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COUNTY COMMISSION

BALDWIN COUNTY
312 Courthouse Square, Suite 12
BAY MINETTE, ALABAMA 36507
(251) 937-0264
Fax (251) 580-2500
www.baldwincountyal.gov

MEMBERS
DISTRICT 1. FRANK BURT, JR.
2. CHRIS ELLIOTT
3. J. TUCKER DORSEY
4. CHARLES F. GRUBER

November 1, 2016

Alabama Department of Transportation
1100 John Overton Drive
Montgomery, AL 36110
ATTN: Wiley Brooks, Transportation Planner Senior

REFERENCE: Adoption of Alabama Department of Transportation (ALDOT) Subrecipient Procurement Procedures for Federal Transit Administration Funded Projects

Dear Mr. Brooks:

The Baldwin County Commission during their regularly held meeting on November 1, 2015, adopted the Alabama Department of Transportation (ALDOT) Subrecipient Procurement Procedures for Federal Transit Administration (FTA) funded projects for BRATS and the Eastern Shore MPO.

Please find attached your executed copy of the Agreement.

If you have any questions regarding this matter, please contact the BRATS Director, Taylor Rider at (251) 972-8576.

Sincerely,

T. CHRISTOPHER ELLIOTT, Chairman
Baldwin County Commission

TCE:wg Item #BB-4

Attachment

cc: Wanda Gautney, Purchasing Manager
Taylor Rider, BRATS Director
Sarah Hart, MPO

Baldwin County Commission

PROCUREMENT PROCEDURES

Applicable to all Federal Transit Administration Funded Projects

FEDERAL TRANSIT ADMINISTRATION PROGRAMS

Baldwin County Commission

Taylor Rider, Director of Transportation

Sarah Hart, MPO Coordinator

Wanda Gautney, Purchasing Manager

Release Date: November 1, 2016

Latest Revision Number and Date: Revision 3.7, November 1, 2016

ACCESSIBLE FORMATS

This document is available in accessible formats upon request. Paper copies of this document, as well as information regarding accessible formats, may be obtained by contacting the Baldwin County Commission, at:

Wanda Gautney, Purchasing Manager

(251) 580-2520

Fax: (251) 580-2536

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Procurement Procedures

I. INTRODUCTION

The Governor has designated the Alabama Department of Transportation (ALDOT) as the administrator of all FTA programs affecting rural and small urban areas. ALDOT's Transportation Planning and Modal Programs Bureau, Transit Section, has primary responsibility for developing and implementing public transportation programs throughout the State. ALDOT's FTA funds are passed through to subrecipients (agencies) who provide transit services.

ALDOT's Transit Section has developed *Procurement Procedures* available on the Transit Section website at: <http://www.dot.state.al.us/moweb/transit.htm>. ALDOT's role in the Baldwin County Commission's procurement process is to ensure that the Baldwin County Commission's procurement actions are internally-supported by the Baldwin County Commission's written procedures and that they are in full compliance with state and federal laws.

The Baldwin County Commission oversees procurement procedures for federal and state public transportation grant funds. This includes equipment, real property, and other goods and services. These procurement procedures apply only to programs involving FTA funds.

II. AUTHORIZATION

A. Federal Authority

- * Procurement standards must meet or exceed the requirements of the Uniform Guidance "Super Circular" published by the Office of Management and Budget at 2 CFR Part 200. DOT incorporated these changes at 2 CFR part 1201, which deviates from part 200 only with respect to standard application requirements, equipment, procurements by States, and financial reporting.
- * The requirements for the pre-award and post-delivery audits of vehicles are contained in 49 CFR Part 663. The requirements for the (Altoona) testing of bus models are contained in 49 CFR Part 665.
- * The requirements for the Disadvantaged Business Enterprises (DBE) program as defined by the U.S. Department of Transportation (U.S. DOT) are located at 49 CFR Part 26.
- * 49 CFR Part 28 relates to nondiscrimination on the basis of handicap in U.S. DOT programs and focuses on facilities. Requirements for transportation services for persons with disabilities are contained in 49 CFR Part 37.

- * All vehicles shall comply with the vehicle accessibility guidelines contained in 36 CFR Part 1192 (the Americans with Disabilities Act Accessibility Guidelines for Transportation Vehicles).
- * Procedures for procuring architectural and engineering services are found in 40 USC Chapter 10, Subchapter VI.

