



**REGIONAL  
TRANSIT AUTHORITY**  
OF SOUTHEAST MICHIGAN

Board of Directors Meeting Agenda

Thursday, December 17, 2015

2:00 PM

Regional Transit Authority of Southeast Michigan

1001 Woodward Ave., Suite 1400

Detroit, MI 48226

**AGENDA**

1. Call to order
2. Approval of Agenda
3. Approval of the November 19, 2105 meeting summary
4. Public comment
5. Reports of Standing Committees
  - a. Executive and Policy Committee
    - i. Procurement Policy Amendment – Action
  - b. Finance and Budget Committee
    - i. Treasurer’s Report for November 2015 - Action
  - c. Planning and Service Coordination Committee
    - i. Planning Projects – Update
      1. Regional Master Transit Plan
      2. Michigan Avenue Corridor Study
      3. Gratiot Avenue Corridor Study
      4. Woodward Avenue Corridor Study
  - d. Providers Advisory Committee
    - i. Bus Collision Avoidance Systems
    - ii. Fold-up Regional Maps
    - iii. “Yield to Bus” Law
  - e. Citizens Advisory Committee
6. Year-End Updates from Providers
  - a. DDOT
  - b. SMART
  - c. AAATA
  - d. Detroit People Mover
  - e. M-1 Rail
7. New Business
8. Adjourn

*The Committee may, at its discretion, revise this agenda or take up any other issues as need and time allow.*

*Request for reasonable accommodations at RTA meetings require advance reservations. Individuals with disabilities requiring assistance should contact RTA Information Services at least 48 hours in advance of the meeting. Contact Virginia Lickliter at 313-402-1020.*

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Proposed Meeting Summary  
Regional Transit Authority  
Board of Directors Meeting  
Thursday, November 19, 2015

1. Call to order 2:00 PM

Committee Members Present:

Paul Hillegonds, Chair; Donald Morandini; Sonya Mays; Elisabeth Gerber; Chuck Moss; Alma Smith; Roy Rose; Tim Soave; Mark Gaffney

RTA Representatives Present:

Michael Ford; Tiffany Gunter; Virginia Lickliter

Others in attendance:

Sarah Hubbard, Acuitas

2. Approval of Agenda

Elisabeth Gerber requested that an update from the Citizens Advisory Committee be added to the agenda.

Moved by Chuck Moss and supported by Alma Smith approve the agenda. Approved unanimously.

3. Approval of Meeting Summary

Moved by Chuck Moss and supported by Roy Rose to approve the October 22, 2015 Meeting Summary. Sonya Mays was not in attendance and abstained. Approved unanimously.

4. Public Comments

Jim Casha addressed the Board regarding the Michigan State Fairgrounds. Mr. Casha stated that, according to the Woodward Avenue Action Association, one million people live within one mile of the intersection of Woodward Avenue and 8 Mile Road. He believes that the Wayne County Airport Authority and the RTA could joint venture on development at the fairgrounds to be used as a hub for transportation to the airport.

Brian Colfer, member of the RTA's Citizens Advisory Committee, addressed the Board regarding the Michigan State Fairgrounds. Mr. Colfer stated that he had introduced a resolution to the Citizens Advisory Committee to recommend that the RTA conduct a study on the feasibility of using the Michigan State Fairgrounds as a transportation hub and exhibition center. He stated that the

resolution was rejected. He stated that he believes a lot can be done with the fairgrounds related to airport transportation and bus service.

5. Reports of Standing Committees

a. Executive and Policy Committee

i. RTA Policy Updates

Paul Hillegonds reported that the Executive and Policy Committee reviewed the Procurement Policy draft. He stated that RTA counsel will bring the draft back to the Executive and Policy Committee and to the full Board in December for approval.

Mr. Hillegonds also presented for review the recommended FOIA Summary document that was provided in the meeting packet.

Michael Ford reported that public notice for comment on the RTA's Title VI Policy had been posted to the website.

Mr. Ford also reported that staff is awaiting feedback from the Federal Transit Administration on the DBE Policy.

b. Finance and Budget Committee

i. Year End Financial Statements

Tim Soave reported that the Finance and Budget Committee had taken action on the Financial Statements for the fiscal year ended September 30, 2015. Tiffany Gunter presented the statements to the Board. Ms. Gunter reported that the RTA had Administrative Revenue of \$1,015,532 and Administrative Expenses of \$1,017,294. The RTA had \$1,740,183 in Program Revenue and Expenses.

Elisabeth Gerber asked comprised the short fall in Administrative Activities. Ms. Gunter replied that it was due to expenses that had not yet been captured through revenue and invoiced to the grantor agencies.

Ms. Gunter presented the Balance Sheet as provided in the meeting packet.

Moved by Tim Soave and supported by Alma Smith to approve the Financial Statements for FY 2014-2015. Approved unanimously.

ii. Treasurer's Report for October 2015 – Action

Tim Soave presented the Treasurer's Report for October 2015.

Alma Smith noted that the beginning balance of available funds needs to be updated to the ending balance at September 30, 2015.

Moved by Alma Smith and supported by Tim Soave to approve the Treasurer's Report for October 2015 with the noted change to the beginning balance. Approved unanimously.

iii. Audit Services FY 2015

Michael Ford reported that an RFP is being developed for Audit Services for FY2015.

c. Planning and Service Coordination Committee

i. Service Expansion – Update

Michael Ford reported that he has been in contact with Dan Dirks and John Hertel regarding service expansion. Mr. Ford reported that a draft plan should be available the beginning of 2016. He also stated that the issue of the city ordinance is being worked out with the City of Detroit corporate counsel and the RTA should be receiving an update soon.

Mark Gaffney stated that he feels the providers should present their plan for expanded service at the January 2016 Board Meeting.

ii. Airport RFP – Update

Michael Ford reported that staff had been in contact with would-be bidders from the June 2015 RFP. He reported that staff is reworking the RFP to address concerns that were brought to the RTA's attention. He also stated that the new version of the RFP would only focus on service to and from the City of Detroit and possibly one other location. Mr. Ford reported that the airport requires a permit for operating within the airport grounds and that he will be meeting with the airport address the issue.

Elisabeth Gerber asked what the nature of the airport permit is. Mr. Ford replied that some of the issues are liability and branding. Mr. Ford also stated that an access fee is charged for any vehicle that is not considered public transportation.

Mark Gaffney asked if the RTA could obtain a list of airport service providers that currently operate within the airport grounds. Mr. Ford stated that staff would look into it.

iii. Planning Project – Update

Ben Stupka gave an update on

1. Regional Master Transit Plan

## 2. Michigan and Gratiot Studies

Ben Stupka gave an update on the corridor projects. Mr. Stupka reported that planning had moved to Tier 2 analysis which includes detailed options. He reported that commuter rail and bus rapid transit would move forward in planning as the preferred alternatives for Michigan Avenue.

## 3. Woodward Avenue Corridor Study

Ben Stupka reported that the advisory committee had been reconvened and that the environmental review process is beginning. Mr. Stupka reported that a round of public outreach along the corridor will be planned for March or April of 2016.

Mark Gaffney asked what the next step is for the project. Mr. Stupka replied that the next step is a transportation analysis that examines traffic impacts, transit travel time impacts and other transportation related factors. He reported traffic impacts of modifications of the current locally preferred alternative would be examined.

### d. Providers Advisory Committee

#### i. Fare Coordination

Michael Ford reported that an updated memorandum of understanding is being written and a demonstration project is being planned. He reported that a small working task force is being created to focus on fare integration among the providers.

Cornelius Henry gave a presentation on fare integration and available technology.

Paul Hillegonds asked where a fare integration demonstration fits into the timing of the November election. Michael Ford reported that a demonstration would show that the technology among the providers works with a magnetic strip and that there are opportunities to make that happen. Mr. Ford stated that his goal would be to have a demonstration before the election. Mr. Henry reported that through testing it was determined that a magnetic strip card can work but that the bigger issue is having a memorandum of understanding.

