



PROCUREMENT POLICY

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ARTICLE 1 – GENERAL PROVISIONS

PART A - PURPOSE AND APPLICATION

1-101 PURPOSE

The purpose of this policy is to provide for the fair and equitable treatment of all persons involved in public purchasing by RiverCities, a division of the City of Longview, to maximize the purchasing value of public funds in procurement, and to provide safeguards for maintaining a procurement system of quality and integrity.

1-102 APPLICATION

This policy applies to contracts for the procurement of supplies, services, and construction, entered into by RiverCities after the effective date of this policy unless the parties agree to its application to contracts entered into prior to the effective date. It shall apply to every expenditure of public funds by the Agency for public purchasing irrespective of the source of the funds. When the procurement involves the expenditure of Federal assistance or contract funds, the procurement shall be conducted in accordance with any applicable mandatory Federal law and regulations which are not reflected in these procedures. Nothing in these procedures shall prevent RiverCities from complying with the terms or conditions of any grant, gift or bequest which are otherwise consistent with law.

PART B - DEFINITIONS

1-201 DEFINITIONS

1. Architect-Engineer and Land Surveying Services. Those professional services within the scope of the practice of architecture, professional engineering, or land surveying, as defined by the laws of this state.
2. Blind Trust. An independently managed trust in which the employee-beneficiary has no management rights and in which the employee-beneficiary is not given notice of alterations in, or other dispositions of, the property subject to the trust.
3. Board of Directors. Those bodies which govern RiverCities Transit. The governing bodies are Longview City Council and Cowlitz Transit Authority.
4. Brand Name or Equal Specification. A specification limited to one or more items by manufacturers' names or catalog numbers to describe the standard of quality, performance, and other salient characteristics needed to meet agency requirements, and which provides for the submission of equivalent products.

5. Brand Name Specification. A specification limited to one or more items by manufacturers' names or catalog numbers.
6. Businesses. Any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture or any other private legal entity.
7. Cardinal Change. 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 a very different work from that described in the original contract. Such changes are impermissible.
8. Change Order. A written order signed and issued by the Project Manager, or designee, directing the contractor to make changes, pursuant to contract provisions for such changes, with or without the consent of the contractor.
9. Contract Modification. Any written alteration in specifications, delivery point, rate of delivery, period of performance, price, quantity, or other provision of any contract accomplished by mutual action of the parties to the contract.
10. Confidential Information. Any information which is available to an employee only because of the employee's status as an employee of RiverCities Transit and is not a matter of public knowledge or available to the public on request.
11. Construction. The process of building, altering, repairing, improving, or demolishing any public structure or building, or other public improvements of any kind to any public real property. It does not include the routine operation, routine repair, or routine maintenance of existing structures, buildings and/or real property.
12. Contract. All types of agency agreements, regardless of what they may be called, for the procurement of supplies, services or construction.
13. Contractor. Any person having a contract with RiverCities Transit, or the City of Longview.
14. Cost Analysis. The evaluation of cost data for the purpose of arriving at costs actually incurred or estimates of costs to be incurred, prices to be paid, and costs to be reimbursed.
15. Cost Data. Factual information concerning the cost of labor, material, overhead, and other cost elements which are expected to be incurred or which have been actually incurred by the contractor in performing the Contract.
16. Cost Reimbursement Contract. A contract under which a contractor is reimbursed for allowable and allocable incurred costs to the extent prescribed in the contract, which may

include fee and profit, if any. Suitable for use only when the uncertainties involved in contract performance do not permit costs to be estimated with sufficient accuracy to use any type of fixed price contract.

17. Design-Bid-Build (DBB) Procedure. A traditional process of awarding public works contracts. A construction project under which a public agency would commission an Architect or Engineer to prepare drawings and specifications under a design services contract, and separately contracts for construction, by engaging the services of a contractor through sealed bidding or competitive negotiations to complete delivery of the project.
18. Design-Build (DB) Procedure. One of the alternative processes available for awarding public works construction contracts. May only be used by a public body certified by the Washington State Capital Projects Advisory Review Board (CPARB) to use alternative public works contracting procedures. A construction project under which a public agency would enter into a contract with a seller, firm, or consortium of firms both to design and construct a public transportation system, or an operable segment of such system (i.e. public transportation facility that is the subject of the project), that conforms to specific performance criteria; and may include an option to finance, or operate for a period of time, the system or segment or any combination of designing, building, operating, or maintaining such system or segment. Note: RiverCities Transit is not a “certified public body”. (Chapter 39.10 RCW)
19. Direct or Indirect Participation. Involvement through decision, approval, disapproval, recommendation, preparation of any part of a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity.
20. Disadvantaged Business. A small business which is owned or controlled by a majority of persons, not limited to members of minority groups, who have been deprived of the opportunity to develop and maintain a competitive position in the economy because of social disadvantage.
21. Employee. An individual drawing a salary or wages from RiverCities Transit, or the City of Longview, whether elected or not, and any noncompensated individual performing personal services for RiverCities Transit, the City of Longview, or any department, agency, commission, council, board or any other entity established by RiverCities Transit or the City of Longview.
22. Financial Interest.
 - a. Ownership of any interests or involvement in any relationship from which, or as a result of which, a person within the past year has received, or is presently or in the future entitled to receive, more than \$1,000 per year, or its equivalent;
 - b. Ownership of 2% of any property or business; or

- c. Holding a position in a business such as an officer, director, trustee, partner, employee, or the like, or holding any position of management.
- 23. Firm Fixed Price (FFP) Contract. A contract under which a contractor is reimbursed only for the agreed upon firm-fixed price of the total amount bid, except where modified by a written Change Order, irrespective of the contractor's cost experience in performing the contract. FFP contracts may include an economic price adjustment provision, incentives, or both.
- 24. Force Account. RiverCities Transit's own labor forces and equipment used to perform project work. Such work is not subject to FTA Third Party Contracting guidance.
- 25. Gift or Gratuity. Anything of economic value for which no consideration is given except for those items listed in RCW 42.52.010.10.
- 26. Grantee. The term "Grantee" refers to RiverCities Transit when they are the recipient of funds related to a grant or cooperative agreement awarded by a public or private entity. Grantee means RiverCities Transit in its entirety, even if only a particular component of the entity is designated in the assistance award document. Grantee also includes any sub-grantee of RiverCities Transit. Furthermore, RiverCities Transit is responsible for assuring that its sub-grantees comply with the requirements and standards of the awarding entity, and that sub-grantees are aware of requirements imposed upon them by federal statutes and regulations.
- 27. Immediate Family. For purposes of the Policy, "immediate family" means: an individual's spouse or domestic partner, and child, stepchild, grandchild, parent, stepparent, grandparent, brother, half-brother, sister, or half-sister of the individual and the spouse or domestic partner of any such person and a child, stepchild, grandchild, parent, stepparent, grandparent, brother, half-brother, sister, or half-sister of the individual's spouse or domestic partner and the spouse or domestic partner of any such person. [RCW 42.17A.005(26)]
- 28. Invitation for Bids (IFB). All documents, whether attached or incorporated by reference, utilized for soliciting sealed bids.
- 29. Joint Procurement. This method of contracting means two or more purchasers agree from the outset to use a single solicitation document and enter into a single contract with a vendor for delivery of property or services in a fixed quantity, even if expressed as a total minimum and total maximum. Unlike a State or local government purchasing schedules or contracts, a joint procurement is not drafted for the purpose of accommodating the needs of other parties that may later choose to participate in the benefits of that contract.
- 30. Legal Counsel. The attorney or attorneys designated to provide legal services to RiverCities Transit.
- 31. Life Cycle Costing. The total cost of an item of work or equipment which is comprised of initial cost, operating costs through the normal or expected life of the item, and salvage or resale price at the end of that normal or expected life.

32. Notification. Notification shall be deemed sufficient once communication is posted by U.S. mail or via facsimile.
33. Persons. Any business, individual union, committee, club, other organization, or group of individuals.
34. Price Analysis. The evaluation of price data, without analysis of the separate cost components and profit as in cost analysis, which may assist in arriving at prices to be paid and costs to be reimbursed.
35. Pricing Data. Factual information concerning prices for items substantially similar to those being procured. Prices in this definition refer to offered or proposed selling prices, historical selling prices and current selling prices. The definition refers to data relevant to both prime and subcontract prices.
36. Procurement. The buying, renting, leasing, or otherwise acquiring of any supplies, or construction. It also includes all functions that pertain to the obtaining or any supply, service, or solicitation of sources, preparation and award of contract, and all phases of contract administration.
37. Purchaser. The person or persons delegated to conduct purchasing activities to include contract formation by Purchase Order, bid, or formal contract.
38. Qualified Products Lists. An approved list of supplies or construction items described by model or catalog numbers which, prior to competitive solicitation, RiverCities Transit has determined will meet the applicable specification requirements.
39. Request for Proposals (RFP). All documents, whether attached or incorporated by reference, utilized for soliciting proposals.
40. Responsible Bidder or Proposer. A person who has the capability in all respects to perform fully the contract requirements, and the tenacity, perseverance, experience, integrity, reliability, capacity, facilities, equipment and credit which will assure good faith performance.
41. Responsive Bidder or Proposer. A person who has submitted a bid, which conforms in all material respects to the Invitation for Bids.
42. Revenue Contract. Any third party contract whose primary purpose is to generate revenues in connection with a transit related activity or to create business opportunities utilizing an FTA-funded asset. (i.e. advertising, concessions, land leasing, and use of right of ways). Excludes supplies or services contracts, management and paratransit contracts, and disposal of assets agreements.
43. RiverCities Transit. The organizations and employees that govern and operate RiverCities Transit, which are the City of Longview and Cowlitz Transit Authority.
44. Services. The furnishing of labor, time or effort by a contractor, not involving the delivery of a specific product other than reports which are merely incidental to the required performance. This term shall not include employment agreements or collective bargaining agreements.
45. Small Business. A United States business which is independently owned and which is not dominant in its field of operation or an affiliate or subsidiary of a business dominant in its field or operation.

46. Specification. Any description of the physical or functional characteristics, or of the nature of a supply, service, or construction. It may include a description of any requirement for inspecting, testing, or preparing a supply, service, or construction item for delivery.
47. Supplies. All property, including but not limited to equipment, materials, printing, insurance, and leases of real property, excluding land or a permanent interest in land.
48. Third Party Contract. Any Purchase Order or contract awarded by a grantee (RiverCities Transit) to a vendor or contractor.
49. Time and Materials Contract. Grantees use of this type of contract is restricted and may only be used after the grantee determines that no other contract type is suitable; and if the contract specifies a ceiling price that the contractor may not exceed except at its own risk.

PART C – PUBLIC ACCESS TO PROCUREMENT INFORMATION

1-301 PUBLIC ACCESS TO PROCUREMENT INFORMATION

Procurement information shall be public record to the extent provided under the State Public Disclosure Act, RCW 42.17, and shall be available to the public as provided therein.

ARTICLE 2 - RESPONSIBILITIES

2-101 RESPONSIBILITIES

The City of Longview engages in a Semi-decentralized purchasing program.

Except for public works projects, for vehicle acquisitions, and Information Technology acquisitions of equipment and software, each department in the city is empowered to effect purchases of materials, supplies and services, following the purchasing standards established by the city administration and in accordance with the departmental budget. In the interests of contract compliance and in order to be aware of and meet the requirements of state law, all public works projects engaged in by any department of the city shall be supervised or administered by the Public Works department. All purchases of vehicles and self-propelled or semi-self-propelled mobile equipment (automobiles, trucks, tractors, mowing equipment, sweepers, etc.) excluding mechanical hand tools and equipment (edgers, trimmers, power saws, tilling machinery), are accomplished by the Fleet Services department. All purchases of public transportation vehicles and equipment (busses, vans, etc.), are accomplished by the Transit department with technical specifications and vendor assistance from the Fleet Services department. The Transit Division utilizes federal dollars for some of its procurement processes. This Procurement Manual was developed in recognition of the federal requirements the Transit Division must meet when using federal funds.

1. The Transit Division within the City of Longview has the responsibility for the procurement of all goods and services, the processing and sale of goods and services, and to either provide the

services for such procurement and processing or give functional directions to other delegated to perform such services.

2. Only those persons delegated are authorized to commit RiverCities Transit for materials, equipment, supplies and services. These persons include the City Manager, Public Works Director and the Transit Manager, unless specifically authorized.
3. All negotiations are to be handled by the appropriate purchasing personnel within their delegated authority.
4. When supply sales representatives make personal sales calls, they are to be directed to call on the delegated Purchaser at that time.
5. All employees involved in purchasing activities will work to maintain and enhance RiverCities Transit's image by their personal conduct and methods of doing business.
6. Vendor selection and products purchased are to meet the basic policies and standard practices of RiverCities Transit as well as conform to Federal Transit Administration rules and regulations and State and Federal Law.
7. Personnel purchasing products are to seek to obtain and purchase all goods at the lowest possible total end-use cost, considering the guidelines of prices, services, quality and delivery, and in accordance with sound governmental purchasing practices.
8. The Transit Division will negotiate the return of rejected equipment or supplies to suppliers.
9. The City Manager has been granted authority by the City Council via Resolution 2145 to enter into contracts on behalf of the Transit Department provided they are within the budget appropriations authorized by the Council.
10. Contracts shall be reviewed by the City Attorney when the contract is over \$10,000.
11. Requisitions and contracts over \$10,000 shall receive Public Works Director and City Manager approval.

