

**PROCUREMENT POLICY AND
GUIDELINES
OF THE
PINELLAS SUNCOAST TRANSIT
AUTHORITY**



Effective 12/26/14
Updated 7/30/25

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OVERVIEW

These comprehensive guidelines and policies are established for the purpose of governing the procurement of goods and services by the Pinellas Suncoast Transit Authority (PSTA).

It is the intent of PSTA to implement and strictly enforce Procurement Guidelines that encourage and promote open competition; ensure fairness and equity in the procurement process and result in the acquisition of the most suitable goods and services at fair and reasonable prices consistent with quality standards and delivery needs.

These guidelines are intended to be consistent with the regulations of the Federal Transit Administration (FTA), the Florida Department of Transportation (FDOT) and other applicable rules, regulations and laws.

With regards to FTA, if PSTA is unsure of the applicability of FTA Circular 4220.1F in light of the Uniform Guidance (a/k/a “Super Circular”), 2 C.F.R. part 200, or the FAST Act amendments to Title 49 United States Code, Chapter 53, please contact our FTA regional office for further guidance.

FTA Region IV
230 Peachtree Street NW
Suite 1400
Atlanta, GA 30303
404-865-5600

PURCHASE LIMIT GUIDELINES

Under \$3,000	Two to three verbal quotes
\$3001 to \$24,999	Three formal written quotes are required
\$25,000 and higher	Purchases must be advertised for Requests for Proposals, Invitation to Bid, or Invitation to Negotiate as appropriate

Note Purchases of \$100,000 or more require Board approval.

CODE OF ETHICS

Transactions relating to the expenditure of public funds require the highest degree of public trust and impeccable standards of conduct. The general rule is to strictly avoid any conflict of interest or even the appearance of a conflict of interest in recipient-vendor relationships.

This code of Ethics is part of PSTA’s Rules and Regulations Section 6.01

It is hereby declared to be the policy of PSTA that no officer or employee of this agency shall have any interest, financial or otherwise, direct or indirect; engage in any business transaction or professional activity; or incur any obligation of any nature which is in substantial conflict with the proper discharge of his duties in the public interest. To implement this policy and to comply with the terms and conditions of contractual requirements with FTA, a Code of Ethics is adopted as follows:

A. No employee, officer, agent or board member, or his or her immediate family member, partner or organization that employs or is about to employ any of the foregoing may participate in the selection, award or administration of a contract supported with FTA assistance. If a conflict, real or apparent, would be involved. Such a conflict would arise when any of the parties set forth below has a financial or other interest in the firm selected for award

1. The employee, officer or agent;
2. Any member of his or her immediate family;
3. His or her partner; or
4. An organization that employs, or is to employ, any of the above.

B. No employee, officer agent or board members of PSTA shall either solicit or accept gifts, gratuities, favors or anything of monetary value from vendors, potential vendors, or parties to any sub-agreement.

C. Violation of any of the above provisions shall, pursuant to applicable constitutional or statutory procedures, constitute grounds for, and may be punished by, one or more of the following:

1. In the case of a Board member:
 - a. Removal from office.
 - b. Suspension from office.
 - c. Public censure and reprimand.
 - d. Restitution of any pecuniary benefits received because of the violation committed.
2. In the case of an employee or agent:
 - a. Dismissal from employment.
 - b. Suspension from employment for not more than ninety days without pay.
 - c. Demotion.
 - d. Reduction in salary level.
 - e. Restitution of any pecuniary benefits received because of the violation committed.
3. In the case of a vendor or their agents:
 - a. Contract can be voided by PSTA.

ORGANIZATIONAL ROLES AND RESPONSIBILITIES

The primary objective of procurement is to ensure and foster economy, efficiency and effectiveness in the acquisition of good and services.

The leadership of any organization needs to clearly understand the scope of the procurement function and organize roles and responsibilities in order to meet the above-stated requirement and accomplish the following objectives:

- Obtain the best buy for the agency, which requires an evaluation of all the service, quality, safety, cost, schedule, and other objectives of the agency's operating functions;
- Comply with Federal, State, local, and agency procurement requirements;
- Ensure an understanding of the precise authority procurement officials and other team members have in dealing with vendors who, while partners in many respects, may have interests that conflict sharply with that of the recipient; and
- Control, through well-defined professional boundaries, the emergence of corruption and unethical practices.

A. Board of Commissioners

1. All Purchases in the actual or estimated value of One Hundred Thousand Dollars (\$100,000) or more requires Board approval.

B. Procurement Department

1. The Procurement Department shall be responsible for conducting the following minimum pre-procurement planning activities:
 - a. Forecasting the price and availability of items and materials for User Departments
 - b. Developing a Procurement Plan
 - c. Establishing purchasing goals and objectives
2. The functions of the Procurement Department shall be to:
 - a. Analyze the marketplace to determine the status of competition, technology developments, the impact of the economy on potential vendors, labor conditions, and changes in pricing and methods.
 - b. Communicate and coordinate with similarly situated procurement departments to explore joining purchasing arrangements and to share marketplace information.
 - c. Analyze User Department procurement requisitions to ensure the proper authorizations are present, and that the procurement is tailored to meet PSTA's needs and is not unnecessary or duplicative. Where appropriate, an analysis will be made of lease versus purchase alternatives and any other appropriate analysis to determine the most economical approach.

- d. Prepare invitation for bids, requests for proposals, informal solicitations and notices of procurement opportunity, as needed.
- e. Administer the solicitation process, including: ensuring adequate advertisement of the notice of procurement opportunity, surveying sources, serving as the point of contact and accepting, opening, evaluating and tabulating bids.
- f. Ensuring all Federal Clauses are included with Federal Procurements, as required
- g. Remain current and in compliance with applicable federal and state laws.
- h. Maintain vendor files
- i. Maintain all support documentation including small purchase procurement authorization, small purchase tabulation and solicitation summary, single bid/proposal validation reports and single source validation reports.

