by GDOT – SGRC Transit may request permission from GDOT to allow it to use noncompetitive proposals for a particular procurement.
- (e) When Prohibited – Less than full and open competition is not justified based on:
- (1) Failure to Plan – SGRC Transit's lack of advance planning, resulting in limited competition, is not justification for a sole source or single bid award.
  - (2) Limited Availability of Federal Assistance – Concerns about the amount of Federal assistance available to support the procurement;
- (f) Procurement Procedures – The following requirements apply when SGRC Transit completes a procurement utilizing less than full and open competition:
- (1) Potential Sources – SGRC Transit must solicit offers from as many potential sources as is practicable under the circumstances.

- (2) Sole Source Justification – SGRC Transit must justify all sole source procurements in writing. Sole source procurement justifications must describe the reasons for why a sole source procurement is appropriate, state which of the authorized justifications listed in Section 5.6.1.2 are applicable, include a cost analysis and be signed by the Transportation Director. If SGRC Transit decides to solicit an offer from only one source, SGRC Transit must justify its decision in writing. The written justification must include the same elements as a sole source justification except that it must state which of the authorized justifications listed in Section 5.6.1.2 are applicable to the sole source purchase.
- (3) Cost Analysis – SGRC Transit must prepare or obtain a cost analysis verifying the proposed cost data, the projections of the data, and the evaluation of the costs and profits. A price analysis shall not be adequate to justify a sole source purchase.
- (g) Exception for Procurement Activities Using Non-FTA Funds – When it is determined by the Transportation Director to be in the best interest of SGRC Transit, noncompetitive procurement procedures may be utilized to acquire professional or other transportation-related services that do not involve the use of FTA financial assistance. Any such determination must be made in writing and signed by the Transportation Director.

## 5.7 Evaluation Requirements

The following standards shall apply to all evaluations of bids or proposals conducted by SGRC Transit.

### 5.7.1 General

When evaluating bids or proposals received in response to a solicitation, SGRC Transit shall consider all evaluation factors specified in the solicitation documents and shall evaluate the bids or offers proposals only on the evaluation factors included in those solicitation documents. SGRC Transit may not modify its evaluation factors after bids or proposals have been received without re-opening the solicitation.

### 5.7.2 Options

The following standards shall apply when awarding contracts that include options:

#### 5.7.2.1 Evaluation Required

In general, SGRC Transit must evaluate bids or offers for any option quantities or periods contained in a solicitation if it intends to exercise those options after the contract is awarded.

#### 5.7.2.2 Evaluation Not-Required

SGRC Transit need not evaluate bids or offers for any option quantities when SGRC Transit does not intend to exercise those options after the contract is awarded or if it determines that evaluation would not otherwise be in its best interests.

#### 5.7.2.3 Evaluators

In addition to evaluators with experience in technical or public policy matters related to the procurement, other evaluators may also include auditors and financial experts to the extent that the Transportation Director determines would be necessary or helpful. If SGRC Transit

lacks qualified personnel within its organization, it may solicit evaluators from other transit organizations or may contract for evaluation services. If it does so, the procurement procedures in this policy will apply to those contracts and to those contractors selected to perform evaluation functions on behalf of the recipient.

## 5.8 Contract Award Requirements

The following standards shall apply to all contract award decisions made by SGRC Transit:

- In agreement with the SGRC (agency-wide) Procurement Policy, any purchase or disposition of a single piece of property where the value exceeds \$1,000 must be approved by the Executive Director or his/her designee. In addition, any purchase or disposition of a single piece of property where the value exceeds \$25,000 must be approved by the Executive Committee of the SGRC Council. This pertains to both real and personal property.

### 5.8.1 Award to Other Than the Lowest Bidder or Offeror

SGRC Transit may award a contract to other than the lowest bidder if the award furthers an objective consistent with the purposes of 49 U.S.C. Chapter 53, including improved long-term operating efficiency and lower long-term costs. SGRC Transit may also award a contract to other than the offeror whose price proposal is lowest, when stated in the evaluation factors of the solicitation. In both cases, SGRC Transit must include a statement in its solicitation document reserving the right to award the contract to other than the low bidder or offeror.

#### 5.8.1.1 Award Only to a Responsible Bidder or Offeror

SGRC Transit may only award contracts to responsible contractors possessing the ability, willingness, and integrity to perform successfully under the terms and conditions of the contract and who demonstrate that its proposed subcontractors also qualify as responsible. SGRC Transit must consider such matters as contractor integrity, compliance with public policy, record of past performance and financial and technical resources when making a determination of contractor responsibility. SGRC Transit must also ensure that the contractor is not listed as a debarred or suspended contractor on the System for Award Management (SAM), which is maintained by the General Services Administration (GSA), at the time of contract award. Entities that are listed as debarred or suspended contractors on SAM may not be determined to be responsible contractors by SGRC Transit. For every procurement action above the micro-purchase level, SGRC Transit must make a written determination of the responsibility of the contractor and include such determination in the applicable contract file (See Section 3.6).

To designate a prospective contractor “responsible” as required by 49 U.S.C. § 5325, SGRC Transit, at a minimum, must determine and ensure that the prospective contractor satisfies the following criteria described herein. In addition to being otherwise qualified and eligible to receive the contract award under applicable laws and regulations, a responsible contractor:

- (a) Integrity and Ethics – Has a satisfactory record of integrity and business ethics, in compliance with 49 U.S.C. Section 5325(j)(2)(A).
- (b) Debarment and Suspension – Is neither debarred nor suspended from Federal programs under DOT regulations, “Nonprocurement Suspension and Debarment,” 2 CFR Parts 180 and 1200, or under the FAR at 48 CFR Chapter 1, Part 9.4.
- (c) Affirmative Action and DBE – Is in compliance with the Common Grant Rules’ affirmative action and FTA’s Disadvantaged Business Enterprise requirements.



