

830 West Lauridsen Boulevard
Port Angeles, Washington 98363



www.clallamtransit.com
360-452-4511

Policy Title:
PROCUREMENT

Policy No.:
20-001

Review Responsibility:
Dunyele Mason, Finance Manager

Approved By:
Kevin E. Gallacci, General Manager

Authorized By:
Clallam Transit System Resolution No. R6:2021, which supersedes all prior resolutions.

Effective Date:
07/12/2021

1. PURPOSE

- A. This policy complies with the requirements of Federal Transit Administration ("FTA") Circular 4220.1F and subsequent updates and amendments, the Federal Acquisition Regulation ("FAR"), and the recommendations in the FTA's Best Practices Manual.
- B. Clallam Transit System procures supplies, equipment, vehicles, services, and materials in accordance with the applicable statutes.

2. POLICY

- A. Clallam Transit System ("CTS") strives to obtain the goods and services required when needed at a fair price and in a fair and equitable manner.
- B. When determined by informal inquiry to be in the best interests of CTS, and when afforded the opportunity, goods and services may be procured from state, federal and/or other government contracts, which have gone through a competitive process, without further competition.
- C. When determined to be in the best interest of CTS, and when afforded the opportunity, items may be procured by assignment of the right to purchase from another agency's approved contract (piggybacking), provided that contract meets all of the terms and conditions required by state, federal and CTS procurement rules and regulations.
- D. While this policy describes the procurement methods used by CTS for most purchases, when federal grant funds are involved, regulations regarding federal procurement defined in 2.CFR Chapter 2 Part 200.318 through 327 must also be followed and given precedence in the event of a conflict with this policy.
- E. When contracting for architectural and engineering services, CTS will follow the competitive proposal procedures defined in 40 USC Chapter 11.
- F. While there are no state procurement regulations directed specifically to transit systems, there are some sections of the statutes applying to all types of state public agencies. The major citations of importance in this regard are in Title 39 RCW, Public Contracts and Indebtedness, and they must be followed and given precedence in the event of a conflict with this policy.

3. DEFINITIONS

- A. *Buyer*: The personnel designated by the CTS General Manager to engage in the procurement process.
- B. *Delivered Without Request*: Goods and services provided pursuant to an ongoing contract or agreement, and which are rendered without any additional or specific request or agreement.
- C. *Order & Deliver*: A process where an item or service is requested, the request gets approved, and an order is placed. Typically, these processes are performed by separate employees. Later the goods/services are shipped to CTS.
- D. *Pick & Pay*: Goods or services which are physically received at the same time the vendor is paid.
- E. *Project Manager*: The assigned employee responsible for administration of the procurement process related to assigned tasks.

4. ETHICS

- A. CTS employees, board members, or agents may neither solicit nor accept gratuities, favors, or anything of monetary value from any present or potential contractor or sub-recipient. Unsolicited gifts of nominal intrinsic value not related to any purchase or contract may be kept.
- B. CTS employees, board members, or agents are prohibited from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest or personal gain.
- C. Violations of this policy are subject to disciplinary action up to and including discharge, as defined in the CTS Employment Guide.

5. CONFLICT OF INTEREST

- A. CTS employees, board members, or agents are prohibited from participating in the selection, award, or administration of a contract if a real or apparent conflict of interest would be involved. Such a conflict would arise when any of the parties set forth below has a financial or other interest in the firm or entity selected for award:
 - 5.A.1 The employee, board member, or agent.
 - 5.A.2 Any member of their immediate family.
 - 5.A.3 Their partner.
 - 5.A.4 An organization that employs, or is about to employ, any of the above.

6. FAIR TREATMENT OF VENDORS

CTS staff shall treat all vendors fairly and equitably in the procurement process. Collusion and appearance of collusion shall be avoided in all cases.

7. DELEGATION OF AUTHORITY – CONTRACTS

- A. The CTS General Manager is delegated authority by the CTS Board to execute renewal contracts or replacement contracts with substantially the same terms and conditions (including but not limited to annual price increases of less than ten percent) for up to five years from the original contract without prior board approval. The CTS General Manager will inform the CTS Board of such renewal or replacement contracts by no later than the next board meeting following the date the renewal or replacement contracts are signed.

- B.** The CTS General Manager must seek board approval for contracts exceeding \$50,000 per year with the exception of paragraph 7.C., for:
 - 7.B.1** New services
 - 7.B.2** Existing contracts which are significantly different in scope
 - 7.B.3** Contracts which are substantially the same but have continued with the same vendor for more than five years shall be subject to a competitive process or a written justification for not going through a competitive process renewal and the resulting contract or justification approved by the CTS Board.
- C.** The CTS General Manager is authorized to purchase diesel fuel, including biodiesel and additives, and propane fuel up to and not to exceed the total amount specified within the detailed line item for each product of the CTS adopted budget.