C. **User Department** (The Department in need of and requesting the procurement of goods and services.

- 1. The initial identification of need is one aspect of the procurement cycle that is generally the sole responsibility of an agency's internal customers (i.e., program or technical personnel for whom goods or services are being procured). The Contracting Officer may be in a position to facilitate the consolidation of procurements of different internal customers with the same need.
- 2. It shall be the responsibility of each User Department to evaluate its projected procurement needs on an annual basis, and to undertake and coordinate procurement planning activities with the Procurement Department.
- 3. The User Department will submit a requisition to Procurement noting if it is a grant funded purchase.
- 4. Preparing specifications or statements of work (SOW) is usually a customer function. Generally, the User Department has the greatest understanding of functional and performance requirements; however, the procurement function should play at least an advisory role in order to avoid exclusionary specifications and to encourage methods for achieving full and open competition.
- 5. The User Department is responsible for
 - a. Being a key part of the contract administration
 - b. Monitoring the performance of the contract to ensure compliance with terms
 - c. Monitoring the usage of the purchase order

D. Office of the General Counsel

The Office of the General Counsel shall prepare the contracts, provide advice to the User and Procurement Departments on statutory and regulatory compliance and assist in the Board process as needed for awards requiring Board approval. All issues regarding disqualification and /or release of a low bidder must be reviewed by the Office of the General Counsel prior to decision being made.

E. Diversity Business Enterprise Liaison Officer (DBELO)

The DBELO shall develop the DBE and MWBE goals and will monitor participation for federal funded projects. The DBELO will also report DBE utilization to appropriate Federal Agencies. Please reference the Disadvantaged Business Enterprise Program.

It is the policy of PSTA in accordance with FTA guidelines and PSTA's DBE Program to provide a program that equally involves and allows DBE's to have the maximum opportunity to participate in performance of construction/professional services projects and procurement contracts financed in whole or in part with Federal funds emanating from grants awarded by the FTA

DEFINITIONS

ACQUISITION - The act of acquiring supplies or services (including construction) for the use of a governmental activity through purchase or lease. Includes the establishment of needs, description of requirements, selection of method or procurement, selection of sources, solicitation for offers, award of contract, financing, contract administration, and related functions.

ACT OF GOD (FORCE MAJEURE) - An extraordinary interruption of events by a natural cause that cannot be reasonably foreseen or prevented; e.g. droughts, floods, severe weather phenomena, etc.

ALL OR NONE - A term used in bidding where a vendor conditions the bid prices contingent upon acceptance and award for all items or group of items bid.

ALTERNATE BID - A bid that invites for consideration one or more offers of an option or choice based upon equipment or satisfactory performance by user (e.g., such bid is only acceptable when the variance is deemed to be immaterial).

ASSIGNMENT OF CONTRACT RIGHTS - Also known as piggybacking. Procurements made pursuant to intergovernmental cooperative purchasing methods, whereby a governmental procurement unit enters into an agreement for commodities or services that allows other governmental procurement units, such as PSTA, to contract or purchase from the selected vendor under the same terms and conditions.

BID - A competitive price offer made by an intended seller, usually in reply to an invitation to bid.

BIDDERS LIST - A list of names and addresses of suppliers from whom bids, proposals and quotations might be expected; the list, maintained by the Purchasing Division, should include all suppliers who have expressed interest in doing business with the PSTA.

BID BOND - An insurance agreement in which a third party agrees to be liable to pay a certain amount of money in the event a bidder awarded a bid fails to sign the contract as bid. See Bid Deposit.

BID DEPOSIT - A sum of money or check, deposited with and at the request of PSTA to guarantee that the bidder (depositor) will, if selected, sign the contract as bid. If the bidder does not sign the contract, the entire deposit is forfeited.

BID OPENING - The act of publicly opening the sealed bid.

BID PROTEST - A complaint about a governmental administrative action or decision brought by a bidder or vendor to the appropriate administrative section, with the intention of receiving a remedial result.

BLANKET PURCHASE ORDER - Generally specifies prices, terms, conditions and the period covered, but does not specify the quantity. A contractual agreement with a vendor to allow departments to buy directly from the vendor by referencing the blanket purchase order number and suffix number. No confirming purchase orders are issued by the Purchasing Division.

BRAND NAME OR EQUAL SPECIFICATION - A specification that uses one or more manufacturers' names or catalog numbers to describe the standard of quality, performance, and other characteristics needed to meet PSTA requirements and which provides for the submission of equivalent or equal supplies.

BRAND NAME SPECIFICATION - A specification that is limited to one or more items by manufacturers' names or catalog numbers.

BUSINESS - A corporation, partnership, individual, sole proprietorship, joint stock company, joint venture, or other private legal entity.

CARDINAL CHANGE - *means* a major deviation from the original purpose of the work or the intended method of achievement, or a revision of contract work so extensive, significant, or cumulative that, in effect, the contractor is required to perform very different work from that described in the original contract.

CERTIFICATE OF COMPLIANCE - Supplier's written assurance that goods or services delivered fulfill requirements.

CERTIFICATE OF NON-COLLUSION - A statement signed by a bidder and submitted with bid to affirm that bid is made freely without consultation with any other bidder.

CHANGE ORDER – A written modification to a contract or Purchase Order, including any supplemental agreement, that revises the terms of, quantities or scope of service under, or authorized by PSTA directing the vendor to make changes, pursuant to contract provisions for such changes, with or without the consent of the vendor and made prior to the work being commenced by the vendor.

COLLUSION - A secret agreement or cooperation between two or more persons to accomplish a fraudulent, deceitful, or unlawful purpose.