#### ii. Fold-up Regional Maps

#### iii. "Yield to Bus" Law

Cornelius Henry reported that one of the most difficult things bus drivers face is getting back into traffic after a stop. This can effect travel time, liability and on-time performance. He reported that he has done some research and that RTA staff is helping to continue to do research on the issue.

e. Citizens Advisory Committee

Rev. Louise Ott reported the committee has continued to meet once a month and that committee leadership is also holding monthly executive meetings that RTA staff participates in.

Rev. Ott reported that many of the planners on the committee have been participating in plan development meetings.

Rev. Ott reported that the Outreach Committee is working on mapping all of the outreach meetings and listening sessions that RTA staff has participated in. Rev. Ott reported that the committee is also working with local advocacy groups to coordinate activities to limit the time asked of RTA staff.

Rev. Ott reported that the Senior and ADA Committee is working on “Adopt a Stop” for winter maintenance of bus stops.

Rev. Ott also reported that the application process for the 2016 committee has begun and that although she is not reapplying for the CAC, she will still be engaged through advocacy.

Alma Smith asked if there were ways that the RTA could better utilize the CAC members in 2016. Rev. Ott responded that the best way in the next year is in public education and engagement and that including the CAC in that will be key.

6. Legislative Update

Sarah Hubbard reported that a transportation package had been passed by the State. She reported that beginning in FY 16-17, there will be approximately an additional \$35 million in comprehensive transportation funds and up to mid-\$50 million by FY 21-22.

Ms. Hubbard also reported that with the help of Senator Tom Casperson, language was added to an existing bill in process to amend election law to make sure the four county region covered by the RTA is certified during an election. The bill is now awaiting the Governor’s signature.

Alma Smith asked if the election bill give the RTA the power to collect a millage and spend it. Ms. Hubbard stated that her belief is that that power is already granted in the RTA legislation.

7. RTA Resolution No. 17 – Dr. Curtis Ivery

Mark Gaffney presented RTA Resolution No. 17 – Dr. Curtis Ivery as provided in the meeting packet.

Moved by Mark Gaffney and supported by Sonya Mays to approved RTA Resolution No. 17 – Dr. Curtis Ivery.

8. Tentative 2016 Meeting Schedule

Paul Hillegonds presented the 2016 Meeting Schedule as provided in the meeting packet. Mr. Hillegonds reported that the schedule follows the pattern of meeting days that had already been established.

9. New Business

Roy Rose reported that he and Tiffany Gunter had attended a meeting of Advancing Macomb. He reported that three communities were chosen to be highlighted and representatives asked to give an update of progress in their communities. Mr. Rose reported that all three of the community representatives stated that the success of the area is dependent on mass transit and improving transportation in the area. Mr. Rose reported that County Executive Mark Hackel also mentioned the importance of public transportation in his opening speech.

10. Meeting adjourned at 3:25 PM

## **PROCUREMENT POLICY REVISIONS – SUMMARY GUIDE**

There are six documents provided in the procurement policy revision package. The following lists and explains all of the procurement related attachments with a brief explanation/discussion designed to help you navigate the contents of the revision package.

### **1. Procurement Deficiencies Chart**

The chart contains the procurement related deficiencies identified by the FTA, the necessary corrective action cited by the FTA, FTA requirements related to the deficient area, and a reference to the sections in the Addendum and Manual where corrective action was taken.

### **2. Procurement Policy (Updated Version)**

Revisions were made to the existing Procurement Policy based upon comments made at the November executive committee meeting, in addition to making other changes legal counsel recommended.

### **3. Procurement Policy (Comparison of Updated Policy to Current Policy [November 2014])**

Also provided is a comparison document showing in redlined format all of the changes made to the current Procurement Policy.

### **4. Procurement Policy - FTA Addendum**

The Executive Committee accepted the recommendation that the FTA related policies be included in a separate document as an Addendum to the Policy. Upon further reflecting on the issue and after reviewing procurement policies from other transit agencies, staff and legal counsel agreed that once the FTA related policies are approved by the FTA, that they be “folded into” the Procurement Policy and there only be one document containing procurement policies. Further, the RTA would be well served by adopting the FTA related policies (e.g., contractor responsibility, bid protest procedures, independent cost estimate) for all purchases. In the policies that have reviewed from other transit agencies, the application of these policies is not limited to purchases in which federal assistance is provided by the FTA. If the Executive Committee and ultimately the Board agree, non-substantive changes will be made to the Addendum before incorporating it into the Procurement Policy.

### **5. Procurement Procedures Manual**

The Executive Committee also accepted the recommendation that internal procedures be adopted to ensure the RTA complies with its policies be contained in a separate document. The model used by CTA, CATA, and The Rapid include procurement policies and procedures in the same document. The decision whether to co-mingle procurement policies and procedures is generally based on management style. While the policy manual is a good place to put all guidelines for decision-making, once procedures are established, policies are rarely referenced. (Unless a standard or a practice requires a separate policy manual.) If the Executive Committee and ultimately the Board agree to incorporate the procedures manual, non-substantive changes will be made to the document before incorporating it into one Procurement Policy and Procedures Manual.

### **6. Sample Independent Cost Estimate Form**

RTA will be required to conduct an independent cost estimate for every purchase in which federal assistance is provided by the FTA. The language included in the Addendum and in the Manual dealing with this issue is similar to language used by other transit agencies. In addition, all of the other agencies have attached as an Appendix form that is used in preparing the estimate. RTA proposes this addition to the Procurement policy documents as Appendix A to either a 1) combined Procurement Policy and Procedures Manual or 2) separate Procedures Manual, based on the final decision of the Executive Committee and the Board.



**FY15 FTA TRIENNIAL REVIEW**

**PROCUREMENT ISSUES**

	<b>Deficiency</b>	<b>Corrective Action Required</b>	<b>FTA Requirements</b>	<b>Corrective Action Taken</b>
1.	Procurement policies and procedures not evident (D-22)	Submit to the FTA regional office RTA's revised procurement policies and procedures that comply with FTA C. 4220.1F.	FTA C. 4220. 1F is published by the U.S. Department of Transportation. It provides contracting guidance for recipients of Federal assistance to finance its procurements. The Circular is 165 pages long, covering a myriad of issues, most of which are not yet applicable to the RTA.	An Addendum to the RTA's Procurement Policy has been created. The addendum contains policies related to the purchase of good and services that are purchased, in whole or in part, by Federal assistance awarded by the Federal Transit Administration. In addition, a Procurement Procedures Manual has been created. The Manual contains the procedures to be followed by the RTA to ensure that the policies contained in the Addendum are adhered to. The Addendum and Manual address the specific issues identified by the FTA in its October 28, 2015 FY2015 Triennial Review Draft Report.
2.	No written protests procedures (D-152)	Develop and submit to the FTA regional office a process to ensure that RTA follows its procurement policies and procedures to notify potential bidders and proposers of its protest procedures.	Per § 7.1 of FTA Circular 4220.1E, grantees shall have written protest procedures to handle and resolve disputes relating to their procurements and shall in all instances disclose information regarding protests to FTA.	See Addendum Section C, pages, 3-6 (Bid Protest Procedures) and Manual Section E, pages 3-5 (Bid Protests) for bid protest policies and procedures pages.
3.	No verification that excluded parties are not participating (D-183)	Develop and submit to the FTA regional office a process to ensure that RTA follows its procurement policies and procedures to search the SAM and to place documentation in the procurement file before entering into a contract.	Each grantee is required to ensure to the best of its knowledge and belief that none of its principals, affiliates, third party contractors, and subcontractors is suspended, debarred, ineligible, or voluntarily excluded from participation in federally assisted transactions or procurements.	See Addendum Section B.5.b (page 2) and Manual Section F.4 (page 4) for language requiring RTA to review the System for Award Management (SAM) to ascertain a contractor's eligibility for entering into a contract.