8. DELEGATION OF AUTHORITY – PLACING ORDERS

A. General Manager

The general manager and their designees are delegated authority by the CTS Board to execute procurement documents for goods and/or services. The general manager is given authority to update, at their discretion, the authorization dollar amounts for all listed positions in Appendix A: Procurement Limits (except the general manager's position) up to a maximum of \$25,000 per position.

B. Excluded

Goods and services purchased pursuant to the CTS Travel Expense Policy, are subject to those policy authorizations and procurement processes and are not required to have additional written requisition forms as required by this purchasing policy. Use of CTS credit cards are authorized for the purchase of all travel expenses authorized pursuant to CTS Travel Expense Policy. The general manager, administrative services manager and finance manager are authorized without dollar limit to approve and/or disburse payroll, payroll-related vendor, and tax obligations. These items are not considered purchases under this policy.

C. Delivered Without Request

- 8.C.1** These purchases do not need further requisition or purchase approval. Invoices in conformity with the contract are to be approved for payment by the appropriate manager for verification the service has been provided in conformity with the contract or agreement and are a just, due, and unpaid obligation of CTS.
- 8.C.2** Some examples are: utility bills, phone bills, internet services bills, insurance bills, lease/rent payments, Olympic Loop service bills, banking fees, investment fees, armor car services, annual maintenance agreements, cleaning coveralls/mat services, software licenses and support services, dues and subscriptions, and employee benefit management services.
- 8.C.3** Managers are authorized, without dollar limit, to review and approve these invoices in accordance with existing contracts, services terms, or agreements.

D. Pick & Pay

- 8.D.1** This process includes, but is not limited to, blanket purchase orders, businesses where CTS has open accounts, employee reimbursements, and employees' use of credit cards, all of which are when payment to the vendor is made at the same time items are physically received. Immediately after receiving the "Pick & Pay" purchase, the employee will take the item and charge/payment receipt to the appropriate office manager or Administrative Services Department support personnel for visual verification and further processing.
- 8.D.2** Requisitions and purchase orders may be processed in the financial system after the purchase has taken place to document review, approval, receipt of goods, and authorization for payment. All inventory items will be processed using the requisition, purchase order, and receiving screens in the financial software system. If the requisition/purchase order process is not used for noninventory

items, then the review, receiving, account coding, and approvals will be written onto the receipt or charge slip.

- 8.D.3** The CTS positions listed in *Appendix A: Procurement Limits*, are authorized up to their maximums per order, to determine the appropriateness and purchase goods, with verbal approval and without prior written approval.

E. Employees' Allowance Purchases

When the collective bargaining agreement or the non-represented employees' compensation plan provides an "allowance" or other employer/employee cost-sharing agreement, eligible employees are to obtain the available dollar allowance prior to making each purchase. Employees will purchase conforming items using their own funds and submit the receipt to request reimbursement.,

F. Order & Deliver

- 8.F.1** The CTS positions listed in *Appendix A: Procurement Limits*, are authorized up to the listed maximums per order to approve the goods or services as appropriate, necessary purchases and the purchases are within authorized budget limits. Such approval shall be in writing (purchase requisition) and provided prior to purchase. Orders will not be split in such a way as to avoid these limits.
- 8.F.2** Justifications for use of sole source will be included in the requisition record. The Buyer will create the purchase order and place the order with vendor. The Buyer's authority is limited to processing orders authorized per this policy.
- 8.F.3** All managers are authorized to procure items included in the Capital Grant Project Budget less than or equal to the amount listed for the project in the Capital Grant Project Budget.

G. Online

The following CTS employees are authorized as follows to place orders online and pay for those purchases with a CTS credit card. Online purchases generally result in payment prior to delivery of the goods or service.

- 8.G.1 Office Managers:** Purchases of training, registration, and travel-related costs such as hotel and airline tickets as listed on an approved travel form.
- 8.G.2 Administrative Department Support Personnel (designated):** Purchases of training, registration, and travel-related costs such as hotel and airline tickets as listed on an approved travel form. Advertising, training, recruitment activities, employee recognition, and other services provided online.
- 8.G.3 Buyer:** Goods and services contained on a properly approved purchase order.

9. RECEIVING

- A.** Employees are authorized to physically receive items purchased with a credit card, personal payment or purchase on open account pursuant to Section 8.D. Pick & Pay.
- B.** The CTS Operations Office Manager is authorized to physically receive, and process related receiving documents for purchases of Operations' uniforms where the purchase requisition has been approved by the CTS Operations Manager.
- C.** The Administrative Services Department support personnel (as designated) are authorized to process receiving documents for services received and budgeted within the Administration Services Department.
- D.** All items acquired pursuant to 8.F. Order & Deliver, with the exception of the items listed above, are to be delivered to the CTS Maintenance Office Manager for order verification and receiving. The maintenance office manager is the designated position authorized to normally physically receive orders and process receiving documents. The authorized back-up position for when the maintenance office manager is not available is anyone who did not initiate or approve the purchase requisition.