COMMODITY - An article of trade, a moveable article of value, something that is bought or sold; any moveable or tangible item that is produced or used as the subject of barter or sale.

COMPETITIVE RANGE – All proposals that are determined to have a reasonable chance of being selected for award based upon the solicitation evaluation criteria

COMPETITIVE SEALED BIDDING - The process of publicizing PSTA's needs, inviting bids (IFB's), conducting public bid openings, and awarding a contract to the lowest responsive and responsible bidder; the preferred method of procurement.

COMPETITIVE SEALED PROPOSAL - See Request for Qualifications.

CONSTRUCTION - The process of building, altering, repairing, improving, or demolishing any PSTA infrastructure facility, including any structure, building, or other improvements of any kind to real property. It does not include the routine operation, routine repair, or routine maintenance of any existing PSTA infrastructure facility, including structures, buildings, or other improvements to real property.

CONTRACT – A mutually binding legal relationship binding the seller and/or contractor to furnish the supplies, commodities or services and for payment for them. The parties to the contract must possess the legal capacity to enter into the contract and they must agree to the terms of the contract. Only the CEO or his/her designee is allowed to sign contracts.

CONTRACT ADMINISTRATION - The management of all facets of contracts to assure the vendor's total performance is in accordance with their contractual commitments and that the obligations of the purchases are fulfilled.

CONTRACT ADMINISTRATOR (CA) - The PSTA employee or representative responsible for contract administration.

CONTRACT AMENDMENT - The written change to an existing contract accomplished by mutual consent of the parties to the contract.

CONTRACT FIRM-FIXED PRICE - A contract that provides for a price not subject to any adjustment by reason of the cost experience of the vendor in the performance of the contract. It is used for contracts awarded after formal bidding; also used in negotiated contracts when reasonably definite specifications are available and costs can be estimated with reasonable accuracy to enable the negotiation of a fair price.

COOPERATIVE PURCHASING - Also known as Joint Bidding. PSTA and one or more other public entities combining their purchase requirements to obtain lower prices through volume buying and to reduce administrative costs.

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.

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 a vendor in performing a contract.

COST REIMBURSEMENT CONTRACT - A contract under which a vendor is reimbursed for costs which are allowable and allocable in accordance with the contract terms and provisions, and a fee or profit, if any.

DEBARMENT – A disqualification of an entity to receive and participate in a solicitation pursuant to applicable federal, state or local law, or PSTA policy.

DISADVANTAGED BUSINESS ENTERPRISE (DBE) - A firm in which 51 percent of the ownership is in the hands of a minority, or in the case of a corporation, where 51 percent of the stock is owned by a socially and economically disadvantaged group. A socially and economically disadvantaged group is defined as citizens of the United States who are Black Americans, Hispanic, Native Americans, Asian-Pacific Americans, Subcontinent Asian Americans, Women and any additional groups designated as socially and economically disadvantaged by the Small Business Administration (SBA).

EMERGENCY - Any situation which creates a threat to life, safety, environment or property which required immediate action; provide, that an emergency procurement shall be made with such completion as is practicable under the circumstances and a written determination of the basis for the emergency and for the selection of the particular vendor shall be included in the procurement file.

ENCUMBRANCE - Obligations in the form of purchase orders or contracts chargeable to an appropriation. They cease to be encumbrances when paid or when the actual liability is satisfied.

ESTABLISHED CATALOG PRICE - The price included in a catalog, price list, schedule, or other forms that:

- A. Is regularly maintained by manufacturer or vendor
- B. Is either published or otherwise made available for inspection by customers
- C. States prices at which sales are currently or were last made to a significant number of any categories of buyers or buyers constituting the general buying public for the supplies or services involved.

EVALUATION ADVISOR - An individual responsible for assisting the Evaluation Committee in reviewing and evaluating RFP's and RFQ's. The Advisor should be knowledgeable on the product(s) or professional service(s) being reviewed for potential procurement and advise the committee as needed during its evaluation process. This role may be filled by a member of PSTA's staff or someone outside the organization. The Evaluation Advisor is selected by the Evaluation Committee.

EVALUATION COMMITTEE (EC) - A committee established to review, evaluate, and provide a ranking of responsible, responsive proposers to RFP's and RFQ's (ordinal ranking may be used, but not required. Members of the Evaluation Committee may include someone outside PSTA. The ranking by the Evaluation Committee is not equivalent to the award of the RFP or RFQ and proposers do not obtain any right to the award of the RFP or RFQ based on the EC's ranking.

EXIGENCY – Prospect of interruption to, or obstruction of the Authority's efficient operation or adequate provision of service, arising from an unforeseen circumstance.

EXPEDIENCY – Prospect of an outcome not in the "best interest" of PSTA arising from adherence to the means and method of the procurement prescribed herein, or alternatively adherence to these Guidelines is impractical given all the existing circumstances, none of which were foreseeable or controllable by the Authority.

FIDELITY BOND - A bond which secures an employer up to an amount stated in the bond for losses caused by dishonesty or infidelity on the part of an employee.

FIXED PRICE CONTRACT - A contract which provides for a firm price under which a vendor bears the full responsibility for profit or loss.

FREE ON BOARD (F.O.B.) - A shipping term defining the point at which the buyer takes legal title to the goods, who is responsible for payment of freight, and who is responsible for prosecuting claims against carriers for loss or damage to the goods in transit.

FTA - The Federal Transit Administration.

GOODS - All property, including but not limited to equipment, materials, products, printing, insurance, and leases of real property, excluding land or a permanent interest in land.

GRANT - The furnishing by the federal, state, county or city government of assistance, whether financial or otherwise, to support a program authorized by law.