- (d) Public Policy – Is in compliance with the public policies of the Federal Government, as required by 49 U.S.C. § Section 5325(j)(2)(B).
- (e) Administrative and Technical Capacity – Has the necessary organization, experience, accounting, and operational controls, and technical skills, or the ability to obtain them, in compliance with 49 U.S.C. Section 5325(j)(2)(D).
- (f) Licensing and Taxes – Is in compliance with applicable licensing and tax laws and regulations.
- (g) Financial Resources – Has, or can obtain, sufficient financial resources to perform the contract, as required by 49 U.S.C. Section 5325(j)(2)(D).
- (h) Production Capability – Has, or can obtain, the necessary production, construction, and technical equipment and facilities.
- (i) Timeliness – Is able to comply with the required delivery or performance schedule, taking into consideration all existing commercial and governmental business commitments.
- (j) Performance Record – Is able to provide a:
  - (1) Current Performance – Satisfactory current performance record; and
  - (2) Past Performance – Satisfactory past performance record in view of its records of long-time performance or performance with a predecessor entity, including:
    - i. Sufficient Resources. Key personnel with adequate experience, a parent firm with adequate resources and experience, and key subcontractors with adequate experience and past performance,
    - ii. Adequate Past Experience. Past experience in carrying out similar work with particular attention to management approach, staffing, timeliness, technical success, budgetary controls, and other specialized considerations as described in the recipient’s solicitation, and
    - iii. Any Past Deficiencies Not the Fault of the Bidder or Offeror. A prospective bidder or offeror that is or recently has been seriously deficient in contract performance is presumed to be non-responsible, unless the recipient determines that the circumstances were properly beyond the bidder or offeror’s control, or unless the bidder or offeror has taken appropriate corrective action. Past failure to apply sufficient tenacity, perseverance, and effort to perform acceptably is strong evidence of non-responsibility. Failure to meet the quality requirements of a contract is a significant factor to consider in determining satisfactory performance. GDOT expects SGRC Transit to consider the number of the bidder or offeror’s contracts involved and the extent of deficient performance in each contract when making this determination.

### **5.8.1.2 Rejection of Bids and Proposals**

SGRC Transit may reject all bids or proposals submitted in response to an Invitation for Bids or Request for Proposals. SGRC Transit must include a statement in its solicitation document reserving the right to reject all bids or proposals.

- (a) Extent and Limits of Contract Award – The selection of a contractor to participate in one aspect of a project does not, by itself, constitute a sole source selection of the contractor’s wholly owned affiliates to perform other work in connection with the project.

## **5.9 Independent Cost Estimate and Cost and Price Analysis**

### **5.9.1 Independent Cost Estimate**

For every procurement, SGRC Transit shall make a written independent estimate of cost prior to receiving price quotes, bids or proposals.

### **5.9.2 Cost or Price Analysis**

SGRC Transit shall perform a cost or price analysis in connection with every procurement over \$250,000 and for all contract modifications.

#### **5.9.2.1 Price Analysis**

If SGRC Transit determines that competition was adequate, a written price analysis, rather than a cost analysis, is required to determine the reasonableness of the proposed contract price.

#### **5.9.2.2 Cost Analysis**

SGRC Transit must perform or obtain a cost analysis when:

- (a) A price analysis will not provide sufficient information to determine the reasonableness of the contract cost.
- (b) When the offeror submits elements of the estimated cost.
- (c) When only a sole source is available, even if the procurement is a contract modification.
- (d) In the event of a change order.

### **5.9.3 Approval of Contracts**

All contracts must be signed by the Chairman of the SGRC Council.

## **6 Contract Administration Requirements and Considerations**

### **6.1 SGRC Transit Staff Responsibilities**

Prior to execution of third-party contracts, SGRC Transit shall designate a Project Manager to serve as SGRC Transit's principal contact with the contractor and as the primary administrator of the contract. The designated Project Manager for each contract shall have responsibility for directing and overseeing the work performed by the contractor; reviewing and approving deliverables and invoices from the contractor; determining percentage of contract completion for progress payments (if applicable); making recommendations on the exercise of contract options (if applicable); recommending contract changes; preparing justifications for contract changes; performing independent cost estimates and cost or price analyses for contract changes; making recommendations on approval or rejection of subcontractors; assisting with the resolution of contract disputes; making recommendations on contract termination or other contractor disciplinary actions; maintaining complete contract files; and other contract administration duties that may be necessary.

### **6.2 Administrative Restrictions on the Acquisition of Property and Services**

The following Federal laws and regulations impose administrative requirements, many of which will affect specific third-party procurements.

#### **6.2.1 Legal Eligibility**

The property or services acquired must be eligible for support under the restrictions accompanying the Federal statute authorizing the Federal assistance to be used.

#### **6.2.2 Scope of Project**

The property or services acquired must be eligible for support within the scope of the underlying grant or cooperative agreement from which the Federal assistance to be used is derived.

#### **6.2.3 Period of Performance**

SGRC Transit will use sound business judgment and be judicious in establishing and extending a contract's period of performance.

##### **6.2.3.1 General Standards**

The period of performance generally should not exceed the time necessary to accomplish the purpose of the contract. SGRC Transit will also consider competition, pricing, fairness, and public perception. SGRC Transit's procurement files will document its rationale for determining the performance period designated for each contract.

##### **6.2.3.2 Time Extensions**

Consistent with the general tone of FTA Circular 4220.1F, contract time extensions shall be considered in light of whether they are permissible changes or impermissible cardinal changes. Once SGRC Transit awards a third party contract, an extension of the contract term length that amounts to a cardinal change will require a sole source justification.

##### **6.2.3.3 Authority to Extend**

The Chairman of the SGRC Council and SGRC Executive Director have the authority to approve and execute contract modifications. The Transportation Director for the contract

shall recommend all contract time extensions; prior to making a recommendation for a contract time extension. The Transportation Director shall prepare a written justification and cost analysis (if applicable) for the contract time extension and shall negotiate the appropriate contract modification with the contractor.

### **6.3 Federal Cost Principles**

Federal rules require project costs to conform to applicable Federal cost principles for allowable costs. In general, costs must be necessary and reasonable, allocable to the project, authorized or not prohibited by Federal law or regulation, and must comply with Federal cost principles applicable to the recipient.

OMB guidance for grants and agreements, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards," 2 CFR § 200, applies to project costs incurred SGRC Transit.