- E. CTS's primary shipping address is 4100 South Tumwater Truck Route, Port Angeles, Washington 98363.

10. COMPETITION

A. Marketplace

In the absence of extenuating circumstances, all procurements will be placed only after determining competitive forces of the marketplace are present and the market has been afforded the opportunity to respond to CTS's needs.

B. Extenuating Circumstances

Extenuating circumstances would include:

- 10.B.1 Emergency actions related to issues of safety.
- 10.B.2 Cases where sole source procurement can be adequately justified and documented.
- 10.B.3 Cases where the procurement cost to seek competitions is deemed greater than the potential savings.
- 10.B.4 Cases where delay would cause a material loss or loss of services provided by CTS.

11. METHODS OF PROCUREMENT

- A. Upon the identification and documentation of a needed good or service, the Buyer, in consultation with the department manager, will determine which method to use for the procurement.

- B. The five methods available are:

- 11.B.1 Micro-purchases
- 11.B.2 Small items procurement
- 11.B.3 Competitive sealed bid
- 11.B.4 Competitive negotiated procurement
- 11.B.5 Noncompetitive negotiated procurement

- C. Micro-purchase

- 11.C.1 Micro-purchases are those purchases of less than or equal to \$10,000 (or the allowable maximum in the case of acquisitions for construction subject to the Davis-Bacon Act) made without obtaining competitive quotes. The micro-purchase level may be raised to \$50,000 in any year CTS is deemed to be a "low-risk auditee" in the auditor's opinion in the Single Audit Report.
- 11.C.2 Micro-purchases should be distributed equitably among qualified suppliers, and the size of the procurement cannot be reduced merely to fall within the micro-purchase limit.
- 11.C.3 Required documentation includes a determination that the price is fair and reasonable as well as how the determination was made. Rationale of the procurement method used, selection of contract type, or reasons for contractor selection or rejection are not required.

- D. Small Items Procurement

- 11.D.1 Small items procurement procedures apply to a procurement of services, supplies, and other property costing in the aggregate greater than \$10,000 but less than or equal to \$250,000. The small items procurement level may be raised to greater than \$50,000 but less than or equal to \$250,000 in any year CTS is deemed to be a "low-risk auditee" in the auditor's opinion in the Single Audit Report.
- 11.D.2 If open purchase orders are established with firms that will provide goods or services exceeding this amount in the aggregate over a period of 12 months, the account must be established competitively, and then individual purchases made by the small items purchase procedure.
- 11.D.3 Formally issued *Request for Bids* or *Request for Proposals* may be used for small item purchases but are not required.

- 11.D.4** Small items procurements require that:
 - 1) An independent cost estimate be performed.
 - 2) Qualifications be reasonable and brand names or geographic preference be avoided.
 - 3) Documented price or rate quotations be obtained from an adequate number of qualified sources; and
 - 4) A cost or price analysis be performed.
- 11.D.5** A cost analysis must be performed when the offeror is required to submit the elements of the estimated cost (labor hours, overhead, materials, etc.). These are required for professional consulting, architectural, and engineering services contracts.
- 11.D.6** A cost analysis is necessary when adequate price competition is lacking, for noncompetitive procurements, contract modifications, and change orders, unless reasonableness can be established on the basis of a catalog or market price, or on the basis of prices set by law or regulation.
- 11.D.7** A price analysis may be used in all other instances to determine the reasonableness of the proposed contract price.
- 11.D.8** A price can be determined reasonable based on one or more of the following:
 - 1) The item was found to be reasonable on a recent purchase.
 - 2) It was obtained from a current price list or catalog listing.
 - 3) It is a sale price obtained from advertisements.
 - 4) The purchaser has personal knowledge of the item procured.
 - 5) It is a regulated rate or price (such as a utility).
 - 6) It was obtained from a state or federal government contract.

E. LARGE PROCUREMENTS

Large procurements procedures are followed if the procurement is expected to cost more than \$250,000. A formal bid process is followed adhering to all FTA and Washington State procurement requirements.