GRANTEE - The public or private entity or component of the entity, designated in the assistance award document, or grant. Grantee also includes any sub-grantee of the Grantee. Furthermore, a Grantee is responsible for assuring that its sub-grantees comply with the requirements and standards of the Federal Circulars, and that the sub-grantees are aware of requirements imposed upon them by federal statutes and regulations.

INDEPENDENT COST ANALYSIS - This analysis entails the review and evaluation of the separate cost elements and the proposed profit of an offeror's cost proposal. A cost analysis is conducted to form

an opinion on the degree to which the proposed cost, including profit, represents what the performance of the contract should cost, assuming reasonable economy and efficiency.

INDEPENDENT COST ESTIMATE – An estimate of the proper price level or the value of the supplies or service to be purchased. Or, the results of previous competitive procurement, including some type of inflationary price escalation, price quotes from manufacturer or from professional services firms under contract and not involved in the procurement.

INFORMAL BID - A request for price quotations for a commodity or service that does not require a sealed bid.

INFORMAL QUOTATION - An offer by a vendor to sell to PSTA. It may be verbal or written. Used for items over \$1,000 but less than \$25,000.

INVITATION FOR BID (IFB) - Any document, whether attached or incorporated by reference, utilized for soliciting competitive sealed bids.

JOINT BIDDING - See Cooperative Purchasing.

LABOR SURPLUS AREA - Area designated by the Secretary of Labor that has concentrated unemployment or under-employment.

LEAD AGENCY - The entity which solicits bids on behalf of other participating entities in a cooperative purchasing agreement.

LIKE-KIND EXCHANGE – A Federal Transit Administration policy allowing for the exchange of grant-purchased assets prior to the expiration of their useful lives for assets with similar useful lives.

LOBBYING - Influencing or attempting to influence action or non-action, and/or attempting to obtain the goodwill of a PSTA board member, officer, evaluation committee member, employee, agent or attorney relating to the selection, ranking, or contract award in connection with the bidding process through direct or indirect oral or written communication. Lobbying includes such actions whether performed by the bidder itself, any employee of the bidder, the bidder's attorney, agent or other paid or non-paid representative, or any person who performs such actions on behalf or at the behest of the bidder. Further, lobbying includes the attempt to influence Board members while they are performing their functions for other governmental entities (e.g. a city or Pinellas County).

MICRO PURCHASE - Micro-purchase means a purchase of supplies or services using simplified acquisition procedures, the aggregate amount of which does not exceed the micro-purchase threshold of \$3,000. Micro-purchase procedures comprise a subset of a non-Federal entity's small purchase procedures. The non-Federal entity uses such procedures in order to expedite the completion of its lowest-dollar small purchase transactions and minimize the associated administrative burden and cost.

MULTI-STEP SEALED BIDDING – A method of bidding which combines certain elements of the competitive sealed bidding and competitive sealed proposal methods.

PERFORMANCE BOND - A bond furnished by an insurance company which guarantees that all work will be performed.

PIGGYBACKING - See Assignment of Contract Rights.

PRE-BID CONFERENCE - Meeting held with prospective bidders prior to solicitation of bids or proposals, to recognize state of the art limitations, technical aspects, specifications, and standards relative to the subject and elicit expertise and bidders interest in pursuing the task.

PRE-QUALIFICATION OF BIDDERS - The screening of potential vendors in which PSTA considers such factors as financial capability, reputation, management, experience, qualifications, etc., in order to develop a list of vendors qualified to bid on PSTA contracts or a specific contract.

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.

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 sub-contract prices.

PROCUREMENT - The buying, purchasing, renting, leasing, or otherwise acquiring of any supplies or services. It also includes all functions that pertain to the obtaining of any supply or service, including a description of requirements, selection, and solicitation of sources, preparation and award of contract, and all phases of contract administration.

PRODUCT - Goods, services, or supplies provided by a vendor.

PROFESSIONAL SERVICES - Services provided by persons, as either employees of or principals in a business or otherwise, practicing one or more professions (licensed or otherwise) generally recognized as such (including without limitation, management consulting, personnel services, legal services, accounting services, medical services, financial services, surveying, engineering, architecture, landscape architecture, services, insurance consulting and contract management services), the value of which is substantially measured by the professional competence of the person or business performing them and which are not susceptible to realistic competition by cost of services alone. Professional Services include but are not limited to the services defined under Section 287.055, Florida Statutes, as amended.

PROGRESS PAYMENTS - Payment made periodically as work progresses under a contract, based on the costs incurred, percentage of completion, or particular stage of completion.

PROJECT MANAGER - (PM) The PSTA employee who is responsible for monitoring and reviewing the project in order to determine whether the contract terms and conditions, including deliverables,

are being met and to make all attempts to resolve any problems regarding adherence to the terms and conditions of the contract.

PROPOSAL - A request for prices which when submitted may be subject to further negotiation.

PURCHASE DESCRIPTION - The words used in a solicitation to describe the supplies or services to be purchased, including any performance, physical, or technical requirements. Purchase descriptions and specifications may be used interchangeably.

PURCHASE ORDER - A written document ordering supplies, services or construction for PSTA.

PURCHASE REQUISITION – A written request or order for goods or services. See Requisition.

PURCHASING - The act and the function of responsibility for the acquisition of equipment, materials, goods, and services. In a narrow sense, the term describes the process of buying. In a broader sense, the term describes determining the need, selecting the supplier, arriving at a fair and reasonable price and terms, preparing the contract or purchase order, and following up to ensure timely delivery.

PURCHASING DIVISION - Division within PSTA's Finance Department responsible for purchasing.

QUALIFIED PRODUCTS LIST - An approved list of supplies or services described by model or catalog numbers, which, prior to competitive solicitation, PSTA has determined will meet applicable specifications and requirements.

QUOTE or QUOTATION - An indication of price or cost based on certain parameters from a vendor.