ARTICLE 3 – ETHICS IN PUBLIC CONTRACTING

3-101 ANTITRUST LAWS

The policy of RiverCities is to comply with the letter and spirit of all laws applicable to RiverCities Transit's business and interest.

Violations of the antitrust laws in any area may have far-reaching effects, causing substantial injury to RiverCities Transit in lengthy and expensive litigation, treble damage liability and injunctions, or orders affecting property and/or business. An employee who participates in a violation is individually and personally subject to fine or imprisonment.

RiverCities compliance with these laws depends on the conduct of its employees occupying positions of responsibility.

Each employee responsible for RiverCities conduct or practices that may involve the application of the antitrust laws should consult and be guided by the advice of legal counsel.

If an employee of RiverCities Transit who has acted in good faith for RiverCities Transit never-the-less becomes involved in an antitrust proceeding, RiverCities Transit will be prepared to assist the employee to the extent possible, including retention of counsel for defense in the case. However, if an employee so acting in good faith is convicted of violating the law, there are limitations, as matter of laws, to which RiverCities Transit can go to save the employee from punishment imposed as a consequence of conviction.

Each employee is obligated in his area of responsibility to adhere to the above policy. The purchasing employee is not expected to have the knowledge of a lawyer, but he/she is expected to be guided by RiverCities Transit's past practices and policies and by his/her own common sense. When he/she is faced with a new problem with unknown legal implications, he/she is expected to refer to the Transit Manager for advice and handling.

Robinson-Patman Act

It is also policy to purchase goods and services on the basis of price, quality, terms and services, according to sound governmental purchasing practices.

Personnel performing a purchasing function shall not demand or negotiate a special pricing structure from a supplier that the supplier is not voluntarily willing to offer to other customers under similar conditions and terms.

Legal counsel should be consulted prior to taking action when in doubt about application of this policy to any activity.

3-102 ETHICAL PRACTICES

RiverCities Transit's suppliers, personnel and services are a natural extension of its own resources. It is the responsibility of all employees to work to maintain the good name of RiverCities Transit, to develop and maintain good relations between RiverCities Transit and its suppliers and to keep in mind that personal contacts form much of the basis for the supplier's opinion of RiverCities.

In personal contacts with the suppliers, each employee represents RiverCities Transit and should reflect and present the interests and needs of all departments, setting aside, if need be, a more parochial point of view.

3-103 CRIMINAL PENALTIES

To the extent that violations of the ethical standards of conduct set forth in this Article constitute violations of the State Criminal Code, they shall be punishable as provided therein. Such penalties shall be in addition to any civil sanctions set forth in this Article. Criminal, civil, and administrative sanctions against employees or non-employees, which are in existence on the effective date of this policy, shall not be impaired.

3-104 CONFLICTS OF INTEREST, REAL OR APPARENT

Use of one's position in a manner that constitutes a real or apparent personal or organizational conflict of interest or personal gain is strictly prohibited. (FTA Cir 9030.1D)

All officers, employees, board members, or agents of RiverCities Transit shall avoid both real conflicts of interest and the appearance of conflicting interests in the exercise of their RiverCities Transit duties. If an employee finds a situation in which the employee's actions on behalf of RiverCities Transit might benefit the employee or any member of the employee's immediate family, it is the employee's responsibility to bring the potential conflict of interest to the attention of their supervisor or department manager immediately.

An individual or any member of any individual's immediate family who holds a financial interest in a disclosed blind trust shall not be deemed to have a conflict of interest with regard to matters pertaining to that financial interest.

3-105 GIFTS AND GRATUITIES

No officers, employees, board or council members, or agents of RiverCities Transit or their immediate family member may either solicit or accept gratuities, favors, or anything of *economic value from any present or potential contractor or subcontractor. No gift, favors, or gratuities other than an item of nominal economic value, either solicited or non-solicited, shall be accepted or received by any officer, employee, board member, or agent of RiverCities Transit

from any supplier, vendor, customer, client, or any individual or organization doing or seeking business with RiverCities Transit.

*Economic Value. Any item greater than nominal intrinsic value, fifty dollars (\$50) from a single source in a calendar year or a single gift from multiple sources with a value in excess of fifty dollars (\$50) or more in addition to its ordinary meaning, includes: loans, property interest, interest in a contract, employment or another arrangement involving a right to compensation; an option, irrespective of the conditions to the exercise of the option; and a promise or undertaking for the present or future delivery or procurement. (RCW 42.52.010.20) The value of gifts given to an officer's, employee's, board or council member's or agent's family member or guest shall be attributed to the official, employee, board member, or agent for the purpose of determining whether the limit has been exceeded. (RCW 42.52.150.1)

Any employee who is offered or receives a payment or gift of more than a nominal value shall refuse it or return it to the giver in a tactful and dignified manner, advising the giver of RiverCities Transit's policy prohibiting its acceptance.

Loans are not to be accepted from an individual or organization having prospective dealings with RiverCities Transit unless such individual or organization is in the business of making loans to individuals.

No employee shall permit any influence which could conflict with the best interest of RiverCities Transit, or prejudice RiverCities Transit's reputation.

Association with supplier representatives at luncheons, dinners, or business organization meetings are helpful in establishing better business understanding, and is neither questionable nor unethical, provided the Buyer keeps himself free of obligations. To ensure this, RiverCities Transit personnel are expected to assume their share of the expense of such meetings, luncheons, or dinners.

The responsibility for adherence to this policy is a joint one. Individuals who represent RiverCities Transit must be beyond challenge or reproach in every business transaction, and not allow themselves to be put into a position where their judgments can be influenced.

Any employee not complying with this policy shall be subjected to appropriate disciplinary action.

3-106 PROHIBITION AGAINST CONTINGENT FEES

It shall be unethical for a person to be retained, or to retain a person, to solicit or secure a RiverCities contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except for retention of bonafide employees or bonafide established commercial selling agencies for the purpose of securing business.

3-107 CONTEMPORANEOUS EMPLOYMENT PROHIBITED

It shall be unethical for any employee who is participating directly or indirectly in the procurement process to become or to be, while such an employee, the employee of any person contracting with the governmental body by whom the employee is employed.

3-108 WAIVERS FROM CONTEMPORANEOUS EMPLOYMENT PROHIBITION AND OTHER CONFLICT OF INTEREST

RiverCities Transit may grant a waiver from the employee conflict of interest provision (Article 3-104) or the contemporaneous employment provision (Article 3-107) upon making a written determination that:

- a. The contemporaneous employment or financial interest of the RiverCities Transit employee has been publicly disclosed;
- b. The RiverCities Transit employee will be able to perform his or her procurement function without actual or apparent bias or favoritism; and
- c. The award will be in the best interests of RiverCities Transit; and
- d. The award will not be funded with federal funds.

3-109 USE OF CONFIDENTIAL INFORMATION

It shall be unethical for any employee or former employee knowingly to use confidential information for actual or anticipated personal gain, or for the actual or anticipated personal gain for any other person.

3-110 SANCTIONS

Employees. RiverCities Transit may impose any one or more of the following sanctions on an employee for violations of the ethical standards in this part:

- a. Oral or written warnings or reprimands;
- b. Suspension with or without pay; or
- c. Termination of employment

Non-employees. RiverCities Transit may impose any one or more of the following sanctions on a non-employee for violations of the ethical standards:

- a. Written warnings or reprimands
- b. Termination of contract; or

c. Debarment or suspension as provided in Article 12

3-111 RECOVERY OF VALUE TRANSFERRED OR RECEIVED IN BREACH FOR ETHICAL STANDARDS

General Provisions. The value of anything transferred or received in breach of the ethical standards of these procedures by an employee or a non-employee may be recovered from both employee and non-employee.

Recovery of Kickbacks by RiverCities Transit. Upon a showing that a subcontractor made a kickback to a prime contractor or a higher tier subcontractor in connection with the award of a subcontract or order thereunder, it shall be conclusively presumed that the amount thereof was included in the price of the subcontract or order and ultimately borne by RiverCities Transit and will be recoverable hereunder from the recipient. In addition, that amount may also be recovered from the subcontractor making such kickbacks. Recovery from one offending party shall not preclude recovery from other offending parties.

3-112 CONFIDENTIALITY

Although RiverCities Transit is a public agency, there are still circumstances under which documents are not subject to the legal requirements of public disclosure.

There are steps during the purchasing transaction that are of a confidential nature, especially with regard to vendors and documentation that they consider to be proprietary.

It is considered unethical as well as damaging to allow proprietary information about one vendor's quotation or bid status to pass to another vendor. Overheard phone calls, documents on desks during vendor interviews, and conversations between buyers within hearing of vendors in other offices are less direct methods of sharing proprietary information. Even acknowledging to a bidder that there are other bidders is damaging. An awareness of this sort of situation should be created so that it may be avoided.

All purchasing files are to be maintained in an up-to-date and confidential manner. Access to these files and any other documentation found within the procurement files shall be restricted to those authorized.

ARTICLE 4 – CONTRACT FORMATION

PART A - DOCUMENTS

4-101 DOCUMENTS

Contracting methods commonly require written documents covering some of the steps of a transaction. Although not all of the writings below are used in a single transaction, they represent the most common types of solicitations:

1. Purchase Orders
2. Invitation for Bids
3. Requests for Proposals
4. Formal Contracts
5. Change Orders

PART B – GENERAL PROCUREMENT STANDARDS

4-201 GENERAL PROCUREMENT STANDARDS APPLICABLE TO THIRD-PARTY PROCUREMENTS

1. Contract Administration System.

Personnel responsible for procurement of goods and services on behalf of RiverCities Transit will ensure contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders. Specific items for contract administration are listed in Article 10 of this document.

2. Ensuring Most Efficient and Economic Purchase.

RiverCities Transit procedures shall provide for a review of proposed procurements to avoid purchase of unnecessary or duplicative items. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives and any other appropriate analysis to determine the most economical approach.

3. Intergovernmental Procurement Agreements.

To foster greater economy and efficiency, RiverCities Transit may enter into State and local intergovernmental agreements for procurement or use of common goods and services. The requirements and standards of FTA Circular 4220.1F apply to procurements entered into under such agreements using FTA funds.

4. Excess and Surplus Property Usage.

RiverCities Transit is encouraged to use Federal excess and surplus property in lieu of purchasing new equipment and property, whenever such use is feasible and reduces project costs.

5. Use of Value Engineering in Construction Contracts.

RiverCities Transit may use value-engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value Engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lowest cost.

6. Awards to Responsible Contractors.

RiverCities Transit shall make awards only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration shall be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

7. Written Record of Procurement History.

RiverCities Transit shall maintain records detailing the history of procurement. At a minimum, these records shall include:

- a. The rationale for the method of procurement;
- b. Selection of contract type;
- c. Reasons for contractor selection or rejection; and
- d. The basis for the contract price

8. Responsibility for Settlement of Contract Issues/Disputes.

RiverCities Transit alone will be responsible in accordance with good administrative practice and sound business judgment for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve RiverCities Transit of any contractual responsibility under its contracts.

9. Written Protest Procedures.

All disputes relating to RiverCities Transit's procurements will be addressed as documented in Article 13. In all instances where a protest is received in regards to a contract required to comply with FTA Circular 4220.1F, a grantee will disclose information regarding the protest to FTA. All protest decisions must be in writing. A protester must exhaust all administrative remedies with a grantee before pursuing a protest with FTA. Reviews of protests by FTA will be limited to: (1) a grantee's failure to have or follow its protest procedures, or its failure to review a complaint or protest; or (2) violations of Federal law or regulation. An appeal to FTA must be received by the cognizant FTA regional or Headquarters Office within five (5) working days of the date the protester knew or should have known of an adverse decision by a grantee or other bases of appeal to FTA. Violations of Federal law or regulation will be handled by the complaint process stated within that law or regulation. Violations of State or local law or regulations will be under the jurisdiction of the State or local authorities.

10. Contract Period of Performance Limitation.

Grantees shall not enter into any contract for rolling stock or replacement parts with a period of performance exceeding five (5) years inclusive of options without prior written FTA approval. RiverCities Transit will be judicious in establishing and extending contract terms for all other types of contracts. Professional Services, Maintenance & Non-Professional Services agreements are not to exceed four (4) years unless approved in writing by the City Manager or his/her designee.

11. Contract Options.

RiverCities Transit may include options in contracts. An option is a unilateral right in a contract by which, for a specified time, RiverCities Transit may elect to purchase additional equipment, supplies, or services called for by the contract, or may elect to extend the term of the contract. If RiverCities Transit chooses to use options, the requirements below apply:

a. Evaluation of Options.

The option quantities or periods contained in the contractor's bid or offer must be evaluated in order to determine contract award. When options have not been evaluated as part of the award, the exercise of such options will be considered a sole source procurement.

b. Exercise of Options.

RiverCities Transit must ensure that the exercise of an option is in accordance with the terms and conditions of the option stated in the initial contract awarded. An option may not be exercised unless RiverCities Transit has determined that the option price is better than prices available in the market or that the option is the more advantageous offer at the time the option is exercised.

