

# Procurement Policy

## January 2018

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## Purpose

The purpose of this policy is to provide for the fair treatment of all persons involved in purchasing by JAUNT, Inc., to maximize the purchasing value of public funds in procurement, to provide safeguards for maintaining a procurement system of quality and integrity, to conform to the requirements of the [Virginia Public Procurement Act](#), the [Third Party Contracting Guidance FTA Circular 4220.1F](#), and the FTA Master Agreement. The guiding principles that govern this policy are: accountability, ethics, impartiality, professionalism, service, and transparency.

All aspects of this policy are part of all solicitations issued by JAUNT, Inc, regardless of whether stated in the solicitation. All potential and actual offereors are expected to review this policy. The CEO reserves the right to resolve, in the best interest of JAUNT, Inc, all conflicting language between this policy and any solicitation.

## SECTION 1 - GENERAL

### Application

This policy applies to every contract for the procurement from a non-governmental source of goods, services, or construction entered into by JAUNT, Inc. involving any expenditure of public funds irrespective of their source.

When procurement involves the expenditure of federal assistance or contract funds, such procurement shall be conducted in accordance with all applicable mandatory federal laws and regulations which are not reflected in this policy. Nothing in this policy shall prevent JAUNT, Inc. from complying with the terms and conditions of any grant, a gift or bequest if such terms and conditions are otherwise consistent with law.

### Exemptions

The following transactions are hereby exempt from the provisions of this Policy with the expectation that a System for Award Management search and the FTA clauses are signed as appropriate:

- Contracts for the purchase of goods or services which are produced or performed by persons, or in schools or workshops, under the supervision of the Virginia Department for the Blind and Vision Impaired, or which are produced or performed by nonprofit sheltered workshops or other nonprofit organization which offer transitional or supported employment services serving the handicapped.
- Contracts for purchases from local, state or federal purchasing department contracts with which JAUNT, Inc. has an intergovernmental agreement for the purchase of goods or services.
- Contracts for legal services, expert witnesses and other services associated with litigation or regulatory proceedings.
- Extensions of the terms of existing contracts for services to allow completion of any work undertaken but not completed during the original term of the contract.
- Contracts for the purchase of goods or personal services for direct use by the recipients of public assistance programs as defined in [Virginia Code Section 63.2](#) or any fuel assistance program if the procurement is for an individual recipient rather than in bulk.
- Contracts for insurance if purchased through an association of which JAUNT, Inc. is a member if the association was formed and is maintained for the purpose of promoting the interest and welfare of and developing close relationships with similar public bodies, provided such association has procured the insurance by use of competitive principles.
- Contracts for the purchase of goods, products or commodities from a public auction sale, provided there has been a determination made in advance and set forth in writing by the Chief Executive Officer that such purchase is in the best interests of the public, and provided such writing documents the basis for this determination.

## Definitions

For the purposes of this policy the following words and phrases shall have the meanings respectively ascribed to them by this section, unless another meaning is clearly indicated by the context in which they are used:

**Bidder:** Any person, company, or vendor responding to an invitation for bid, unless otherwise specified.

**Competitive negotiation:** A method of contractor selection that includes the following elements:

- Issuance of a written request for proposal indicating in general terms that which is sought to be procured, specifying the factors which will be used in evaluating the proposal and containing or incorporating by reference the other applicable contractual terms and conditions, including any unique capabilities or qualifications which will be required of the contractor.
- Public notice of the request for proposal at least seven days prior to the date set for receipt of proposals by posting in a public area designated by the Chief Executive Officer. In addition, proposals may be solicited directly from potential contractors.
- In the case of procurement of professional services, by engaging in individual discussions with two
- (2) or more offerors deemed fully qualified, responsible and suitable on the basis of initial responses interviews shall be permissible. Such offerors shall be encouraged to elaborate on their qualifications and performance data or staff expertise pertinent to the proposed project as well as alternative concepts. The individual discussions may encompass nonbinding estimates of total project costs including, but not limited to life cycle costs and where appropriate, nonbinding estimates of cost for services. Proprietary information from competing offerors shall not be disclosed to the public or to competitors. Should the Chief Executive Officer determine in his or her sole discretion that only one offeror is fully qualified, or that one offeror is clearly more highly qualified and suitable than the others under consideration, a contract may be negotiated and awarded to that offeror.
- In the case of procurement of other than professional services, by selecting two or more offerors deemed to be fully qualified and best suited among those submitting proposals, on the basis of the factors involved in the request for proposal, including price if so stated in the request for proposal. Price shall be considered, but need not be the sole determining factor. After negotiations have been conducted with each offeror so selected, the Chief Executive Officer shall select the offeror which, in their opinion, has made the best proposal, and shall award the contract to that offeror. Should the Chief Executive Officer determine that only one offeror is fully qualified, or that one offeror is clearly more highly qualified than the others under consideration, a contract may be negotiated and awarded to that offeror.