REQUEST FOR PROPOSAL (RFP) - A request by PSTA for offers to sell goods or services under certain terms and conditions where price may (goods) or may not (professional services) be a factor in the determination of which vendor will be awarded the contract. *Compare:* REQUEST FOR QUALIFICATIONS (RFQ).

REQUEST FOR QUOTES or REQUEST FOR QUOTATIONS - A form of informal solicitation, including obtaining oral or written quotes from vendors, without formal advertising and receipt of sealed bids. Normally used for purchases where statutes do not require formal sealed bids and it is considered good business practice to establish price competition.

REQUEST FOR QUALIFICATIONS (RFQ) – A request for an offer, by PSTA, of terms and conditions with reference to some work or undertaking. An RFQ differs from a Request for Proposal in that cost information may not be considered in the award of an RFQ. *Compare:* REQUEST FOR PROPOSALS (RFP).

REQUISITION - The written request of a User Department to the Purchasing Division for goods or services initiating the Procurement process.

RESPONSIBLE BIDDER OR OFFEROR - A person who has the capability in all respects to perform fully the contract requirements, and the tenacity, perseverance, experience, qualifications, integrity, reliability, capability, facilities, equipment, and credit which will assure good faith performance.

RESPONSIVE BIDDER OR OFFEROR - A person who has submitted a bid or offer which conforms in all material respects to the specifications and requirements set forth in the Invitation for Bids, Request for Proposals, Request for Qualifications, or other solicitation.

SEALED BID - A bid submitted in a sealed envelope to prevent dissemination of its contents before the deadline for the submission of all bids; usually required to ensure fair competition among bidders.

SERVICES - The furnishing of labor, time, or effort by a vendor, not involving the delivery of a specific end product other than reports which are merely incidental to the required performance. This term shall not include employment or collective bargaining agreements.

SERVICE CONTRACT - A contract that calls for a vendor's time and effort rather than for a concrete or tangible end product.

SIMPLIFIED ACQUISITION THRESHOLD - Means the dollar amount below which a non-Federal entity may purchase property or services using small purchase methods. Non-Federal entities adopt small purchase procedures in order to expedite the purchase of items costing less than the simplified acquisition threshold of \$150,000 (for grants executed on or after 12/26/14).

SINGLE BID PROCUREMENT - Single bid procurements occur when only one bid is submitted after a general open solicitation of bids.

SOLE SOURCE PROCUREMENT - Procurement process used to solicit bids or quotations from a single source. It is used under very specialized circumstances.

SOLICITATION – An IFB, RFB, RFP, RFW or other request for goods and services.

SPECIFICATION - Any description of the physical, functional, or performance characteristics or of the nature of a supply or service. A specification includes, as appropriate, requirements for inspecting, testing, or preparing a supply or service for delivery.

STATE CONTRACT - A contract for supplies competitively bid by the State which is available to PSTA for piggybacking.

STATEMENT OF WORK - The description of services and/or supplies to be provided by the vendor if awarded the contract.

SUPPLIER - An actual or potential vendor; also known as Vendor.

TABULATION OF BIDS - The recording of bids and bidding data for the purpose of comparison, analysis, and record-keeping.

TERM CONTRACT - A firm price agreement with a vendor for supplies for a predetermined period of time.

TWO-STEP PROCUREMENT - A bidding procedure consisting of two stages; step one consists of a request for technical proposals and the selection of bidders whose proposals are considered most

acceptable; step two consists of only those bidders whose technical proposals have been rated most acceptable submitting cost proposals. Bidding then proceeds as in conventional formal sealed bid procedures.

USER DEPARTMENT - Any, department, division, or unit within PSTA which requests goods or services to be procured under this manual and will be the primary department to use the goods and/or services procured.

VENDOR - An actual or potential vendor; also known as Supplier.

VENDOR APPLICATION - A written request to the Purchasing Division from a Vendor indicating interest in providing Supplies or products to the Purchasing Division.

VENDOR COMPLAINT FORM - A document completed by the User Department or Purchasing Division citing discontent with a Vendor, or unsatisfactory goods or services provided by a Vendor to be submitted to the Purchasing Division. See Appendix E.

VENDOR FILE - The accumulated record maintained by the central purchasing authority on a Vendor. The record includes information on the Vendor's relationship with PSTA, such as application for inclusion on the bidders list, record of performance under contract, and correspondence.

BUY AMERICA

Procurements which include federal funds are subject to federal "Buy America" requirements.

Generally, this means that steel, iron, and/or manufactured products which are incorporated in Public Works or product purchases are to have been produced in the United States, unless a waiver has been granted by a federal agency or the project is subject to a general waiver (See, 49 CFR 661.7 App. A).

FTA has issued a general public interest waiver that exempts "small purchases" from Buy America requirements. Currently DOT's Common Grant Rule (49 CFR 18.36(d)) sets that threshold at \$150,000 (\$100,000 prior to 12/26/14) or less. FTA bases the exemption on the total amount of the contract and not on the individual price of items being purchased. If PSTA purchases 10 items costing \$15,000 each under a single purchase order, the \$150,000 contract would make the Procurement subject to Buy America requirements.

Rolling stock

For purchase orders placed against State purchasing schedules before October 1, 2015, for the delivery of rolling stock in FY 2018 and beyond, the increased domestic content requirements will not apply.

For purchase orders placed against State schedules on or after October 1, 2015 for rolling stock that will be delivered in FY 2016 or 2017, the domestic content requirement must exceed 60%.

For purchase orders placed against State schedules for rolling stock that will be delivered in FY's 2018 or 2019 the domestic content must exceed 65%, and for purchase orders placed against

State schedules for rolling stock that will be delivered in FY 2020 or beyond, the domestic content must exceed 70%.

