

<i>VENDOR SELECTION - NEGOTIATED PROCUREMENTS</i>	PROCEDURE	
	Document Number:	FRS-PR-034
	Version Number:	01

1.0 Purpose:

To implement the provisions of VTA Policy FRS-PL-034, Negotiated Procurements.

2.0 Scope:

This Procedure 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 procedure to assure organizational understanding and compliance with Policy FRS-PL-034. Additionally, the Purchasing and Materials Manager will have responsibility for periodic review and proposing updates to the Policy and Procedure.

4.0 Procedure:

4.1 The Negotiated Procurement (NP) solicitation process will be employed under the circumstances outlined in Policy FRS-PL-034 Section 4.0 for procurements valued greater than \$100,000.

4.2 EARLY INVOLVEMENT: It is preferable to have CAMM staff involved at an early stage of such procurements to provide guidance on the process to be used and to set tentative procurement timelines.

4.3 BOARD APPROVAL REQUIRED: Note that Public Contract Code requires that the VTA Board of Directors approve the use of the NP process (see Sec. 4.3 of FRS-PL-034).

4.4 REQUISITION REQUIRED: A complete and acceptable requisition must be received by CAMM staff before the procurement process will begin. When the requisition is received, CAMM staff will review all documents to determine the funding source and to assure that the specifications are clear, complete and non-restrictive.

4.4.1 Any incomplete documents or restrictive specifications will be discussed with the requestor and must be corrected and approved by CAMM staff prior to solicitation.

4.5 EVALUATION CRITERIA: The evaluation criteria will include factors other than price including: 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.

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When the requirements of the solicitation are clearly definable and the risk of unsuccessful contract performance is minimal, cost or price may play a dominant role in vendor selection. The less definitive the requirements, the more development work required, or the greater the performance risk, the more technical or past performance considerations may play a dominant role in vendor selection.

4.5.1 The established evaluation and their relative importance must be specified in the solicitation documents, however numerical or percentage ratings or weighs need not be disclosed. The evaluation criteria may be listed in the solicitation documents in their order of importance.

4.5.2 The Contract Administrator and the requestor shall jointly develop evaluation forms for each specific area to be evaluated in sufficient detail to assure accurate and complete evaluation of each area.

4.6 **KICK OFF MEETING:** Generally, CAMM staff will meet with the requestor to determine the following:

- If a Pre-Proposal conference is needed;
- The required staff attendees for the Pre-Proposal conference;
- The advertising to be used and department/project advertisement budget availability;
- The need to obtain Board approval for execution of the final contract;
- If federally funded, the needed federal clauses;
- Assure that the requestor understands that the Office of Small and Disadvantaged Business (OSDB) must approve all DBE and or SBE goals for the solicitation;
- Determine Bonding and Insurance requirements;
- Determine the need for Liquidated Damages;
- Determine the dates of interviews to be included in the NP document;
- The Project Manager will develop the evaluation criteria to be used in the NP process with the assistance of the Contract Administrator;
- The Contract Administrator shall assure that the evaluation criteria is clear, non-restrictive and allows for fair competition;
- The evaluation criteria must be in sufficient detail to allow the Evaluation Teams to determine which vendors are deemed to be: Unacceptable, Can Probably be made acceptable, Acceptable and Beneficially exceeds in all required evaluation areas;
 - Depending on the complexity of the procurement, there may be a significant number of pages of evaluation criteria in the Technical, Contract Administration and Pricing evaluation areas.
- Members of the Selection and Evaluation Teams will be required to sign a Confidentiality Agreement and Conflict of Interest Disclosure form;

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- The Contract Administrator shall have the responsibility of contacting the proposed evaluation team members and confirming their participation;
- The Contract Administrator shall have the responsibility of arranging all meetings places for the Pre-Proposal meeting and subsequent evaluation meetings;
- The Contract Administrator shall have the responsibility of notifying all evaluation team members of the dates, times and locations of necessary meetings;
- No consultants may be on the Selection Team;
- The Contract Administrator will have the responsibility of assuring that none of the Selection Team or Evaluation Team members have any conflict of interest in the solicitation. Signed Conflict of Interest agreement forms may be required for members of the Selection and Evaluation teams;
- The overall procurement timeline to include the date and time of the pre-proposal conference and the date, time and location for submitting proposals;
- Any vendor sources recommended by the requestor.