4.	Lacking independent cost estimate (D-340)	Submit to the FTA regional office documentation that RTA has updated its procurement policy to ensure that an independent cost estimate is completed for every procurement action.	A grantee must ensure that it performs an independent cost estimate (ICE) before receiving bids or proposals. The ICE is a tool to assist in determining the reasonableness of the bid or proposal being evaluated.	See Addendum Section A (page 1) and Manual Section A (page 1) for language requiring that an independent cost estimate be completed for every procurement action. I recommend that a form or forms be used in conducting the required estimate. Sample forms have been provided. Staff should review the forms, and perhaps other examples as well, and pick or create one or more to use, depending on the nature of the procurement.
5.	Responsibility determination deficiencies (D-344)	Develop and submit to the FTA regional office a process to ensure that RTA follows its procurement policies and procedures to make adequate responsibility determinations prior to the award of the contract.	As part of its evaluation of bids and proposals prior an award, the grantee must ensure that only responsive and responsible contractors possessing the ability, willingness, and integrity to perform successfully under the terms and conditions of the contract are awarded a contract.	See Addendum Section B (pages 1-3) and Manual Section F (pages 5-7) for language regarding steps to be taken by the RTA (Procurement Administrator) to ensure that contracts are only awarded to responsible contractors, i.e., those possessing the ability, willingness, and integrity to perform successfully under the terms and conditions of the contract.
6.		Submit to the regional office evidence that the Board of Directors has approved the updated procurement policy and procedure manual.		Upon approval by the Board of the Addendum and Manual, the documents will be provided to the FTA's regional office.

**Regional Transit Authority  
of Southeast Michigan**

**Procurement Policy**

Effective Date: \_\_\_\_\_, 2016

## **Procurement Policy**

### **I. Background**

The Regional Transit Authority of Southeast Michigan (“RTA”) Procurement Policy (“Policy”), approved by the RTA Board (“Board”), establishes the broad procurement framework for the RTA. The Board has also approved a Procurement Policy Addendum (“Addendum”) that governs procurements that are subject to Federal Transit Administration (“FTA”) requirements and a Procurement Procedures Manual (“Procedures” or “Procedures Manual”). Combined, the three (3) documents will guide RTA’s day-to-day procurement operations.

If the RTA applies for and receives State of Michigan or federal funds that require the RTA to comply with procurement or contracting requirements that are in conflict with the RTA Act, or the RTA’s Procurement Policy, Addendum or Procedures, the state or federal requirements shall take precedence.

This Policy replaces RTA’s November 19, 2014, Procurement Policy and will only apply to contracts solicited after \_\_\_\_\_, 2016 (the “Effective Date”).

The Procurement Policy, Procurement Policy Addendum and the Procurement Procedures may only be revised by official Board action.

### **II. Procurement Standards**

The Procurement Policy, Addendum and Procedures set forth the standards for processing all contracts unless specifically designated otherwise. The Procurement Policy, Addendum and Procedures will ensure that goods (e.g., equipment, materials, supplies, etc.), and services are obtained or disposed utilizing timely, efficient, and economical methods that adhere to the principles of good administrative practices and sound business judgment.

- A. The CEO will appoint a staff member to serve as the Procurement Administrator. The Procurement Administrator will have the authority for carrying out RTA’s procurement activities.
- B. The Procurement Administrator will provide each Board member with a copy of each Invitation for Bid and Request for Proposal and an opportunity to provide informal input prior to the terms of an invitation or request being finalized. Board members shall maintain the confidentiality of the proposed terms of an Invitation for Bid or a Request for Proposal, until said terms are made public and, unless known to the public, each Board member shall maintain the confidentiality or the existence of an Invitation for Bid or a Request for Proposal until such Invitation of Request is made public.

- C. RTA will maintain a contract administration system that ensures that Vendors (i.e., those providing goods and services) perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.
- D. RTA will comply with all applicable Federal and State of Michigan laws, rules and regulations, including, but not limited to, Federal Transit laws contained in 49 U.S.C. Chapter 53, Federal Transit Administration (“FTA”) regulations including FTA Circular 4220.1F, Participation by Disadvantaged Business Enterprises in Department of Transportation Programs (49 CFR Part 26), other Federal laws, rules and regulations that contain requirements applicable to FTA recipients and the FTA assisted procurements, the Michigan Regional Transit Authority Act (“RTA Act”) (Act 387, Michigan Public Acts, 2012, MCL 124.541 et seq.), and other State of Michigan laws, rules and regulations applicable to RTA procurements, as amended from time to time.
- E. Members of the Board and all RTA employees will comply with the RTA Code of Conduct and Conflict of Interest Policy, the Procurement Policy, Addendum and Procedures, and all statutory and regulatory requirements, including without limitation, the applicable U.S. Department of Transportation regulations, and FTA Circulars. Violators are subject to the penalties prescribed in the RTA Code of Conduct and Conflict of Interest Policy.

### **III. Competitively Bid Procurements**

- A. RTA will conduct all procurement transactions consistent with the above-stated procurement standards through the use of those competitive procurement procedures best suited to the particular procurement, except as otherwise specifically justified.
- B. Except as otherwise authorized or specifically justified, or required by federal or State of Michigan laws, rules or regulations, all Purchase Orders or contracts for the purchase of goods and services over \$25,000 by or on behalf of the RTA will be let by free and open Competitive Bidding.
- C. The RTA may enter into a competitive purchasing agreement with the federal government, the State of Michigan, or other public entities for the purchase of necessary goods or services.
- D. **Sealed Bids (Invitation for Bids – “IFB”).**
  - 1. An IFB will be used if:
    - a. A complete, adequate, precise, and realistic specification or purchase description is available;

- b. The award will be made on the basis of price and price-related factors;
  - c. It will not be necessary to conduct discussions with the responding Vendors about their Bids.
  - d. There is a reasonable expectation of receiving more than one sealed Bid; and
  - e. The procurement generally lends itself to a firm fixed price contract.
- 2. RTA will ensure fair and unbiased evaluation of Bids. RTA's procedures will guarantee that only the lowest, responsive (including DBE compliant) and responsible Bidders are recommended for award of contracts. At its discretion, the RTA may reject all bids and either rebid or cancel the bid in question.
  - 3. RTA is a public body as defined by Michigan's Freedom of Information Act (FOIA). Upon public opening, all IFB responses become public records subject to disclosure under FOIA. The time and place for public opening shall be set forth in the IFB.

**E. Negotiated Procurements (Requests for Proposals – "RFP").**

- 1. A RFP will be used if the nature of the procurement does not lend itself to sealed Bidding and RTA expects that more than one source will be willing and able to submit a proposal.
- 2. RFP's will incorporate a clear and accurate description of the technical requirements and a comprehensive scope of work for the goods or services to be procured.
- 3. RFP's will clearly state the evaluation factors, including: Cost or price, cost or price-related factors and non-cost or non-price related technical and business management factors that will be considered in making a Contractor selection/recommendation.
- 4. For all negotiated procurements, the following process will apply to ensure fair, unbiased and consistent evaluation of all proposals.

