

GENERAL PROCUREMENT POLICY

Board Approval: October 7, 2020

1. **POLICY OVERVIEW**

This policy sets forth general procurement policies and standards that will govern the conduct of Omnitrans' procurement activities and of personnel engaged in these activities.

2. **PROCUREMENT BACKGROUND**

Omnitrans' Statement of Guiding Principles establishes the framework for Omnitrans' Procurement Policy Manual (Manual) and is approved by the Omnitrans Board of Directors (BOD). Procedures implementing the Procurement Policy Manual will be approved by Omnitrans' CEO/General Manager CEO/GM).

3. **STATEMENT OF GUIDING PRINCIPLES FOR OMNITRANS' ACQUISITION SYSTEM**

The vision for Omnitrans' acquisition system is to deliver, on a timely basis, the best value product or service in an open and competitive environment, while maintaining the public's trust and fulfilling public policy objectives. Participants in the procurement process must work together as a team and are empowered to make decisions within their areas of responsibility.

3.1. Omnitrans' procurement process will:

3.1.1. Be guided by Omnitrans Strategic Plan.

3.1.2. Satisfy the "client" in terms of cost, quality, and timeliness of the delivered product or service by:

3.1.2.1. Maximizing the use of commercial products and services.

3.1.2.2. Using contractors with a track record of successful past performance or who demonstrate a current superior ability to perform.

3.1.2.3. Promoting fair and open competition.

3.1.3. Minimize administrative operating costs through effective teamwork.

3.1.4. Conduct business with integrity, fairness, and openness.

3.1.5. Fulfill public policy objectives.

4. **ROLE OF THE PROCUREMENT TEAM**

4.1. The Procurement Team consists of all participants in Omnitrans procurement process including representatives of the technical, supply, support services, procurement communities, and contractors who provide products and services.

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4.2. Each member of the Procurement team will exercise personal initiative and sound business judgment in providing the best value product or service. In exercising initiative, the Procurement team may assume that a strategy, practice, policy or procedure is a permissible exercise of authority if it is in the best interest of Omnitrans and is not prohibited by law, applicable regulations or Board adopted policy.

5. PROCUREMENT STANDARDS

5.1. Omnitrans will maintain a contract administration system that ensures that contractors perform in accordance with the terms, conditions, and specifications of the contracts or purchase orders.

5.2. Members of the BOD will adhere to the standards of conduct adopted by the BOD. Omnitrans employees will adhere to the standards of conduct approved by the CEO/GM under delegation of authority from the BOD.

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

5.4. Open and Complete Competition:

5.4.1. Federal Transit Administration (FTA) Circular 4220.1F recommends and Title 49 U.S. Code Section 5325(a) requires that recipients of assistance under this chapter shall conduct all procurement transactions in a manner that provides full and open competition as determined by the Secretary of Transportation. Restrictive solicitations may include, but are not limited to:

5.4.1.1. Restrictive specifications, unreasonable requirements, or unreasonable qualifications.

5.4.1.2. Noncompetitive pricing practices between firms or between affiliated companies.

5.4.1.3. Noncompetitive awards to professionals and other consultants that are on Omnitrans retainer contracts.

5.4.1.4. Organizational conflicts of interest or other conflicts of interest, as further addressed in the Standards of Conduct and Conflict of (Procurement Policy 1050)).

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- 5.4.1.5. Specifying only a "brand name" product instead of allowing "an equal" product to be offered and describing the performance or other salient characteristics of the brand name product.
- 5.4.1.6. Any arbitrary action in the procurement process.
- 5.4.1.7. Development of specification requirements and evaluation criteria, which unnecessarily favor a specific contractor.
- 5.4.2. Procurement transactions will be conducted in a manner that prohibits the use of statutorily or administratively imposed in State or local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. This does not preempt State licensing laws. When employing the qualifications-based method for contracting for architectural and engineering services, geographic location may be a selection criteria provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.
- 5.4.3. Omnitrans will have written selection procedures for competitive negotiated procurement transactions that ensure fair, unbiased evaluation of competing proposals by an independent evaluation committee appointed by the Director of Procurement or their designee. These procedures will also ensure that all solicitations clearly state the evaluation criteria that will be considered in making the source selection.
- 5.4.4. Technical requirements shall incorporate a clear and accurate description for the material, product, or service to be procured. Such description shall not, in competitive procurements, contain features that unduly restrict competition.
- 5.4.5. Omnitrans will ensure that all lists of bidders, manufacturers, or products determined to be qualified in advance of the receipt of bids or proposals are current and sufficient to ensure full and open competition. When possible, sufficient time will be allowed to arrange for qualification before receipt of bids or proposals. However, when using grant funds, Omnitrans must allow vendors an opportunity to qualify their products during the solicitation period (FTA Circular 4220.1F).
- 5.4.6. The Procurement Department maintains a procurement history file which provides an audit trail from the initiation of a purchasing requirement through contract closeout and all other related correspondence.

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5.4.7 Cost or price analysis are required for every procurement and subsequent changes. Independent Cost Estimates are required before receiving bids or proposals. All cost/price analyses shall be retained in the procurement files.

6. RESPONSIBILITIES

6.1. The Director of Procurement has primary responsibility for ensuring that the procurement process is in accordance with legal requirements, as interpreted by Omnitrans' General Counsel, and Omnitrans' policies. The Director of Procurement or designee will be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements.

6.2. The Director of Procurement is responsible for establishing and implementing procurement policies and issuing instructions.

6.3. The Director of Procurement is responsible for establishing material management policies and issuing instructions concerning the storage, distribution, and disposal of goods.

6.4. All departments are instructed to follow Procurement Policies/Procedures/Instructions as well as Policies/Instruction.

6.5. The CEO/GM or designee shall execute contracts, purchase orders, modifications, and supplemental agreements in accordance with established thresholds.

7. STATUTORY AND REGULATORY REQUIREMENTS

Applicable Federal, State and Local laws, policies and other sources of guidance govern the procurement practices of Omnitrans.

8. IMPLEMENTATION

The Director of Procurement shall implement the policies herein set forth. Procedural guidance shall be provided in the Procurement Procedures.

9. ABOUT THE MANUAL

a. This manual establishes responsibilities and documents Omnitrans' continuing efforts to comply with applicable federal, state, county, and local regulations.

b. Sections

i. This manual is divided into sections of related policies. Those sections are described in "Using This Manual" below. Sections are separated by title pages,

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and policies within a section will begin with the same number. (For example, all policies in the General Policies section begin with “1.”)

c. Policy Numbering

- i. Policies are individual documents. Each section is composed of several policies. Each policy has a unique number (located in the upper right corner of each page) and shows the date on which it was approved for use by the BOD. When viewing copies of the same policy, the one with the more recent approval date is the correct one to use.

10. USING THIS MANUAL

- a. This manual contains policies governing the procurement of goods and services by Omnitrans. It is divided into the following sections:
 - i. General Policies – (1000 series) this section describes the responsibilities, ethics, and objectives behind the procurement process.
 - ii. Informal Procurement Policies – (2000 series) this section describes informal procurements, micro-procurements, mini-procurements, and small procurements.
 - iii. Procurement Card Policies– (3000 series) this section describes the proper use of procurement cards.
 - iv. Formal Procurement Policies – (4000 series) this section describes the formal procurement process, from bidding to contract award.
 - v. Solicitation Protest Policies – (5000 series) this section describes how to handle a protest to a formal procurement contract award.
 - vi. Contract Administration Policies – (6000 series) this section describes the administration of a contract, from opening to termination.
 - vii. Fixed Asset Management Policies – (7000 series) this section describes the management of fixed assets, from auditing to liquidation of surplus assets.