**Competitive sealed bidding:** A method of contractor selection that includes the following elements:

- Issuance of written invitation to bid containing or incorporating by reference the specifications and contractual terms and conditions applicable to the procurement. Unless the Chief Executive Officer has provided for prequalification of bidders, the invitation to bid shall include a statement of any requisite qualifications of potential contractors. When it is impractical to prepare initially a purchase description to support an award based on prices, an invitation to bid may be issued requesting the submission of unpriced offerors to be followed by an invitation to bid limited to those bidders whose offers have been qualified under the criteria set forth in the first solicitation.
- Public notice of the invitation to bid at least seven days prior to the date set for receipt of bids by posting in a designated public area. In addition, bids may be solicited directly from potential contractors.
- A predetermined time and location of opening of bids will be set and opened to all interested parties.
- Evaluation of bids based upon the requirements set forth in the invitation, which may include special qualifications of potential contractors, life cycle costing, value analysis and any other criteria such as inspection, testing, quality, delivery terms and suitability for a particular purpose, which are helpful in determining acceptability.

- Award to the lowest responsive and responsible bidder, unless all bids are rejected. When the terms and conditions of multiple bids are so provided in the invitation to bid, awards may be made to more than one bidder.
- Competitive sealed bidding shall not be required for procurement of professional services.

**Construction.** Building, altering, repairing, improving or demolishing any structure, building, walkway or highway, and any draining, dredging, excavation, grading or similar work upon real property.

**Construction management contract.** A contract in which a party is retained by JAUNT, Inc. to coordinate and administer contracts for construction services for the benefit of JAUNT, Inc., and which may also include, if provided in the contract, the furnishing of construction services or architectural or engineering services to JAUNT, Inc.

**Contracts:** Per [FTA Procurement Circular 4220.1F](#), means a mutually binding legal relationship obligating the seller to furnish the supplies or services (including construction) and the buyer to pay for them. It includes all types of commitments that obligate the recipient to expenditure and that, except as otherwise authorized, are in writing. In addition to bilateral instruments, contracts include (but are not limited to) awards and notices of awards; job orders or task letters issued under basic ordering agreements; letter contracts; orders, such as purchase orders, under which the contract becomes effective by written acceptance or performance; and bilateral contract modifications. Contracts do not include grants and cooperative agreements covered by 31 U.S.C. 6301, et seq.

**Cost Analysis:** A cost analysis must be used when price competition is inadequate, when only a sole source is available, if the price is inconsistent with the expected range established by the ICE, in the event of a change order, or if the procurement is below the Simplified Acquisition Threshold, OMB memorandum [OM-18-18](#). Cost analysis is the evaluation of the separate elements (e.g., labor, materials, etc.) that make up a contractor's total cost proposal or price (for both new contracts and modifications) to determine if they are allowable, directed related to the requirement and ultimately, reasonable.

**Goods.** All material, equipment, supplies, printing and automated data processing hardware and software.

**Independent Cost Estimate:** 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 above the Simplified Acquisition Threshold.

**Informality.** A minor defect or variation of a bid or proposal from the exact requirements of the invitation to bid, request for quotes, or the request for proposal, which either does not affect the price, quality, quantity or delivery schedule for the goods, services or construction being procured or it was due to JAUNT.

**Micro-purchase:** As defined in OM-18-18.

**Nonprofessional services.** Any services not specifically identified as professional services in the following definition.

**Professional services.** Work performed by an independent contractor within the scope of the practice of accounting, actuarial science, professional architecture, investment counseling, land surveying, professional landscape architecture, law, or professional engineering.

**Price Analysis:** The direct comparison of supplier's price with benchmark prices for the same goods or service: quotes and bids received from competitors and comparison. Price analysis is essentially price comparison. It is the evaluation of a proposed price (i.e., lump sum) without analyzing any of the separate cost elements that it is composed of. Price Analysis is used if it is determined that competition was adequate and price was within the expected range. Except in cases where the purchase exceeds the Simplified Acquisition Threshold.

**Request for Proposal (RFP):** Is a solicitation, often made through a bidding process, by an agency or company interested in procurement of a commodity, service or valuable asset, to potential suppliers to submit business proposals.

**Request for Quotes (RFQ):** Abbreviated solicitation process in which the agency solicits responses to defined scope of work below the Simplified Acquisition Threshold.

**Responsible offeror:** A person or vendor who has the capability, in all respects, to perform fully the contract requirements and the moral and business integrity and reliability which will assure good faith performance, and who has been prequalified, if required.

**Responsive offeror:** A person or vendor who has submitted a bid or proposal that conforms in all material respects to the solicitation.

**Simplified Acquisition Threshold:** As defined in OMB memorandum [OM-18-18](#)

**Small Purchase Threshold:** As defined in OMB memorandum [OM-18-18](#)

**System for Award Management (SAM):** is the Official U.S. Government system that consolidated the capabilities of CCR/Fed Reg., ORCA, and EPLS. SAM is used to determine if a company is in good standing with the FTA. A SAM search must be conducted for any procurement with federal funds of \$25,000 or more before an award can be made. <https://www.sam.gov/SAM/>

**Services.** Any work performed by an independent contractor wherein the service rendered does not consist primarily of acquisition of equipment or materials, or the rental of equipment, materials and supplies.