4-202 COMPETITION

1. Full and Open Competition.

All procurement transactions will be conducted in a manner providing full and open competition. Some of the situations considered to be restrictive of competition include, but are not limited to:

- a. Unreasonable requirements placed on firms in order for them to qualify to do business;
- b. Unnecessary experience and excessive bonding requirements;
- c. Non-competitive pricing practices between firms or between affiliated companies;
- d. Non-competitive awards to any person or firm on retainer contracts;
- e. Organizational conflicts of interest. An organizational conflict of interest 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;
- f. The specification of only a "brand name" product without listing its salient characteristics and not allowing an "equal" or "alternate" product to be offered; and
- g. Any arbitrary action in the procurement process.

2. Prohibition Against Geographic Preferences.

RiverCities Transit will not use statutorily or administratively imposed 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 preempt State licensing laws; however, geographic location may be a selection criterion in procurements for Architectural and Engineering (A&E) services provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

3. Written Procurement Selection Procedures.

All solicitations shall:

- a. Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description shall not, in competitive procurements, contain features that unduly restrict competition. The description may include a statement of the qualitative nature of the material, product, or service to be procured and when necessary, shall set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use.

Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a "brand name or equal" description may be used. A grantee shall use a "brand name or equal" description only when it cannot provide an adequate specification or more detailed description, without performing an inspection and analysis, in time for the acquisition under consideration. Further, a grantee wishing to use "brand name or equal" must carefully identify its minimum needs and clearly set forth those salient physical and functional characteristics of the brand name product in the solicitation.

- b. Identify all requirements that offerors must fulfill and all other factors to be used in evaluating bids or proposals.

4. Pre-qualification Criteria.

The act of pre-qualifying vendors or contractors to meet certain criteria before being permitted to bid on a project is prohibited by Washington State law for all public agencies except the following: WSDOT (State Dept. of Transportation) for highway work – RCW 47.28.070; Public Utility Districts (PUDs) for electrical work – RCW 54.04.085; and Cities or towns owning an electrical utility for electrical work – RCW 35.92.350. The Legislature has provided public agencies with the ability to help ensure that qualified contractors work on public works projects through the use of Supplemental Bidder Responsibility Criteria, as authorized in RCW 39.04.350(2).

RiverCities Transit shall maintain current lists of persons, firms, or products to be used in acquiring goods and services and include enough sources to ensure maximum full and open competition (i.e. Vendor Bid List, Planholders' List, etc.). Also, RiverCities Transit will not preclude potential bidders/proposers from requesting to be placed on any such lists during the solicitation period, which is from issuance of the solicitation to its closing date.

PART C - METHODS OF PROCUREMENT

The following policies apply to all methods of procurement:

4-301 PROCUREMENT POLICY

Procurement Policy – Eff December 2014, updated 4/23/2024

Each department manager is responsible for ensuring their department is adhering to the Procurement Policy and related procedures of RiverCities Transit.

During the annual budget process, each department manager will define for their department what a like/kind item is for determining the appropriate procurement method. This determination will be applied to all procurements of RiverCities Transit to ensure compliance with not “splitting procurements”. A purchase must not be split to avoid purchasing requirements. For example, if purchasing ten similar items from a vendor within a year, the purchase must not be split (made through more than one purchase order) to keep each purchase under a certain dollar amount. The manager shall consider the purchase of multiple periodic orders, purchases of similar items (i.e. where purchasing similar items of varying sizes, etc.), etc. when defining like kind. In all cases, if a manager determines that they will exceed \$10,000 of purchases of like-kind items they must comply with the Small Purchase Procedures or through the competitive bidding process.

4-302 PROCUREMENT BY MICRO-PURCHASE – UP TO \$10,000

1. The entire purchase or contract, regardless of what each single item costs, is totaled to arrive at a purchase price when determining what kind of documentation and purchase method is needed. For example, the total cost of a purchase order, requisition, invoice or the total estimated cost of a contract is less than \$10,000. Purchases between \$500 and \$5,000 are to be submitted by a supervisor with all requisition documentation and approved by the Transit Manager. Purchases between \$5,000 and \$10,000 are to be approved by the Transit Manager and Public Works Director.
2. To the extent practicable, purchases must be distributed equitably among qualified suppliers. Price comparisons are not required, but the price(s) should be considered reasonable. This distribution of purchases among qualified suppliers can happen in one of two ways; as a single purchase or over several purchases. For example a school procuring apples may purchase:
 - Paper from various suppliers at the same time (the total of the purchases cannot exceed \$10,000), or
 - Paper from one supplier for the first purchase of the paper (for \$10,000 or less) and paper purchased from a different supplier (for \$10,000 or less) the next time paper is purchased, etc.

Reasonable Price: To verify the reasonableness of a price, the organization could compare previous purchases, have personal knowledge of the item being purchased, and/or compare to similar items being purchased, use catalogs or market prices from advertisements. Document the reasonable price assumption and keep in procurement file.

Records: Documentation must be kept for all purchases regardless of the procurement method used, including micro-purchases.

3. A purchase must not be divided or reduced (split) to avoid exceeding a procurement threshold requiring a competitive process. For example, if purchasing ten similar items from a vendor within a year, the purchase must not be split (made through more than one purchase order) to keep each purchase under a certain dollar amount.
4. May be made without obtaining competitive quotations if the price can be determined to be fair and reasonable. The determination of fair and reasonable must be documented on the requisition.
5. Exempt from FTA contract clauses; however, Davis-Bacon prevailing wage requirements will apply to federally-assisted construction contracts exceeding \$2,000, even if micro-purchase procurement procedures are used.

4-303 PROCUREMENT BY SMALL PURCHASE PROCEDURES – \$10,001 TO \$250,000

1. The entire purchase or contract regardless of what each single item costs, is totaled to arrive at a purchase price when determining what kind of documentation and purchase method is needed. For example, the total cost of a purchase order, requisition, invoice or the total estimated cost of a contract is valued at more than the micro-purchase threshold (\$10,000) but less than RiverCities Transit's formal bid threshold (\$250,000).
2. At least three written quotations from qualified sources are required. These must be attached to the Requisition and subsequent Purchase Order.
3. Federal clauses (mandatory and/or situational) apply if utilizing FTA funds (see Appendix for complete list of FTA Clauses).
4. Contracts over \$10,000 will be reviewed by the City Attorney and signed by the City Manager.

4-304 PROCUREMENT BY FORMAL PROCESSES – \$250,001 AND OVER

1. Competitive Sealed Bid – Invitation For Bids (IFB)

Bids are publicly solicited and a firm-fixed-price contract (lump sum or unit price) is awarded to the responsive and responsible bidder whose bid, conforming to all the material terms and conditions of the IFB, is the lowest in price.

In order for sealed bids to be feasible, the following conditions should be present:

- a. A complete, adequate, precise, and realistic specification or purchase description is available;
- b. There is a reasonable expectation of receiving more than one sealed bid;

- c. The award can be made principally on the basis of price and price-related factors listed in the solicitation including, but not limited to: transportation costs, life cycle costs and discounts expected to be taken;
- d. No discussion or negotiation with bidders is necessary.

The following requirements apply to procurement by competitive sealed bids:

- a. Unless the Small Works Roster process is used, the IFB will be publicly advertised in the official newspaper, or a newspaper of general circulation, at least once and at least fourteen (14) calendar days prior to the Bid Due Date.
- b. Bids shall be solicited from an adequate number of known suppliers, providing them sufficient time to prepare bids prior to the date set for opening the bids;
- c. The IFB, which will include any specifications and pertinent attachments, shall adequately define the items or services sought in order for the bidder to properly respond;
- d. Sufficient time is allowed to permit the solicitation, submission, and evaluation of sealed bids;
- e. All bids will be publicly opened at the time and place prescribed in the IFB;
- f. A firm-fixed price (FFP) contract award will be made in writing to the lowest responsive and responsible bidder. When specified in the Bid Documents, factors such as discounts, transportation costs, and life cycle costs shall be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and
- g. Any or all bids may be rejected if there is a sound documented business reason.

2. Competitive Proposal – Request For Proposals (RFP)

The competitive proposal method of procurement is normally conducted with more than one source submitting a proposal based on factors other than price. Either a fixed price or cost reimbursement type contract is awarded. This method of procurement is generally used when conditions are not appropriate for the use of sealed bids.

In order for competitive proposals to be feasible, any of the following conditions should be present:

- a. The property or services to be acquired are described in a performance or functional specification; or if described in detailed technical specification, other circumstances requiring the need for discussions or the importance of basing the contract award on factors other than price alone are present.
- b. There is uncertainty about whether more than one proposal will be submitted in response to an RFP and the grantee lacks the authority or flexibility under State or local law to negotiate the contract price if it receives only a single proposal.
- c. The award cannot be made exclusively on price as the relative importance of cost or price may vary, but may play a dominant role in source selection.

- d. Separate discussions with individual Proposers are expected after submission of proposals.

The following requirements apply to procurement by competitive proposals:

- a. The RFP will be publicly advertised in the official newspaper, or a newspaper of general circulation, at least once and at least fourteen (14) calendar days prior to the proposal due date;
- b. All evaluation factors and their relative importance will be identified in the RFP, but numerical weights or percentage ratings need not be disclosed;
- c. Proposals will be solicited from an adequate number of sources;
- d. RiverCities Transit will follow its Procurement Policy and procedures for conducting technical evaluations of the proposals received and for selecting awardees;
- e. Awards will be made to the responsible Proposer whose proposal is most advantageous to RiverCities Transit's program with price and other factors considered.

3. Two-Step Procurement

Two-step procurement procedures (41 U.S.C. Section 253) may be used in both sealed bid and competitively negotiated procurements, providing the opportunity for full and open competition is retained.

The following requirements apply to procurements by the two-step process:

- 1) Review of Technical/Professional Qualifications and Approach. Review the prospective contractor's technical or professional approach to RiverCities Transit's IFB or RFP, and technical qualifications to carry out that approach. The competitive range may be narrowed to prospective contractors that demonstrate a technically satisfactory approach and have satisfactory qualifications.
- 2) Review of Bids and Proposals Submitted by Qualified Prospective Contractors. Solicit and review complete bids or proposals, including price, submitted by each prospective contractor determined to be qualified. Absent exceptional circumstances, bids or proposals should be solicited from at least three qualified prospective contractors. All bids or proposals submitted shall be considered rather than limiting reviews to the most qualified bidder or proposer.

In the interests of efficiency, RiverCities Transit may elect to obtain submittals of both steps with a single solicitation.

4. Qualifications-Based Procurement – Architectural and Engineering (A&E) Services

Qualifications-based procurement procedures are required for the selection of contractors performing A&E services, as based on the Brooks Act, 40 U.S.C. Chapter 11, and Chapter 39.80

RCW. RiverCities Transit may only use qualifications-based procurement procedures when it seeks to acquire A&E services, such as program management, construction management, feasibility studies, preliminary engineering, design, architectural, engineering, land surveying, mapping, and other related services as set forth in 49 U.S.C. Section 5325(b), when the A&E services directly support, or are directly connected with or related to, the construction, alteration, or repair of real property.

This method of procurement cannot be used to obtain other types of services even though a firm providing A&E services is also a potential source to perform other types of services; or when the design or fabrication will become off-the-shelf items, or delivered as final end products for installation in an FTA-assisted construction project, including an Intelligent Transportation System (ITS) construction project.

The Brooks Act requires that:

- a. An offeror's qualifications be evaluated;
- b. Price be excluded as an evaluation factor;
- c. Negotiations be conducted with only the most qualified offeror; and
- d. Failing agreement on price, negotiations with the next most qualified offeror be conducted until a contract award can be made to the most qualified offeror whose price is fair and reasonable to RiverCities Transit.

These requirements apply except to the extent any state adopts, or has adopted by statute, a formal procedure for the procurement of A&E services.

5. Design-Bid-Build (DBB) Procurement

The traditional Design-Bid-Build method requires separate procurements to build the final product: 1) contract for A&E services; and 2) contract for construction.

- 1) Design Services. Qualifications-based procurement must be used for design services in accordance to the Brooks Act, 40 U.S.C. Chapter 11, and Chapter 39.80 RCW procedures.
- 2) Construction. Procurement by competitive sealed bids (IFB); Small Works Roster process may be used up to \$300,000. Washington State does not allow competitive negotiated procurements (RFP) for public works construction contracts.

4-305 PROCUREMENT BY PIGGYBACKING

The Transit Manager may make, or authorize another to make, procurements of property, services or construction by way of an Interlocal Agreement, as authorized by Chapter 39.34 RCW, where there exists a competitive procurement made by another public agency and it is

determined to be in the best interest of RiverCities Transit to participate with such other local agency in the procurement of supplies, services or construction items.

This type of procurement is called “piggybacking” and is defined by the FTA as the post award use of contract rights that allows someone who was not contemplated in the original contract to purchase the same supplies/equipment through that original contract.

The purpose of entering an Interlocal Agreement is to take advantage of a competitive selection process already conducted by another agency and save RiverCities Transit the time and expense of conducting its own selection process for the same property, services or construction items.

Piggybacking is permissible when:

- a. The solicitation document and resultant contract include an assignability clause that provides for the assignment of all or part of the specified deliverables as originally advertised, competed, evaluated, and awarded. This includes the base and option quantities.
- b. The quantities to be ordered were included in the original bid and evaluated as part of the contract award decision.
- c. The original solicitation and resultant contract must contain both a minimum and maximum quantity, which represent the reasonably foreseeable needs of the parties to the solicitation.
- d. If federal funds are used in the procurement, the contract being accessed by the piggybacking procedure must contain:
 - 1) The clauses required by federal regulations;
 - 2) The contractor’s submitted certifications required by federal regulations; and
 - 3) The procurement in other respects meets federal requirements, such as current required Buy America percentages.
- e. The procurement and contract meets other RiverCities Transit requirements.