PREVAILING WAGE RATES

Certain Public Work contracts may be subject to the payment of prevailing wage rates, regardless of the dollar amount of the contract. It shall be the responsibility of the Procurement Department to obtain the applicable prevailing wage rates for the particular procurement and ensure that the rates are included in the bid solicitation.

DISADVANTAGED BUSINESS ENTERPRISE

It is the desire of the Board to promote and assist participation by DBEs, MBEs, WBEs and to facilitate a fair share of the awarding of contracts thereto. Please reference and follow the DBE Policy and Program

COMPETITION REQUIREMENTS

Except as permitted by Federal law or regulations, PSTA as a recipient of Federal funds must use third party procurement procedures that provide for full and open competition

Full and open competition is the guiding principle of PSTA's procurement requirements and practices.

The principle of full and open competition has one primary and two secondary purposes. The primary purpose is to obtain the best quality and service for the least cost. In other words, the objective is for recipients to obtain the best buy. The secondary purposes are to guard against favoritism and profiteering at the public's expense, and to provide equal opportunities for all qualified offerors to participate in PSTA's business opportunities.

Restraints on Competition:

No solicitation should contain features that unduly restrict competition. Since a major goal of procurement planning is to maximize competition, the following situations usually are considered impermissibly restrictive of competition:

- Unreasonable requirements placed on firms in order for them to qualify to do business;
- Unnecessary experience and excessive bonding requirements;
- Noncompetitive pricing practices between firms or between affiliated companies;
- Noncompetitive awards to any person or firm on a retainer contract;

PSTA may conduct procurements by noncompetitive methods only when one or more of the following circumstances apply:

1. The item is available only from a single source
2. The exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation
3. The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity
4. After solicitation of a number of sources, competition is determined inadequate.

Brand Names

PSTA may use brand names in specifications when it is impractical or uneconomical to provide a clear and accurate description of the technical requirements of the property being acquired. Where brand names are included in the specifications PSTA shall require that an “or equal” provision be included.

Geographic Restrictions

As a recipient of Federal Funds, with limited exceptions, PSTA is not permitted to specify in-State or local geographical preferences, or evaluate bids or proposals in light of in-State or local geographic preferences even if those preferences are imposed by State or local laws or regulations. Additionally, FTA prohibits recipients limiting its bus purchase solicitations to in-State dealers

There are, however, several exceptions that include the following:

1. Architectural Engineering (A&E) Services – Geographic location may be a selection criterion if an appropriate number of qualified firms are eligible to compete for the contract in view of the nature and size of the project.
2. Licensing – Florida may enforce its licensing requirements, provided that those requirements do not conflict with Federal law.
3. Declared Major Disaster or Emergency Relief – Federal assistance awarded under the Stafford Act, 42 U.S.C. § 5150, to support contracts and agreements for debris clearance, distribution of supplies, reconstruction, and other major disaster or emergency assistance activities to the extent feasible and practicable.

Environmental Consultants

Consulting firms involved either in the preparation of an Environmental Impact Statement (EIS) or in the development of initial data and plans for a project must execute a disclosure statement that clearly states the scope and extent of the firm’s involvement in the project in order to expose any potential conflicts of interest that may exist.

Other than Full and Open Competition

PSTA may conduct procurements by noncompetitive methods only when one or more of the following circumstances apply:

1. The item is available only from a single source
2. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation
3. The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity
4. After solicitation of a number of sources, competition is determined inadequate

Design and Performance Specifications / Scope of Work

(1) Specifications detailing the manner or method of performance are often treated as design specifications. Contrasted with these are performance specifications, which leave the details of performance, and the details of design, to the contractor's discretion.

(2) Design specifications may be used when the Authority takes ownership and responsibility for design (there is an implied warranty that the detailed designs or processes will result in an end item which functions as required).

(3) Performance specifications may be used when the specification sets forth an objective or end result to be achieved and describe technical requirements in terms of "functions to be performed or performance required, including the range of acceptable characteristics or minimum acceptable standards". When performance specifications are used, the contractor shall be held responsible for selecting the means of accomplishing the task and assumes responsibility for its selection.

(4) Performance specifications are preferred for use. Detailed product specifications should be avoided if possible.

EVALUATING RESPONSIVENESS AND RESPONSIBILITY

PSTA must make awards only to responsible contractors possessing the ability, willingness, and integrity to perform successfully under the terms and conditions of the contract.

(A) Factors which should be considered by PSTA in evaluating responsiveness should include the following considerations:

1. Has all required information been provided?
2. Does the bid contain mistakes?
3. Has bidder failed to commit to a firm price?
4. Are there unacceptable qualifications or conditions tied to the bid?

5. Has the bid been prepared in accordance with the bidding instructions?
6. Are unacceptable provisions included in the bid?
7. Has the bidder altered or limited any of the contract or solicitation provisions?
8. Has the bidder offered non-conforming products or services?
9. Has the bidder failed to acknowledge amendments to the IFB issued by the Authority?

Note that the foregoing list is not exhaustive. Minor deviations which are immaterial and do not effect quantity, quality or delivery, may be waived by the Authority if such waiver does not prejudice or affect the relative standing of the bidders.