## SECTION 2 - PURCHASING AUTHORITY

### Purchasing Responsibility

The following staff members are authorized to purchase on behalf of JAUNT within budgetary constraints without prior approval: Chief Executive Officer, Chief Operations Officer and Chief Administrative Officer. All purchases above \$50,000 will be reviewed by the Chief Executive Officer to ensure that there are no duplicative or unnecessary purchases.

### Delegation of Authority

The following staff are authorized to make purchases at or below \$5,000 on behalf of JAUNT within budgetary constraints without prior approval from their supervisor: Director, Manager, Supervisor, or Chief Mechanic. The Chief Executive Officer or one of the other chief officers may extend purchasing privileges in the interest of efficiency and expediency to such other staff as may be necessary.

### Purchasing Requirements and Limitations

All staff with purchasing authority will be required to adhere to internal purchasing procedures. Staff is required to adhere to local, state and federal purchasing requirements and maintain appropriate documentation for all purchases. Purchasing authority is extended for those purchases specifically funded by the approved annual budget. Abuse of purchasing privileges will result in one or more of the following consequences: loss of privileges, suspension, termination or other penalties. The Chief Executive Officer or one of the other chief officers will decide the consequence.

### Unauthorized Purchases

Except as provided in this policy, no official, elected or appointed, nor any employee, shall purchase or contract for any goods or nonprofessional services within the purview of this Policy, and any purchase order or contract made contrary to the provisions hereof is not approved and JAUNT, Inc. shall not be bound thereby.

## SECTION 3 - ETHICS IN PUBLIC CONTRACTING

### Purpose

The provisions of this section supplement, but do not supersede, other provisions of law including, but not limited to, the State and Local Government Conflict of Interests Act (Section 2. 1-639.1 et seq. of the Code of Virginia ), the Virginia Governmental Frauds Act ( Section 18.2-498.1 et seq. of the Code of Virginia ), Articles 2 and 3 of Chapter 10 of Title 18.2 of the Code of Virginia, as amended, FTA C 4220.IF Ch. III, I, and the FTA Master Agreement. The provisions of this section apply notwithstanding the fact that the conduct described may not constitute a violation of the State and Local Government Conflict of Interests Act.

### Ethics Definitions

For the purposes of this policy, the following words and phrases shall have the meanings respectively ascribed to them by this section:

- **Employee.** Any person employed by JAUNT, Inc.
- **Immediate family.** A spouse, partner, children, parents, brothers and sisters, and any other person living in the same household as the employee.
- **Official responsibility.** Administrative or operating employee with authority, whether intermediate or final, to initiate, approve, disapprove or otherwise affect a procurement transaction, or any claim resulting therefrom.
- **Pecuniary interest arising from the procurement.** A personal interest in a contract as defined in the State and Local Government Conflict of Interests Act.
- **Procurement transaction.** All functions that pertain to the obtaining of any goods, services or construction, including description of requirements, selection and solicitation of sources, preparation and award of contract and all phases of contract administration.
- **Contractor.** An, agency, corporation, individual, vendor, supplier or other entity organized to sell or provide goods or services.

### Proscribed Participation by JAUNT, Inc. Employees in Procurement Transactions

Except as may be specifically allowed by provisions of the State and Local Government Conflict of Interest Act no JAUNT, Inc. employee having official responsibility to engage in the award or administration of a procurement transaction shall participate in that transaction on behalf of JAUNT, Inc., when the employee knows that:

- The employee is contemporaneously employed by a bidder, offeror or contractor involved in the procurement transaction;
- The employee, the employee's partner or any member of the employee's immediate family holds a position with a bidder, offeror or contractor such as an officer, director, trustee, partner or the like, or is employed in a capacity involving personal and substantial participation in the procurement transaction, or owns or controls an interest of more than five percent (5%);
- The employee, the employee's partner or any member of the employee's immediate family has a pecuniary interest arising from the procurement transaction; or
- The employee, the employee's partner or any member of the employee's immediate family is negotiating, or has an arrangement concerning, prospective employment with a bidder, offeror or contractor.

If a JAUNT, Inc employee believes there is a conflict of interest, real or apparent, they must consult with the Chief Executive Officer to make a determination of conflict of interest.

### Solicitation or Acceptance of Gifts

JAUNT, Inc. officers, employees, employee's partner, immediate family member, agents and board members shall not solicit, demand, accept or agree to accept from a prospective contractor, bidder, offeror, contractor or

subcontractor any gratuities, favors, payment, loan, subscription, advance, deposit of money, services or anything of more than nominal or minimal value, present or promised, which would result in a significant personal gain, benefit, or advantage, and compromise the integrity of the procurement or obligate JAUNT, Inc.

JAUNT, Inc expects employees to use their independent judgment to determine the standard for whether a financial interest or unsolicited gift is substantial and whether a financial interest or unsolicited gift warrants reporting to the Chief Executive Officer. In the event an employee does not use professional judgement and/or fails to report a financial interest and/or gift of substantial value to the Chief Executive Officer, the Chief Executive Officer will implement disciplinary action, up to termination if the situation warrants such action. JAUNT, Inc expects employees to use good judgement in their determination of standard for conduct that ensures if such financial interests or gifts are provided they do not create a reluctance for public disclosure.