- a. RFP released with a date selected for a Pre-Bid meeting open to the public. The purpose of the Pre-Bid meeting is to clarify any concerns bidders may have with the solicitation documents, scope of work and other details of the requirement. RTA may provide and allow for participation in a Pre-Bid meeting by way of remote access.
  - b. The list of vendors that were solicited for bid and/or that attended the Pre-Bid meeting will be posted to the RTA web site along with question and answers resulting from the meeting. The RTA will also post to the website other questions received and answers provided during the solicitation period related to the RFP.
  - c. All non-cost information included in an RFP response shall be separated in the response from cost information.
  - d. All RFPs, with the exception of RFPs related to administrative, non-operations services (e.g., accounting, IT, legal, etc.), will be reviewed and ranked by a Selection Committee consisting of RTA staff, members of the board, a DBE compliance officer, and individuals who have knowledge and/or relevant experience on the subject as deemed necessary by the RTA. The selection committee will sign the RTA Code of Conduct and Conflict of Interest Policy to ensure no conflict of interest exists.
    - (i) The Selection Committee will make a recommendation to the appropriate RTA committee for consideration and recommendation to the RTA Board.
    - (ii) The Board will take action to approve or reject the recommendation.
    - (iii) At its discretion, the RTA may reject all responses and either rebid or cancel the RFP in question.
5. RTA is a public body as defined by Michigan's Freedom of Information Act (FOIA). All non-cost information will be subject to disclosure under FOIA as of the RFP return deadline date. All cost information included in the RFP response will be subject to disclosure under FOIA at the time and place of public opening, if a public opening notice is included in the RFP. Until the public opening, proposals will be held in confidence and will not be revealed to or discussed with competitors or the public.

#### **IV. Acceptable Non-Competitively Bid Procurements**

- A. The RTA is not required to use competitive bidding when acquiring proprietary services, equipment, or information available from a single source, such as a software license agreement.
- B. Competitive bids are not required if any of the following apply:
  - 1. An emergency directly and immediately affecting service or public health, safety, or welfare requires the immediate procurement of supplies, materials, equipment, or services to mitigate an imminent threat to public health, safety, or welfare, as determined by the RTA.
  - 2. Procurement of goods or services is for emergency repair or construction caused by unforeseen circumstances when the repair or construction is necessary to protect life or property.
  - 3. Procurement of goods or services is in response to a declared state of emergency or state of disaster under the Michigan Emergency Management Act, 1976 PA 390, MCL 30.401 to 30.421.
  - 4. Procurement of goods or services is in response to a declared state of emergency under 1945 PA 302, MCL 10.31 to 10.33.
  - 5. Procurement of goods or services is in response to a declared state of energy emergency under 1982 PA 191, MCL 10.81 to 10.89.
  - 6. Procurement of goods or services is under a cooperative purchasing agreement with the federal government, the State of Michigan, or another public entity for the purchase of necessary goods and services at fair and reasonable prices using a competitive procurement method for RTA operations.
  - 7. The value of the procurement is less than \$25,000.00, and the Board has established policies or procedures to ensure that goods or services with a value of less than \$25,000.00 are purchased at fair and reasonable prices, including a requirement that for purchases and sales of \$25,000.00 or less, but over \$5,000.00, written price quotations from at least three (3) qualified and responsible vendors shall be obtained or a memorandum shall be kept on file showing that fewer than three (3) qualified and responsible vendors exist in the market area within which it is practicable to obtain quotations. Procurement of goods or services with a value of less than \$5,000.00 may be negotiated with or without using competitive bidding as authorized in a procurement policy adopted by the board.



**V. RTA ACT PROVISIONS (MCL 124.546(15))**

- A. The RTA may enter into lease purchases or installment purchases for periods not exceeding the useful life of the items purchased unless otherwise prohibited by law.
- B. In all purchases made by the RTA, if consistent with applicable federal and state law, and this Policy, preference shall be given first to products manufactured or services offered by firms based in the authority’s public transit region, including, but not limited to, the cities and counties in a public transit region, and second to firms based in this state.
- C. The RTA shall actively solicit lists of potential bidders for authority contracts from each RTA member jurisdiction.

**VI. Disadvantaged Business Enterprise (“DBE”) Policy**

It is the policy of the RTA to actively encourage Disadvantaged Business Enterprises to participate in RTA’s procurement process, to create a level playing field on which DBE’s can compete fairly for contracts and to ensure nondiscrimination in the award and administration of contracts. (see RTA’s DBE Policy for details).

**VII. Procurement Authority**

- A. Authority and responsibility to enter into contracts for RTA is vested in the Chief Executive Officer, the Chairman of the Board, or their designees as appropriately determined. The responsibilities described herein remain with the enumerated RTA job functions regardless of department.
- B. Any procurement authority delegated to persons or departments will also vest in the Chief Executive Officer, the Chairman of the Board, and the Board.

**VIII. Contract Approval Requirements**

The following matrix specifies who may authorize and execute contracts:

<b>Board Action Not Required for Items (A) – (F)</b>		<b>Summary of Amount/Type of Contract</b>
A.	The COO may authorize and execute contracts up to a maximum of \$10,000.	Up to \$10,000
B.	Except as provided for in D below, the CEO or designee may authorize and execute contracts up to a maximum of \$50,000.	Up to \$50,000

C.	The CEO or designee, with the approval of the Chairman or designee, may authorize and execute contracts in response to an Emergency or Public Exigency.	Contracts in response to an emergency or Public Exigency
D.	The CEO or designee, or the Chairman or designee, may authorize and execute Sole Source Contracts up to \$100,000; contracts for Professional Services up to \$250,000; and contracts competed by RFP up to \$250,000.	Sole Source Contracts up to \$100,000
		Professional Services Contracts up to \$250,000
		Contracts Competed by RFP up to \$250,000
E.	The CEO or designee, or the Chairman or designee, following consultation with General Counsel, may authorize all non-disclosure agreements.	Non-Disclosure Agreements
F.	The CEO or designee, or the Chairman or designee, following consultation with General Counsel, may authorize and execute all contracts for professional consultant services donated to the RTA.	Donated Professional Services

Board Action Required for (G)		Summary of Amount/Type of Contract
G.	Following Board Approval, the Chairman or designee may execute all Disadvantageous Contracts (i.e., contracts where the Board determines that competitive bidding would be disadvantageous to the RTA); Sole Source Contracts over \$100,000; Professional Services Contracts over \$250,000; contracts competed by RFP over \$250,000; and contracts competed and not otherwise addressed in (D) or (G) over \$250,000.	Disadvantageous Contracts
		Sole Source Contracts over a \$100,000
		Professional Services Contracts over \$250,000
		Contracts competed by RFP over \$250,000
		Contracts competed and not addressed in (D) or (G) over \$250,000

**IX. Reporting**

Reports of procurements not requiring Board consideration will be reported to the Board monthly.

**X. Severability; Legal Compliance**

If any provision of the Policy is held unconstitutional or otherwise invalid, the remaining parts thereof will remain in full force and effect. If any provision of the Policy or subsequent Procedures or application thereof conflicts with any State or Federal law, rule or regulation, said law, rule or regulation will control.



## PROCUREMENT POLICY-FTA ADDENDUM

This Procurement Policy Addendum contains policies that apply to the purchase of goods and services that are purchased, in whole or in part, by Federal assistance awarded by the Federal Transit Administration (“FTA”). Except where they conflict with the policies contained in this Addendum, or with federal authority, RTA’s Procurement Policy and Procurement Procedures will also apply to the purchase of such goods and services.

The policies set forth in this Addendum will only apply to contracts solicited after \_\_\_\_\_, 2016 (the “effective Date”). This Addendum may only be revised after the Effective Date by official Board action.

### **A. Independent Cost Estimate.**

As part of the advance procurement planning process, and in any event prior to the advertisement or the approval of a contract change order, the Regional Transit Authority (“RTA”) shall ensure that there is an independent estimate of the expected price level or value of the goods or services to be purchased or to be changed. If the planned solicitation includes options, they should also be addressed in the estimate. The independent estimate is the RTA’s estimate of the price of a proposed procurement for use in performing a cost or price analysis.