(B) In evaluating the responsibility of an apparent low bidder or proposed subcontractor, PSTA may consider, among other factors, whether the subjects' record with PSTA or other owners includes or demonstrates:

1. Being listed on a federal or state debarred contractors list.
2. Poor prior performance on an Authority contract.
3. Lack of: adequate expertise; prior experience with comparable projects; or financial resources necessary to perform the work outlined in the contract in timely, competent and acceptable manner. Evidence of such factors may include failure to submit satisfactory evidence of insurance, surety bonds, or financial responsibility or a history of terminations for cause.
4. Engagement in criminal conduct in connection with any other government contracts or the conduct of business activity that involves such crimes as extortion, racketeering, bribery, fraud, bid-rigging and embezzlement.
5. Grave disregard for the safety of employees, State personnel, or members of the public. Consideration will be given to whether employees who will be assigned to work on the project are properly trained and whether the equipment to be used is safe and functioning properly.
6. Willful noncompliance with the State's Labor Laws regarding prevailing wage and supplement payment requirements, including consideration of any pending violations.
7. Disregard for other State Labor Laws, including child labor, proper and timely wage payments and unemployment insurance laws.
8. Violations of the State Workers' Compensation Law including failure to provide proof of proper workers' compensation or disability coverage.
9. Violations of the State's Environmental Conservation Law or violations of any other federal or State environmental statutes.
10. The failure to abide by State and federal statutes and regulations regarding efforts to solicit and utilize disadvantaged, minority and women-owned business enterprises as potential sub-contractors.

11. The submission of a bid which is mathematically or materially unbalanced.
12. The submission of a bid which is so much lower than the Authority's confidential engineer's estimate it appears unlikely that the contractor will be able to complete the project satisfactorily at the price bid.
13. The presentation of false or misleading statements or any other issue that raises serious questions about the responsibility of the bidder or proposed subcontractor.

Bid Opening

All bids should be date and time stamped when received. Bids received in advance of the bid opening should be carefully secured in a locked bid box to ensure that no bidder has access to the other bids. Prior to bid opening,

A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Any or all bids may be rejected if there is a sound documented reason.

If a bid conforms in all material aspects to the requirements of the solicitation at the scheduled time of submission and does not require further discussions with the bidder, the bid is responsive.

Competitive Proposals:

Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program with price and other factors considered.

Two-Step Procurement:

Two-step bidding is a two-phase process that generally consists of: (1) evaluation of the technical proposal only; and (2) consideration of price for those bids that are determined to be technically acceptable. Under the first step, discussions can be held with offerors similar to what takes place with the competitive proposals. In step two when the pricing proposals are considered, award can then be made to the lowest, responsive and responsible bidder.

Sole Source Proposals:

All procurement transactions must be conducted in a manner providing full and open competition. Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply: (1) the item is available only from a single source; (2) the public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation; (3) *FTA or the pass-through entity* expressly authorizes noncompetitive proposals *in response to a written request from the recipient*; or (4) after solicitation of a number of sources, competition is determined inadequate.

PSTA in accordance with Federal Guidelines restricts the use of noncompetitive or sole source procurements to the limited circumstances enumerated above.

PSTA requires that the sole source procurement be justified in writing using the Sole Source Form prior to execution of a contract. PSTA will take reasonable steps to avoid using sole source procurements except in circumstances where it is both necessary and in the best interest of the agency.

Cost and Price Analysis:

A cost or price analysis in connection with every procurement action above the micro purchase threshold require a cost and price analysis, however ALL federally funded purchases require a cost and price analysis. This includes contract modifications. PSTA must make independent estimates before receiving bids or proposals.

Adequate Price Competition

In order to have adequate price competition, the following conditions must be present:

At least two responsible offerors respond to a solicitation.

Each offeror is able to satisfy the requirements of the solicitation.

The offerors independently contend for the contract that is to be awarded to the responsive and responsible offeror submitting the lowest evaluated price.

- Each offeror must submit priced offers responsive to the express requirements of the solicitation.
- If the four conditions above are met, price competition is adequate unless one of the following is present:
- The solicitation was made under conditions that unreasonably deny one or more known and qualified offerors an opportunity to compete.
- The low competitor has such an advantage over other competitors that it is practically immune to the stimulus of competition.
- The lowest final price is not reasonable and this finding can be supported by facts.

DOCUMENTATION OF PROCUREMENT ACTIONS

PSTA shall maintain written records detailing the history of each procurement action for a period of three years after the recipient and sub-recipients, if any, have submitted a final expenditure report.

Sealed Bid Procurement Documentation

At the time of bid opening there should be a public reading of the bids and a recording of them that becomes a part of the written record for the procurement action. The decisions made throughout the award process are also included in the written record. Elements of the award decision that need to be included in the documentation include:

- A tabulation and evaluation of bids. This will include a determination that the low bid is fully responsive to the IFB. When there are lower bids than the one that is accepted for award, the award decision document must give the reasons for rejecting the lower bids. When there are equal low bids, the documentation must describe how the tie was broken.
- A determination that the low bidder is responsible.
- A determination of the reasonableness of the price. The starting point for this cost or price analysis should be the independent cost estimate or ICE, which is prepared prior to advertisement of the contract. Significant differences between the independent cost estimate and the low bid need to be discussed.

Negotiated Procurements

Having considered all of the available proposal evaluation data, the selection official must document the basis for the decision to select that offeror “whose proposal is most advantageous to the recipient’s program with price and other factors considered.” The contract file documentation should include the following:

Determination of Competitive Range

The Technical Evaluation

A Cost/Price Analysis

Determination of Selected Contractor’s Responsibility

Award for Competitive Procurements

Bid Evaluation (IFB) and Award

The contract shall be awarded with reasonable promptness by written notice to the lowest responsible and responsive bidder whose bid meets the requirements and criteria set forth in the Invitation for Bids.

Competitive Sealed Proposals (RFP) Award.

(1) *Award* shall be made to the responsible and responsive offeror whose proposal is determined by the Contracting Officer in writing to be the most advantageous to the Authority taking into consideration the price and evaluation factors set forth in the Request for Proposals.

PROTEST PROCEDURES

The Rules and Regulations of PSTA sections 5.03 and 5.04 govern the Protest Procedures and shall be followed.

CONTRACT ADMINISTRATION

PSTA must maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contractors or purchase orders.