### Kickbacks

No contractor or subcontractor shall demand or receive from any supplier or subcontractor, as an inducement for the award of a subcontract or order, any payment, loan, subscription, advance, deposit of money, services or anything, present or promised, unless consideration of substantially equal or greater value is exchanged.

No subcontractor or supplier shall make, or offer to make, kickbacks as described in this section.

No person shall demand or receive any payment, loan, subscription, advance, deposit of money, services, or anything of value, in return for an agreement not to compete on a JAUNT, Inc. contract.

If a subcontractor or supplier makes a kickback or other prohibited payment as described in this section, the amount thereof shall be conclusively presumed to have been included in the price of the subcontract or order and ultimately borne by JAUNT, Inc. and will be recoverable from both the maker and recipient. Recovery from one offending party shall not preclude recovery from other offending parties.

## SECTION 4 - COOPERATIVE PROCUREMENT

### Conditions For Use

JAUNT, Inc. may participate in, sponsor, conduct or administer a cooperative procurement agreement with one or more other public bodies for the purpose of combining requirements to increase efficiency or reduce administrative expenses. Any public body which enters into a cooperative procurement agreement with JAUNT, Inc. shall comply with the policies and procedures adopted in this Policy.

## SECTION 5 - METHODS OF SOURCE SELECTION

### General Policy

All JAUNT, Inc. contracts with nongovernmental contractors for the purchase or lease of goods, or for the purchase of services, insurance or construction, and architectural or engineering services, shall be procured in accordance with the methods provided in this Policy unless otherwise authorized by law. The procedure for the advertising for bids or for proposals and for letting of the contract shall be consistent with this Policy. No person or firm that has been engaged as architect or engineer to assist with selection and award of a project under a separate contract shall not be eligible to be the primary offeror.

### Micro-Purchase

Purchases under the small purchases threshold as defined by OMB memorandum [OM-18-18](#) may be made without obtaining competitive quotations. Requirements include:

- Purchases should be distributed equitably among qualified suppliers.
- The size of a procurement may not be intentionally divided or split merely to come within the micro-purchase limit. Unintended division of purchases will be reviewed by the Chief Executive Officer or one of the other chief officers.
- A JAUNT Micro-Purchase stamp must be included on each receipt or invoice. (Appendix G)

### Micro-Purchase: Davis Bacon

Davis-Bacon prevailing wage requirements apply to construction contracts exceeding \$2,000 even though micro-purchase procurement procedures are used. These requirements include that laborers and mechanics be paid: Not less than once a week

Not less than the minimum wage specified in the current DOL prevailing wage determination

Award of contract is contingent upon acceptance of that wage determination.

### Small Purchase Procurement

Except in cases of emergency, for single or term contracts expected to not exceed the Simplified Acquisition Threshold and above the micro-purchase threshold; the following requirements include:

- Scope of work
- Method of procurement decision
- 3 or more written or oral quotations from qualified sources.
- Responsibility determination
- Includes System for Award Management (SAM): For procurement actions larger than \$25,000, a search of SAM will be conducted. A screenshot will be taken to record the search. <https://www.sam.gov/SAM/>
- FTA Clauses signed
- Price analysis

The following restrictions may not be used in the process:

- Unreasonable Qualification Requirements
- Arbitrary actions that result in restrictive competition
- Brand name restrictions
- Geographic preferences

### Competitive Sealed Bidding and Competitive Proposals - Conditions For Use

All JAUNT, Inc. contracts with nongovernmental contractors for the purchase or lease of goods in excess of Simplified Acquisition Threshold shall be procured either by competitive sealed bids or competitive proposals as determined by the Chief Executive Officer and approved by the JAUNT Board of Directors at the point of award.

- Independent Cost Analysis (FTA C 4220.IF): An ICE will be conducted with every procurement action before receiving bids or proposals.
- The scope of work will be clearly defined
- The invitation for bids or proposals shall be publicly advertised and solicited from an adequate number of known suppliers, providing them with sufficient time to prepare bids prior to the date set for opening;

- The invitation for bids or proposals, which will include any specifications and pertinent attachments, shall define the items or services sought in order for the bidder to properly respond, and when the competitive proposal method is used, all evaluation factors and their relative importance shall be identified in the advertisement;
- A copy of JAUNT's Procurement Policy will be made available to all bidders,
- The federal clauses to be included in the contract shall be included in the proposal.
- System for Award Management (SAM): a search of SAM will be conducted. A screenshot will be taken to record the search. <https://www.sam.gov/SAM/>
- JAUNT will establish criteria for evaluating competitive proposals;
- A contract award will be made to the lowest responsive and responsible bidder for invitations to bid; when the competitive proposal method is used, an award will be made to the responsible firm whose proposal is most advantageous to JAUNT's program.
- Failing agreement on price, negotiations with the next most qualified offeror will be conducted until a contract award can be made to the most qualified offeror.
- The Chief Executive Officer may reject any or all bids, discrepancies, informalities, or incomplete bids or proposals.

### Procurement of Architectural and Engineering Services

JAUNT shall use the competitive proposal methods based on the Brooks Act when contracting for A&E services as defined in 40 U.S.C. § 541. Other types of services considered A&E services are those which require performance by a registered or licensed architect or engineer.