B. State Authority

- * For a description of ALDOT's policies regarding standard federal requirements, refer to the *State Management Plan*.
- * For a description of ALDOT's rules regarding contracting and procurement requirements specific to public transit projects, refer to the project agreement and to the ALDOT Transit Section *Procurement Procedures* available on the Transit Section website at: <http://www.dot.state.al.us/moweb/transit.htm>.
- * The department's Disadvantaged Business Enterprise program describes the DBE goal, goal setting methodology, and complaint procedures.

C. Baldwin County Commission's Authority

- * Baldwin County Commission is an ALDOT subrecipient for Transit funds. Baldwin County Commission is therefore required to have processes in place to ensure procurement activities follow all applicable laws and regulations and promote free and open competition.
- * The Baldwin County Commission must adopt and follow procurement standards, policies, and procedures.

D. Federal Transit Administration Guidance

- * Federal Transit Administration (FTA) guidance for using third party contracts is found in Circular 4220.1 (series).
- * Guidelines and management procedures for capital purchases are covered in FTA Circular 5010.1 (series). This document provides guidance on real property, equipment, supplies, and rolling stock. Local Match is also described in this Circular.
- * Individual program circulars have a section on procurement. A complete listing of FTA circulars is available on-line at FTA's web site: <https://www.transit.dot.gov/>.

- * The FTA Best Practices Procurement Manual (BPPM) provides suggestions and sample documents covering every phase of procurement. It is located at: <https://www.transit.dot.gov/funding/procurement/third-party-procurement/best-practices-procurement-manual>.

III. ADMINISTRATIVE STANDARDS

A. Adoption of Procurement Procedures

- * The Baldwin County Commission adopted procurement standards, procedures, and policies on November 1, 2016. (Refer to Policy number 3.7 Baldwin County Purchasing Policies).

B. Standards

Standards shall include but are not limited to:

- * Procurement procedures that reflect applicable federal, state and local laws and regulations
- * Contract administration that ensures contractor performance in accordance with terms, conditions, and specifications of the contracts or purchase orders
- * Written code of standards of conduct
- * Review procedures that avoid purchase of unnecessary or duplicative items
- * Written procurement selection procedures
- * Use of intergovernmental agreements, federal excess and surplus property, and value engineering wherever possible
- * Cost or price analysis for procurement actions
- * Written procurement history record
- * Written procedures to handle and resolve protests

C. Important Considerations

Federal Simplified Acquisition Threshold: The Super Circular (2 CFR Part 200) increases the simplified acquisition threshold to \$150,000 (per 2 CFR 200.88) to bring it into alignment with the Federal Acquisition Regulation (FAR). This new threshold applies to procurements funded by grants issued on or after December 26, 2014. Procurements funded by grants issued on or before

December 25, 2014, are subject to the previous simplified acquisition threshold of \$100,000 (per 49 CFR 18.36(d)). The \$150,000 threshold will be adjusted periodically for inflation. FTA will continue to base the exemption on the total amount of the project and not on the individual price of items being purchased.

Geographical Preferences: Baldwin County Commission is prohibited from specifying in-state or local geographical preferences, or evaluating 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. However, there are several exceptions, as follows:

- * *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. Their use must not restrict competition (i.e., the use of geographic preference leaves only one or two qualified firms to bid on the contract).
- * *Licensing:* Alabama can enforce its licensing requirements, provided that these requirements do not conflict with Federal law.

Conflicts of Interest: When using outside sources for various procurement tasks, Baldwin County Commission must take appropriate steps to prevent or mitigate organizational conflicts of interest that would result in conflicting roles that might bias a contractor's judgment or would result in unfair competitive advantage.

Analysis of Acquisitions to Identify, Evaluate, and Mitigate Potential Organizational Conflicts of Interest: Baldwin County Commission shall analyze each planned acquisition in order to identify and evaluate potential organizational conflicts of interest as early in the acquisition process as possible. Baldwin County Commission will avoid, neutralize, or mitigate potential conflicts before contract award. Baldwin County Commission acknowledges that an organizational conflict of interest occurs when any of the following circumstances arise:

- * When the contractor is unable, or potentially unable, to provide impartial and objective assistance or advice to the Baldwin County Commission due to other activities, relationships, contracts, or circumstances.
- * The contractor has an unfair competitive advantage through obtaining access to nonpublic information during the performance of an earlier contract.
- * During the conduct of an earlier procurement, the contractor has established the ground rules for a future procurement by developing specifications, evaluation factors, or similar documents.