4.7 THE SELECTION TEAM:

- Shall consist of VTA staff recommended by the Project Manager and approved by the Contract Administrator;
- The Contract Administrator shall act as chairperson and facilitator of the Selection Team and be a voting member;
- If there is a demonstrated need for non-VTA staff to be on the Selection Team, the Project Manager and Contract Administrator will agree on who those team members shall be;
- The Selection Team should be kept to a workable size. The Contract Administrator and three to four members would be in ideal size depending on the complexity of the product to be purchased;
- The Selection Team, using information and input from the Evaluation Teams will determine which proposers will be invited for interviews and ultimately Best and Final Offers (BAFO's) if BAFO's are determined to be needed.

4.8 EVALUATION TEAMS:

- Will be formed to evaluate and various aspects of the proposals including Technical and Management components and others as determined necessary by the Contract Administrator and the Project Manager;
- Shall consist of VTA Staff recommended by the Project Manager and approved by the Contract Administrator;
- Will each have a Chairperson agreed upon by the Contract Administrator and the Project Manager who will report scores and findings to the Selection Team.

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4.9 **ADVERTISING:** When the above steps have been completed, the Contract Administrator will prepare the solicitation for advertisement in a newspaper of general circulation, the VTA website and any other outlets agreed upon with the requestor.

4.9.1 CAMM staff will have the responsibility for:

- Preparing the solicitation document;
- Assuring the NP document contains the scope of work, the evaluation criteria and their relative importance and any necessary federal clauses among other required elements;
- Assuring that documentation of the decision for the solicitation method used is in the file;
- Placing all agreed upon advertisements;
- Receiving notices of publication;
- Uploading the needed information to the VTA website;
- Arrange for the meeting room for the Pre-proposal conference;
- Making arrangements for any needed site visits.

4.10 **PRE-PROPOSAL CONFERENCE:** Should a Pre-Proposal conference be needed, CAMM staff will have the following responsibilities:

- Chair the meeting and assure that questions asked are responded to appropriately, and to fully outline the procurement process that will be followed;
- Remind prospective proposers that all communications with VTA throughout the procurement process will be with CAMM staff only unless indicated otherwise in this Procedure;
- Notify attendees that they must register as an interested vendor for the specific NP so they will be notified of any addenda that may be issued;
- Assure that needed VTA staff are in attendance, this would include staff from the requesting department, staff from the Office of Small and Disadvantaged Business and any others that may be needed to respond to questions from prospective bidders;
- OSDB staff will outline the DBE or SBE goals for the project and provide all related DBE/SBE information to the attendees;
- Accurately document questions that are asked and answered and questions that must be responded to in writing at a later date;
- Assure that all attendees have signed in on sheets that have been prepared for that use.;
- Coordinate with the requestor and Legal Counsel's office if necessary to develop written responses to questions raised at the Pre-Proposal conference;
- Provide written responses to all plan holders of record to questions raised at the Pre-Bid conference.

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- 4.11 **COMMUNICATION WITH VENDORS:** CAMM staff will be solely responsible for all communications with the vendors throughout the procurement process. Any VTA staff member that is contacted by a bidder or a prospective bidder must inform that vendor that such contact is inappropriate and refer that person to the CAMM staff member that is responsible for the procurement.

Additionally CAMM staff should be notified of the contact. The only exception to this requirement is that prospective bidders may contact the OSDB to discuss related procedures and requirements.

- 4.12 **ADDENDA:** Any needed addenda to the procurement document must be prepared and issued by the responsible CAMM staff person. The issuance of such addenda will be done with involvement and concurrence of the requestor. Such addenda will be sent to all plan holders of record.

- 4.13 **PLAN HOLDERS OF RECORD:** The plan holders of record will be determined by those vendors who have registered on the VTA website for the specific NP in question. Vendors who submit bids without having been so registered do so at the risk of not receiving addenda and potentially having their proposal rejected.

- 4.14 **PROPOSAL OPENING RESPONSIBILITIES:** CAMM staff will have the following responsibilities:

- Receive all proposals submitted in a timely manner.
- Consult with Counsel's Office to determine the proper handling of "late" submissions.
- Assure all proposals received are complete and responsive.

- 4.15 **POST PROPOSAL OPENING RESPONSIBILITIES:** After the proposals are received CAMM staff will be responsible for the following:

- Distribute proposals to the members of the Selection and Evaluation teams that have submitted approved Confidentiality Agreement and Conflict of Interest Disclosure forms.
- The OSDB must approve all DBE/SBE goal attainment and direct any Good Faith Efforts review that may be necessary.
- Schedule and chair the meetings of the Selection Team.
- Assure that the evaluation of the Technical, Management and Price proposals are consistent with the published evaluation criteria and are in the competitive range.
- Assure that the selection of those proposers in the competitive range are invited to participate in interviews are consistent with the published evaluation criteria.
- Assure that adequate meeting rooms have been reserved for the number of interviews determined by the Selection Team.