Piggybacking is NOT permissible when:

- a. There is no assignment clause in the original solicitation.
- b. The piggybacking action would call for an increase in quantities that were not originally bid on and not originally evaluated as part of the contract award. Such an order for additional quantities would constitute a non-competitive procurement. This non-permissible practice is sometimes referred to as a “tag-on”.
- c. The order is against an indefinite delivery/indefinite quantity contract where the quantities ordered were not bid on and evaluated as part of the basic contract award.
- d. The order is an attempt to exercise an expired option.
- e. If Federal funds are used, the contract does not contain the required Federal Clauses or meet Federal requirements in other respects.
- f. The contract does not meet RiverCities Transit requirements in other respects.

4-306 NON-COMPETITIVE PROCUREMENT (SOLE SOURCE)

Except as permitted by federal law or regulations, all procurement transactions will be conducted in a manner providing full and open competition. In certain instances and situations, non-competitive procurements may be permissible only when the award of a contract is infeasible under small purchase, sealed bids, or competitive proposal procedures AND at least one of the following circumstances is present:

- a. The item or service is available from only a single responsible source.

A determination that no other type of property or services will satisfy the needs of RiverCities Transit should only be made after detailed market research and checking with other vendors and other agencies. Must document all research and efforts to find other sources and include with the procurement history. One of these conditions may apply:

- Compatibility. Items are compatible with an established Agency *standard or existing equipment, inventory, systems, data, programs or services.
- Proprietary Property. Licensed or patented product with only one vendor/dealer.
- Authorized Dealer. Only authorized Service Provider for parts, supplies, repairs and services for support and warranty.
- Unique design. Requires unique features that are essential, aesthetic requirements, or not practical to match to existing design or equipment.
- Used item. Surplus item bought through an auction or distributor that would represent good value and is advantageous to RiverCities Transit.
- Delivery Date. Only one supplier can meet required delivery date.
- Project or Research Continuity. Product, systems, services or data must comply with an ongoing project, research, data, testing or analysis. Results would be interrupted or compromised without continuity.

- b. After solicitation of a number of sources competition is determined adequate.

If, after soliciting from several sources, only a single response is received, and after determining that the bidding environment was fair and not impeded in any way, and after reviewing the specifications and determining they are not unduly restrictive and changes cannot be made to encourage greater competition, then negotiations may begin to arrive at a reasonably priced contract. Must document and include with the procurement history.

- c. The public exigency or emergency will not permit a delay resulting from competitive solicitation.

Resulting from an unusual or compelling urgent need for property or services where RiverCities Transit would be seriously injured unless it limits the solicitation. Health and safety issues are often a factor. Simply being short on time due to the agency's negligence is not an emergency. The Transit Manager, or designee, must authorize the declaration of an emergency, within a reasonable amount of time after, if not before, the purchase (*See Article 8, Emergency Procurements*). Needs arising from this event will not permit a delay resulting from competitive

solicitation. Sole Source emergency purchases must be limited to addressing the emergency only. For example, you cannot use a sole sourced contractor to replace your entire roof when the emergency is only to fix a leak in the roof. Must document justifications and include with the procurement history.

Sole Source with FTA Funds. When the property or service is being funded by the FTA, the Requestor must determine if one of the following sole source justifications in FTA Circular 4220.1F applies to the procurement and the documentation must reference one of these:

- a. The property or services are available from one source. When requiring supplies or services available from only one responsible source and no other supplies or services will satisfy the requirements. One these conditions may be present:
 - 1) A unique or innovative concept or capability not available from another source;
 - 2) Patent or data rights restrictions preclude competition;
 - 3) 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; or
 - 4) 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 unacceptable delays in fulfilling the Agency's needs.
- b. Single Bid or Proposal – Competition Adequacy. When receiving a single bid or proposal in response to a solicitation, determine if competition was adequate by reviewing the requirements for undue restrictiveness, or survey potential sources that chose not to submit a response. If after solicitation of a number of sources competition is determined adequate, FTA's competition requirements will be fulfilled and the procurement will qualify as a valid sole source. A cost analysis must be performed in lieu of a price analysis when this situation occurs.
- c. Unusual and Compelling Urgency. When such an unusual and urgent need for the property or services exist that the grantee would be seriously injured unless it were permitted to limit the solicitation. The solicitation is limited when the public exigency or

emergency will not permit a delay resulting from competitive solicitation for the property or services.

- d. Authorized by FTA (in writing). If the situation does not fit any sole source category, yet the Requestor still feels it warrants sole source, a written request may be sent to the FTA to grant RiverCities Transit permission to use sole source. Written authorization from FTA must be included with the procurement history.

Note: Associated Capital Maintenance Items (OEM parts) must qualify for an exception under the same standards that would apply to other sole source acquisitions.

Cardinal Changes. Substantial contract modifications not within the original scope of the contract are also considered sole source procurements and further constitute an impermissible “CARDINAL CHANGE”. This is determined when there exists:

- A significant change in the original nature or purpose of the work to be performed or the intended method of achievement;
- A substantial change in the type or amount of work effort on the part of the contractor;
- A substantial change exceeding 25% of the total cost of the contract.

Documentation. Every sole source procurement will be documented by RiverCities Transit by recording the rationale for justifying the use of sole source, the results of all research, and any other supporting documentation attached. Documentation shall include, but not be limited to:

- 1) Completed Sole Source Justification memorandum to the City Manager as required below.
- 2) Written authorization from FTA (if any).
- 3) Written correspondence or a record of verbal communications with other vendors and public agencies.
- 4) Cost or price analysis (as appropriate) including analysis of profit or fees.

The documentation package addressed to the City Manager is then forwarded to the Transit Manager, or designee, who will finalize the documentation and obtain required approvals from the Department Head and City Manager.

Reference:

RCW 43.19.1906 (1) and (3)

FTA Circular 4220.1F: Chapter VI

IOFTA Best Practices Procurement Manual: Chapter 4.6

ARTICLE 5 – FORMAL SOLICITATION PROCESSES

PART A – BID SPECIFICATIONS

5-101 MAXIMUM PRACTICABLE COMPETITION

All specifications shall be drafted so as to promote overall economy for the purposes intended, and encourage maximum free and open competition in satisfying RiverCities Transit's minimum needs, and shall not be unduly restrictive. The policy enunciated in this section applies to all specifications, including but not limited to those prepared for RiverCities Transit by architects, engineers, designers, and draftsman.

5-102 BRAND NAME OR EQUAL SPECIFICATIONS

1. Use. Brand name or equal specifications may be used when the Project Manager determines in writing that:
 - a. No other design or performance specification or qualified products list is available;
 - b. Time does not permit the preparation of another form or purchase description, not including a brand name specification;
 - c. The nature of the product or the nature of RiverCities Transit's requirements makes use of a brand name or equal specification suitable for the procurement;
 - d. Use of brand name or equal specification is in RiverCities Transit's best interest.
2. Designation of Several Brand Names. Brand name or equal specifications shall seek to designate three, or as many different brands as are practicable, as "or equal" references and shall further state that substantially equivalent products to those designated will be considered for award.
3. Required Characteristics. Where brand names are included in the specifications, an "or equal" provision be included as well. In these instances, the specifications must also include the salient characteristics of each named brand that offerors must provide (particular design, function, or performance, etc.)
4. Nonrestrictive Use of Brand Name or Equal Specifications. Where a brand name or equal specification is used in a solicitation, the solicitation shall contain explanatory language that the use of a brand name is for the purpose of describing the standard of quality, performance, characteristics desired and is not intended to limit or restrict competition.
5. Further Requirements. No specification for bids or statement of work in connection with such works shall be written in such a manner as to contain proprietary, exclusionary, or discriminatory requirements other than those based upon performance, unless such requirements are necessary to test or

demonstrate a specific thing to provide for necessary interchange ability of parts or equipment, or at least two brand names or trade names of comparable quality or utility are listed and are followed by the words "or equals".

5-103 BRAND NAME SPECIFICATION

1. Use. Since use of a brand name specification is restrictive of product competition, it may be used only when the Project Manager makes a written determination that only the identified brand name item or items will satisfy RiverCities Transit's needs.

2. Competition. The Project Manager or designee shall seek to identify sources from which the designated brand name item or items can be obtained and shall solicit such sources to achieve whatever degree or price competition is practicable. If only one source can supply the requirement, the procurement shall be made under section 4-104 (Sole Source Procurement).

PART B – PUBLIC NOTICE

5-201 PUBLIC NOTICE

Adequate public notice of the solicitation shall be given a reasonable time, not less than fourteen (14) calendar days prior to the date set forth therein for the opening of bids or submittal deadline for receipt of proposals. Such notice shall include publication in a newspaper of general circulation, unless the Small Works Roster process is used for an IFB. The public notice shall state the place, date and time of bid opening or deadline for submitting proposals.

PART C – RECEIPT OF SUBMITTALS

5-301 INVITATION FOR BIDS (IFB)

Bids shall be unconditionally accepted without alteration or correction, except as authorized in these procedures. Bids shall be date stamped and initialed on the envelope by the accepting employee. The time that the bid was received shall also be noted if received on the date of bid closing. Bids shall not be opened (taken from the sealed envelope) except as authorized in these procedures. No bids shall be handled so as to permit disclosure of the identity of any Bidder or the contents of any bid to competing offerors until the date set for bid opening.

An abstract of bids (Bid Tabulation) shall be prepared after the bid opening, containing the name of each Bidder and the dollar amount of the bid. The Bid Tabulation is not a final award notice but a tally of all bids received showing who the apparent low bidder is and will be made available

for public inspection once completed and verified as accurate. A final Bid Tabulation disclosing the price details of each bid item shall be open for public inspection only after contract award.

5-302 REQUEST FOR PROPOSALS (RFP)

Proposals shall be date stamped, marked with the time received, and initialed by the accepting employee on the envelope. Proposals shall not be opened (taken from the sealed envelope) except as authorized in these procedures. No proposals shall be handled so as to permit disclosure of the identity of any offeror or the contents of any proposals to competing offerors during the process of negotiation. A Register of Proposals shall be prepared containing the name of each Proposer, the number of modifications received, if any, and a description sufficient to identify the item offered. The Register of Proposals shall be open for public inspection only after contract award.

PART D – OPENING OF SUBMITTALS

5-401 INVITATION FOR BID (IFB)

Bids shall be opened publicly in the presence of one or more witnesses at the time and place designated in the Invitation for Bids, or as amended by Addendum. The amount of each bid, and such other relevant information as the Contracts Administrator deems appropriate, together with the name of each bidder shall be recorded; the record and each bid shall be open to public inspection in accordance with Section 1-301 (Public access to Procurement Information).

5-402 TIE BIDS (IFB)

The possibility exists that identical bids may be received at the bid opening. Absent collusion among the bidders, the following procedure will be used to identify the apparent low bidder:

- a. The names of the bidders submitting identical bids shall be placed in a receptacle suitable for drawing lots.
- b. A RiverCities Transit employee, who is agreeable to all parties, shall draw from the receptacle one lot and publicly announce the identity of the apparent low bidder.
- c. The apparent low bidder shall be awarded a contract providing RiverCities Transit subsequently determines the successful bidder to be the lowest responsive and responsible bidder.

5-403 REQUEST FOR PROPOSALS (RFP)

At a time prior to the date set for the selection committee meeting, proposals will be opened by the Contracts Administrator and reviewed. A bid history/receiving form will be completed for each proposal received to include information regarding responsiveness and responsibility of the

Proposer. Necessary copies will be made for each committee member; confidential portions of the proposal will be noted; forms for references checks will be submitted as described at 5-502, and any other pre-evaluation work necessary will be performed by the Contracts Administrator.

PART E – EVALUATION OF RFP

5-501 SELECTION (EVALUATION) COMMITTEE

At a time prior to proposal due date, a Selection Committee consisting of an odd number of participants will be formed. The committee should consist of the Project Manager, another person who understands the technical specifications contained in the RFP, and preferably a person with no affiliation with RiverCities Transit such as someone from another transit agency; however, the selection committee members will be determined on a case-by-case basis. The Contracts Administrator will obtain a signed “Affidavit Concerning Conflicts of Interest, Ethics in Public Contracting and Confidentiality of Proposals” from each member of the committee. The Contracts Administrator will set a date and time for the Selection Committee to meet within the parameters of the RFP calendar of events.

5-502 REFERENCE CHECKS

The Contracts Administrator will send standardized Reference Request forms to all references listed on the Proposer’s response to the RFP. The members will review the responses prior to the date set for the selection meeting and bring their notes to the meeting to share with the other members.

5-503 SELECTION COMMITTEE MEETING

This meeting is closed to all except the committee members and the meeting facilitator (usually the Contracts Administrator). The proposals shall be evaluated based on the requirements set forth in the RFP; which may include criteria to determine acceptability such as inspection, testing, quality, workmanship, delivery, and suitability for a particular purpose. Those for award shall be objectively measurable, such as discounts, transportation costs and total or life cycle costs. The RFP shall set forth the evaluation criteria to be used. No criteria may be used in proposal evaluations that are not set forth in the RFP.