### **B. Prospective Contractor Responsibility.**

1. RTA shall make purchases from and award contracts only to responsible Contractors, i.e., those possessing the ability, willingness, and integrity to perform successfully under the terms and conditions of the contract. “Contractor” means any individual or legal entity that (a) directly or indirectly (e.g., through an affiliate), submits offers for or is awarded, or reasonably may be expected to submit offers for or be awarded, an RTA contract, or a subcontract under an RTA contract or (b) conducts business, or reasonably may be expected to conduct business, with RTA as an agent or representative of another contractor.
2. In the absence of information clearly indicating that the prospective Contractor is responsible, RTA shall make a determination of nonresponsibility.
3. The RTA will consider the following factors when making a responsibility determination:
  - a. Integrity and Ethics. Has a satisfactory record of integrity and business ethics, in compliance with 49 U.S.C. Section 5325(j)(2)(A);
  - b. Debarment and Suspension. Is neither debarred nor suspended from federal programs under U.S. Department of Transportation (DOT) regulations, “Non-procurement Suspension and Debarment”;
  - c. Affirmative Action and DBE. Is in compliance with the Common Grant Rule’s Affirmative Action and DOT’s Disadvantaged Business Enterprise requirements;

- d. Public Policy. Is in compliance with the public policies of the federal government, as required by 49 U.S.C. Section 5325(j)(2)(B);
  - e. Administrative and Technical Capacity. Has the necessary organization, experience, accounting, and operational controls, and technical skills, or the ability to obtain them, in compliance with 49 U.S.C. Section 5325(j)(2)(D);
  - f. Licensing and Taxes. Is in compliance with applicable licensing and tax laws and regulations;
  - g. Financial Resources. Has, or can obtain, sufficient financial resources to perform the contract, as required by 49 U.S.C. Section 5325(j)(2)(D);
  - h. Production Capability. Has, or can obtain, the necessary production, construction, and technical equipment and facilities;
  - i. Timeliness. Is able to comply with the required delivery or performance schedule, taking into consideration all existing commercial and governmental business commitment; and
  - j. Performance Record. Is able to provide a satisfactory current and past performance record.
4. The Procurement Administrator may require, and the prospective Contractor shall promptly provide, acceptable evidence of the prospective Contractor's ability to obtain resources. Acceptable evidence of the prospective Contractor's ability to obtain resources shall consist of a commitment or explicit arrangement that will be in existence prior to the time of contract award to rent, purchase, or otherwise acquire the needed facilities, equipment, personnel, or other resources.
5. A prospective Contractor shall not be awarded a contract if:
- a. It is debarred, suspended or deemed ineligible for contracting by RTA;
  - b. For federally funded contracts, the Contractor, or any of its principals, affiliates, third party contractors, or subcontractors, is suspended, debarred, ineligible, excluded, or voluntarily excluded from participation in federal programs under DOT regulations, "Nonprocurement Suspension and Debarment," 2 CFR Parts 180 and 1200, or under the FAR at 48 CFR Chapter 1, Part 9.4. To ascertain a Contractor's eligibility, the Procurement Administrator will check the System for Award Management, [www.sam.gov](http://www.sam.gov).
6. If RTA determines that the price bid or offer by a prospective Contractor is so low as to appear unreasonable or unrealistic, RTA may determine the prospective Contractor to be nonresponsible.
7. A prospective prime Contractor shall be accountable for determining the responsibility of prospective Subcontractors. If the determination of a prospective Subcontractor's responsibility may affect the determination of a prospective prime Contractor's

responsibility, a prospective Contractor may be required to provide written evidence of a proposed Subcontractor's responsibility. When it is in the interests of the RTA, RTA may independently determine a prospective Subcontractor's responsibility, using the standards and requirements for responsibility set forth in Section B.3.a-j.

**C. Bid Protest Procedures.**

This Section addresses the process for Bid Protests ("Protest"). Any interested party ("Interested Party") shall have the right to file and have a Protest considered and resolved administratively by the RTA. An Interested Party, as used in this Section, means an actual bidder or proposer, or a potential bidder or proposer, whose direct economic interest would be affected by the award of a contract or by the failure to award a contract. The Bid Protest Procedures set forth herein apply to IFBs and RFPs. The filing of Bid Protests will not unnecessarily delay the procurement process.

1. Written Submission. An interested party wishing to protest a matter involving a proposed procurement or contract award shall file with the RTA's Procurement Administrator a written Protest. The Protest should include, at a minimum, the following:
  - a. The name and address of the Interested Party and its relationship to the procurement sufficient to establish its interest;
  - b. Solicitation, proposal, or contract number, or other identifying number provided by RTA;
  - c. Statement of the grounds for the Protest, including the provision(s) of the solicitation and, if applicable, the Federal or State law or regulation or RTA's Procurement Policy or Procedures upon which the Protest is based;
  - d. Statement of the specific relief requested; and
  - e. Any documents relevant to the Protest that the protesting party desires RTA to consider.
  
2. Deadline for Filing Protest.
  - a. Protests Regarding Solicitation. Any Protest regarding a solicitation by RTA must be filed no later than five (5) business days before the opening of Bids. Any Protest filed after that date which raises issues regarding the solicitation will not be considered.
  - b. Protests Regarding Bid Evaluation. Any Protest regarding the evaluation of Bids by RTA must be filed no later than twenty (20) business days after the opening of Bids. Any Protest filed after that date which raises issues regarding the Bid evaluation will not be considered, unless the issue arose after the initial five (5) business day period and before contract execution.
  - c. Protests Regarding Award of Contract. Any Protest regarding the award of a contract must be filed no later than ten (10) business days after the date of the

award. Any Protest regarding the award of the contract filed after that date will not be considered.

3. Procedures for Protests Regarding Solicitation. This type of Protest includes any claim that the Bid solicitation contained unduly restrictive, exclusionary, or discriminatory specifications, any challenge to the basis for making an award, or any claim that the solicitation documents or the solicitation process violated applicable Federal or State law or regulation, or that RTA failed to follow its Procurement Policy or Procedures.
  - a. Upon receipt of a timely filed protest regarding the solicitation, RTA will postpone the opening of Bids until resolution of the Protest, unless otherwise authorized to proceed under Section C.6.e. below. If Bid opening is postponed, no additional Bids will be accepted during the period of postponement.
  - b. If the Protest involves a claim of unduly restrictive, exclusionary, or discriminatory specifications, RTA will, in evaluating the Protest, consider both the specific need for the feature or item challenged and any effects on competition of including the specification regarding that feature or item.
4. Procedures for Protests Regarding Bid Evaluation. This type of Protest includes any challenge to determinations by RTA of the responsiveness of a Bid or the responsibility of a Bidder, or any claim that the evaluation of Bids violated Federal or State law or regulation or RTA's Procurement Policy or Procedures.
  - a. Upon receipt of a timely filed Protest regarding the evaluation of Bids, RTA will determine if the protestor has established that there is substantial evidence regarding the non-responsiveness of a Bid or the non-responsibility of a Bidder or doubt regarding RTA's compliance with Federal or State law or RTA's Procurement Policy or Procedures.
  - b. If the protestor submits sufficient evidence supporting its Protest to show that the Protest is not vexatious or frivolous, RTA will suspend its evaluation of all Bids submitted until resolution of the Protest, unless otherwise authorized to proceed under Section C.6.e. below.
5. Procedures for Protests After Award. This type of Protest will only be considered by RTA if the protestor is able to demonstrate that the Bidder who was awarded the contract fraudulently represented itself as a responsible Bidder or that RTA violated Federal or State law or RTA's Procurement Policy or Procedures in awarding the contract. Upon receipt of a timely filed Protest regarding the award of a contract, RTA will issue a stop work order, if it deems it necessary, until the resolution of the Protest.
6. All Protests.
  - a. The RTA's Procurement Administrator will notify the protestor upon timely receipt of a Protest and may, where appropriate, request additional information from the protestor. RTA may, at its discretion, meet with the protestor to review the matters raised by the Protest.