The Procurement Department will maintain the “official” contract file. The “official” contract file would include all correspondence relating to the administration of the contract so as to verify the contractor’s adherence to the terms of the contract and demonstrate that the agency is following good administrative practice and sound business judgment in settling all contractual and administrative issues arising during contract performance.

Contract Changes

PSTA is responsible for issuing, evaluating, and making necessary decisions involving any change to its third party contracts, and any change orders or modifications it may issue.

The change must be within the scope of the original contract. If it is not within the scope, it is considered a cardinal change. Such changes are not processed as changes under the Changes Clause but are processed as new procurements.

Changes within the General Scope

To determine if the change is within the scope of work, the general principle appears to be that if the function or nature of the work as changed is generally the same as the work originally called for, the changes are considered to be within the general scope of work.

Other factors to consider:

- *Amount of Effort* – The second test for determining whether a change is within scope is the amount of effort in terms of work disruption and cost increases that are experienced by the contractor.
- *Changes in Quantity* – Major changes in the quantity of the work have been held to be outside the scope of the competition, and, therefore, are cardinal
- *Collateral Impacts of Change* – This criteria involves looking at all the various factors, such as changes in schedule, quantity, quality, and costs; no single factor in itself may be sufficient to render a change outside the contract’s scope, but the cumulative impact of the changes being made are evaluated in order to determine whether there is an alteration of the nature of the item being procured.

Supply Contract Changes

When the contract is for supplies, changes within the general scope of the contract in any one or more of the following are permitted:

1. Drawings, designs, or specifications when the supplies to be furnished are to be specially manufactured for PSTA in accordance with the drawings, designs, or specifications.
2. Method of shipment or packing.
3. Place of delivery.

Service Contract Changes

When the contract is for services only, PSTA permits changes within the general scope of the contract in any one or more of the following:

1. Description of services to be performed.
2. Time of performance (i.e., hours of the day, days of the week, etc.).
3. Place of performance of the services.

Supply and Service Contract Changes

When the contract is for services, other than architect and engineer or other professional services, and supplies, PSTA permits changes within the general scope of the contract in any one of the following:

1. Description of services to be performed.
2. Time of performance (i.e., hours of the day, days of the week, etc.).
3. Place of performance of the services.
4. Drawings, designs, or specifications when the supplies to be furnished are to be specially manufactured for PSTA in accordance with the drawings, designs, or specifications.
5. Method of shipment or packing of supplies
6. Place of delivery.

Construction Changes

When the contract is for construction, PSTA permits changes within the general scope of the contract, including:

1. In the specifications (including drawings and designs);
2. In the method or manner of performance of the work;
3. In the PSTA-furnished facilities, equipment, materials, services, or site; or
4. Directing acceleration in the performance of the work.

Cost and Price Analysis of Changes

PSTA shall perform a cost or price analysis, as appropriate, for every procurement action in excess of the Simplified Acquisition Threshold (currently set at \$150,000), including change order.

Construction Contract Changes

Construction contracts are subject to the same criteria as other contracts with respect to the requirement that changes be within the general scope of the contract

Field Change Orders

PSTA will maintain competent and adequate engineering supervision at the construction site of any project to ensure that the completed work conforms to the approved plans and specifications.

Project Managers may submit change orders through the normal Procurement process but are not delegated authority to enact change orders without due process.

Termination

PSTA must include provisions in their contracts and subcontracts that allows for termination for cause and for convenience by the recipient, including the manner by which it will be effected and the basis for settlement.

Termination for Convenience

PSTA will include in their third party contracts a clause which defines the manner in which the termination will be effectuated and the basis for settlement.

Partial Terminations

The Termination for Convenience clause will include a provision allowing for a partial termination of the work, whereby the contractor must continue with the unterminated portion of the work.

Termination for Default

The Termination for Default clause must define what “default” means, e.g., failure to deliver the supplies or perform the services within the time specified in the contract, failure to make progress so as to endanger performance of the contract, refusal or failure in a construction contract to prosecute the work or any separable part within the time specified in the contract.

Claims, Grievances and Other Disputes with Contractors

The Procurement Department is assigned responsibility for resolving all contractual and administrative issues arising out of their third party procurements using good administrative practices and sound business judgment.

The Procurement Director or his/her designee is required to notify FTA of any current or prospective major dispute, breach, default, or litigation pertaining to the FTA funded project. If PSTA seeks to name the Federal Government as a party to the litigation for any reason, the Recipient must inform FTA before doing so.

The Procurement Department will maintain sufficient records to demonstrate that reasonable and prudent measures to prevent or offset the actions or circumstances resulting in the underlying protest, dispute, claim, or litigation were taken by PSTA. Furthermore, FTA requires recipients to secure the FTA review and concurrence in a proposed claim settlement before using Federal funds in the following instances:

- When the negotiated settlement exceeds \$100,000. This includes any situation when PSTA is waiving liquidated damages in an amount over \$100,000. PSTA has a vested interest in the recovery of liquidated damages, and the general rule is that liquidated damages may not be waived. PSTA may, however, “set-off” the liquidated damages against some other valid claim of the contractor; provided FTA has concurred with the proposed “set-off.”
- When insufficient funds remain in the approved grant to cover the settlement. PSTA cannot be obligated to pay the recipient an amount that would exceed the funds obligated on the grant. To do so would be a violation of the Anti-Deficiency Act.

AUDITS

A contract or requirement for program management, architectural engineering, construction management, a feasibility study, and preliminary engineering, design, architectural, engineering, surveying, mapping, or related services, for a project for which Federal assistance is provided, shall be performed and audited in compliance with cost principles contained in part 31 of the Federal Acquisition Regulation, or any successor thereto. 49 U.S.C. Section 5325 (b) (2)

Third party contract audits must be conducted by auditors who are independent from the third party contractor.