



MEMORANDUM

TO: Southwest Washington Regional Transportation Council Board of Directors
FROM: Matt Ransom, Executive Director 
DATE: August 30, 2016
SUBJECT: **RTC Procurement Policy - DRAFT**

AT A GLANCE – INFORMATION

The purpose of this memorandum is to transmit a draft update of the RTC Procurement Policy for Board review. (attached)

BACKGROUND

RTC Procurement is carried out by the staff of RTC under the guidance of the Executive Director and Board. Best practices suggest that an organization’s Procurement Policy is periodically reviewed and changed as necessary to reflect current regulatory guidance, promote purchasing efficiency, and ensure implementation of best practices.

RTC’s Procurement Policy has traditionally been aligned with member agencies’ policies and implemented according to the funding agencies’ policies. An example would be RTC staff utilizes the procurement process guidelines of WSDOT when utilizing grant funds provided by WSDOT. Over time, this procedure has ensured that RTC has been compliant in the use of various funding sources as reflected in the historical audit record of the agency.

CURRENT STATUS

RTC staff has reviewed the current procurement practices and has established a summary policy which incorporates necessary component responsibilities and authorities into a single summary policy. When implemented, the Procurement Policy will establish clear responsibilities for carrying out the Policy and for contracting using RTC funds. The primary components of the Policy are documentation of the agency’s Policies, Guidelines, and Purchasing Thresholds.

Each of these sections of the proposed Policy is described as follows:

Policies: The Policies set the framework for how RTC will carry-out procurement.

Guidelines: The Guidelines establish regulatory references to the applicable funding sources and stipulate that the agency Executive Director develop and administer policies and practices which ensure adherence to the appropriate funding guidelines.

Purchasing Thresholds: The Purchasing Threshold matrix establishes the authority contract and who possesses the corresponding authority (i.e. Executive Director authority and Board authority).

NEXT STEPS

Following the September Board meeting discussion, staff will finalize the proposed Procurement Policy and will return to the Board for adoption in October.

RTC PROCUREMENT POLICY

It is the policy of the Southwest Washington Regional Transportation Council (RTC) to ensure that high quality goods and services are procured: (a) at the best available price and value; (b) through sound business and ethical practices; and (c) in a manner that promotes open and free competition.

Authority to Contract

The authority to enter into, making and performing contracts of any kind and description is established in the Articles of Incorporation of RTC. The Board has the authority to commit RTC resources and assign certain authorities for the execution of contract documents to the Executive Director. Further, the Board has the authority to delegate certain responsibilities to the Executive Director to carry out the administration of a comprehensive, compliant, and efficient procurement program.

POLICIES

Responsibilities

The Executive Director has primary responsibility and oversight for purchasing activities of RTC in accordance with and limited by the board-approved budget and policies and has authority to delegate administrative purchasing responsibilities as appropriate. The Executive Director will establish and periodically review and evaluate procurement procedures to ensure the best internal controls possible and will implement changes as necessary.

Code of Ethics

No employee, officer, agent, board members, spouses, or immediate family members of RTC shall participate in selection, award of administration of a contract, or authorization of a purchase if a conflict of interest, real or apparent, would be involved.

Open and Free Competition

To ensure open and free competition, the Executive Director shall ensure that:

- Unreasonable requirements shall not be placed on firms and/or individuals in order for them to qualify to do business.
- No geographical preferences shall be used in the evaluation of proposals.
- Contract specifications or statements of work may not unduly restrict competition and must identify the requirements that proposing firms and/or individuals must fulfill and the factors to be used in evaluating bids or proposals.
- Splitting purchases or contracts to avoid competition is prohibited.

Eligibility of bidders and offerors

No person or entity that is currently debarred under the federal or state contracting and procurement laws is eligible to participate in an RTC procurement during the term of debarment. The Executive Director or his/her designee shall verify and document the debarment status of each bidder or offeror prior to the award of any contract.

PROCUREMENT GUIDELINES

The Executive Director is responsible for ensuring that the appropriate procurement guidelines and procedures are followed, consistent with applicable federal, state, and local laws and regulations. Procurements may not be divided to avoid the applicable procurement process. The Executive Director shall implement practices and contract documents consistent with the policy and regulations provided for by the various granting agencies.

RTC utilizes the following guidelines to procure goods and services:

Funding Source	Policy / Regulation	Issues Covered
General funds	RTC	General purchasing and professional services
WSDOT RTPO funds	WSDOT (RCW 39.26.125, 39.80)	Professional services and general purchasing
FHWA PL funds, FHWA Grants (STPG, CMAQ, TAP, <i>other</i>)	FHWA (WSDOT LAG Manual, Current Edition)	Professional services, general purchasing, project improvements
FTA PL funds	FTA (Circular 4220.1F)	Professional services, general purchasing, project improvements

In administering RTC's procurement process, staff determines the funding source and then applies the related procurement policy/regulation. Where multiple funding sources exist (ex. in a project), staff applies the most restrictive procurement policy/regulation.

RTC may utilize Clark County Purchasing Department on a case/case basis for advice and assistance with purchasing pursuant to the provisions of the RTC / County Memorandum of Understanding (July 1992).

PURCHASING THRESHOLDS

The Executive Director shall utilize Procurement Thresholds and contracting Approval Authority set by the RTC Board as follows:

Type of Purchase	Dollar Amount	Process / Requirements (1)	Approval Authority
Goods, Materials, and Equipment	\$5,000 or Less	Direct Purchase with price checks for best available price	Executive Director
	>\$5,000 - \$25,000	Request for Quote from up to 3 qualified vendors	Executive Director
	>\$25,000	Sealed Bid (open solicitation)	Board of Directors
Professional Services Agreements	\$5,000 - \$25,000	Request for written Quote from up to 3 qualified vendors	Executive Director
	>\$25,000	RFP/RFQ Solicitation	Board of Directors
Engineer / Surveyor / Architect	No Limit	Either: 1) Request for written Quote from up to 3 qualified vendors <\$25K 2) RFP/RFQ Solicitation for work >\$25K	<\$25K Executive Director >\$25K Board of Directors
Intergovernmental Purchasing	All	Refer to existing IGA contracting provisions	(per IGA) Executive Director or Board of Directors

Notes:

(1) The full Process Requirements needed to ensure compliant procurement activities will be dictated by the funding agency regulations and policies.

Intergovernmental Purchasing

When it is either economically advantageous for the agency or external expertise is required, the RTC will consider the feasibility of using qualified public resources before using a private consultant; Pursuant to RCW 39.26.125 Intergovernmental agreements awarded to any governmental entity, whether federal, state or local, and any department, division, or subdivision are exempt from the competitive solicitation requirements.

Change Orders

The Executive Director may approve change orders or amendments that increase the contract amount by no more than ten percent (10%) cumulatively, provided such change order(s) do not exceed the total amount of \$50,000. The Board shall approve contract change orders or amendments in excess of \$50,000.