- b. Notice of a Protest and the basis therefore will be given to all bidders or proposers who have a reasonable prospect of receiving an award.
- c. Where a timely Protest has been filed prior to opening of Bids and unless the Protest is resolved by RTA prior thereto, the date for receipt of Bids will be extended to accommodate the time needed for resolving the Protest and instituting any necessary remedial measures, unless one of the circumstances set forth in Section C.6.e below exists.
- d. When a Protest against the making of an award is received and the award will be withheld pending disposition of the Protest, the Bidders whose offers might be eligible for award should be informed of the Protest. If appropriate, those Bidders should be requested, before expiration of the time for acceptance of their offer, to extend the time for acceptance.
- e. RTA may suspend the procurement process upon receipt of a bona fide Protest. However, RTA reserves the right, notwithstanding the pendency of a Protest, to proceed with the appropriate action in the procurement process or under the contract in the following circumstances:
  - (i) Where the item to be procured is urgently required;
  - (ii) Where RTA determines that the Protest is vexatious or frivolous; or
  - (iii) Where delivery or performance will be unduly delayed, or other undue harm will occur by failure to make the award promptly.
- f. The RTA's Procurement Administrator shall, within ten (10) working days of receipt of a Protest, issue a written decision on the Protest based on the information provided by the protestor, the results of any meetings with the protestor, and RTA's own investigation. The RTA's Procurement Administrator's decision will respond to each substantive issue raised in the Protest. The Procurement Administrator's decision will be final unless it is timely appealed in writing to the RTA's Chief Executive Officer ("CEO") as provided for in Section C.6.g below.
- g. A written appeal must be received by the RTA's CEO within five (5) working days after issuance of a decision by the RTA's Procurement Administrator. The appeal must set forth: (i) the factual basis of the appeal, including any new data or information which was not previously known; (ii) specifics regarding an allegation that the RTA failed to follow its Procurement Policy, including the Bid Protest Procedures, if applicable; (iii) specifics regarding an allegation that a violation of Federal or State law or regulation has occurred, if applicable; and (iv) any other information the protestor believes is relevant. The CEO will issue a written decision within ten (10) working days after receipt of the appeal. The CEO's decision will be final.
- h. "Working days" for purposes of Section C.2 and 6 are all days that RTA's Administrative Office is open for business.



- i. If the RTA denies an appeal, it will inform the protestor in writing of its right to appeal the CEO's decision to the FTA. Upon denying an appeal, RTA will lift any suspension imposed and will proceed with the procurement process of the contract.
7. **Remedy.** If a Protest is upheld, in whole or in part, RTA will take appropriate action on a case-by-case basis, as it deems necessary, to correct the procurement process and protect the rights of the protestor, including resolicitation of Bids, revised evaluation of Bids or RTA determinations, or termination of the contract.
8. **Protests to FTA.**
  - a. Grounds for FTA review are those set forth in the FTA Circular 4220.1F in effect at the time an appeal to the FTA is filed. Under the most recent effective version of FTA Circular 4220.1F ("Circular"), the FTA will only review those Protests that claim: (1) RTA failed to have or follow protest procedures, (2) RTA failed to review a complaint or Protest, or (3) violations of Federal law or regulation have occurred.
  - b. When FTA funds are used in a project, FTA will be notified of all Protests. The Procurement Administrator will provide copies of bid protest letters and RTA's responses to the FTA and will keep FTA informed about the status of the protest. The Procurement Administrator will notify FTA of all Protest denials.
  - c. A protestor must exhaust all administrative remedies with RTA before pursuing a protest with FTA. An appeal to FTA must be filed in accordance with the Circular and must be received by either FTA's Region Five office or Headquarters office within five (5) working days of the date the protestor learned or should have learned of the CEO's decision or other basis of appeal to the FTA "Working days" for purposes of appeal to the FTA are all days that FTA's Region Five office or Headquarters office are open for business.

**D. Severability; Legal Compliance.**

If any policy within this Addendum is held unconstitutional or otherwise invalid, the remaining parts thereof will remain in full force and effect. If any policy or subsequent policies or application thereof conflict with any State or Federal law, rule or regulation, said law, rule or regulation will control.

**Regional Transit Authority of Southeast  
Michigan**

**PROCUREMENT PROCEDURES  
MANUAL**

## I. INTRODUCTION

This Procurement Procedures Manual contains the procedures to be followed by the Regional Transit Authority (“RTA”) to ensure that its Procurement Policy and the Procurement Policy FTA Addendum (“Addendum”) are adhered to. To that end, the RTA’s Chief Executive Officer (“CEO”) shall designate an RTA employee to serve as Procurement Administrator. In addition to other procurement related responsibilities that the Procurement Administrator may be assigned from time to time, the Procurement Administrator shall be responsible for ensuring that the RTA complies with all applicable federal and state procurement related laws and regulations, and with the RTA’s procurement policies and procedures.

The procedures set forth in the Manual will only apply to contracts solicited after \_\_\_\_\_, 2016 (the “effective Date”). This Manual may only be revised after the Effective Date by official Board action.

## II. PROCUREMENT PROCEDURES

### A. Independent Cost Estimate

1. As part of the advance procurement planning process, and in any event prior to the advertisement or the approval of a contract change order, the Procurement Administrator shall ensure that there is an independent estimate of the expected price level or value of the goods or services to be purchased or to be changed. If the planned solicitation includes options, they should also be addressed in the estimate. The independent estimate is the RTA’s estimate of the price of a proposed procurement for use in performing a cost or price analysis.
2. The independent estimate must be prepared without input from prospective bidders and should include the name of the estimator and the date the estimate was prepared.
3. The estimate should be prepared in the same format and level of detail as bidders are to use in submitting their pricing schedules and is intended to serve as an effective tool in evaluating price and cost reasonableness.
4. The estimator should maintain the supporting documentation used in preparing the estimate for reference as part of the evaluation process.
5. Should a solicitation amendment materially affect the anticipated price, the estimate should be revised to address the changed requirement(s).
6. A copy of the independent estimate (and any subsequent revised estimates) should be retained in the Contract file.
7. Depending upon the nature of the contract requirement, estimates can range from a single amount to complex estimates based on inspection of the product itself and review of such items as drawings, specifications, and prior data (such as cost data from prior procurements).
8. The Procurement Administrator shall hold the estimate as confidential and not disclose its contents to potential Bidders prior to the receipt of Bids.

**B. Pre-Qualification**

1. Pre-qualification of bidders or products may be used when: (a) RTA wishes to procure complex services such as construction and at other instances when appropriate; or (b) RTA wishes to procure goods that require sophisticated manufacturing and/or goods with exacting performance requirements.
2. Only those Bidders or Proposers who are prequalified may supply the goods or services required.
3. The Procurement Administrator shall determine whether or not to pre-qualify bidders or products, and when doing so, the Procurement Administrator shall determine the pre-qualification standards that must be met.

**C. Determination of Bid Method; Solicitation of Potential Bidders; Board Member Input.**

1. The Procurement Administrator shall determine whether competitive bids are required or whether circumstances exist for a non-competitive bid procurement.
2. In the event it is determined that competitive bids are required, the Procurement Administrator shall determine the method to be used to solicit proposals (sealed bids [Invitation for Bids] or negotiated procurements [Request for Proposal]), and shall ensure that all Procurement Policy requirements are complied with.
3. The Procurement Administrator shall actively solicit lists of potential bidders for RTA contracts from each RTA member jurisdiction.
4. The Procurement Administrator will provide each Board member with a copy of each Invitation for Bid and Request for Proposal and an opportunity to provide informal input prior to the terms of an invitation or request being finalized. Board members shall maintain the confidentiality of the proposed terms of an Invitation for Bid or a Request for Proposal, until said terms are made public, and unless known to the public, maintain the confidentiality of the existence of an Invitation for Bid or a Request for Proposal until such Invitation or Request is made public.

**D. Disadvantaged Business Enterprises (“DBE”).**

1. It is the policy of the RTA to actively encourage Disadvantaged Business Enterprises to participate in RTA’s procurement process, to create a level playing field on which DBE’s can compete fairly for contracts and to ensure nondiscrimination in the award and administration of contracts.
2. See RTA’s DBE Policy for details.

**E. Bid Protests.**

1. The Procurement Administrator is responsible for processing any protest received by the RTA under Section C of the Procurement Policy FTA Addendum.