### **6.4 Payment Provisions**

SGRC Transit will follow the provisions of this section when using FTA funds to support its third-party contracts.

#### **6.4.1 Financial Support for the Project**

Costs may only be incurred by SGRC Transit if GDOT has awarded a financial assistance contract to SGRC Transit.

##### **6.4.1.1 Progress Payments**

Progress payments are payments for contract work that has not been completed. SGRC Transit may use GDOT assistance to support progress payments provided the recipient obtains adequate security for those payments and has sufficient written documentation to substantiate the work for which payment is requested.

##### **6.4.1.2 Adequate Security for Progress Payments**

Adequate security for progress payments may include taking title or obtaining a letter of credit or taking equivalent measures to protect the recipient's financial interest in the progress payment. Adequate security should reflect the practical realities of different procurement scenarios and factual circumstances. SGRC Transit should always consider the costs associated with providing security (for example, the recipient may need to acquire bonds or letters of credit in the commercial marketplace) and the impact of those costs on the contract price, as well as the consequences of incomplete performance.

##### **6.4.1.3 Adequate Documentation**

Sufficient documentation is required to demonstrate completion of the amount of work for which progress payments are made.

##### **6.4.1.4 Percentage of Completion Method**

Federal rules require that any progress payments for construction contracts be made on a percentage of completion method described therein. SGRC Transit, however, may not make progress payments for other than construction contracts based on this percentage method.

## **6.5 Protections Against Performance Difficulties**

SGRC Transit shall include provisions in its third-party contracts that will reduce potential problems that might occur during contract performance, as follows:

### **6.5.1 Changes**

SGRC Transit shall include provisions that address changes and changed conditions in all third-party contracts except for routine supply contracts.

### **6.5.2 Remedies**

SGRC Transit shall include provisions that address remedies in its third-party contracts. Provisions related to remedies may include provisions for:

#### **6.5.2.1 Liquidated Damages**

SGRC Transit may use liquidated damages if SGRC Transit reasonably expects to suffer damages through delayed contract completion, or if weight requirements are exceeded, and the extent or amount of such damages are uncertain and would be difficult or impossible to determine. Rate and measurement standards must be calculated to reasonably reflect SGRC Transit's costs should the standards not be met, and must be specified in the solicitation and contract. The assessment for damages may be established at a specific rate per day for each day beyond the contract's delivery date or performance period. A measurement other than a day or another period of time, however, may be established if that measurement is appropriate, such as weight requirements in a rolling stock purchase. The contract file must include a record of the calculation and rationale for the amount of damages established. Any liquidated damages recovered must be credited to the project account.

#### **6.5.2.2 Violation or Breach**

Third party contracts exceeding \$250,000 must include administrative, contractual, or legal remedies for violations or breach of the contract by the third party contractor.

#### **6.5.2.3 Suspension of Work**

SGRC Transit may include provisions pertaining to suspension of work in its third party contracts.

#### **6.5.2.4 Termination**

Termination for cause and termination for convenience provisions must be included in third party contracts exceeding \$10,000.

## **6.6 Contents of Complete Contract Files**

The following documents shall comprise the contents of a complete contract file for procurements above the micro-purchase level:

### **6.6.1 Written Record of Procurement History**

SGRC Transit shall maintain written records detailing the history of the procurement, including records relating to:

#### **6.6.1.1 Procurement Method**

SGRC Transit must provide its rationale for the method of procurement it used for each contract, including a sole source justification for any acquisition that does not qualify as competitive.

#### **6.6.1.2 Contract Type**

SGRC Transit must state the reasons for selecting the contract type it used.

#### **6.6.1.3 Contractor Selection**

SGRC Transit must state its reasons for contractor selection or rejection, including written justification and evaluation documents.

#### **6.6.1.4 Contractor Responsibility**

SGRC Transit must provide a written determination of responsibility for the successful contractor.

#### **6.6.1.5 Cost or Price**

SGRC Transit must evaluate and state its justification for the contract cost or price, including the independent cost estimate and cost or price analysis.

#### **6.6.1.6 Reasonable Documentation**

SGRC Transit must retain documentation commensurate with the size and complexity of the procurement, including documents related to solicitation, receipt and evaluation of offers, and contract award, negotiation and execution.

### **6.7 Access to Records**

Federal rules (49 U.S.C. § 5325(g)) provide FTA and GDOT officials, the Comptroller General, or any of their representatives, access to and the right to examine and inspect all records, documents, and papers, including contracts, related to any FTA project financed with Federal assistance authorized by 49 U.S.C. Chapter 53.

### **6.8 Contract Administration and Close-Out Documents**

SGRC Transit shall maintain written records detailing the performance and close-out of the contract, including records relating to:

#### **6.8.1 Contractor Performance**

SGRC Transit must maintain documents related to contractor adherence to budget and schedule, compliance with contract terms and conditions, DBE participation, progress reports, disputes and disciplinary actions.

#### **6.8.2 Contract Deliverables**

SGRC Transit must maintain copies of all contract deliverables and records relating to approval, rejection and requested modifications of contract deliverables.

### **6.8.3 Contract Changes**

SGRC Transit must maintain copies of all contract modifications, including documentation related to the determination of need, written justification and rationale, cost analysis, negotiation and execution.

### **6.8.4 Contract Payments**

SGRC Transit must retain documentation of invoices, approval of payments, requests for modifications to invoices, determination of percentage of contract completion for partial payments (if applicable), and ownership of title to partial work products.

### **6.8.5 Contract Close-Out**

SGRC Transit must retain documentation related to contractor performance and evaluation, approval of final deliverables and payments, transfer of title to complete work products to SGRC Transit, and contract audit and final reconciliation.

## **6.9 Protest Procedures**

### **6.9.1 Statement of Policy**

SGRC Transit is responsible for resolving all contractual and administrative issues, including protests of evaluations and contract awards, arising out of its third-party procurements using good administrative practices and sound business judgment.

In general, GDOT will not substitute its judgment for that of SGRC Transit unless the matter is primarily a Federal concern. Nevertheless, GDOT and FTA can become involved in SGRC Transit's administrative decisions when a SGRC Transit protest decision is appealed to GDOT.