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- When a decision on which firms are to be invited for interviews is made, the Contract Administrator will assure that invitations are sent and the attendance of all invited proposers is confirmed as to time, place and duration.
- If any proposal is determined to be Unacceptable, notify that firm of that fact and indicate that they will no longer be considered in the selection process.
- Schedule a meeting of the Selection team, if needed, to determine areas of concern and plan the important aspects of the discussion with the vendor.
- Chair the interviews with the proposers and assure that appropriately detailed notes are taken of the discussions.
- Convene necessary meetings of the Evaluation Teams and the Selection Team to review and evaluate information received during the interviews.
- Determine if the NP requirements need to be changed based on information received during the interviews.
- If an addendum to the NP is necessary, work with the Project Manager and others as necessary to draft the addenda and submit it to the remaining proposers with an invitation to submit their BAFO by a date and time certain.

4.16 RECEIPT OF BAFO'S: After BAFO's are received CAMM staff will be responsible for the following:

- Distribute BAFO's to the Selection Team;
- The Price Proposal will be kept by the Contract Administrator unopened until the BAFO's have been reviewed;
- Schedule a meeting of the Selection Team and the Evaluation Team(s) as needed to review the various aspects of the BAFO's;
- The Selection Team shall determine which of the BAFO's are fully responsive to the NP and are acceptable;
- The Selection Team shall rank the acceptable proposals using the same evaluation criteria as previously developed;
- Only after the above has been completed, may the Price Proposals be opened;
- Using the established ranking and the Best and Final Price Offers the Selection. The team will determine which proposal presents the most advantageous offer to VTA considering fitness of purpose, warranty, vendor financing, performance reliability, standardization, life cycle costs, delivery timetables, support logistics, and other similar factors in addition to price;
- When a decision on the recommended award is reached complete the Solicitation Summary and obtain needed approval signatures;
- Draft the Notice of Intended Award and send to all plan holders of record.
- Assist the requestor with drafting the Board Memo, if needed;
- Create the necessary contract documents for signature when the contract has been approved;

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- Secure the required signatures on the contract documents from the awardee and VTA;
- Distribute the fully executed contract document to the awardee and the requestor.
- Maintain a complete procurement contract file.

4.17 **PROTESTS:** Any protests received during the procurement process will be handled according to Policy and Procedure FRS-PL-036 & FRS-PR-036.

4.18 **AMENDMENTS:** Any changes to the executed contract must be accomplished by a contract amendment. A contract amendment can be requested by the vendor or VTA. CAMM staff will have the following responsibilities when a contract amendment is contemplated:

- Work with the Project Manager to develop the scope of the intended contract change;
- Assure that the proposed amendment is within the scope of the original agreement;
- Assure that the proposed amendment is not a “Cardinal” change to the contract;
- Assure that the Project Manager has developed a valid Independent Cost Estimate (ICE);
- Participate, as needed, in the negotiations of such amendments with the vendor;
- Assure that the Project Manager has completed a Negotiation Summary which documents the negotiations that took place to resolve differences in price or scope between the ICE and the vendors proposal;
- Draft or approve the amendment;
- Secure appropriate approval signatures from the vendor and VTA;
- Assure that the vendor and the Project Manager receive fully executed amendments;

4.19 **CONTRACT CLOSEOUT:** CAMM staff will assure that all contract closeout requirements are met.

5.0 ***Definitions:***

Contract:

A contract can be:

- A formal contract document that contains all of the terms, conditions and specifications of the agreement.
- A standard VTA Purchase Order.
- A Construction Agreement.

CAMM Staff

Member:

Used interchangeably with Contract Administrator or Buyer.

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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: A Cardinal Change is a change that is not within the general scope of the original contract or of such a large dollar value that a new procurement would be justified.

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 construction contracts, can be referred to as a Change Order or a Construction Change Order.

6.0 *Records:*

Records of protests shall be maintained within the Contracts and Materials Management Department according to established record retention guidelines.

7.0 *Appendices:*

N/A.

8.0 *Training Requirements:*




Contracts and Materials Management will have responsibility for training VTA staff for compliance with this Procedure.

9.0 *Summary of Changes:*

No change in procedure. This change is to establish the process for Invitation for Bids in a separate Procedure and to set forth current procedures in a clearer manner.

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10.0 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

6/28/2011
Date Signed