5-504 DISCUSSION AND NEGOTIATION WITH RESPONSIBLE OFFERORS AND REVISIONS TO PROPOSALS

As provided in the RFP, discussion may be conducted with responsible offerors who submit proposals determined to be reasonably acceptable of being selected for award for the purpose

of clarification to assure full understanding of, and conformance to, the solicitation requirements. Proposers shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposal pricing and such revisions may be permitted after submissions and prior to award for the purpose of obtaining best and final offers. In conducting discussions, there shall be no disclosure of the identity of competing offerors or of any information derived from proposals submitted by competing offerors.

PART F – CORRECTION OR WITHDRAWAL OF BIDS

5-601 CORRECTION OR WITHDRAWAL OF BIDS

Correction or withdrawal of inadvertently erroneous bids before or after bid closing date, or cancellation of awards or contracts based on such bid mistakes, may be permitted where appropriate. Mistakes discovered before bid opening may be modified or withdrawn by written or telegraphic notice received in the office designated in the bid package prior to the time set for bid opening or closing date set for receipt of proposals.

After bid opening, corrections in bids shall be permitted only to the extent that the bidder can show by clear and convincing evidence that a mistake of a non-judgmental character was made, the nature of the mistake, and the bid price actually intended. After bid opening, no changes in bid prices or other provisions of bids prejudicial to the interests of RiverCities Transit or fair competition shall be permitted. In lieu of bid correction, a low bidder alleging a material mistake of fact may be permitted to withdraw its bid if:

- a. The mistake is clearly evident on the face of the bid document but the intended correct bid is not similarly evident or
- b. The bidder submits evidence that clearly and convincingly demonstrates that a mistake was made.

All decisions to permit the correction or withdrawal of bids, or to cancel awards or contracts based on bid mistakes, shall be supported by a written determination made by the Transit Manager or designee.

PART G – NOTICE OF AWARD

5-701 INVITATION FOR BIDS (IFB)

Bidders will be notified of award after the City Manager has made award. A final Bid Tabulation or abstract will also be made available at this time.

In the event all bids for a construction project exceed available funds, and the low responsive and responsible bid does not exceed such funds by more than five percent, the authorized

designee, when time or economic considerations preclude resolicitation of work of a reduced scope, to negotiate an adjustment of the bid price with the low responsive and responsible bidder, in order to bring the bid within the amount of available funds. Any such negotiated adjustment shall be based only upon eliminating independent deductive items specified in the IFB.

5-702 REQUEST FOR PROPOSALS (RFP)

Proposers will be notified of the selection committee's proposed recommendation of award to the City Manager. This communication will list the date, location and time of the City Manager's consideration for award. Proposers will then be notified of the final award.

PART H – CANCELLATION OF SOLICITATION

5-801 CANCELLATION OF BIDS OR PROPOSALS

An Invitation for Bids, a Request for Proposals, or other solicitation may be canceled, or any or all bids or proposals may be rejected in whole or as may be specified in the solicitation, when it is for good cause and in the best interests of RiverCities Transit. The reasons therefore shall be made part of the contract file. Each solicitation issued by RiverCities Transit shall state that the solicitation may be canceled and that any bid or proposal may be rejected in whole or in part for good cause when in the best interest of RiverCities Transit. Notice of cancellation shall be sent to all businesses solicited. The notice shall identify the solicitation, explain the reasons for cancellation and, where appropriate, explain that an opportunity will be given to compete on any resolicitation or any future procurement of similar items. Reasons for rejection shall be provided upon request of unsuccessful bidders or proposers.

PART I – RESPONSIBILITY OF BIDDERS

5-901 DETERMINATION OF NON-RESPONSIBILITY

A responsive and responsible bidder is one who fully complies with all of the bid requirements and whose past performance, reputation, and financial capability is deemed acceptable. If a bidder or proposer who otherwise would have been awarded a contract is found non-responsible for having not complied in all material respects at the receipt of bid, a written determination of non-responsibility setting forth the basis of the finding shall be prepared by the Contracts Administrator or designee. The unreasonable failure of a bidder or proposer to promptly supply information in connection with an inquiry with respect to responsibility may be grounds for a determination and shall be sent promptly to the non-responsible bidder or offeror. The final determination shall be made part of the contract file and be made a public record.

5-902 RIGHT OF NON-DISCLOSURE

Information furnished by a bidder or proposer pursuant to this Section shall not be disclosed by RiverCities Transit outside the Transit Manager's office without prior written consent by the bidder or proposer.

ARTICLE 6 – COST AND PRICE ANALYSIS

RiverCities Transit cost principles for evaluation of proposed costs are consistent with Federal Cost Principles. RiverCities must perform a cost or price analysis in connection with every procurement action, including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, the Project Manager or purchaser must make an Independent Cost Estimate (ICE) for procurements over \$150,000 before receiving bids or proposals. For contract modifications, the ICE must be prepared without knowledge of the contractor's proposed pricing. The transit manager or purchasing personnel should obtain the independent cost estimate prior to publishing the procurement, soliciting vendors, or in the case of a micro purchase, before the item is purchased. Examples of places to obtain an ICE are from a like-kind vendor, another public agency that recently purchased a like-kind item, a city or county engineer (if applicable), or a catalog showing product and sale price. All ICEs must document date of the estimate, name of person who developed it, and a requirement that the estimate be retained in the procurement file. Your TPA will verify documentation prior to granting concurrence to proceed with procurement.*Please note that an ICE received from any vendor will eliminate that vendor from bidding or contracting with transit agency for that procurement.*Please note that an ICE or cost analysis must be performed on any contract modifications (change orders)

6-101 PRICE ANALYSIS

If competition is deemed adequate, a price analysis is required for procurements over \$150,000 to determine that the price is fair and reasonable. Adequate price competition may be determined to exist when the perception of competition exists, even if only one bid or proposal is received; conversely, the receipt of multiple bids or proposals with widely differing prices may not constitute adequate price competition. The determination can be made by analyzing or comparing vendor price quotations, catalog or market prices offered in substantial quantities to the general public, regulated prices, recent prices for similar goods and services made by other agencies, or any other reasonable method.

6-102 COST ANALYSIS

When a price analysis will not provide sufficient information to determine the reasonableness of the contract cost, a cost analysis is required for procurements over \$150,000. The various

elements of cost are analyzed to determine what the item should cost as compared to the proposed cost in order to finally determine if the price is fair and reasonable. In general, a cost analysis is relevant in the following situations:

1. When only one bid or proposal is received and price competition is inadequate.
2. When only a sole source is available.
3. When a contract modification or change order exceeds 25% of the original contract price (Cardinal Change)

A cost analysis is performed by requesting the offeror to submit the elements of their submitted price (Labor, Hours, Overhead, Materials, and resulting Profit, etc.). These elements are analyzed to determine if the price is fair and reasonable. Note that profit, in most cases, should not exceed a 20% margin over the contractor's cost to supply the property or service. In a negotiated procurement, profit may be negotiated as a separate element of the proposal. To establish a fair and reasonable profit, consideration will be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work. Award shall not be considered until after the completion of said cost analysis and the written determination by the Contracts Administrator that the single bid received is fair and reasonable. A written record of such cost analysis or price analysis shall be made a part of the contract file.

6-103 CERTIFICATION REQUIRED

A contractor, actual or prospective, required to submit cost or pricing data in accordance with this Section, shall certify that, to the best of its knowledge and belief, the cost or pricing data submitted was accurate, complete, and current as of a mutually specified date prior to the award of the contract or the pricing of the change order or contract modification.

6-104 PRICE ADJUSTMENT PROVISION REQUIRED

Any contract award, change order, or contract modification under which the submission and certification of cost or pricing data are required shall contain a provision stating that the price to RiverCities Transit, including profit or fee, shall be adjusted to exclude any significant sums by which RiverCities Transit finds that such price was increased because the contractor-furnished cost or pricing data was inaccurate, incomplete, or not current as of the date agreed upon between RiverCities Transit and the contractor.

ARTICLE 7 – PUBLIC WORKS REQUIREMENTS AND PREVAILING WAGE

7-101 MANDATORY FOR PUBLIC WORKS PROJECTS

Compliance with RCW 60.28 and 39.08 and any other relevant RCW or WAC is mandatory for all public works projects consisting of construction or facility improvement contracts or subcontracts.

For FTA-assisted construction or facility improvement contracts exceeding \$100,000, the following minimum requirements apply:

- a. A bid guarantee (bid bond) from each bidder equivalent to five percent (5%) of the bid price. The "bid guarantee" shall 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 his bid, execute such contractual documents as may be required within the time specified;
- b. A Performance Bond on the part of the contractor for one hundred percent (100%) 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; and
- c. A Payment Bond on the part of the contractor for one hundred percent (100%) 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. For federally-assisted projects, payment bond amounts required from contractors are as follows:
 - 1) 50% of the contract price if the contract price is not more than \$1 million;
 - 2) 40% of the contract price if the contract price is more than \$1 million but not more than \$5 million; or
 - 3) \$2.5 million if the contract price is more than \$5 million.

A cash deposit, certified check or other negotiable instrument may be accepted by RiverCities Transit in lieu of performance and payment bonds, provided that a procedure is followed to assure that the interest of the FTA is adequately protected.

The requirement of Performance Bonds on other contracts shall be at the discretion of the Risk Manager.

RiverCities Transit may use the "Limited Public Works Process" for contracts with an estimated cost of less than \$35,000. This process allows RiverCities Transit to waive the bonding requirements of 39.08 RCW and retainage requirements of 60.28 RCW by assuming liability for the contractor's non-payment of laborers, material and taxes, however, the prevailing wage cannot be waived. In all cases, RiverCities Transit will retain the right of recovery from the contractor. The use of Limited Public Works Process will be authorized by the Public Works Director.

RiverCities Transit may establish a small works roster for public works projects under \$300,000. RiverCities Transit may set up their own list, or enter into an agreement with another local government for use of their preapproved list as per 39.04.155 RCW.

7-102 COMPLIANCE WITH THE DAVIS BACON ACT

Federally-assisted construction contracts over \$2,000 (for new construction, repairs or maintenance) may require other documentation as per the Davis-Bacon Act (FAR 13.601.a).

It is the responsibility of the contracting officer to ensure that a copy of the most current wage determination of the Department of Labor (DOL) is included in the solicitation and ensuing contract. In addition, prior to making payments on any construction contract, the contracting officer must obtain documentation certifying federal minimum prevailing wages were paid to employees of the contracting entity.

ARTICLE 8 – EMERGENCY PROCUREMENTS

8-101 EMERGENCY PROCUREMENTS

Notwithstanding any other provisions of these procedures, the Transit Manager may make or authorize another to make emergency procurements of supplies, services or construction items when there exists a threat to public health, welfare, or safety; provided that such emergency procurements shall be made with such competition as is practicable under the circumstances. If a procurement totaling over \$10,001 was made without competition, it is considered Sole Source and falls under the requirements of section 4-306. A written determination of the basis for the emergency and for the selection of the particular contractor shall be included with the Sole Source Justification, as soon as possible after the emergency.

ARTICLE 9 – CONTRACTS

PART A – GENERAL REQUIREMENTS

9-101 GENERAL AUTHORITY

Subject to the limitations of this Section, any type of contract which is appropriate to the procurement and which will promote the best interest of RiverCities Transit may be used; provided that the use of any Cost Plus a Percentage of Cost method described below are not used. A cost reimbursement contract may be used only when a determination is made in writing that such contract is likely to be less costly to RiverCities Transit than any other type or that it is impracticable to obtain the supply, service, or construction item required except under such a contract. Advance payments utilizing FTA funds is prohibited unless prior written concurrence is obtained from FTA.

9-102 COST PLUS PERCENTAGE OF COST PROHIBITED

The Cost Plus a Percentage of Cost and Cost Plus a Percentage of Construction Cost methods of contracting shall not be used.

9-103 MULTI-TERM CONTRACTS

Consistent with current FTA guidelines, contracts for the acquisition of rolling stock or replacement parts for rolling stock must be limited to five (5) years. All other contracts for supplies or services may be entered into for a period of up to four (4) years. In general, the solicitations will dictate the contract period plus the optional renewal periods. Payment and performance obligations for succeeding fiscal periods shall be subject to the availability and appropriation of funds therefore, term renewals will be made at the fees or percentage increases dictated in the Proposer's original response to the RFP.

For contracts that involve long-term maintenance or other recurring work, there are two approaches.

Scenario 1: Contract covering the full potential time-frame of the work	Scenario 2: Series of stand-alone contracts
<p>If a contract is expected to be renewed or extended, the total potential dollar amount of the contract is considered when determining the signature authority level.</p> <p>So, a \$20K/year contract for 2 years with a potential to renew for an additional 2 years would be routed as an \$80K contract and require council approval.</p> <p>In this case, all terms and conditions related to both the original contract AND the renewal period should be included in the contract.</p> <p>The renewal would not need to be approved by the Council, as long as the original contract (and agenda memo) was clear as to the full potential value of the contract and terms and conditions had not changed. Note: If there is a change in any of the terms and conditions in the "renewal," it is</p>	<p>If a department has a specific, routine job the department does have the option to enter into a series of stand-alone contracts.</p> <p>The original contract should not contain any language regarding renewal. The same provider may be selected for the follow-on work without a competitive process, as long as a full competitive process is followed every 4 years.</p> <p>This should NOT be done for a job that would normally be done by a single entity or firm for the purposes of avoiding signature limits (e.g., long-term litigation with a law firm where you know the work is going to take more than 1 year).</p> <p>However, it may be done with more commodity-like work such as parking management or parks maintenance where one firm may easily be replaced after the initial contract is concluded.</p>

NOT a renewal, but a new, separate contract, and must be routed for approval as a new contract.	This option may be used as long as the original contract had no language about renewal, the follow-on is at the complete discretion of the City, and the follow-on is treated and routed as a new stand-alone contract.
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If a contract is amended (as opposed to an entirely new contract being entered in to), the dollar value of that amendment is additive to the original contract.