The Brooks Act requires that:

- An offeror's qualifications be evaluated;
- Price be excluded as an evaluation factor;
- Negotiations be conducted with only the most qualified offeror;
- Failing agreement on price, negotiations with the next most qualified offeror will be conducted until a contract award can be made to the most qualified offeror.

### Sole Source Procurement

Sole source procurement is a method of procurement that is negotiated and non-competitive. Upon a determination, in writing, by the Chief Executive Officer, that there is only one source practicably available for that which is to be procured, a contract may be negotiated and awarded to that source without competitive sealed bidding or competitive negotiation. The document shall state the basis for this determination. The Chief Executive Officer shall issue a written notice stating that only one source was determined to be practicably available, and identifying that which is being procured, the contractor selected, and the date on which the contract was or will be awarded.

### Emergency Procurement

In case of emergency, a purchase for services may be established without a competitive process. Emergency procurements shall be exempt from all procurement requirements except SAM verification and signed federal clauses. A written determination by the Chief Executive Officer of the basis for the emergency shall be included in the procurement file.

## SECTION 6 - CONTRACT AWARD AND ADMINISTRATION

### Public Inspection of Procurement Records

Except as provided herein, all proceedings, records, contracts and other public records relating to procurement transactions shall be open to the inspection of any citizen, or any interested person, firm or corporation, in accordance with the [Virginia Freedom of Information Act](#).

- Cost estimates relating to a proposed procurement transaction prepared by or for JAUNT, Inc. shall not be open to public inspection until a contract has been awarded.
- Any competitive bidder, upon request, shall be afforded the opportunity to inspect bid records within seven days after the published intent to award, except in the event that JAUNT, Inc. decides not to accept any of the bids and to reopen the contract, postpone the contract or not contract at all. Otherwise, bid records shall be open to public inspection only after award of the contract.
- Any competitive negotiation offeror, upon request, shall be afforded the opportunity to inspect proposal records within a reasonable time after the evaluation and negotiations of proposals are completed but prior to award, except in the event that JAUNT, Inc. decides not to accept any of the proposals and to reopen the contract, postpone the contract or not contract at all. Otherwise, proposal records shall be open to public inspection only after award of the contract.
- Any inspection or procurement transaction records under this section shall be subject to reasonable restrictions to ensure the security and integrity of the records.
- Trade secrets or proprietary information submitted by a bidder, offeror or contractor in connection with a procurement transaction shall not be subject to public disclosure under the [Virginia Freedom of Information Act](#); however, the bidder, offeror or contractor must invoke the protections of this section prior to or upon submission of the data or other materials, and must identify the data or other materials to be protected and state the reasons why protection is necessary.

### Cancellation; Rejection of Bids; Waiver of Informalities

An invitation to bid, a request for proposal, any other solicitation, or any and all bids or proposals may be canceled or rejected.

### Withdrawal of Bid Due to Error

A bidder for a construction contract may withdraw a bid from consideration if the price bid was substantially lower than the other bids due solely to a mistake therein, provided the bid was submitted in good faith and the mistake was a clerical mistake as opposed to a judgmental mistake.

JAUNT Inc, reserves the right to request proof of error documentation.

The procedure for bid withdrawal shall be as follows:

- The bidder shall give notice in writing to the Chief Executive Officer of a claim of right to withdraw a bid within two business days after the conclusion of the opening of the bids.
- If the Chief Executive Officer denies the withdrawal of a bid under the provisions of this section, he or she shall notify the bidder in writing stating the reasons for the decision and awarding the contract to such bidder at the bid price, provided such bidder is a responsible and responsive bidder.
- If a bid is withdrawn under the authority of this section, the lowest remaining bid shall be deemed to be the low bid.

### Negotiation With Lowest Responsible Bidder

Unless canceled or rejected, a responsive bid from the lowest responsible bidder shall be accepted as submitted; except, that if the bid from the lowest responsible bidder exceeds available funds, JAUNT, Inc. may negotiate with the apparent low bidder to obtain a contract price within available funds. However, the negotiation may be undertaken only under conditions and procedures described in writing.

## Tie Bids

Unless prohibited by applicable regulations or statute, the following rules shall apply in the case of tie bids:

In the case of a tie for the low bid, and assuming that subsections (a) and (b) above are inapplicable, the Chief Executive Officer shall invite such tied bidders to resubmit written bids below the original bid, and award shall be made to the lowest responsive, responsible bidder who rebids. Any verbal price quote shall be confirmed in writing.

In the event that none of the foregoing provisions of this section resolve the tie, the Chief Executive Officer may award the contract by lot to one of the tied bidders, or may cancel the solicitation and rebid.

## Single Bids

When a single bid is received after proper procurement procedures have been followed, the Chief Executive Officer may exercise discretion and choose from the following options except as otherwise stipulated in the Request for Bids: negotiate a contract with the single bidder, re-advertise the solicitation to assure competition, or rewrite the requirements. Two written responses from non-bidders shall be obtained stating why they did not bid.