Employee Standards of Conduct: Baldwin County Commission is required to maintain written standards of conduct governing the performance of its employees engaged in the award and administration of contracts supported by Federal funds. Baldwin County Commission adopted these written standards of conduct on November 1, 2016, Baldwin County Commission Policy #3.7 Purchasing Policies.

Baldwin County Commission employees are also subject to the requirements of the Alabama Ethics Commission.

The employee standards of conduct address the following:

- * Preclude any employee, officer, or agent or his or her immediate family member, partner, or organization that employs or is about to employ any of the foregoing from participating in the election, award, or administration of a contract supported with FTA assistance
- * State that the Baldwin County Commission officers, employees, agents, or board members may neither solicit nor accept gifts, gratuities, favors, or anything of monetary value [above nominal intrinsic value or except as allowed by applicable laws, rules and regulations] from contractors, potential contractors, or parties to sub-agreements
- * Provide for penalties, sanctions, or other disciplinary action for violation of such standards by the Baldwin County Commission officers, employees, agents, or by contractors to the extent permitted by state or local law or regulations

IV. SPECIAL CONSIDERATIONS

A. Real Property

Special requirements pertain to the purchase of real property. FTA Circular 5010.1 (series) covers the acquisition of real property. (Note: Where ALDOT is the designated recipient of funds—as in the Section 5311 Formula Grants for Rural Areas Program—all direct contact with FTA flows through the ALDOT Transit Section). Chapter 12 of the *State Management Plan*, “Construction or Renovation of Facilities” provides details on ALDOT policies.

Pre-Award Review: At no time will Baldwin County Commission fund the acquisition of land for transit facilities not provided for under the scope of an approved grant. All construction or real property acquisition-related activities over \$10,000 shall require pre-award review and approval by ALDOT before commencing work.

Prerequisites for Project Funding: Baldwin County Commission will prepare the following documents for ALDOT to submit to the Federal Transit Administration (FTA) Region IV office for review and concurrence prior to funding commitment:

- * Site selection analysis
- * Environmental Assessment as required by NEPA
- * Appraisal of property
- * Cost Analysis

Site Selection Analysis: An environmental review is required for new construction or renovation of a building that is purchased. All proposed project sites must be evaluated and assessed to determine impact, if any, on wetlands, streams, high biotic potential, livable communities' considerations, and federally protected threatened or endangered species and their habitats. A consulting firm may be used to determine if there are any environmental issues that need to be addressed prior to construction.

Environmental Factors: There are also environmental factors involved in the procurement of land or facilities. FTA must accept the documentation in support of a categorical exclusion, environmental assessment, or environmental impact statement before property can be purchased.

Baldwin County Commission acknowledges that an environmental review must be completed, and FTA's approval received, prior to committing federal funds. Federal funds will not be made available for any facility purchase or construction until the environmental documents are reviewed and approved by FTA.

Environmental issues may need to be addressed if any of the following exist:

- * Property is owned by the state or property is located on a national historic site
- * Pre-existing environmental issues are present, e.g. if underground tanks and/or wetlands are present

If the property has already been purchased by Baldwin County Commission and an environmental review or study has been completed, these document(s) must be submitted to ALDOT for review and subsequent federal approval.

Baldwin County Commission has been advised that ALDOT's review of environmental documentation may take 4 - 6 weeks depending on the complexity of the project. A copy of the survey or plot map and description of the property shall be furnished to ALDOT for

review. Additional information such as a feasibility study, appraisals, site plan and other relevant information are needed to assist ALDOT with the review.

Appraisals: Baldwin County Commission acknowledges that to establish the value of the property, the Federal Transit Administration requires one appraisal and a review appraisal. FTA's prior approval is required when the Baldwin County Commission's recommended offer of just compensation exceeds \$250,000, or when a property appraised at \$250,000 or more must be condemned. This process must be followed to purchase real property using FTA funds. For guidance on using property as local match, see FTA Circular 5010.1 (series).