9-104 TIME AND MATERIALS TYPE CONTRACTS

RiverCities Transit may only use time and material type contracts when:

- a. After a determination that no other type of contract is suitable; and
- b. If the contract specifies a ceiling price that the contractor shall not exceed except at its own risk.

9-105 CANCELLATION DUE TO UNAVAILABILITY OF FUNDS IN SUCCEEDING FISCAL PERIODS

When funds are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal period, the contract shall be canceled and the contractor shall be reimbursed for the reasonable value of any non-recurring costs or services delivered under the contract. The cost of cancellation may be paid from any appropriations available for such purposes.

PART B - PURCHASE ORDERS

9-201 PURCHASE ORDERS

A Purchase Order is a legal document governed by the Law of Contracts and the Uniform Commercial Code of Law (UCC). Its use is **mandatory** for the purchase of individual items, property and services in excess of \$10,001 with the following exceptions:

- a. Purchase of an item, property or service where a formal written contract is in place;
- b. Purchase of an item, property or service from a vendor listed on the Requisition Exemption List;
- c. Those monthly services that cannot be reasonably estimated prior to the purchase (such as utilities).

Purchase Orders may be used for purchases under \$10,001, if desired, to expedite the ordering process.

Issuance of Purchase Orders: A Purchase Order is initiated by a Requisition completed by the Requestor and approved by management for all purchases, regardless of dollar amount, unless exempted by the Transit Manager on the Requisition Exemption List. (See attachment to Exhibit B, Requisition Requirements)

A Purchase Order will be issued after the completed Requisition is given Final Approval by a manager, including appropriate quotes attached as required. As a major requirement, the Purchase Order must contain a precise and clear description of the elements in the order, the terms of the purchase, the manner and place of delivery. (See Procedure 180.03 – Purchase Order Preparation Procedures)

9-202 NON-NEGOTIATED ORDER

When RiverCities Transit issues a Purchase Order without prior specific negotiations on the particular transaction, the printed language on the Purchase Order is intended to prevent RiverCities Transit being bound by a subsequent “order acknowledgment” that changes the normal and usual conditions that would attach to RiverCities Transit’s offer.

When RiverCities Transit's Purchase Order is issued in response to a specific quotation, the printed language on the Purchase Order form is intended to give RiverCities Transit's Purchase Order the legal effect of a counter-offer, requiring the Vendor to accede to its terms (which usually are typical ordinary terms and conditions imposed by law and trade custom).

9-203 ORAL AGREEMENT TO PURCHASE AND “STATUTE OF FRAUDS”

It is important to understand when written confirmation is required to create an enforceable agreement, even though legally enforceable contracts result from oral orders in most cases. The law covering written purchase agreements is known as the "Statue of Frauds" and is designed to prevent commercial frauds. Some of the more important points covered in the UCC are as follows:

- a. If the value of the order is \$10,000 or more, there must be some written notation beyond orally stating a Purchase Order number, in other words, an actual Purchase Order must be issued.
- b. Between merchants, notice of objection must be given within a reasonable time, normally ten (10) days, if the memorandum from the seller is not according to the buyer's understanding.
- c. An oral agreement without a written memorandum can be enforced if the notice from the seller is not according to the buyer's understanding.

PART C - COOPERATIVE PURCHASING

9-301 COOPERATIVE PURCHASING (RCW 39.34.03)

Pursuant to RCW Chapter 39.34, RiverCities Transit may join with a state, or political subdivisions of a state, for the purchase of materials, equipment, supplies, or services by entering into a written Intergovernmental Cooperative Purchasing Agreement that requires compliance with the state's, or the political subdivision's, applicable procurement law, including that of Washington State if the cooperative is out-of-state. In addition, RiverCities Transit may make a bid call with another government entity as a joint purchase complying with the bid requirements of the participating jurisdictions. Approval and authority for entering into an Interlocal Cooperative Purchasing Agreement will be determined by the anticipated cost of the procurement.

In procurements where it may be advantageous for RiverCities Transit to purchase goods and services in cooperation with other public agencies, or purchasing cooperatives, the requirement for a public notice in the newspaper of general circulation shall be waived; however, a copy of the awarding agency's solicitation advertisement or posting of the Invitation to Bid or Request for Proposals on their website may be obtained. The website shall be any state or local website established and maintained by a public agency, purchasing cooperative, or a similar service provider. The posting shall be for the sole purpose of public notice for bids or proposal solicitations. The awarding agency may also fulfill this requirement by providing an access link from the State's website portal to the public notice of solicitation.

When practical, RiverCities Transit may include language in its solicitations allowing other public agencies to purchase from RiverCities Transit's solicitations, provided that the other agencies allow similar rights and reciprocal privileges to RiverCities Transit.

9-302 UNITED STATES GOVERNMENT, STATE OF WASHINGTON, OR POLITICAL SUBDIVISIONS
Services, materials, and equipment may be purchased from the United States Government, or any agency of the State of Washington, or political subdivision, without the necessity to require a competitive solicitation process by RiverCities Transit if the contract is found to be in the best interest and at a favorable price to RiverCities Transit and the awarding agency's procurement process complies with the bid laws of Washington State. If RiverCities Transit uses FTA funds, the procurement process must have followed FTA guidelines for competitiveness and include all required FTA clauses.

General Services Administration's (GSA) Cooperative Purchasing Program, available for Federal Government use, allows State and local governments to purchase from GSA Schedule 70 for Information Technology and Schedule 84 for Law Enforcement and security products and services, at any time, for any reason, using any funds available.

PART D – CONTRACTS OUTSIDE THE SCOPE OF THIS POLICY

9-401 OTHER ACQUISITIONS

This Policy will not apply to transactions involving the purchase, sale, lease, or other transactions for real property; for joint development projects; for purchases from government-regulated entities such as public utilities which are granted market exclusivity by the regulating agency (i.e. public utility district (P.U.D.); sewer district, etc.); for purchases of professional subscriptions, memberships, seminars, and expenses in connection with industry meetings and conferences; for travel and living expenses on RiverCities Transit business; and other similar expenditures incidental to the routine conduct of RiverCities Transit's business covered under the Travel Policy.

9-402 REVENUE CONTRACTS

A revenue contract is a contract in which RiverCities Transit or a subrecipient provides access to public transportation assets for the primary purpose of either producing revenues in connection with an activity related to public transportation, or creating business opportunities with the use of FTA assisted property. The RiverCities has broad latitude in determining the extent and type of competition appropriate for a particular revenue contract. Nevertheless, to ensure fair and equal access to FTA assisted property and to maximize revenue derived from such property, RiverCities should conduct its revenue contracting as follows:

(a)Limited Contract Opportunities. If there are several potential competitors for a limited opportunity (such as advertising space on the side of a bus), then the recipient should use a competitive process to permit interested parties an equal chance to obtain that limited opportunity.

(b)Open Contract Opportunities. If, however, one party seeks access to a public transportation asset (such as a utility that might seek cable access in a subway system), and the recipient is willing and able to provide contracts or licenses to other parties similarly situated (since there is room for a substantial number of such cables without interfering with transit operations), then competition would not be necessary because the opportunity to obtain contracts or licenses is open to all similar parties

In keeping with RiverCities Transit's mission and image, revenue contracts are encouraged to enhance income to defray operating expenses and can present opportunities for the business community. In some circumstances involving a revenue-producing activity (i.e. the employment of a contractor to produce revenue) this Policy may apply.

PART E - CONTRACT PROVISIONS AND CLAUSES

9-501 CONTRACT PROVISIONS

Periodically, RiverCities Transit will develop authorized contract provisions and clauses that are approved by legal counsel. The list of approved contract provisions and clauses will be maintained by RiverCities Transit. **Any contracts using FTA funds will require FTA clauses found in Appendix D of FTA circular 4220.1F and in the appendix of this document.**

Before presenting a written contract for approval and execution by the City Manager, it must be complete, it must be executed by the contractor, and it must be accompanied with all required insurance certificates and endorsements, and properly signed performance/payment bonds, if required. Any contractor elections for the disposition of retainage, or any proposed retainage bond must signed and must accompany such contract. A written contract not accompanied with such documents, or with documents that do not conform to the requirements of the contract, will not be approved or executed.

Where written contracts are required, no work shall be commenced by the contractor until the contract is approved and executed by the City Manager.

Signature Form

The signature block for the City should be in a form similar to the following (or at the minimum include like information).

CITY OF LONGVIEW

PROVIDER: _____

By
Kurt Sacha
City Manager

By
Name: _____
Title: _____

Tax ID Number: _____

ATTEST [For council approved contracts only.]:

By
Kaylee Cody
City Clerk

Approved as to Form:

By: _____
Jim McNamara, City Attorney

Approved as to Content:

By: _____
Name: _____

Department Director of _____

The City should always try and obtain a contract with a set of original signatures. It is important for the protection of the City to maintain contracts in an organized and easily accessed manner for reference. Each contract shall be assigned a contract tracking number as issued by the City Clerk, which tracking database shall maintain information as to the location of the “original” document (or noted if there is only a copy of such document). The “original” document must then be maintained in the office designated below. Each place designated as a place storing the document must maintain a filing system that will easily identify the “original” contract.

Maintenance of Original Contracts	
Contract type*	Placement
Professional Services	<ul style="list-style-type: none">• City Clerk• Copy in departmental project file
Maintenance and Non-Professional	<ul style="list-style-type: none">• One year and less in duration – applicable department• Over one year -City Clerk
Small Public Work (Non Formal – Quotes)	<ul style="list-style-type: none">• City Clerk – original w/insurance, retainage & bonding documentation• Copy in departmental project file.
Public Works (Formal – Bids)	<ul style="list-style-type: none">• City Clerk – original w/insurance, retainage &, bonding documentation• Copy in departmental project file.
Material, Supplies or Equipment (Non Public Work)	<ul style="list-style-type: none">• One year and less in duration – applicable department• Over one year - City Clerk
Grant Agreements	<ul style="list-style-type: none">• City Clerk• Copy in departmental grant file.
Ownership of Personal Property (such as titles)	City Clerk
All purchase or sale of Real Property	City Clerk
HR employee or labor contracts.	Department of Human Resources except labor contracts should be filed with the City Clerk
Interlocal agreements	City Clerk
Annexation agreements	City Clerk
Other long term agreements, deeds, petitions, claims or documentation required to be filed	<ul style="list-style-type: none">• City Clerk• Copy in departmental file.

with the City Clerk by state, federal or funding source requirements (i.e. leases, easements, quit claim deeds, L.I.D. petitions)	
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9-502 CONTRACT INSURANCE REQUIREMENTS

AS A MEMBER OF THE WASHINGTON CITIES INSURANCE AUTHORITY (WCIA), THE CITY IS REQUIRED TO INCLUDE CERTAIN SPECIFIC INSURANCE PROVISIONS IN EACH CONTRACT. THE FOLLOWING PROVISIONS CONSTITUTE THE REQUIREMENTS OF WCIA AS OF APRIL 2017.

Procurement Policy – Eff December 2014, updated 4/23/2024

INSURANCE & INDEMNITY REQUIREMENTS FOR SERVICE CONTRACTS

Includes construction and remodeling, janitorial service, tree maintenance, road maintenance, painting, electrical work, plumbing, movers, and onsite maintenance agreements.

Indemnification / Hold Harmless

The Contractor shall defend, indemnify and hold the City of Longview, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees, arising out of or in connection with the performance of this Agreement, except for injuries and damages caused by the sole negligence of the City of Longview.

Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Contractor and the City of Longview, its officers, officials, employees, and volunteers, the Contractor's liability hereunder shall be only to the extent of the Contractor's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Contractor's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

A. Insurance Term

The Contractor shall procure and maintain insurance, as required in this Section, without interruption from commencement of the Contractor's work through the term of the contract and for thirty (30) days after the Physical Completion date, unless otherwise indicated herein.

B. No Limitation

The Contractor's maintenance of insurance, its scope of coverage and limits as required herein shall not be construed to limit the liability of the Contractor to the coverage provided by such insurance, or otherwise limit the City of Longview's recourse to any remedy available at law or in equity.

C. Minimum Scope of Insurance

The Contractor's required insurance shall be of the types and coverage as stated below:

1. Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be at least as broad as Insurance Services Office (ISO) form CA 00 01.
2. Commercial General Liability insurance shall be as least as broad as ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent contractors,

products-completed operations, stop gap liability, personal injury and advertising injury, and liability assumed under an insured contract. The Commercial General Liability insurance shall be endorsed to provide a per project general aggregate limit using ISO form CG 25 03 05 09 or an equivalent endorsement. There shall be no exclusion for liability arising from explosion, collapse or underground property damage. The City of Longview shall be named as an additional insured under the Contractor's Commercial General Liability insurance policy with respect to the work performed for the City of Longview using ISO Additional Insured endorsement CG 20 10 10 01 and Additional Insured-Completed Operations endorsement CG 20 37 10 01 or substitute endorsements providing at least as broad coverage.

3. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.

D. Minimum Amounts of Insurance

The Contractor shall maintain the following insurance limits:

1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.
2. Commercial General Liability insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate and \$2,000,000 products-completed operations aggregate limit.

E. Public Entity Full Availability of Contractor Limits

If the Contractor maintains higher insurance limits than the minimums shown above, the City of Longview shall be insured for the full available limits of Commercial General and Excess or Umbrella liability maintained by the Contractor, irrespective of whether such limits maintained by the Contractor are greater than those required by this contract or whether any certificate of insurance furnished to the City of Longview evidences limits of liability lower than those maintained by the Contractor.

F. Other Insurance Provision

The Contractor's Automobile Liability and Commercial General Liability insurance policies are to contain, or be endorsed to contain that they shall be primary insurance as respect the City of Longview. Any insurance, self-insurance, or self-insured pool coverage maintained by the City of Longview shall be excess of the Contractor's insurance and shall not contribute with it.

G. Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best rating of not less than A: VII.

H. Verification of Coverage

The Contractor shall furnish the City of Longview with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsements, evidencing the insurance requirements of the Contractor before commencement of the work. Upon request by the City of Longview, the Contractor shall furnish certified copies of all required insurance policies, including endorsements, required in this contract and evidence of all subcontractors' coverage.

I. Subcontractors' Insurance

The Contractor shall cause each and every Subcontractor to provide insurance coverage that complies with all applicable requirements of the Contractor-provided insurance as set forth herein, except the Contractor shall have sole responsibility for determining the limits of coverage required to be obtained by Subcontractors. The Contractor shall ensure that the City of Longview is an additional insured on each and every Subcontractor's Commercial General liability insurance policy using an endorsement as least as broad as ISO CG 20 10 10 01 for ongoing operations and CG 20 37 10 01 for completed operations.

J. Notice of Cancellation

The Contractor shall provide the City of Longview and all Additional Insureds for this work with written notice of any policy cancellation within two business days of their receipt of such notice.

K. Failure to Maintain Insurance

Failure on the part of the Contractor to maintain the insurance as required shall constitute a material breach of contract, upon which the City of Longview may, after giving five business days' notice to the Contractor to correct the breach, immediately terminate the contract or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the City of Longview on demand, or at the sole discretion of the City of Longview, offset against funds due the Contractor from the City of Longview.

PART F – CONTRACT MODIFICATIONS

9-601 CONTRACT AMENDMENTS AND CHANGE ORDERS

Amendments are changes to Professional Service, Maintenance and Non-Professional Service, and Architectural and Engineering contracts. Changes to a public works contract are called "Change Orders".

If an amendment changes the total value of the contract, the contract amendment must be approved by the appropriate authority based on the "new" value of the contract. Note: the "total

value of the contract:" only applies to contract amendments. Keep in mind that if the contract is a "new" contract for "new" work, it is not an amendment, and approval authority is determined by the amount of the "new" contract.

Amendments that do not change the total value of the contract (i.e.: a new expiration date) may be signed by the Department Director. However, a 2nd year of a \$30,000/year contract is considered additive – increasing the value of the contract to \$60,000. This, in this example, would require approval of the City Manager.

If RiverCities Transit has acquired the services of an Architectural and Engineering (A&E) firm to perform project and construction management services, then the Architect or Engineer must also review and approve Change Order requests and proposals.

The Transit Manager shall be authorized to amend contracts in an amount not to exceed his/her purchasing authority limit, provided that the amended total does not exceed the amount budgeted for the Project. City Manager approval shall be required for limits exceeding \$250,000.

ARTICLE 10 – CONTRACT ADMINISTRATION

10-101 CONTRACT ADMINISTRATION SYSTEM

Definitions:

Project Manager (also referred to as the PM or Contract Manager): Person designated on the contract as the main Point of Contact (POC) for the contractor and primary person responsible for overseeing and managing the project work, schedule and budget.

Contracting Officer or Contracts Administrator: Person designated to develop and maintain the contract documents and procurement files for all contracts and perform actions on the contracts as designated by the PM or Transit Manager. Responsible for procurement compliance.

All contracts (including interagency) executed by RiverCities Transit shall demonstrate that the Contracts Administrator (CA), Project Manager (PM) and contractor have complied with the terms and conditions of the contracts. Use of "Cost Plus a Percentage of Cost" and "Cost Plus a Percentage of Construction Cost" methods of contracting are strictly prohibited.

The procurement file shall include all documentation regarding the administration of the contract, from inception to completion, and be maintained by the CA. The documentation shall contain, but not be limited to, the following:

* (Please note that the following listing may be a logical filing order with a preprinted cover sheet for the procurement file)

1. Original solicitation documents with specifications or Scope/Statement of Work
2. Proof of advertisement (both newspaper of record and website)
3. Independent Cost Estimate with any supporting documentation

4. Pre-bid activity and related documentation
5. Bids, proposals or quotes (submittals) received
6. Submittal review, analysis / evaluation process / scoring documents
7. Explanation of the basis for the selection of the contractor
8. Grantee's statement, with documentation, that the price is fair and reasonable.
9. Pre-award activity/changes to contract and related documentation
10. Award recommendation notices
11. Board or City Manager approval of contract award / Final award notices
12. Executed contract or Purchase Order
13. Any bonding/retainage/insurance documentation
14. Notice to Proceed
15. Post-award activity and related documentation
16. Modifications/changes to contract.
17. Cardinal changes to contract documentation.
18. Notice of project completion/acceptance
19. Documentation relating to all contract close out activity
20. A chronological summary of the contract's activity
21. Information related to grant funding

Immediately after full execution of the basic contract, the technical administration of the contract work becomes the responsibility of the PM with the administrative assistance of the CA. Together, they shall establish the methods and procedures to be used to monitor contracts on a case-by-case basis.

The PM is selected by the Transit Manager from the individual department who originated the contract specifications. Responsibilities of the PM include guidance of the work to be performed by the contractor, payment consistent with the contractual terms, monitoring the effective date of the contracts, and other specific contract elements, including modifications to the contract work that may arise during the term of the contract.

The CA shall be available to assist the PM as necessary with procurement assistance including, but not limited to, these areas:

1. Act as liaison for contractor and PM regarding all contractual matters.
2. Coordinate proposed changes or modifications to the contract and help assess any change impact to the contract or funding involved.
3. Prepare all change orders with technical assistance from the PM who will supply necessary supporting backup documents, reflecting the necessity for the change.
4. Review invoices for all negotiated contracts; checking for required format and accuracy. Invoices are then forwarded to the PM for further evaluation and final approval.
5. Monitor progress of request for payment to ensure timely payment to contractors

6. Review all changes in subcontracts submitted by contractor and check for compliance to contract requirements. Prepare and transmit appropriate response granting or denying the request.
7. Prepare necessary contractual memoranda, with the assistance of the PM, for the City Manager.
8. Maintain the master contract files, ascertaining the contents listed above are included in the procurement file.
9. Attend all project progress meetings between contractors and RiverCities Transit staff.
10. Perform contract closeout in accordance with State and FTA approved procedures.
11. Monitoring contracts for grant compliance per instructions by the Grants Administrator.

Upon contract execution, it shall be the continuing responsibility of the designated PM to monitor (monitoring requirements will vary with each contract) the contractor's work quality, progress, schedule and budget throughout the duration of the contract until the project is completed and accepted by RiverCities Transit.

Generally, the statement or scope of work outlines the specific tasks, milestones and review procedures that will vary, depending on the individual project. The PM will provide technical direction to the contractor and respond to any correspondence between RiverCities Transit and the contractor or any of the contractor's representatives. Copies of all correspondence and notes of all conversations of any magnitude shall be retained and provided to the Contracts Administrator at the end of the contract activity.

The following tasks summarize the responsibilities to be performed by the designated PM on all RiverCities Transit contracts:

1. Write the statement of work or scope of services.
2. Ensure the contractor performs as described in the statement of work or scope of services.
3. Assure that contracts contain performance standards and schedules that may be monitored on a periodic basis for compliance and adherence to the contract.
4. Establish and maintain a process to routinely monitor the quality of the contractor's work. Written reports should be prepared and Management/Executive should be informed of significant deviations as they may occur and corrective actions proposed.
5. Review all contract amendments and change orders prior to execution by the parties.
6. Review all invoices for accuracy and content before issuing a final approval for payment in accordance with contract terms and conditions.

For capital construction projects, a procedures manual specific to the project will be implemented. The manual will address project organization, correspondence, quality control, contract changes, grant compliance, permitting, inspections, closeout procedures and any other information required to adequately perform contract administration.

ARTICLE 11 – RIVERCITIES TRANSIT PROCUREMENT RECORDS

11-101 CONTRACT FILE

All determinations and other written records pertaining to the solicitation, award, or performance of a contract shall be maintained for RiverCities Transit in a contract file by the Contracts Administrator.

11-102 INTERNAL AUDIT

All procurement records shall be retained and made available to the RiverCities Transit internal auditor.

11-103 RETENTION OF PROCUREMENT RECORDS

All procurement records shall be retained and disposed of by RiverCities Transit in accordance with records retention guidelines and schedules required by State law. If a contract is being funded in whole or in part by assistance from a federal agency, then all procurement records pertaining to that contract shall be maintained for at least three (3) years from the closeout date of the assistance agreement or the final disposition of any controversy arising out of the assistance agreement.

11-104 CONTRACT COMPLIANCE AUDIT

On at least an annual basis, an internal audit will be performed to ensure all procurements comply with RiverCities Transit's policies and procedures. All personnel responsible for initiating procurements will maintain adequate documentation to demonstrate compliance with policies and procedures. In addition to reviewing individual procurements the audit will analyze procurements to verify procurement splitting is not occurring.

ARTICLE 12 – DEBARMENT OR SUSPENSION

12-101 RESEARCH DEBARMENT / SUSPENSION

The Procurement Specialist, or his/her designee, will research the federal System for Award Management (SAM) website to ensure that the vendor has not been barred or suspended from receiving Federal contracts, certain subcontracts, and certain Federal financial and nonfinancial assistance and benefits, pursuant to the provisions of 31 U.S.C. 6101, note, E.O. 12549, E.O. 12689, 48 CFR 9.404, and each agency's codification of the Common Rule for Non-procurement suspension and debarment. The following process will occur prior to all initial contracts and contract renewals:

1. The Contract Manager, or designee, will log onto the SAM website at www.sam.gov and run a search on each vendor responding to a RFP, RFQ or bid request.
2. The Contract Manager, or designee, will print the record findings.

3. If the vendor is found to be debarred or suspended from receiving Federal contracts, certain subcontracts, and certain Federal financial and nonfinancial assistance and benefits, the Procurement Specialist will contact the vendor to suspend all procurement with that vendor until the debarment and/or suspension is lifted by the EPLS. *(see 7-101)*
4. If there is no debarment or suspension against the vendor, the Procurement Specialist will move forward in the procurement process.

The Procurement Specialist will place a copy of the Debarment and Suspension findings in the individual procurement file.

12-102 AUTHORITY TO DEBAR OR SUSPEND

After consultation with legal counsel the Transit Manager is authorized to debar or suspend a person or firm from consideration for award of RiverCities Transit contracts if there is probable cause to believe that the person or firm has engaged in any activity that might lead to debarment or suspension. The debarment shall not be for a period of more than three (3) years. The suspension shall not be for a period exceeding three (3) months.

The causes for debarment include:

- a. Conviction for commission of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of such contract or subcontract;
- b. Conviction under state and federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other offense indicating a lack of business integrity or business honesty which currently, seriously, and directly affects responsibility as a RiverCities Transit contractor;
- c. Conviction under state or federal antitrust statutes arising out of the submission of bids or proposals;
- d. Violation of contract provision, as set forth below, of a character which is regarded by the Transit Manager to be so serious as to justify debarment action:
 - 1) Deliberate failure without good cause to perform in accordance with the specifications or within the time limit provided in the contract; or
 - 2) A recent record of failure to perform or of unsatisfactory performance in accordance with the terms of one or more contracts; provided that failure to perform or unsatisfactory performance caused by acts beyond the control of the contractor shall not be considered to be a basis for debarment.
- e. Any other cause the Transit Manager determines to be so serious and compelling as to affect responsibility as RiverCities Transit contractor, including debarment by another governmental entity for any cause listed in the policy; and
- f. For violation of the ethical standards set forth in Article 3 (Ethics in Public Contracting).

12-103 DECISION TO DEBAR OR SUSPEND

The Transit Manager shall issue a written decision to debar or suspend. The decision shall state the reason for the action taken and inform the debarred or suspended person or firm involved of its right concerning judicial or administrative review.

12-104 NOTICE OF DECISION

A copy of the decision required by Section 12-102 (decision to debar or suspend) shall be mailed or otherwise furnished immediately to the debarred or suspended person or firm.

12-105 FINALITY OF DECISION

A decision under section 12-102 (decision to debar or Suspend) shall be final and conclusive, unless fraudulent, or the debarred or suspended person within ten (10) days after receipt of the decision takes an appeal to the City Manager or commences a timely action in court in accordance with applicable law.