SGRC Transit shall give timely notification to GDOT when it receives a third-party procurement protest and will keep FTA informed about the status of any such protest. SGRC Transit shall disclose all information about any third-party procurement protest to GDOT upon request.

SGRC Transit's procedure for addressing third party procurement protests is described in Paragraph 6.9.2 below. SGRC Transit shall insert its protest procedure in all solicitation documents for products and services having an estimated value of \$100,000 or greater.

### **6.9.2 SGRC Transit Staff Responsibilities**

The following staff responsibilities shall be assigned in all protests:

- Transportation Director – Responsibilities include: ensuring that the SGRC Transit Protest Procedure is included in all solicitation documents; and providing information to and assisting the Executive Director and SGRC attorney with the resolution of protests.
- SGRC Attorney – Responsibilities include: reviewing all procurement protests; and advising and assisting the SGRC Transit as needed with the resolution of all procurement protests.

### **6.9.3 Solicitation Provision**

SGRC Transit shall insert the following provision in all solicitation documents:

### **6.9.3.1 Pre-Proposal Protests**

All protests concerning solicitation specifications, criteria and/or procedures shall be submitted in writing (defined as being sent or received via letter or facsimile on official firm/agency letterhead or by electronic mail) to the Transportation Director as specified below not later than ten (10) business days prior to the deadline for submission of bids/proposals.

The Executive Director may, within his or her discretion, postpone the deadline for submission of bids/proposals, but in any case, shall provide a written response to all protests not later than five (5) business days prior to the deadline for submission of bids/proposals. If the deadline for submission of bids/proposals is postponed by the Executive Director as the result of a protest the postponement will be announced through an addendum to the solicitation.

The decision by the Executive Director shall be the final agency decision on the matter but shall be subject to judicial review as set forth by FTA below.

### **6.9.3.2 Pre-Award Protests**

With respect to protests made after the deadline for submission of bids/proposals but before contract award by SGRC Transit, protests shall be limited to those protests alleging a violation of Federal or State law, a challenge to the bids/proposals evaluation and award process, SGRC Transit's failure to have or follow its protest procedures or its failure to review a complaint or protest. Such protests shall be submitted in writing (defined as being sent or received via letter or facsimile on official firm/agency letterhead or by electronic mail) to the Transportation Director as specified below not later than five (5) business days after the Recommendation for Contract Award announcement by SGRC Transit.

The Executive Director may, within his or her discretion, postpone the award of the contract, but in any case, shall provide a written response to all protests not later than three (3) business days prior to the date that SGRC Transit shall announce the contract award.

The decision by the Executive Director shall be the final agency decision on the matter but shall be subject to judicial review as set forth or review by GDOT as specified below.

### **6.9.4 Requirements for Protests**

All protests must be submitted to SGRC Transit in writing (defined as being sent or received via letter or facsimile on official firm/agency letterhead or by electronic mail), with sufficient documentation, evidence and legal authority to demonstrate that the Protestor is entitled to the relief requested. The protest must be certified as being true and correct to the best knowledge and information of the Protestor, and be signed by the Protestor. The protest must also include a mailing address to which a response should be sent.

Protests received after the deadlines for receipt of protests specified above are subject to denial without any requirement for review or action by SGRC Transit.

All protests must be directed in writing (defined as being sent or received via letter or facsimile on official firm/agency letterhead or by electronic mail) to the Transportation Director at the address shown in the solicitation documents.



### **6.9.5 Protest Response**

The Executive Director shall issue written responses to all protests received by the required protest response dates. All protest responses shall be transmitted by first-class U.S. Postal Service to the address indicated in the protest letter.

For convenience, SGRC Transit will also send a copy of the response to a protest to the Protester by facsimile and/or electronic mail if a facsimile number and/or electronic mail address are indicated in the protest letter. The protest response transmitted by U.S. Postal Service shall be the official SGRC Transit response to the protest and SGRC Transit will not be responsible for the failure of the Protester to receive the protest response by either facsimile or electronic mail.

### **6.9.6 Review of Protests by GDOT**

All protests involving contracts financed with Federal assistance shall be disclosed to GDOT. Protesters shall exhaust all administrative remedies with SGRC Transit prior to pursuing protests with GDOT. GDOT limits its reviews of protests to: a grantee's failure to have or follow its protest procedures; a grantee's failure to review a complaint or protest when presented an opportunity to do so; or violations of Federal law or regulation. Appeals to GDOT must be received within five (5) working days of the date the Protester has received actual or constructive notice of SGRC Transit final decision or within five (5) working days of the date the Protester has identified other grounds for appeal to GDOT.

### PROCUREMENT POLICY REQUIREMENTS

There are general procurement requirements that apply to subrecipients of FTA funding. All GDOT subrecipients must follow a written procurement process and should complete the required documentation outlined in these checklists. In addition to meeting FTA procurement requirements, transit systems are responsible for following the local procurement policies of their governing entities, along with state and local regulations, which may be more restrictive than those of the FTA. Procurement requirements, guidelines and the basic elements for a compliant procurement process are all contained in FTA Circular 4220.1F which can be found by copying-pasting the following link into a web browser: <https://www.transit.dot.gov/regulations-and-guidance/fta-circulars/third-party-contracting-guidance>

### USE OF THIS DOCUMENT

These procurement checklists have been created to ensure FTA-compliant procurement processes are followed and properly documented. The procurement steps are as follows:

- 1) For Small, Large, and Sole Source procurements, begin by discussing the purchase with your GDOT representative and completing an Independent Cost Estimate (ICE), if applicable. Note that consultation with a GDOT representative for all purchases over \$10,000 is required prior to engaging in procurement activity.
- 2) For Small, Large, and Sole Source procurements, fill out the Overview & Summary tab with the pertinent procurement information.
- 3) Once approved, complete the remaining portions of the Overview & Summary tab (Small, Large, and Sole Source procurements only) and the appropriate Procurement Checklist and submit this with your reimbursement request.