2. Protests Regarding Solicitation.

a. Upon receipt of a timely protest regarding a solicitation, the Procurement Administrator will consult with RTA's CEO to determine whether to postpone the opening of bids until resolution of the Protest, or whether to proceed with opening the Bid for one or more reasons set out in Section C.6.e of Addendum. In the event that a Bid opening is postponed, no additional bids will be accepted during the period of postponement.

b. If the Protest involves a claim of unduly restrictive, exclusionary, or discriminatory specifications, the Procurement Administrator will, in evaluating the Protest, consider both the specific need for the feature or item challenged and any effects on competition of including the specification regarding that feature or item.

3. Protests Regarding Bid Evaluation.

a. Upon receipt of a timely filed Protest regarding the evaluation of Bids, the Procurement Administrator will determine if the protestor has established that there is substantial evidence regarding the non-responsiveness of a Bid or the non-responsibility of a Bidder or doubt regarding RTA's compliance with Federal or State law or RTA's Procurement Policy or Procedures.

b. If the protestor submits sufficient evidence supporting its Protest to show that the Protest is not vexatious or frivolous, the Procurement Administrator will suspend its evaluation of all Bids submitted until resolution of the Protest, unless otherwise authorized to proceed under Section C.6.e of the Addendum.

4. Protests After Award.

a. This type of Protest will only be considered by the Procurement Administrator if the protestor is able to demonstrate that the Bidder who was awarded the contract fraudulently represented itself as a responsible Bidder or that RTA violated Federal or State law or regulations or RTA's Procurement Policy or Procedures in awarding the contract.

b. Upon receipt of a timely filed Protest regarding the award of a contract, the Procurement Administrator will issue a stop work order, if necessary, until the resolution of the Protest.

5. All Protests.

a. The RTA's Procurement Administrator will notify the protestor upon timely receipt of a Protest and may, where appropriate, request additional information from the protestor. The Procurement Administrator may, at her/his discretion, meet with the protestor to review the matters raised by the Protest.

b. The Procurement Administrator will provide notice to the RTA Board, and to all bidders or proposers who have a reasonable prospect of receiving an award, that a protest has been received and the basis thereof.

c. Where a timely Protest has been filed prior to opening of Bids and unless the Protest is resolved prior thereto, the date for receipt of Bids will be extended to accommodate the time needed for resolving the Protest and instituting any necessary remedial measures, unless RTA is otherwise authorized to proceed under the circumstances set forth in Subsection (e) below.

d. When a Protest against the making of an award is received and the award will be withheld pending disposition of the Protest, the Bidders whose offers might be eligible for award will be informed of the Protest by the Procurement Administrator. If appropriate, those Bidders should be requested after, before expiration of the time for acceptance of their offer, to extend the time for acceptance.

e. The Procurement Administrator may suspend the procurement process upon receipt of a bona fide Bid Protest. Notwithstanding the pendency of a Protest, the Procurement Administrator may proceed with the appropriate action in the procurement process or under the contract in the following circumstances:

- (i) Where the item to be procured is urgently required;
- (ii) Where The Procurement Administrator determines that the Protest is vexatious or frivolous; or
- (iii) Where delivery or performance will be unduly delayed, or other undue harm will occur by failure to make the award promptly.

6. Upon receipt of a Protest, the Protest Administrator may at his/her discretion meet with the protester and conduct any investigation he/she deems appropriate.

7. The Procurement Administrator shall, within ten (10) working days of receipt of a Protest, issue a written decision on the Protest based on the information provided by the protestor, the results of any meetings with the protestor, and the Procurement Administrator's own investigation. The Procurement Administrator's decision will be final unless it is timely appealed in writing to the RTA's CEO.

8. If an appeal is timely filed with the CEO, the CEO will issue a written decision within ten (10) working days after receipt of the appeal. The CEO's decision will be final.

9. "Working days" are all days that RTA's Administrative Office is open for business.

10. If the CEO denies an appeal, the Procurement Administrator will inform the protestor in writing of its his/her right to appeal the CEO's decision to the Federal Transit Administration.

11. When a Protest is denied by the Procurement Administrator and no appeal to the CEO is filed, or upon the denial of an appeal by the CEO, if an appeal is filed with the CEO, the Procurement Administrator will lift any suspension imposed and will proceed with the procurement process or the contract.

12. If a Protest is upheld, in whole or in part, the Procurement Administrator will take appropriate action on a case-by-case basis, as he/she deems necessary, to correct the procurement process and protect the rights of the protestor, including resolicitation of Bids, revised evaluation of Bids or RTA determinations, or termination of the contract.

13. When FTA funds are used in a project, the Procurement Administrator will notify the FTA of all bid protests. The Procurement Administrator will provide copies of bid protest letters and RTA's responses to the FTA and will keep the FTA informed about the status of the protest. The Procurement Administrator will notify FTA of all denials of bid protests.

**F. Prospective Contractor Responsibility.**

1. RTA shall make purchases from and award contracts only to responsible Contractors, RTA shall make purchases from and award contracts only to responsible Contractors, i.e., those possessing the ability, willingness, and integrity to perform successfully under the terms and conditions of the contract.

2. In the absence of information clearly indicating that the prospective Contractor is responsible, RTA shall make a determination of nonresponsibility.

3. The Procurement-Administrators shall consider the following factors when making a responsibility determination:

a. Integrity and Ethics. Has a satisfactory record of integrity and business ethics, in compliance with 49 U.S.C. Section 5325(j)(2)(A);

b. Debarment and Suspension. Is neither debarred nor suspended from federal programs under U.S. Department of Transportation (DOT) regulations, "Non-procurement Suspension and Debarment";

c. Affirmative Action and DBE. Is in compliance with the Common Grant Rule's Affirmative Action and DOT's Disadvantaged Business Enterprise requirements;

d. Public Policy. Is in compliance with the public policies of the federal government, as required by 49 U.S.C. Section 5325(j)(2)(B);

e. Administrative and Technical Capacity. Has the necessary organization, experience, accounting, and operational controls, and technical skills, or the ability to obtain them, in compliance with 49 U.S.C. Section 5325(j)(2)(D);

f. Licensing and Taxes. Is in compliance with applicable licensing and tax laws and regulations;

g. Financial Resources. Has, or can obtain, sufficient financial resources to perform the contract, as required by 49 U.S.C. Section 5325(j)(2)(D);

h. Production Capability. Has, or can obtain, the necessary production, construction, and technical equipment and facilities;

i. Timeliness. Is able to comply with the required delivery or performance schedule, taking into consideration all existing commercial and governmental business commitment; and

j. Performance Record. Is able to provide a satisfactory current and past performance record.

4. The Procurement Administrator will check the System for Award Management (“SAM”), [www.sam.gov](http://www.sam.gov), and document the results in the contract file, with a report, that is time-stamped prior to awarding a contract.

5. The Procurement Administrator shall determine whether the price bid or offer by a prospective Contractor is so low as to appear unreasonable or unrealistic, and in such case, determine the prospective Contractor to be nonresponsive.

6. The RTA shall not award a contract to a prospective Contractor if:

a. The contractor is debarred, suspended or deemed ineligible for contracting by RTA;

b. For federally funded contracts, the Contractor, is suspended, ineligible, excluded, or voluntarily excluded or debarred from participation in federal programs under DOT regulations, “Nonprocurement Suspension and Debarment,” 2 CFR Parts 180 and 1200, or under the FAR at 48 CFR Chapter 1, Part 9.4.

7. The Procurement Administrator shall ensure to the best of his/her knowledge and belief that none of a Contractor’s principals (i.e., officer, director, owner, partner, principal investigator, or other person with management or supervisory responsibilities related to a covered transaction), affiliates, third party contractors, and subcontractors is suspended, debarred, ineligible, excluded, or voluntarily excluded from participation in federally assisted transactions or procurements. The Procurement Administrator shall review SAM before entering into any third party contract expected to equal or exceed \$25,000. The Procurement Administrator should print the screen with the results of the search to include in the grant or procurement file. The Procurement Administrator shall conduct a similar review process for its principals as it does for its contractors and subrecipients regarding suspension and debarment.