## Contract Types

A cost reimbursement contract may be used only when a determination is made by the Chief Executive Officer in writing that such contract is likely to be less costly to JAUNT, Inc. than any other type or that it is impracticable to obtain the supply, service or construction item required except under such a contract.

## Employment Discrimination By Contractor Prohibited

This provision applies to every contract of over ten thousand dollars (\$10,000.00):

During the performance of this contract, the contractor agrees as follows:

- The contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, disability, or national origin, except where religion, sex or national origin is a bona fide occupational qualification reasonable necessary to the normal operation of the contractor. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
- The contractor, in all solicitations or advertisements for employees placed by or on behalf of the contractor, will state that such contractor is an equal opportunity employer.
- Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this Section.

The contractor will include the provisions of the foregoing subsection (a) in every subcontract or purchase order of over ten thousand dollars (\$10,000.00), so that the provisions will be binding upon each subcontractor or vendor.

## Multi-Year Contracts

Unless otherwise provided by law, a contract for goods, services or insurance may be entered into for a maximum of up to five (5) years, if it is deemed to be in the best interests of JAUNT, Inc., provided the term of the contract and conditions of renewal or extension, if any, are included in the solicitation and funds are available for the first fiscal year at the time of contracting. Payment and performance obligations for succeeding fiscal years shall be subject to the availability of funds therefor, and the contract shall contain a clause so stating.

When funds are not made available to support continuation of performance in a subsequent fiscal period, the contract shall be canceled.

The Chief Executive Officer shall perform a financial assessment to extend a contract beyond the previously defined terms.

## Contract Modifications and Options

A contract may include provisions for modification of the contract during performance, but no fixed-price contract may be increased by more than ten percent (10%) of the amount of the contract without the advance approval of the Chief Executive Officer. In no event may the amount of any contract, without adequate consideration, be increased



for any purpose, including, but not limited to, relief of an offeror or from the consequences of an error in its bid or offer.

JAUNT may include in its solicitation for bids the right to elect to purchase additional equipment, supplies, or services called for by the contract. JAUNT must evaluate and determine that the option is to the financial advantage to JAUNT, Inc.

### Contract Award Announcement

All contracts in excess of Simplified Acquisition Threshold will be announced. The announcement will include the dollar amount of Federal funds that will be used to finance the contract and the amount expressed as a percentage of the total contract.

### Progress Payments

This policy provides for progress payment where the following requirements are met:

- Progress payments are only made to the contractor for costs incurred in the performance of the contract. The Chief Executive Officer may require the submission of proof of expenses in the form of payroll or material invoices.
- When progress payments are used, JAUNT must obtain title to the property (materials, work in progress, and finished goods) for which progress payments are made.

### Liquidated Damages

This provision applies to all solicitations. Liquidated damages will be assessed if the Chief Executive Officer determines there is reasonable cause to expect to suffer damages from late completion of the contract, and the extent or amount of such damages would be difficult or impossible to determine.

The assessment for damages shall be at a specific rate per day assessed for each day beyond the contract completion date that the contract is incomplete. The rate must be specified in the contract documents.

If a basis for termination for default exists, the Chief Executive Officer will take appropriate action in a timely fashion to obtain performance or to terminate the contract.

### Construction contracts

#### Bid Bonds On Construction Contracts

Except in cases of emergency, all bids or proposals for construction contracts in above the Simplified Acquisition Threshold shall be accompanied by a bid bond from a surety company selected by the bidder which is legally authorized to do business in the state, as a guarantee that if the contract is awarded to such bidder, that bidder will enter into the contract for the work bid. The amount of the bid bond shall not exceed five percent (5%) of the amount bid.

- JAUNT, Inc will not retain a copy of the bid bond. The JAUNT employee responsible for the procurement will attest, in writing, to the receipt of the bid bond once proposals are reviewed.

No forfeiture under a bid bond shall exceed the lesser of:

- The difference between the bid for which the bond was written and the next low bid; and
- The face amount of the bid bond.

#### Retainage On Construction Contracts

In any contract for construction that provides for progress payment in installments based upon an estimated percentage of completion, the contractor shall be paid at least ninety-five percent (95%) of the earned sum when payment is due, with no more than five percent (5%) being retained to assure faithful performance of the contract. All amounts withheld may be included in the final payment.

Any subcontract in connection with a contract as stated above shall be subject to the same limitations.

## Performance and Payment Bonds for Construction Contracts

Upon the award of any construction contract exceeding ten thousand dollars (\$10,000.00) to any contractor, such contractor shall furnish to JAUNT, Inc., in a form acceptable to JAUNT, Inc. Counsel, the following bonds:

- A performance bond in the sum of the contract amount, conditioned upon the faithful performance of the contract in strict conformity with the plans, specifications and conditions of the contract.
- A payment bond in the sum of the contract amount. Such bond shall be for the protection of claimants who have and fulfill contracts to supply labor or materials to the contractor to whom JAUNT, Inc. awarded a contract, or to any subcontractors, in the prosecution of the work provided for in such contract, and shall be conditioned upon the prompt payment for all such material or labor supplied in the prosecution of the work. "Labor or materials" shall include public utility services and reasonable rentals of equipment, but only for periods when the equipment, but only for periods when the equipment rented is actually used at the site.