### ProcurementPRO

National RTAP offers a free web-based application, ProcurementPRO 2.0, that walks the user through steps needed to determine the Federal clauses and certifications that must be included in procurement documents for a Federally-funded project. In addition, the application provides other supporting documentation, such as checklists and templates, to help you manage the procurement process. To access ProcurementPRO 2.0, go to:

<https://www.nationalrtap.org/Web-Apps/ProcurementPRO-20>

**Procurement Overview & Summary**  
**Small, Large, and Sole Source Procurements Only**

<b>Subrecipient Name:</b>		<b>Solicitation Date:</b>	
<b>Project Manager:</b>		<b>Project Number:</b>	
<b>Description of Procurement:</b> (brief description of items/services being procured)			
<b>ICE Value or Range:</b>		<b>ICE Date:</b>	
<b>Procurement Method &amp; Contract Type</b>			
<p><b>Instructions:</b> Please select the appropriate list item for each category below that matches your procurement. In the reasoning box below, please describe the reasoning behind choosing your procurement type, method, and contract type. The appropriate Procurement Checklist must be completed matching the Procurement Threshold selected below.</p>			
<b>Procurement Threshold:</b>		<b>Total Cost:</b>	
<b>Procurement Method:</b>		<b>Contract Type:</b>	
<b>Reasoning:</b>			
<b>Contractor Selection &amp; Price Analysis</b>			
<p><b>Instructions:</b> Please complete the categories below. In the reasoning box below, please describe the reasoning behind selecting the awarded contractor based on cost/price analysis, fair and reasonableness, and responsibility determination. Any contractors rejected must be explained as well.</p>			
<b>Bids/Quotes Rec'd Date:</b>		<b># of Bids/Quotes:</b>	
<b>Bidder/Company #1:</b>		<b>Bid/Quote Value:</b>	
<b>Bidder/Company #2:</b>		<b>Bid/Quote Value:</b>	
<b>Bidder/Company #3:</b>		<b>Bid/Quote Value:</b>	
<b>Awarded Responsive &amp; Responsible Contractor Name:</b>			
<b>Award Date:</b>		<b>Award Amount:</b>	
<b>Reasoning:</b>			

**PROCUREMENT CHECKLIST FOR GDOT SUBRECIPIENTS**

**MICRO-PURCHASES: Up to \$10,000**

Procurement procedures at the Micro level apply to purchases of \$10,000 or less. Micro purchases should be distributed equitably among qualified local suppliers to the degree feasible. Splitting of procurements to avoid larger-threshold procedures is prohibited. A Fair & Reasonable Price Documentation Form must be submitted to GDOT along with the other required documents and the signed checklist when submitting requests for reimbursement. The Davis-Bacon Act applies to construction contracts over \$2,000. In addition to following FTA regulations, subrecipients are responsible for following the procurement policies of their governing entity and all applicable state and local regulations.

Date	Task
	Fair & Reasonable Price Documentation Form
	Davis-Bacon Clause (Construction Only \$2,000+)
	Invoice
	Delivery Receipt (Capital Items Only)
	P.O.

I certify that copies of all required documents for this procurement have been completed and submitted with the originals retained on-site and readily accessible for review by GDOT / FTA representatives.

**Signature:**

**Date:**

**PROCUREMENT CHECKLIST FOR GDOT SUBRECIPIENTS**

**SMALL PURCHASES: \$10,000.01 to \$250,000.00**

FTA procurement procedures at the Small/Simplified Acquisition level apply to purchases greater than \$10,000 through \$250,000. Note that consultation with a GDOT representative for all purchases over \$10,000 is required prior to engaging in procurement activity. All required documentation along with the signed procurement checklist must be completed and submitted to GDOT with request for reimbursement. In addition to following FTA regulations, subrecipients are responsible for following the procurement policies of their governing entity and all applicable state and local regulations.

Date	Task
	GDOT Pre-Approval Prior to Purchase
	Independent Cost Estimate (ICE)
	Complete Specifications w/ Required FTA Clauses
	Price Quotations
	Price Analysis
	SAM Search
	Responsible Vendor Determination
	Awarded Vendor's Proposal
	P.O. with Applicable FTA Clauses
	Invoice from Vendor
	Delivery Receipt (Capital Items Only)
	<b>Procurement Overview &amp; Summary Form</b>
	DBE Form
	Notice of Contract Claims & Resolutions (If applicable)
	Notice of Protests & Resolutions (If applicable)
	Davis Bacon (Construction Only)

I certify that copies of all required documents for this procurement have been completed and submitted with the originals retained on-site and readily accessible for review by GDOT / FTA representatives.

**Signature:**

**Date:**

**PROCUREMENT CHECKLIST FOR GDOT SUBRECIPIENTS**

**LARGE PURCHASES (IFBs/RFPs): Above \$250,000**

Procurement procedures at the Large level apply to purchases greater than \$250,000. Large purchases are generally procured through either Invitations For Bid (IFBs) or Requests For Proposals (RFPs). Purchases at this level must be discussed with a GDOT Rep prior to engaging in procurement activity. Concurrence by GDOT is required at 3 steps in the procurement process:

- 1) Approval of bid/proposal package;
- 2) Approval of vendor recommendation;
- 3) Approval of contract documents.

GDOT's oversight of large procurements provides guidance throughout the process and ensures that FTA requirements are followed. In addition to following FTA regulations, subrecipients are responsible for following the procurement policies of their governing entity and all applicable state and local regulations.

Date	Task
	Discuss procurement with GDOT Rep
	Independent Cost Estimate
	Complete Specifications
	Written Selection Procedures (included in solicitation)
	Complete Solicitation Package with Applicable FTA Clauses Included
	Advertisement & Public Notice
	<b>GDOT Concurrence on Bid/Proposal Package and Process</b>
	Emails to Potential Vendors & Proof of Advertisement Publication
	Bid Opening Form/Record of Proposals Submitted
	Responsiveness Determination
	Price/Cost Analysis
	Bid/Proposal Rejection Explanation (if any)
	SAM Search
	Responsible Vendor Determination
	Bid Tabulation/Selection of Lowest Price (IFB)
	Evaluation Rating Sheets & Summary (RFP)
	Recommended Vendor's Proposal
	<b>GDOT Concurrence on Recommended Vendor</b>
	Sound and Complete Agreement
	Applicable FTA Clauses in Contract
	Contract Mods (In Scope)
	Attorney Approval of Contract
	Documentation of Board (or Authorized Governing Entity) Approval
	Delivery Receipt (Capital Items Only)
	<b>Procurement Overview &amp; Summary Form</b>
	DBE Form
	Notice of Protests & Resolutions (If Applicable)
	Notice of Contract Claims & Resolutions (If Applicable)
	Davis-Bacon (Construction)
	Copies of Bonds (Construction)
	Buy America (Bus & Rolling Stock)
	Evidence of Negotiations w/ Highest Ranked Suppliers & Ranking Based on Technical Capability Only (A&E)
	<b>GDOT Concurrence on Contract</b>

I certify that copies of all required documents for this procurement have been completed and submitted with the originals retained on-site and readily accessible for review by GDOT / FTA representatives.