8. The Procurement Administrator may require the prospective Contractor to promptly provide acceptable evidence of the prospective Contractor’s ability to obtain resources. Acceptable evidence of the prospective Contractor’s ability to obtain resources shall consist of a commitment or explicit arrangement that will be in existence prior to the time of contract award to rent, purchase, or otherwise acquire the needed facilities, equipment, personnel, or other resources.

9. The Procurement Administrator may presume a prospective Contractor that is or recently has been seriously deficient in contract performance to be nonresponsive. The Procurement Administrator may determine the Contractor to be responsible if the circumstances of the prior deficiency were properly beyond the Contractor’s control or if the Contractor has taken appropriate corrective action.



10. The Procurement Administrator shall consider the past performance and integrity of a Contractor's affiliate(s) when the affiliate(s) may adversely affect the prospective Contractor's responsibility.

11. If the determination of a prospective Subcontractor's responsibility may affect the determination of a prospective prime Contractor's responsibility:

a. The Procurement Administrator should require the prospective Contractor to provide written evidence of a proposed Subcontractor's responsibility.

b. When deemed in the interests of the RTA, the Procurement Administrator may independently determine a prospective Subcontractor's responsibility, using the standards and requirements for Contractor responsibility set forth in the RTA's Procurement Policy.

12. Obtaining Information for Determination of Responsibility.

a. The Procurement Administrator shall obtain information regarding the responsibility of a prospective Contractor who is the apparent low Bidder or whose offer is in the competitive range.

b. If the prospective Contractor fails to supply the information requested in the time allotted, the Procurement Administrator shall make the determination of responsibility or nonresponsibility based upon available information. If the available information is insufficient to make a determination of responsibility, the Procurement Administrator shall determine the prospective Contractor to be nonresponsible.

c. The Procurement Administrator shall place the Staff Procurement Summary Sheet (SS1), which includes a determination of contractor responsibility, in the file. Prior to contract award, the completed SS1 will constitute documentation of the determination of Contractor responsibility.

d. RTA personnel who become aware of circumstances casting doubt on a Contractor's ability to perform a contract successfully shall promptly inform the Procurement Administrator and furnish the relevant information in writing.

13. In the event that the RTA becomes aware, after the award of a contract, that an excluded party is participating in a covered transaction, the Procurement Administrator will promptly inform FTA in writing of this information. RTA may continue any covered transaction in existence at the time a party was debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded or may consider termination. The RTA will not renew or extend the covered transaction (other than through a no-cost time extension) with the excluded party

14. When an offer on which an award would otherwise be made is rejected because the prospective Contractor is found to be nonresponsible, the Procurement Administrator shall make, sign, and place in the contract file a determination of nonresponsibility, which shall state the basis for the determination.

**G. Reporting.**

The Procurement Administrator shall report all procurements not requiring Board consideration to the Board on a monthly basis.

**H. Severability; Legal Compliance.**

If any provision of the Policy is held unconstitutional or otherwise invalid, the remaining parts thereof will remain in full force and effect. If any provision of the Policy or subsequent Procedures or application thereof conflicts with any State or Federal law, rule or regulation, said law, rule or regulation will control.

**I. Federal Contract Clauses.**

The Procurement Administrator shall ensure that all contracts for the purchase of goods and services that are purchased in whole or in part, by Federal assistance awarded by the FTA shall include all required federal contract clauses.

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SAMPLE FORM –

## INDEPENDENT COST ESTIMATE

The development of an Independent Cost Estimate is critical to a successful procurement. Without a reasonable expectation of what the product or service will cost, it is unreasonable to think that a “fair and reasonable price” can be achieved.

Please fill in the appropriate information for the procurement file. Independent Cost Estimate (ICE);

Method used to generate ICE (*please check all that are appropriate*):

- (1) Prices found reasonable on recent previous purchases;
- (2) Current price lists;
- (3) Catalogs;
- (4) Advertisements;
- (5) Similar items in a related industry;
- (6) Purchasing experience of other transit agencies or governmental units, and/or
- (7) Purchasing agent's/buyer's knowledge of the item being procured.

## EXPLANATION OF COST ESTIMATE:

\_\_\_\_\_ Planning Manager

\_\_\_\_\_ Procurement Administrator



# REGIONAL TRANSIT AUTHORITY

OF SOUTHEAST MICHIGAN

As created under Public Act 387 of 2012

## Treasurer's Report

Report for the month of: November 2015

### RTA BOARD

CHAIR  
*Paul Hillegonds*

VICE CHAIR  
*Elisabeth Gerber*

SECRETARY  
*Mark Gaffney*

TREASURER  
*Timothy Soave*

*Freman Hendrix*  
*Don Morandini*  
*Sonya Mays*  
*Chuck Moss*  
*Roy Rose*  
*Alma Wheeler Smith*

				Beginning Balance FY 16	\$ 1,141,126
REVENUES	Monthly	Obligated	YTD	Budget	Remaining
Beginning Balance FY 15	-	-	-	1,141,126	1,141,126
Federal Grants (Administration)	13,412	-	21,847	276,000	254,153
State Match (Administration)	3,353	-	5,462	55,200	49,738
State Revenue	62,442	-	96,904	1,100,000	1,003,096
Other	3,000	-	6,000	200,000	194,000
<b>TOTAL REVENUE:</b>	<b>82,207</b>	<b>-</b>	<b>130,212</b>	<b>2,772,326</b>	<b>2,642,114</b>
EXPENSES:	Monthly	Obligated	YTD	Budget	Remaining
Salary	44,688	-	71,652	631,013	559,361
Fringe	10,943	-	19,873	315,506	295,633
Workers' Compensation Insurance	-	-	917	1,200	283
<b>Total Compensation</b>	<b>55,631</b>	<b>-</b>	<b>92,442</b>	<b>947,719</b>	<b>854,994</b>
Administrative Contracts					
D&O Liability Insurance	18,813	-	18,813	20,000	1,187
Legal	-	-	-	100,000	100,000
ASO	-	-	-	3,000	3,000
Accounting Services	-	-	-	10,000	10,000
Audit	-	-	-	15,000	15,000
Website	-	-	-	2,500	2,500
Legislative Services	3,000	-	6,000	39,000	33,000
Communications	4,500	-	9,000	54,000	45,000
Public Education Initiatives	-	-	-	-	-
User Satisfaction Survey	-	-	-	150,000	150,000
IT Support	-	-	-	10,000	10,000
Other Contract	-	-	-	25,000	25,000
<b>Total Administrative Contracts</b>	<b>26,313</b>	<b>-</b>	<b>33,813</b>	<b>428,500</b>	<b>394,687</b>
Marketing/Printed Materials*	-	24,253	-	200,000	175,747
Rent	-	-	-	-	-
Hardware/Software	-	-	154	10,000	9,846
Phone Equipment	-	-	-	-	-
Phone and Internet Service Fees	262	-	262	5,500	5,238
Supplies	-	-	129	5,000	4,871
Utilities	-	-	-	-	-
Furniture	-	-	-	-	-
Meetings/Retreats	-	-	3,036	40,000	36,964
Travel/Professional Development	-	-	103	35,000	34,897
Subscriptions/Memberships	-	-	100	6,000	5,900
Board Reimbursement	-	-	170	15,000	14,831
Miscellaneous Expense	-	-	3	-	(3)
<b>TOTAL EXPENSES:</b>	<b>82,207</b>	<b>24,253</b>	<b>130,212</b>	<b>1,692,719</b>	<b>1,537,973</b>

Treasurer's Signature:

\_\_\_\_\_  
Timothy Soave

\* Future obligation of Marketing/Printed Materials - Maps - \$24,253