Purchase and Titling: Baldwin County Commission, not its contractor, must be the recorded owner of real property purchased with funds provided by the Alabama Department of Transportation.

The services of a titling company ensure that the Baldwin County Commission is receiving a good title when it buys real property. Using a titling company also ensures that ALDOT has a valid lien against the property. The latter occurs when the Baldwin County Commission signs a deed of trust in favor of the Alabama Department of Transportation.

The ALDOT Transit Section and ALDOT Procurement Office will provide technical assistance for all real estate transactions.

B. Procurement of Architectural and Engineering Services

Baldwin County Commission acknowledges that a qualifications-based, competitive proposal procedure (i.e., Brooks Act procedures) must be used when procuring architectural and engineering (A&E) services. Services subject to this requirement are program management, construction management, feasibility studies, preliminary engineering, design, architectural, engineering, surveying, mapping, and related services that lead to construction.

Prior to selecting an architect or engineer, a "Request for Qualifications" shall be advertised in a publication with national circulation. Alternatively, Baldwin County Commission could compile a central bidders list from discussions with other agencies that have awarded contracts for similar work.

Upon receipt of various statements of qualifications, the prospective bidders are ranked and price negotiations may begin with the top ranked candidate.

The Best Practices Procurement Manual (Chapter 6.5) provides excellent and detailed information about retaining A&E firms.

On-Call Contracts: A&E services must be procured using a qualifications-based process in accordance with the Brooks Act. However, Baldwin County Commission may use on-call contracts

for smaller jobs that would be too expensive (administratively) to compete individually. Baldwin County Commission acknowledges that solicitations for on-call awards must describe how the work will actually be assigned, and not leave the process undefined. Baldwin County Commission also acknowledges that there shall be a finite period for these contract awards, after which a new round of qualifications-based awards will be made.

ALDOT's Transit Section and Procurement Office can augment local expertise in this area.

C. Construction

This subheading includes:

- * Pre-construction meetings
- * Facility accessibility

Pre-Construction Meeting: A pre-construction meeting must be held between Baldwin County Commission, the construction company, and the architect or overseer of the construction phase. Knowledgeable ALDOT regional staff shall also attend. The agenda for the meeting shall include:

- * Construction milestones
- * Billing processes
- * Contingencies

Transportation Facility Accessibility (Public Agencies): In accordance with applicable laws, rules and regulations, the Baldwin County Commission acknowledges that public entities constructing new facilities or altering existing facilities to be used for the provision of public transportation service must make the facility or alterations readily accessible to and useable by individuals with disabilities. The facility accessibility regulations are contained in (49 CFR Part 37). Appendix D to Part 37.215 contains an explanation of the regulations.

Transportation Facility Accessibility (Private Entities): Baldwin County Commission acknowledges that private entities must comply with the regulations of the Department of Justice that implement Title III of the Americans with Disabilities Act in constructing and altering transit facilities (49 CFR Part 28).

D. Subcontracts

Before awarding a third party contract of \$15,000 or more, Baldwin County Commission must allow ALDOT to review and approve the contract documents. The Alabama State Bid Law applies where the value is \$15,000 or more. Quotes are used for a value of less than \$15,000.

Contracts of \$15,000 or More: Baldwin County Commission develops the solicitation. ALDOT's Transit Section does a pre-review of the solicitation. After ALDOT concurrence with the solicitation, Baldwin County Commission proceeds with the bidding process. Baldwin County Commission checks the responses received and determines the "lowest responsive" bidder. The bids are then sent to ALDOT for concurrence with the Baldwin County Commission selection. After concurrence, Baldwin County Commission may proceed with developing a contract Agreement. ALDOT reviews the Agreement between the Baldwin County Commission and the contractor to ensure that all required clauses and provisions are included. ALDOT exercises the right of Final Approval.

These contracts shall contain all provisions required by state and federal law. Requirements flow down to all third party contractors and their contracts at every tier. All relevant clauses contained in FTA Circular 4220.1 (series) and the current Master Agreement shall be copied into Baldwin County Commission's contracts.