Signature:

Date:

**PROCUREMENT CHECKLIST FOR GDOT SUBRECIPIENTS**

**SOLE SOURCE PURCHASES**

Sole source procurement procedures are used for purchases of required goods or services that are only available from a single source. A Sole Source Justification Form with GDOT approval is required for all Sole Source purchases greater than \$10,000. All required documentation along with the signed procurement checklist must be completed and submitted to GDOT with request for reimbursement. In addition to following FTA regulations, subrecipients are responsible for following the procurement policies of their governing entity and all applicable state and local regulations.

Date	Task
	Consult with GDOT Representative
	Independent Cost Estimate (ICE)
	Complete Specifications
	Cost Analysis
	SAM Search
	Responsible Vendor Determination
	Sole Source Justification ( <b>Purchases of \$10,000+</b> )
	FTA Clauses (In Solicitation & Contract or P.O.)
	<b>GDOT Concurrence</b>
	Sound & Complete Agreement (Signed Contract or P.O.)
	Invoice from Vendor
	Delivery Receipt (Capital Items Only)
	DBE Form
	<b>Procurement Overview &amp; Summary Form</b>
	Notice of Contract Claims & Resolutions (If applicable)
	Notice of Protests & Resolutions (If applicable)
	Piggybacking
	Copies of Bonds (Construction)
	Buy America (Bus & Rolling Stock)

I certify that copies of all required documents for this procurement have been completed and submitted with the originals retained on-site and readily accessible for review by GDOT / FTA representatives.

**Signature:**

**Date:**

## Definitions

Procurement Threshold	
Micro (Up to \$10,000)	Micro-purchases are those purchases of products and services that cost \$10,000 or less, as defined by 2 CFR §200.67 (or current threshold established by Federal Acquisition Regulations (FAR)).
Small (\$10,000.01 - \$250,000)	FTA defines small purchases as those purchases of products and services, including construction services, that cost greater than \$10,000 but not more than \$250,000.
Large (Greater than \$250,000)	Large purchases are those purchases of products and services that cost greater than the current Federal threshold of \$250,000, as defined in 2 CFR § 200.88.

Procurement Method	
Direct Purchase (Micro Only)	For Micro-purchases only, a purchase made directly with the contractor, supplier, or business does not generally require other competition.
Quotes	A quotation, or quote, is a document that a supplier submits to a potential client with a proposed price for the supplier's goods or services based on certain conditions.
Invitation For Bid (IFB)	A sealed bid method of procurement in which bids are publicly solicited and a firm fixed price contract is awarded to the responsible bidder whose bid, conforming to all the material terms and conditions of the Invitation for Bids, is lowest in price.
Request for Proposals (RFP)	A competitive proposal method of procurement in which written proposals are publicly solicited and a contract is awarded to the responsible offeror whose proposal is considered to be the most advantageous or that is considered to be the "best value".
Sole Source	When a subrecipient requires products or services available from only one responsible source, and no other products or services will satisfy its requirements, a sole source award may be made. Justification of the reason for a sole source award must be documented and approved in writing by the Office of Transit prior to the award.

Contract Type	
Firm Fixed Price	A firm fixed price contract includes a price that remains fixed irrespective of the contractor's cost experience in performing the contract. A firm fixed price contract may include an economic price adjustment provision.
Cost Reimbursement	A cost-reimbursement contract provides for payment of the contractor's allowable incurred costs, to the extent prescribed in the contract. Allowable costs may include incentives if the recipient believes they can prove helpful. Cost-reimbursement contracts are suitable for use only when uncertainties involved in contract performance do not permit costs to be estimated with sufficient accuracy to use any type of fixed price contract.
Cost Plus Fixed Fee	A form of reimbursement that is a combination of two factors: the Contractor's actual allowable costs, and fixed fee as set forth in the agreement. This payment method is appropriate if the extent of the work cannot be well defined and other payment methods are not appropriate. The Cost Plus a Fixed Fee compensation method is preferred for projects in the preliminary development phase and other projects where the work is indeterminate in nature. If a CPFF basis is taken, the initial award should include a commitment from the contractor on rates the contractor will use in pricing each individual task. The procedure should provide for the negotiation of fully burdened rates for each category of labor that the contractor expects to need over the course of the contract prior to the basic contract award. These rates will be fixed for the life of the contract and applied to each task order, as applicable.
Time & Materials	Time and Materials (T&M) contracts may be used <u>only after a written justification is made</u> that no other contract type is suitable. They may be used for acquiring supplies or services. These contracts provide for the payment of labor costs on the basis of fixed hourly billing rates which are specified in the contract. These hourly billing rates would include wages, indirect costs, general and administrative expense, and profit. Materials are billed at cost, unless the contractor usually sells materials of the type needed on the contract in the normal course of his business. In that case the payment provision can provide for the payment of materials on the basis of established catalog or list prices in effect when the material is furnished.

Cost/Price Analysis	
Cost Analysis	A process that entails the review and evaluation of the separate cost elements and the proposed profit of an offeror's cost or pricing data and the judgmental factors applied in estimating the costs. A cost analysis is generally conducted to form an opinion on the degree to which the proposed cost, including profit, represents what the performance of the contract should cost, assuming reasonable economy and efficiency. Only required in a sole source, single-bid, or other procurement where competition is insufficient.
Price Analysis	The process of examining and evaluating a proposed price without evaluating its separate cost and profit elements. Price analysis is based on data that are verifiable independently from the offeror's data.