ARTICLE 13 – APPEALS AND REMEDIES

PART A - BID PROTESTS

13-101 RIGHT TO PROTEST

Any actual or prospective bidder, offeror, or contractor who is aggrieved in connection with the solicitation or award of a contract due to a matter of law or procedural flaw may file a protest with the Transit Manager or designee. The written and signed notice of protest must address which law or procedure was not followed or violated, how it has affected the aggrieved, and describe the relief or corrective action desired. The protest letter shall be submitted in writing prior to the opening of bids or the closing date for proposals. If the aggrieved person did not know and could not have known of the facts giving rise to such protest prior to bid opening or the closing date for proposals, the protest shall be submitted within seven (7) calendar days after such aggrieved person knows or could have known of the facts giving rise thereto. Upon timely submittal of a written Notice of Protest, the protest shall be handled as follows:

1. A meeting(s) will be called within five (5) working days from receipt of the protest that will include representatives from RiverCities Transit and the Protestor to discuss the issue(s) related to the protest. The meeting may be conducted by telephone conference. If it is an FTA funded procurement, RiverCities Transit will notify FTA of protest;
2. A decision of the protest will be made by the Transit Manager or designee within seven (7) working days of the final meeting. The protestor shall be notified of the decision in writing by the Transit Manager or designee by regular mail;
3. The Transit Manager or designee may, at his/her sole discretion, extend the limits of time outlined above;
4. The decision of the Transit Manager or designee shall be final unless appealed as provided herein;

5. A request for reconsideration may be allowed if data becomes available that was not previously known or there has been an error of law or regulation.
6. If the protester is not satisfied with the solution of the Transit Manager or designee a written appeal may be filed with the City Manager. Appeals to the City Manager filed more than five (5) calendar days following the receipt of the Transit Manager or designee's written determination will not be accepted.

13-102 APPEALS

A protestor may appeal the Transit Manager or designee's decision to the Public Works Director by submitting a written Notice of Appeal to the Public Works Director within seven (7) calendar days of receipt of the Transit Manager or designee's decision. The Transit Manager or designee's decision shall be deemed received within three (3) days, exclusive of Sundays and holidays, of the date of posting of the decision or sooner in the event of actual receipt of personal service or fax confirmation. The appeal shall be based solely upon the record before the Transit Manager or designee. Written argument must be submitted to the Public Works Director. The Public Works Director may affirm or reverse the decision of the Transit Manager or designee or affirm or reverse the decision in part. The decision of the Public Works Director shall be final.

13-103 STAY OF PROCUREMENTS DURING PROTESTS

In the event of a timely protest under the Transit Manager or designee, RiverCities Transit shall not proceed further with the solicitation or award of the contract until all administrative and judicial remedies have been exhausted or until the City Manager makes a determination on the record that the award of a contract without delay is necessary to protect substantial interests of RiverCities Transit.

13-104 ENTITLEMENT OF COSTS

In addition to any other relief, when a protest is sustained and the protesting bidder or offeror should have been awarded the contract under the solicitation, but is not, then the incurred costs in connection with the solicitation, including bid preparation costs, other than attorney's fees, shall be paid by RiverCities Transit.

PART B - CONTRACT CLAIMS

13-201 DECISION OF THE TRANSIT MANAGER

All claims by a contractor against RiverCities Transit relating to a contract, except bid protest, shall be submitted in writing to the Transit Manager for a decision. Claims include, without

limitation, controversies arising under a contract, and those based upon breach of contract, mistake, misrepresentation, or other cause for contract modification or revision.

13-202 NOTICE TO THE CONTRACTOR OF THE TRANSIT MANAGER DECISION

The decision of the Transit Manager shall be promptly issued in writing and shall be immediately mailed or otherwise furnished to the contractor. The decision shall state the reasons for the decision reached and shall inform the contractor of its appeal rights under Section 13-102 of this Article.

13-203 FINALITY OF TRANSIT MANAGER'S DECISION, CONTRACTOR'S RIGHT OF APPEAL

The Transit Manager's decision shall be final and conclusive unless, within seven (7) calendar days from the date of receipt of the decision, the contractor mails or otherwise delivers a written appeal to the Public Works Director or commences an action in a court of competent jurisdiction.

13-204 FAILURE TO RENDER TIMELY DECISION

If the Transit Manager does not issue a written decision regarding any contract controversy within seven (7) days after written request for a final decision, or within such longer period as may be agreed upon between the parties, then the aggrieved party may proceed as if any adverse decision had been received.

PART C - REMEDIES FOR SOLICITATION OR AWARDS IN VIOLATION OF LAW

13-301 PRIOR TO BID OPENING OR CLOSING DATE FOR RECEIPT OF PROPOSALS

If prior to bid opening or the closing date for receipt of proposals, and after consultation with legal counsel, RiverCities Transit determines that a solicitation is in violation of federal, State and municipal law, then the solicitation shall be canceled or revised to comply with applicable law.

13-302 PRE-AWARD

If after bid opening or the closing date for receipt of proposals, and after consultation with legal counsel, RiverCities Transit determines that a solicitation or a proposed award is in violation of federal, State or municipal law, then the solicitation or proposed award shall be canceled.

13-303 POST-AWARD

If after an award, and after consultation with legal counsel, RiverCities Transit determines that a solicitation or award of a contract was in violation of applicable law, then:

1. If the person awarded the contract has not acted fraudulently or in bad faith:
 - a. The contract may be ratified and affirmed, provided it is determined that so doing is in the best interest of RiverCities Transit, or
 - b. The contract may be terminated and the person awarded the contract shall be compensated for the actual expenses reasonably incurred under the contract, plus a reasonable profit, prior to the termination.
2. If the person awarded the contract has acted fraudulently or in bad faith, the contract may be declared null and void or voidable, if such action is in the best interests of RiverCities Transit.

ARTICLE 14 – ASSISTANCE TO SMALL AND MINORITY AND WOMEN’S BUSINESS ENTERPRISES

14-101 SOLICITATION OF SMALL AND MINORITY AND WOMEN’S BUSINESSES

RiverCities Transit shall implement procedures to seek involvement by Small and Minority and Women’s Business Enterprises, irrespective of whether they qualify as DBEs, in RiverCities Transit procurement processes to the fullest extent practicable.

Examples of procedures that may achieve that involvement may include:

1. Including qualified small, women-owned, and minority businesses on solicitation lists;
2. Assuring that small, women-owned, and minority businesses are solicited whenever they are potential sources;
3. When economically feasible, dividing total requirements into small tasks or quantities so as to permit maximum small, women-owned, and minority business participation;
4. Where the requirement permits, establishing delivery schedules which will encourage participation by small, women-owned, and minority businesses.
5. Using the services and assistance of the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and

6. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in subparagraphs (1) through (5) above.

ARTICLE 15 – DISADVANTAGED BUSINESS ENTERPRISES

See separate DBE Policy and Program.

ARTICLE 16 – PURCHASE OF ROLLING STOCK

RiverCities Transit may purchase rolling stock using the Bid or RFP process, by piggybacking off the State contract, or by piggybacking off another transit entity's contract, following appropriate procedures required by FTA.

16-101 PRE-AWARD & POST-DELIVERY

Pre-Award: When purchase is funded by the FTA, a pre-award audit must be completed before entering into a formal contract for the purchase of rolling stock. The certification must verify the manufacturer's bid specifications comply with RiverCities Transit's solicitation specifications. When using a piggyback purchase, the pre-award audit completed prior to the original contract may be relied upon. However, RiverCities Transit will still review the audit and prepare its own signed certification.

In addition, when the procurement is for a FTA-assisted transit vehicle, RiverCities Transit will ensure the transit vehicle manufacturer (TVM) is on the FTA Office of Civil Rights' TVM List and that, within 30 days, the name of the successful bidder and the total dollar amount had been submitted the Office of Civil Rights.

Post-Delivery: A post-delivery audit must be completed before title to the rolling stock is transferred to the recipient. The post-delivery certification is based on the visual inspection and road test performed by RiverCities Transit.

ARTICLE 17 - APPROVED METHODS OF PAYMENT

The methods described below are in addition to the use of our voucher payment system.

17-101 PETTY CASH

The Transit Division does not have a petty cash box for use. Purchases may be made with a city issued credit card or via a charge account.

17-102 CREDIT CARDS

Certain departments and specified employees possess credit cards issued by a financial institution approved by the City. Such credit cards may be used for the purchase or acquisition of materials, property and/or services not available through the City's normal purchasing methods. Upon receipt of the credit card statement, all of such credit card purchases shall be reported to Procurement Policy – Eff December 2014, updated 4/23/2024

the Finance Department accompanied with receipts or other equivalent evidence of purchases. All credit cards have maximum limits which shall not be exceeded, and all credit card charges must be paid promptly to avoid interest charges.

Credit cards may not be used for cash advances, purchases for personal use except as incident to travel, purchases from the purchaser's family members, or the purchase of materials or services in situations where the credit card account will be charged 60 days or more before receipt of the purchased materials, property or services.

17-103 CHARGE ACCOUNTS

The city has created charge accounts with many vendors of materials, supplies, equipment and merchandise. Authorized city employees may effect purchases using such charge accounts, however, a receipt or other written evidence of all such purchases should be delivered to the Finance Department upon receipt of the statement denoting such purchases via the voucher submittal process.

EXHIBIT A – FEDERAL REQUIREMENTS AND STATE LAW

1. Conformance with Federal Requirements.

The formation of contracts shall conform to the Federal Transit Administration's (FTA) Third Party Contracting Guidance, as contained in FTA Circular 4220.1F, Uniform Administrative Requirements outlined in 2 CFR 200, and applicable State law (whichever is the more stringent). Any subsequent changes or amendments to either the Circular or State law after the effective date of this Procurement Policy shall be incorporated into said Policy by this reference.

The purchasing rules dispersed throughout this Policy are extracted from the FTA Circular 4220.1F, Third Party Contracting Guidance, and the Revised Code of Washington (RCW) 43.19.

Circular 4220.1F applies to all FTA grantees and sub-grantees that contract with outside sources under FTA-assisted programs. This Circular sets forth the requirements that RiverCities Transit, as a grantee, must adhere to in the solicitation, award and administration of its FTA-assisted third party contracts.

If a grantee accepts FTA operating assistance, the requirements of this Circular apply to all transit-related third party purchase orders and contracts awarded with only that portion of operating funds specifically allocated to the property or services being procured. These requirements do not apply to procurements undertaken in support of capital or non-capital projects completely accomplished without FTA funds, or to those operating and planning contracts awarded by grantees that do not receive FTA operating and planning assistance.

2. Conformance with State and Local Law.

RiverCities Transit shall use its own procurement procedures that reflect applicable State and local laws and regulations, provided that the procurements conform to applicable Federal law, including the requirements and standards identified in FTA Circular 4220.1F.

3. Self-Certification.

The FTA intends to rely primarily on grantees' "self-certifications" that their procurement system meets FTA requirements to support the required finding that a grantee has the technical capacity to comply with Federal procurement requirements. Consequently, the Transit Manager must self-certify RiverCities Transit's procurement system in the FTA Annual Certification/Assurance Process when applying for grants. The FTA will monitor compliance as part of its routine oversight responsibilities.

EXHIBIT B – REQUISITION REQUIREMENT

A. REQUISITION APPROVALS

Requisitions are required for ALL purchases

Dollar Amount of TOTAL Purchase	Method of Procurement	Purchase Order	Required Approvals
\$1 - \$10,000	No quotes needed; documentation of Fair and Reasonable price or vendor rotation required with submission for approval.	As Needed	Purchases between \$500 and \$5,000, approval by Transit Manager. Purchases \$5,000 to \$10,000 require approval by Transit Manager and Public Works Director.
\$10,001 - \$250,000	3 Written Quotes (i.e. RFQ)	**Yes	Department Manager + Public Works Director + City Manager
\$250,001+	Formal Bid Process (i.e. IFB/ITB/RFP)	**Yes	Department Manager + Public Works Director + City Manager

** Except for when a written contract is already in place, or the Vendor is on the Requisition Exemption List, or where monthly billings occur for services (i.e. utilities) which cannot be reasonably estimated prior to the purchase (See Article 9-201).

B. CAPITAL PURCHASE

Definition: A tangible and individual fixed asset valued at \$5,000 or more (including tax, set-up and freight) with a useful life of in excess of one year.

- Capital purchases must be specifically contained in the annual budget and may not be added during the budget year except by budget revision approved by the Board of Directors.
- All capital purchases must be approved by RiverCities Transit prior to purchase.

C. ASSET

Definition: Any non-consumable attractive and theft-sensitive item, tangible in nature and possessing a physical substance, costing between \$100 and \$4,999, or any capital item.

- Assets must be tracked in inventory and assigned a unique identification number by either tagging or etching.

EXHIBIT C – BIDS, RFPS AND RFQS DOCUMENTATION REQUIRED

The information below is to be included and put into a file which maintains records sufficient to detail the significant history of a procurement. At a minimum the procurement file will include the following:

Project _____

Resolution Number _____

Documentation Needed:

1. Number of Bid, RFQ or RFP _____
2. Copy of Advertisement _____
3. Affidavit of advertisement _____
4. Copy of Bid, RFP, RFQ _____
5. Specifications or list of requirements _____
6. Bid tally sheet – list of vender proposals _____
7. Contract (if applicable) _____
8. City Manager Summary:
 - Written procurement history _____
 - Cost/price Analysis _____
 - Independent Cost Estimates _____
9. Debarment check _____
10. Date City Manager approved: _____
11. (If applicable): FTA-funded transit vehicle manufacturer award reported to FTA Office of Civil Rights.
12. _____ Other _____ Info:

