

NEGOTIATED PROCUREMENTS

POLICY

Document Number:

FRS-PL-034

Version Number:

02

1.0 Purpose:

To establish the authority within VTA to select vendors using the Negotiated Procurement process (NP).

2.0 Scope:

This Policy applies to all VTA departments and all vendors participating in the established VTA procurement process.

3.0 Responsibilities:

It is the responsibility of the Purchasing and Materials Manager to draft and obtain approval of this Policy to assure organizational understanding and compliance with this Policy.

4.0 Policy:

It is the policy of VTA that when products specified in California Public Contract Code (PCC) Sections 20216 or 20306 are needed, a NP process may be used.

4.1 The NP process may be used to procure the following products:

- In the case of PCC Sec. 20216 computers, telecommunications equipment, fare collection equipment, radio and microwave equipment, and other related electronic equipment and apparatus used in transit operations, specialized rail transit equipment, including, but not limited to, railcars, buses and passenger ferries.
- In the case of PCC Sec. 20306 computers, telecommunications equipment, fare collection equipment, radio and microwave equipment and other related electronic equipment and apparatus, specialized rail transit equipment, including, but not limited to, railcars or tunnel boring machines.

4.2 The NP process may be used when:

- An Invitation for Bids (IFB) process is determined to be unfeasible due to rapid technological changes or the introduction of new technologies into the agency operations, and
- it is in the public interest to consider the broadest possible range of competing products and materials, and
- it is further determined that fitness of purpose, manufacturer's warranty, vendor financing, performance reliability, standardization, life cycle costs, delivery time table, support logistics and other similar factors, in addition to price are valuable considerations in the award of a contract.

4.3 In order to use the NP process, the Board of Directors must find, by a two-thirds vote of all of the members of the Board, that a sealed bid (IFB) procurement processes does not constitute a method of procurement adequate for the VTA's needs.

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- 4.4 The following procurement procedures will be discussed in greater detail in Procedure FRS-PR-034 but in general the NP process will have the following requirements:
- The RFP will be publicly advertised;
 - The RFP will identify all significant evaluation factors, including price and their relative importance;
 - This type of procurement process will be a Best Value process in which VTA reserves the right to select the most advantageous offer by evaluating and comparing factors in addition to cost or price so that the selection of technical superiority may be made even if such a determination results in a premium price;
 - The solicitation must contain language that establishes that the award will be made on a Best Value basis;
 - Proposals will be solicited from an adequate number of qualified sources;
 - A specified method is established and used to conduct technical evaluations of the proposals;
 - Prior to award a price analysis shall be prepared finding that the final negotiated price is fair and reasonable;
 - The award shall be made to the qualified proposer whose proposal is deemed to be the most advantageous with price and other factors considered;
 - If the award is made to the proposer whose proposal price is not the lowest, a finding shall be made setting forth the basis for the award.

5.0 Definitions:

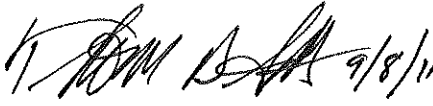
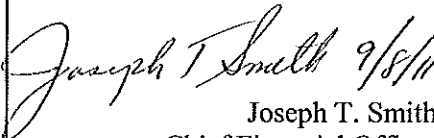
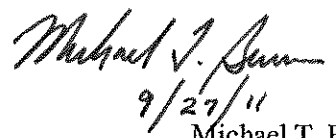
Contract:	<p>A contract can be:</p> <ul style="list-style-type: none"> • A formal contract document that contains all of the terms, conditions and specifications of the agreement; • A standard VTA Purchase Order; • A Construction Agreement.
Requestor:	The responsible VTA staff member that has requested the product or service, sometimes referred to as the Project Manager or Project Engineer.
Project Manager:	The person who submitted the requisition for the product or service and is (or will be) the responsible party for the contract once executed.
Cardinal Change:	See Policy FRS-PL-026
Amendment:	A formal document signed by both parties to the original contract that changes the terms, conditions or specifications of the original contract. In the case of construction contracts, can be referred to as a Change Order or a Construction Change Order.

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6.0 Summary of Changes:

New Policy that reflects current practice.

7.0 Approval Information:

<i>Prepared by</i>	<i>Reviewed by</i>	<i>Approved by</i>
 Thomas B. Smith Purchasing and Materials Manager	 Joseph T. Smith Chief Financial Officer	 Michael T. Burns General Manager

Date Signed

Original Date:	Revision Date:	Page 3 of 3
7/7/2010	6/28/11	