Policy Name: **SGRC Procurement Procedures**  
Effective Date: 07/23/2015  
Revision Date: 09/01/2022

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The purpose of procurement procedures is to establish guidelines governing the purchase of supplies, equipment, contractual services, and other items by the Southern Georgia Regional Commission (RC). These procedures are designed to ensure that the RC's funds are expended in accordance with sound business practices, have sufficient documentation and approval, and that expenditures meet the requirements of federal, state, and local funding agencies. The RC will follow the guidelines established by 2 CFR 200.318-326 as part of these procurement procedures.

These procurement procedures are not intended to restrict or eliminate competition. All procurement transactions, regardless of whether by sealed bids or by negotiation and without regard to dollar value, shall be conducted in a manner that provides maximum open and free competition. All purchases, regardless of program, will be guided by these procedures and in accordance with applicable agency regulations.

Affirmative action steps will be taken to assure that small and minority businesses and women's business enterprises are used when possible. Affirmative steps will include placing qualified small and minority businesses and women's business enterprises on solicitation lists and assuring that they are solicited whenever they are potential sources.

### **DISADVANTAGED BUSINESS ENTERPRISE**

It is the policy of the RC that Disadvantaged Business Enterprises (DBEs), as defined in 49 CFR Part 26, shall have the equal opportunity to participate in the performance of the RC's contracts which are funded, either wholly or partially, with federal funds from U.S. Department of Transportation financial assistance programs.

RC staff is responsible for compliance with this policy within his/her department and will use his/her best efforts to carry out the policy in the solicitation and award of departmental contracts to the fullest extent possible consistent with the efficient operation of the department's work. The formal DBE Policy is contained in a separate document.

### **METHODS OF PROCUREMENT**

Procurement procedures will not be applied to purchases of items or services if:

- The cost of a single item or service is \$500 or less,
- The purchase is made through online government surplus auctions ([www.govdeals.com](http://www.govdeals.com)), or
- The purchase is made from state-approved vendors where a state agency has already satisfied procurement requirements.

For all other purchases, the RC will utilize one of the following methods of procurement:

**Micro-purchase** – A micro-purchase is the acquisition of supplies and services, the aggregate dollar amount of which does not exceed the micro-purchase threshold set by the Federal Acquisition Regulation at 48 CFR Subpart 2.1 (Definitions). (As of July 2015, the micro-purchase threshold is \$3,000.) To the extent practicable, micro purchases will be distributed equitably among qualified suppliers. Micro-purchases may be awarded without soliciting competitive quotations if the RC considers the price to be reasonable. For purchases of routine supplies, price quotations may be obtained periodically to ensure the RC is receiving the best price available.

Small purchase – A small purchase is a relatively simple and informal procurement method to secure services, supplies, or other property that does not cost more than the Simplified Acquisition Threshold set by the Federal Acquisition Regulation at 48 CFR Subpart 2.1 (Definitions) and in accordance with 41 U.S.C. 1908. (As of July 2015, the Simplified Acquisition Threshold amount is \$150,000.) If small purchase procedures are used, price or rate quotations shall be obtained from three qualified sources. Quotations may be obtained via phone, Internet or catalog.

When price quotations are required, a Comparable Price Documentation Form must be attached to the Requisition Form. This form includes a description of the item(s), the quantity, the vendors contacted, the date the quotes were received, the amounts quoted, any pertinent information regarding the quotes, the vendor selected, and the reason for the selection.

Sealed bid (formal advertising) – Bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming to all the material terms and conditions of the invitation for bids, is the lowest in price. If sealed bids are used, the following requirements apply:

- The invitation for bids will be advertised as a public notice in the local newspaper and also submitted as a news release in other area newspapers. The RC will notify in writing known suppliers, providing them sufficient time prior to the date set for opening the bids;
- The invitation for bids, which will include any specifications and pertinent attachments, shall define the items or services in order for the bidder to properly respond;
- All bids will be publicly opened at the time and place prescribed in the invitation for bids;
- A firm fixed-price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs shall be considered in determining which bid is lowest; and
- The RC may reject any and all bids, if there is a sound documented reason. Reasons for rejection include but are not limited to:
  - All bids are over available funds.
  - Funds are no longer available.
  - Bids do not meet specifications.

Competitive proposal – The RC will use the competitive proposal method when more than one source will submit an offer, and/or when program specs are too broad to compare bids solely on the basis of cost/price. If this method is used, the following requirements apply:

- Requests for proposals (RFP) will be publicized as a public notice in the local newspaper and submitted to other area newspapers as a news release. Any response to publicized requests for proposals shall be honored to the maximum extent practical;
- The RFP will identify all evaluation factors and their relative importance;
- Proposals will be solicited from bidders' list, and other appropriate sources;
- On the proposals received, evaluations will be conducted by appropriate staff, council members, and/or individuals with expertise/knowledge pertinent to the procured service; and
- Awards will be made to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered. As a result, the proposal with the lowest cost may not be awarded the contract.

Noncompetitive proposal – Noncompetitive proposal procurement is through solicitation of a proposal from only one source. Procurement by noncompetitive proposal may be used only when the award of a contract is not feasible under small or micro purchase procedures, sealed bids, or competitive proposals and one of the following circumstances applies:

- The item is available only from a single source;
- The need for the item or service is immediate;
- The awarding agency authorizes noncompetitive proposals; or
- After solicitation of a number of sources, competition is determined inadequate.

The need for noncompetitive procurement will be documented in writing and attached to the Requisition Form or contract, whichever is applicable.

## **VENDORS**

For purposes of this section, vendors will include suppliers, consultants, contractors, and subcontractors. Awards will be made only to responsible suppliers and contractors who possess the potential ability to perform successfully. Consideration shall be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

All vendors providing supplies, equipment, or services to the RC shall be reputable firms or individuals having the demonstrated capacity to produce or provide supplies, equipment, and/or services within a reasonable amount of time. All new vendors must furnish a W-9 to the RC prior to receipt of payment.