Baldwin County Commission will monitor the successful contractor for compliance with these requirements. Additionally, the solicitation document and resulting contract shall include "performance measures" by which Baldwin County Commission can judge the contractor's fulfillment of the contract requirements. Non-performance penalties/remedies are another topic to consider.

Baldwin County Commission may include clauses for renewal. Sound business practice dictates that before exercising such options, Baldwin County Commission shall consider the contractor's performance and if the terms, conditions, and price are still favorable to Baldwin County Commission.

V. METHODS OF PROCUREMENT

A. Micro-Purchases (\$3,000 or less)

Although micro-purchases may be made without obtaining competitive quotations in instances in which the price paid is determined to be fair and reasonable, ALDOT requires price quotes for all purchases of \$3,000 or less. Every effort is made to ensure full and open competition and to avoid restricting competition in federally supported procurement transactions.

B. Small Purchases (more than \$3,000 and less than \$100,000)

Small purchase procedures require that price or rate quotations be obtained from an adequate number of qualified sources (at least two). ALDOT reviews all solicitation documents to ensure that procurements exceeding micro-purchase thresholds are properly federalized. Prior ALDOT approval is required for all procurements exceeding micro-purchase thresholds. The solicitations and quotations may be either oral or written and must be documented.

C. Sealed Bids/Invitation for Bid (IFB)

Bids are publicly solicited and the award is made to the lowest (best price), responsive (meets all specifications), and responsible (is qualified to perform the work) bidder. Baldwin County Commission's bid threshold has been established by State Law at \$15,000. Baldwin County Commission requires a formal solicitation for all procurements meeting and exceeding the Alabama Bid Law's threshold.

D. Competitive Proposals/Request for Proposals (RFP)

Competitive Proposals/RFPs are publicly solicited from an adequate number of sources and the award is made to the firm whose offer is most advantageous, with price and other factors considered. Evaluation factors are identified and the relative importance that each has towards the award is clearly indicated.

E. Sole Source

Sole source procurement is not permissible unless there is only a single supplier or extenuating circumstances. The following are examples of circumstances which could necessitate sole source procurement:

- * Where the compatibility of equipment, accessories, or parts is the paramount consideration
- * Where a sole supplier's item is needed for trial use or testing
- * Upgrade to proprietary software or hardware
- * Where the item is one of a kind

Baldwin County Commission will prepare the *Sole Source Documentation Form* (included as Exhibit 4) requesting a sole source procurement, along with supporting documentation, and submit these items to the Transit Section program manager for review and concurrence. The determination as to whether a procurement shall be made as a sole source will then be made by the ALDOT Transit Section.

F. Emergency

Baldwin County Commission acknowledges that purchases of this nature can be made only if a condition is present that creates a threat to public health, welfare, critical economy and efficiency, or safety under emergency conditions. The Multimodal Transportation Engineer of the Transportation Planning and Modal Programs Bureau shall make the determination.

Note: If there is an emergency after normal working hours, the highest-level employee who is directly involved in the emergency shall seek as much competition as is practical to alleviate the emergency. Baldwin County Commission will then contact the Transit Section of the Transportation Planning and Modal Programs Bureau the next business day.

G. Procurement PRO

Procurement PRO is an internet procurement tool designed to guide recipients of federal assistance through the federal procurement process. Baldwin County Commission is encouraged to use Procurement Pro to assist with the procurement process. More information is available at <http://nationalrtap.org/supportcenter/PRO-Apps/ProcurementPRO>.

H. Revenue Contracts

Revenue contracts are those in which Baldwin County Commission provides access to public transportation assets for the primary purpose of either producing revenue in connection with an activity related to public transportation, or creating business opportunities with the use of FTA-assisted property. If there are several potential competitors for a limited opportunity (such as advertising space on the side of a bus), then Baldwin County Commission shall use a competitive process to permit interested parties an equal chance to obtain that limited opportunity.

VI. BID PROTESTS/APPEALS

Baldwin County Commission acknowledges that it is responsible for settling disputes resulting from any procurement action.

Under limited circumstances, a bidder may protest to the ALDOT Transportation Planning and Modal Programs Bureau pursuant to a vendor's award of a contract.

ALDOT's Transportation Planning and Modal Programs Bureau's role in a bid protest shall be limited to the conditions set forth in FTA Circular 4220.1 (series).