Each of such bonds shall be executed by one or more surety companies selected by the contractor that are legally authorized to do business in the state.

Such bonds shall be payable to JAUNT, Inc. and filed with JAUNT, Inc.

The Chief Executive Officer shall have the discretion to require such performance or payment bonds on construction contracts of ten thousand dollars (\$10,000.00) or less, provided notice of such requirement is included in the invitation to bid.

The Chief Executive Officer shall have the authority, upon the advice of JAUNT, Inc. counsel, to waive the requirement for performance or payment bonds on construction contracts between ten thousand dollars (\$10,000.00) and twenty-five thousand dollars (\$25,000.00).

Nothing in this section shall preclude such contractor from requiring each subcontractor to furnish a payment bond with surety thereon in the sum of the full amount of the subcontract conditioned upon the payment to all persons who have and fulfill contracts which are directly with the subcontractor for performing labor or furnishing materials as required by the subcontract.

### Action on Performance Bond

No action against the surety on a performance bond shall be brought unless within one year after:

- completion of the contract, including the expiration of all warranties and guarantees; or
- discovery of the defect or breach of warranty if the action be for such, in all other cases.

### Actions on Payment Bonds

Subject to the provisions below, any claimant who has performed labor or furnished material in accordance with the contract for which a payment bond has been given, and who has not been paid in full therefor before the expiration of ninety (90) days after the day on which such claimant performed the last of such labor or furnished the last of such material for which payment is claimed, may bring an action on such payment bond to recover any amount due for such labor or material, and may prosecute such action to final judgment and have execution on the judgment. The obligee named in the bond need not be named a party to such action.

Any claimant who has a direct contractual relationship with any subcontractor from whom the contractor has not required a subcontractor payment bond but who has no contractual relationship, express or implied, with such contractor, may bring an action on the contractor's payment bond only if such claimant has given written notice to such contractor within one hundred eighty (180) days from the day on which the claimant performed the last of the labor or furnished the last of the material for which payment is claimed, stating with substantial accuracy the amount claimed and the name of the person for whom the work was performed or to whom the material was furnished. Any claimant who has a direct contractual relationship with a subcontractor for whom the contractor has required a subcontractor payment bond under Section 4.17 (f) but who has no contractual relationship, express or implied, with such contractor, may bring an action on the subcontractor's payment bond. Notice to the contractor envelope addressed to such contractor at any place where an office is regularly maintained for the transaction of such contractor's business. Claims for sums withheld as retainages with respect to labor performed or material furnished shall not be subject to the time limitations stated in this section.

Any action on a payment bond must be brought within one year after the day on which the claimant last performed labor or last supplied material.

## SECTION 7 - REQUIRED CONTRACT PROVISIONS

Provisions that apply to all contracts - All items listed in this section are part of all contracts.

**Statutory and Regulatory Requirements** – Statutory and regulatory requirements that are relevant and applicable to the type or volume of the procurement, and shall apply to all sub agreements at every tier as required. The Chief Executive Officer shall review the [FTA Master Agreement](#) annually for modifications that impact third-party agreements.

**Incorporation of Federal Transit Administration (FTA) Terms** - Contractor shall perform and comply with all FTA terms and conditions in the event of a conflict with any other provisions contained in the Agreement. [http://www.fta.dot.gov/12831\\_6195.html](http://www.fta.dot.gov/12831_6195.html)

## SECTION 9 - DEBARMENT

### Causes

The causes for debarment of a bidder or prospective bidder are subject to the Commonwealth of Virginia and the U.S. Department of Transportation rules, regulations, and statutory requirements.

**System for Award Management (SAM)** – Review of the System for Award Management (SAM) will be done before entering into any third party contract expected to equal or exceed \$25,000 and a screen print of the results will be maintained in the procurement file. If a contractor is found to have active exclusions, is suspended or is debarred per sam.gov, they are ineligible for contract award.

### Chief Executive Officer's Decision to Proceed

If the Chief Executive Officer, upon review of the circumstances, determines that there may be cause for debarment, he or she shall so notify the affected bidder in writing, giving such bidder and opportunity to be heard. If the bidder so requests within ten (10) days of the sending of notice, the Chief Executive Officer shall schedule and conduct an informal hearing for the presentation of evidence by all interested parties in order to determine whether the recommendation of the Purchasing Agent should be accepted.

## SECTION 10 - PROTESTS AND APPEALS

### Administrative Appeals Procedures

Unless otherwise stated, these procedures apply to all procurements.

A protest must be filed within seven (7) days of notification to the unsuccessful offerors.

At a minimum, a hearing with a disinterested person or panel, shall provide the opportunity to present pertinent information, and the issuance of a written decision containing findings of fact within thirty (30) days of receipt of a letter of protest or appeal.

The findings of fact shall be final and conclusive and shall not be set aside unless fraudulent or arbitrary or capricious or so grossly erroneous as to imply bad faith. No determination on an issue of law shall be final if appropriate legal action is instituted in a timely manner.

Any party to the administrative procedure, including JAUNT, Inc., shall be entitled to institute judicial review if such action is brought within seven (7) days of receipt of the written decision.