Vendors shall be subject to disqualification if they are found to misrepresent quality, quantity, or price of supplies, equipment, services, or items delivered. Vendors will also be disqualified if time limits established for the purchases are exceeded.

## **DEBARMENT AND SUSPENSION**

Consistent with federal regulations, RC staff will take necessary steps to ensure that its contractors are not debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in the transaction/contract.

## **CERTIFICATION REGARDING FEDERAL LOBBYING**

Consistent with Public Law 101-121, Section 319 (31 U.S.C. 1352) RC staff will require contractors whose awards exceed \$100,000 to provide certification regarding compliance with lobbying restrictions.

## **PURCHASING PROCEDURES**

Initiating a Purchase – Any staff member may initiate a purchase. A purchase is initiated by completing a standard Requisition Form, listing the supplies, equipment, services, or other item requested, quantity, cost, vendor name, and justification for purchase

Approval Levels – All purchases must have a requisition form signed by the originating staff member and one (1) of the following:

### **\$250 or Less**

Purchases for \$250 or less must be signed by the originating staff member and the Program Director.

### **\$251 - \$1,000**

Purchases between \$251 and \$1,000 must be signed by the originating staff member and one of the following: (1) Assistant Executive Director, (2) Deputy Executive Director of Governmental Services, (3) Deputy Executive Director of Human Services.

### **Over \$1,000**

Purchase over \$1,000 must be signed by the originating staff member and the Executive Director.

#### Exception

If the cost will be reimbursed to the RC from a source other than the RC's program funding the Program Director may approve regardless of dollar value.

*Example: Expenditures for client items for Money Follows the Person (MFP) program.*

Employee travel related items such as registration, lodging, parking, and airfare will not require a Requisition Form. Instead, an Authorization for Out of Area Travel Form signed by the originating staff person and approved by the Program Director and the Executive Director or designee is required. The Authorization for Out of Area Travel Form will list anticipated costs and requested method of payment for each cost (RC credit card, RC check, or reimbursement). If a registration payment by check is required, an original and one copy of the registration form must be attached to the Authorization for Out of Area Travel Form, and the notes on the form must indicate the date by which the check must be received by the registrar.

A Requisition Form is not required for recurring monthly bills such as utility bills, telephone bills, building payment, and payment of items under a contract.

Purchase Orders – Purchases of supplies and equipment will be made by submission of a purchase order to the vendor, unless not required by the vendor.

Purchase order numbers are automatically generated when a requisition is entered and approved on SharePoint. An electronic copy of the approved purchase requisition as well as any backup documentation required will be emailed to the Accounts Payable clerk to be placed in the outstanding purchase order file until an invoice is received.

Other Purchases – Purchases of gas for the RC vehicles are made on the RC gas cards. These cards are provided with each vehicle. Gas purchases will be logged in the vehicle's car book at the time of purchase. Reimbursement for cash purchases of gas will only be made when the gas card is not accepted. In these instances, receipts must be kept and request for reimbursement may be made on a Requisition Form.

## **ACQUISITION AND DISPOSITION OF PROPERTY**

The acquisition and disposal of property is a necessary component of conducting business for the RC. Any purchase or disposition of a single piece of property where the value exceeds \$1,000 must be approved by the Executive Director or his/her designee. In addition, any purchase or disposition of a single piece of property where the value exceeds \$25,000 must be approved by the Executive Committee of the Council. This policy pertains to both real and personal property. All acquisitions and dispositions of property, regardless of program, will be guided by this policy and in accordance with applicable agency regulations.

## **PROCUREMENT PROTEST PROCEDURES**

Any party registering a protest pertaining to the issuance of a contract or award under these procurement procedures must do so in writing within ten (10) calendar days from the date of issuance of the contract or award.

Any dispute concerning a question of fact arising either from a consultant or subrecipient selection decision, or under a consultant or subgrant contract, once executed, shall be decided by the RC Executive Director who, after advisory consultation with all appropriate RC officials shall promptly reduce such decision concerning the question of fact to writing and mail, or otherwise furnish a copy thereof, to the disputing party. The Executive Director shall concurrently fully advise the disputing party, in writing, of the provisions outlined herein below concerning the disputing party's right to appeal the decision to the appropriate committee. The decision of the Executive Director shall be final and conclusive unless, within ten (10) calendar days of receipt of such copy, the disputing party mails or otherwise furnishes a written appeal concerning the question of fact to the Executive Director, who shall arrange a formal hearing within thirty (30) calendar days after receipt of the appeal, before the appropriate committee. Both the disputing party and the appropriate Program Director shall be notified no less than five (5) calendar days in advance of the hearing and shall have the right to present witnesses and give evidence concerning the question of fact at such time. Within thirty (30) calendar days after the hearing, the Chair of the appropriate committee shall direct the committee to make a decision concerning the question of fact in writing to the disputing party and to the Executive Director.

### **STANDARDS OF CONDUCT**

No employee, officer, agent, or council member of the RC shall participate in the selection, award, or administration of a contract if he/she has a real or apparent conflict of interest. Such a conflict of interest would arise when (1) the employee, officer, agent, or council member, (2) any member of his/her immediate family, (3) his/her partner, or (4) an organization which employs, or is about to employ, any of the parties indicated above, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The RC's officers, employees, agents, or council members will neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, potential contractors, or parties to subcontracts, other than items of nominal intrinsic value.

Violation of the standards of conduct may result in disciplinary action up to and including termination/dismissal.

## COMPARABLE PRICE DOCUMENTATION FORM

Description of Item: _____	
_____	
_____	
Quantity: _____	Delivery Date: _____

Date: _____		Company: _____	
Phone: _____		Person Contacted _____	
Price Quoted: _____	_____		
Comment: _____			
_____			

Date: _____		Company: _____	
Phone: _____		Person Contacted _____	
Price Quoted: _____	_____		
Comment: _____			
_____			

Date: _____		Company: _____	
Phone: _____		Person Contacted _____	
Price Quoted: _____	_____		
Comment: _____			
_____			

<b>Company Selected:</b>	_____
<b>Reason for Selection:</b>	_____
<b>Employee Signature:</b>	_____
<b>Date:</b>	_____