VII. MONITORING

Baldwin County Commission acknowledges that ALDOT Transit Section's will monitor Baldwin County Commission's procurement activities. ALDOT Transit Section's monitoring of procurement takes place in two (2) different time frames.

Initially, ALDOT completes the Procurement Checklist Form (see Transit Section *Procurement Procedures* at: <http://www.dot.state.al.us/moweb/transit.htm>) that is tied to the specific

purchase of an asset, piece of equipment, or service. This information is retained in the Transit Section office.

During the annual Baldwin County Commission's compliance review, the monitor will look at policies and procedures Baldwin County Commission used to guide its procurements, as well as the written history documentation Baldwin County Commission maintains on-site.

- 1) Baldwin County Commission is required to include specific required clauses in FTA-funded procurements, intergovernmental agreements (e.g., those involving states and other public entities), and Baldwin County Commission agreements (contracts). The current version of the FTA Master Agreement identifies certain clauses that apply to third party contracts.
- 2) Baldwin County Commission acknowledges that contracts may not be modified after award to include Federal clauses and so make them eligible for procuring goods and services with Federal funds. However, state/GSA-type contracts may be modified to add Federal clauses when purchase orders are issued against those state contracts. **Not all clauses apply to every contract.** The applicability of clauses depends on the size and type of contract.
- 3) Baldwin County Commission acknowledges that procurements above the micro-purchase threshold (\$3,000) must include all applicable FTA clauses as part of the solicitation, purchase order, or contract. **A general reference to FTA guidelines is not sufficient to meet this requirement.**
- 4) Baldwin County Commission acknowledges that procurement transactions must be in a manner providing full and open competition. Baldwin County Commission acknowledges that it is prohibited from restricting competition in federally supported procurement transactions. Some situations that restrict competition include, but are not limited to:
 - a. Unreasonable qualification requirements
 - b. Unnecessary experience requirements
 - c. Excessive bonding
 - d. Noncompetitive pricing practices between firms
 - e. Noncompetitive awards to firms on retainer
 - f. Organizational conflicts of interest
 - g. "Brand name" only specifications
 - h. Any arbitrary action in the procurement process

- 5) Baldwin County Commission acknowledges that Requests-for-Proposal shall identify all significant evaluation factors, including price or cost where required, and their relative importance.
- 6) Baldwin County Commission shall provide mechanisms for technical evaluation of the proposals received, determinations of responsible offers for the purpose of written or oral discussions, and selection for contract award.
- 7) Baldwin County Commission acknowledges that it is required to ensure to the best of its knowledge and belief that none of its principals, affiliates, vendors, or third party contractors is suspended, debarred, ineligible, or voluntarily excluded from participation (receiving funding) in Federally assisted transactions or procurements. FTA and ALDOT require review of the System for Award Management (SAM) website before entering into any third party contract expected to equal or exceed \$25,000. Baldwin County Commission will therefore print the screen with the results of the System for Award Management (SAM) website search and include it in the grant or procurement file.

VIII. INDEPENDENT COST ESTIMATES

Q. When is an independent cost estimate needed?

A. The independent cost estimate is a tool to assist in determining the reasonableness or unreasonableness of the bid or proposal being evaluated and is required for all procurements regardless of dollar amount. **FTA Circular 4220.1 (series)**, advises grantees to "perform a cost or price analysis in connection with every procurement action, including contract modifications . . . the starting point for these cost/price analyses is an independent cost estimate which is made before receiving bids or proposals." The Best Practices Procurement Manual (BPPM), Section 5.2 - Cost and Price Analysis, suggests that the independent estimate can range from a simple budgetary estimate to a complex estimate based on inspection of the product itself and review of items like drawings, specifications and prior procurement data. The word "independent" does not imply that it is performed by someone other than the Baldwin County Commission. This could be the case, however, if the Baldwin County Commission does not have the expertise for a large, complex procurement. The independent estimate is especially critical whenever there is no price competition (e.g., for architect-engineer procurements or where only one price proposal is received), or where offerors are submitting price proposals for goods or services that are not exactly comparable (e.g., for procurements of high-technology items or professional services). It

is also useful in competitive procurements to alert ALDOT when all competitors are submitting unreasonably high cost proposals.