- All judicial reviews will be conducted in the judicial jurisdiction identified by JAUNT, Inc.

If such procedures are invoked by a bidder, offeror or contractor, they shall be exhausted prior to the institution of legal action concerning the same procurement transaction unless JAUNT, Inc. agrees otherwise in writing.

### Stay of Award During Protest and Effect of Appeal on Contract

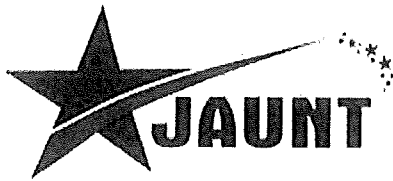
When a protest has been filed before award, JAUNT will not make an award prior to the resolution of the protest, and when a protest has been filed before the opening of bids, JAUNT will not open bids prior to the resolution of the protest, unless the Chief Executive Officer determines that: Items to be procured are urgently required; or delivery or performance will be unduly delayed by failure to make the award promptly; or failure to make prompt award will otherwise cause undue harm to JAUNT, the public interest, or the Federal Government, or if the bid or offer would expire during the period of delay.

### Time Limits for Filing a Protest with FTA

Protestors shall file a protest with FTA not later than five (5) days after a final decision is rendered under the JAUNT's protest procedure. In instances where the protestor alleges that JAUNT failed to make a final determination on the protest, protestors shall file a protest with FTA not later than five days after the protestor knew or should have known JAUNT's failure to render a final determination on the protest.

The Chief Executive Officer shall inform the JAUNT Board of Directors when a protest is received.

## Appendix A – Board of Directors Resolution



**RESOLUTION  
PROCUREMENT POLICY**

WEREAS, JAUNT receives both state and federal funding, and

WEREAS, the Board of Directors desires to comply with state and federal procurement laws, and

WEREAS, the Board of Directors strives to maintain JAUNT's Procurement Policy with current law,

NOW THEREFORE, the JAUNT Board of Directors hereby adopts the Procurement Policy.

A handwritten signature in black ink, appearing to read "Fran Hooper", is written over a solid horizontal line.

Fran Hooper  
President

February 10, 2016



## Appendix B - Procurement Clauses Coversheet

JAUNT receives funding from grants through the Federal Transit Administration (FTA) administered by the Virginia Department of Rail and Public Transportation. Since FTA funding will be used for this procurement, the successful proposer will comply with the federal statutes and regulations checked below. The following pages contain some of the language for each clause, but vendors are expected to reference each clause as found on the FTA website. Please review carefully and indicate below if you would agree to comply with these clauses should you be the successful proposer.

Note: Your signed commitment to comply is required for us to consider your submission responsive.

[Insert applicable clauses]

The proposer hereby certifies that it will comply with the clauses checked above as well as those attached. (Please read and where indicated, sign appropriate clauses)

---

Signature

Date

## Appendix C Micro-Purchase Stamp:

Micro-Purchase: Fair and Reasonable Price Determination Form  
(\$3,000 or less)

*The price is considered fair and reasonable based on the following:*

- Found reasonable on recent purchase within the past 6 months
- Obtained from current catalog
- Commercial market sales price from advertisements or internet
- Personal knowledge of item procured
- Obtained from current price list
- Other (explain) \_\_\_\_\_

Effort was made to distribute purchases equitably **(Required)**

\_\_\_\_\_  
Employee Name

\_\_\_\_\_  
Date

Expense Account Code (See Charter of Accounts) \_\_\_\_\_

*Note: Use the following file name format when saving and submitting your invoice  
AccountCode\_MM-YYYY\_Last4DigitsofCreditCard## or  
"Invoice" \_VendorName\_ \$DollarAmount*

## Appendix D Small Purchases

Required documentation per Section 5

- Scope of work
- Method of procurement decision
- 3 or more written or oral quotations from qualified sources.
- Responsibility determination
- Includes System for Award Management (SAM): For procurement actions larger than \$25,000, a search of SAM will be conducted. A screenshot will be taken to record the search. <https://www.sam.gov/SAM/>
- FTA Clauses signed
- Price analysis

## Appendix E – Above Simplified Acquisition Threshold checklist

### Procurement Checklist

Project Name:

Project Contact:

- Method of procurement decision
- Independent cost estimate
- Scope of work
- Cost/Price analysis
- Written selection procedures (included in solicitation)
- Proof of publication
- Outreach to DBEs
- Responsiveness determination
- Bid/Proposal rejection explanation (if any)
- Responsibility determination (includes SAM search)
- Evaluation/Score sheet
- Signed federal clauses
- Board procurement approval
- Signed contract

## **Appendix F - Federal Transit Association and State of Virginia Procurement Links:**

Virginia Public Procurement Act

[https://eva.virginia.gov/library/files/buyers/VPPA\\_2015.pdf](https://eva.virginia.gov/library/files/buyers/VPPA_2015.pdf)

FTA Third Party Contracting Guidance

FTA Circular 4220.1E

FTA Master Agreement

<https://www.transit.dot.gov/funding/grantee-resources/sample-fta-agreements/fta-grant-agreements>

System for Award Management (SAM)

<https://www.sam.gov/SAM/>