IX. RECORD RETENTION

ALDOT requires the Baldwin County Commission to retain financial records, supporting documents, and other records pertinent to an ALDOT contract in compliance with the Transit Section's record retention requirements unless the Baldwin County Commission policy is stricter. Baldwin County Commission must maintain records that detail the significant history of a procurement, to include the following:

- * Rationale for the method of procurement (i.e., request for proposal, sole source)
- * Selection of contract type (i.e., fixed price)
- * Reason for contractor selection or rejection
- * Basis for the contract price (i.e., cost/price analysis)

Baldwin County Commission acknowledges that it must retain documentation for three (3) years:

- * After payment of final billing or completion of the project, whichever occurs last
- * From the time litigation, claims and audit findings have been resolved, if such action was started before expiration of the 3-year period
- * Three years from the date of asset disposal

X. ADOPTION OF PROCUREMENT PROCEDURES

Baldwin County Commission passed and adopted these Procurement Procedures on the
1 day of November, 2016.



T. Christopher Elliott

Chairman, Baldwin County Commission

ATTEST:



Ronald J. Cink

County Administrator, Baldwin County Commission



XI. EXHIBIT 1: INDEPENDENT COST ESTIMATE (EXAMPLE AND BOILERPLATE)

Example for Baldwin County Commission

(Date)

Independent Cost Estimate For Shop Equipment Item A

Description: XYZ TRANSIT SYSTEM is in need of Shop Equipment Item A with [list specifications here]. The model number requested was RJ9001. Below is a breakdown of the companies and price that helped determine the cost estimate for this purchase.

<u>Company and Website</u>	<u>Quantity</u>	<u>Unit Price</u>
Example #1 Website	1	\$2,623
Example #2 Website	1	\$3,245
Example #3 Website	1	\$2,849

The average cost of the above quotes is \$2,905; this price does not include installation. However, companies can be contacted for this price.

Therefore, we believe that XYZ TRANSIT SYSTEM will be able to find the required Shop Equipment Item A for the price range of \$2,905-\$3,245. Standard installation will need to be included.

XII. EXHIBIT 2: PRICE ANALYSIS (EXAMPLE ONLY)

XYZ TRANSIT SYSTEM

Price Analysis for Shop Equipment Item A

Form of Price Analysis used:

- (1) Adequate price competition ✓
- (2) Prices set by law or regulation
- (3) Established catalog prices and market prices
- (4) Comparison to previous purchases
- (5) Comparison to a valid independent estimate
- (6) Value analysis

XYZ TRANSIT SYSTEM determines that all of the following adequate price competition conditions have been met:

- (1) At least two responsible offerors respond to a solicitation. ✓
- (2) Each offeror must be able to satisfy the requirements of the solicitation. ✓
- (3) The offerors must independently contend for a contract to be awarded to the responsive and responsible offeror submitting the lowest evaluated price. ✓
- (4) Each offeror must submit priced offers responsive to the expressed requirements of the solicitation. ✓

Summary:

XYZ TRANSIT SYSTEM received three quotes for RJ9001 Shop Equipment Item A with [list specifications here] capacity and installation.

- * All three Quotes for Shop Equipment Item A were in line with the Independent Cost Estimate price range of \$2,905-\$3,245.
- * All quotes were for the same purchase of a RJ9001 Shop Equipment Item A with [list specifications here] capacity and installation
- * Three responses were received as follow:

Company Name #1 - \$3,218

Company Name #2 - \$3,345

Company Name #3 - \$3,882

All quotes are considered responsive and award is appropriately made to Company Name #1, (lowest quote) in the amount of \$3,218, which XYZ TRANSIT SYSTEM determines to be a fair and reasonable price.

Signature

Title

Date

XIII. EXHIBIT 3: COST ANALYSIS FOR A & E

TRANSIT AGENCY NAME

Cost Analysis

for

Architecture & Engineering's Services for Transit Facility Renovations

Summary of Comparisons of current estimated costs and comparison to a valid independent estimate:

(1) Actual costs previously incurred.

Cost Estimate- See Independent cost estimate attached. The independent cost estimate for Architecture & Engineering's Services for Transit Facility Renovations was determined to be in the range of blank to blank. This was based on a history of previous costs charged to other transit providers for similar A&E Services.

Previous Costs	Vendor Name	Agency Name	Type of Work
<u>\$blank</u>	<u>Blank</u>	<u>Blank</u>	<u>Blank</u>
<u>\$blank</u>	<u>Blank</u>	<u>Blank</u>	<u>Blank</u>
<u>\$blank</u>	<u>Blank</u>	<u>Blank</u>	<u>Blank</u>

(2) The most recent cost estimate for the same or similar items.

Current Cost	Vendor Name	Agency Name	Type of Work
<u>\$blank</u>	<u>Blank</u>	<u>Blank</u>	<u>Blank</u>

(3) Current cost estimates from other possible sources providing the same or similar product or service.

Current Costs Estimates	Vendor Name	Agency Name	Type of Work
<u>\$blank</u>	<u>Blank</u>	<u>Blank</u>	<u>Blank</u>
<u>\$blank</u>	<u>Blank</u>	<u>Blank</u>	<u>Blank</u>
<u>\$blank</u>	<u>Blank</u>	<u>Blank</u>	<u>Blank</u>

Summary:

Agency Name received blank proposals/qualifications/bids for A&E Services for Transit Facility Renovations. Vendor name was determined to be the highest ranked proposal, most qualified, lowest bid and submitted a cost for their services in the amount of \$blank.

All proposals/qualifications/bids are considered responsive and award is appropriately made to Vendor name (highest ranked proposal, most qualified, lowest bid) in the amount of \$blank which Agency name determines to be a fair and reasonable price.

Signature- Transit Agency Name

Title - Transit Agency Name

Date

XIV. EXHIBIT 4: SOLE SOURCE DOCUMENTATION FORM

SOLE SOURCE DOCUMENTATION FORM

DATE: _____ P.O. OR REQUISITION NUMBER: _____

VENDOR: _____ TOTAL COST: _____

DEPARTMENT/DIV: _____ REQUISITIONER: _____

Please read the **Sole Source Procurement Policy** (NEXT PAGE) before filling out this request.

Briefly describe the scope of services or equipment needed.

This purchase qualifies as a sole source procurement for the following reason(s):

- The compatibility of equipment is of paramount consideration.
- The compatibility of accessories or replacement parts is of paramount consideration.
- The sole source supplier's item is needed for trial use or testing.
- The sole source supplier's item is to be procured for resale or donation.
- A public utility service.
- Other, please explain: _____

Outline any research you did in determining that this vendor is the only one able to supply this item or service. Be specific as to names and addresses of firms or people contacted. Attach supportive documentation.

(USE ADDITIONAL PAPER IF NECESSARY)

DEPARTMENT HEAD NAME, PRINTED: _____

Department Head Signature: _____ Date: _____

SOLE SOURCE PROCUREMENT POLICY

Definition

A contract may be awarded for goods or services without competition when the Purchasing Agent, designee, or Department Head determines that there is only one source for the required goods or services based upon written justifications. When the determination is made by a Department Head that there is only one source, the written justifications for such determination must be submitted to the Purchasing Agent for approval. If the purchase exceeds \$10,000.00, it must be approved by the Purchasing Agent prior to purchase.

Application

The provisions of this Section apply to all sole source procurement unless emergency conditions exist as defined by Purchasing Policy on Emergency Procurement.

Conditions for Use of Sole Source Procurement

Sole source procurement is not permissible unless a requirement is available from only a single supplier. A requirement for a particular proprietary product normally does not justify a sole source procurement if there is more than one potential supplier of that product. The following are examples of circumstances which could necessitate sole source procurement:

- a) where the product or service is a one-of-a-kind item obtainable from no other source
- b) where the compatibility of the product to existing equipment is the paramount consideration
- c) where the compatibility of accessories or replacement parts to an existing system is the paramount consideration
- d) where a sole supplier's item is needed for trial use or testing
- e) where additional services from the contracted vendor are required to complete an ongoing project
- f) where the sole supplier is a public utility service

In cases of reasonable doubt, competition should be solicited. Any request by a Department that a procurement be restricted to one potential vendor shall be accompanied by an explanation as to why no other will be suitable or acceptable to meet the need.

Negotiation in Sole Source Procurement

The Purchasing Agent, in conjunction with the requisitioning Department, will conduct negotiations, as appropriate, as to price, delivery, and terms.