12. COMPETITIVE SEALED BIDS

- A.** A sealed bid is solicited through publication of a *Request for Bid*. A firm fixed-price contract is awarded to the responsible bidder whose bid is responsive (conforming to all the material terms and conditions of the *Request for Bid* and is lowest in price. A sample bid process procedure established by WSDOT is included in this policy as Appendix D.
- B.** This method is to be used in the following situations:
 - 12.B.1** A complete, adequate, and realistic specification or purchase description is available.
 - 12.B.2** Two or more responsible suppliers are willing and able to compete effectively for the order.
 - 12.B.3** The procurement lends itself to a firm fixed-price contract and selection of the successful bidder can appropriately be made principally on the basis of price.
- C.** This method of procurement involves the following steps:
 - 12.C.1** Cost estimate
 - 12.C.2** Solicitation of bids
 - 12.C.3** Distribution of bid information
 - 12.C.4** Opening of bids
 - 12.C.5** Review and evaluation of bids
 - 12.C.6** Price analysis
 - 12.C.7** Bid award
- D. Solicitation of Bids**
 - 12.D.1** A *Request for Bid* or *Request for Proposal* is advertised in media where it is expected to be seen by potential bidders. Solicitation also involves inviting parties assumed to have a capability to perform

the service.

12.D.2 Vendor lists, trade publications, public advertising, the internet, the Washington State Office of Minority and Women's Business Enterprises directory, and telephone yellow page listings are potential sources of information for developing a list of firms to solicit.

12.D.3 If the procurement is classified as a public works project pursuant to RCW 39.04, an advertisement will be placed in the Port Angeles, Sequim, and Forks newspapers, and on the CTS website. The advertisement will give a brief description of the goods or services sought, directions for obtaining the complete bid package, and the date the bids are due.

E. Distribution of Bid Information

12.E.1 All information concerning the procurement will be included in the bid package and distributed to all interested bidders. At a minimum, the bid package will contain a description of the procurement, product specifications, instructions to bidders, and bid form.

12.E.2 The description of the procurement will be a complete description of the goods or services wanted. The specifications will be sufficiently complete and detailed so as to ensure that CTS will receive the product needed without restricting competition.

12.E.3 The instructions to bidders will include bid and performance bond requirements, bid due date, instructions for obtaining bid clarification, number of copies of bid or proposal form required, and treatment of bidding irregularities.

12.E.4 The completed bid form must contain a bid amount, acknowledgement of receipt of the entire bid package and subsequent addenda, and signature by an authorized representative of the bidding company. All required certifications and assurances must be signed and included with the completed bid form.

12.E.5 The Project Manager will be responsible for maintaining a list of names and addresses of persons receiving the bid package and will furnish them with all addenda and records of communications.

12.E.6 All bidders will be treated impartially and will receive the same information. All questions and answers regarding the bid package will be distributed to all parties who have received the bid package. No private meetings will be held with any bidders during the bid period.

F. Opening of Bids

12.F.1 At the place and time specified in the bid package, the Project Manager shall declare the bidding closed and publicly open the bids received before that time. The amount of the bid and the bidder's name will be read aloud and recorded on a bid opening form.

12.F.2 Copies of the form will be distributed to anyone requesting a copy. No other information will be given out at that time, but an announcement will be made as to when the bid documents received will be available for public inspection. This delay allows the Project Manager time to review, log, and bind the documents received.

12.F.3 Any bid documents received after the announced due date and time will not be opened except on the advice of counsel. Depending on the opinion of counsel, the bid documents will subsequently be opened or returned unopened to the bidder.

G. Review and Evaluation of Bids

12.G.1 The Project Manager and other appropriate CTS parties will review all bids submitted for responsibility of the bidder and responsiveness to the bid.

12.G.2 The responsibility review is to determine the financial and technical capability of the bidder to perform the work. It is based upon a review of the documentation requested in the bid package, supplemented, if necessary, with phone calls to verify data, clarify the submittal, or check references. Only responsible bidders will be considered.

12.G.3 The Project Manager and other appropriate CTS parties will then review the bids for responsiveness to the bid package. This review is to determine that all requirements of the bid package have been

met. At a minimum, it includes determining the time and date the bid was received, the completeness of the bid form, whether a proper bid security accompanied the bid, whether the math was accurate, and other special requirements specified in the bid package, if any.

- 12.G.4** Any irregularities need to be classified as material or nonmaterial. If necessary, legal counsel will be consulted to assist in this determination. If an irregularity is nonmaterial (for example, incorrect number of copies of bid submitted), the bidder will be given a deadline by which to correct the irregularity. Only responsive bids will be considered.

H. Bid Award

- 12.H.1** The Project Manager shall prepare a separate file containing, at a minimum, the purchase requisition, the advertisement for bids, the complete bid package, a list of bidders requesting the bid package, any correspondence with bidders, all bids received, the bid form filled out at the time of bid opening, and documentation of any reference checks or follow-up work to determine which bidders are responsible.
- 12.H.2** Upon receipt of the appropriate approval, the order will be placed by either purchase order or contract. If a contract is used, the form of the contract will have been included in the bid package and no material changes may be made to the terms and conditions after the bid opening.
- 12.H.3** The statement of work from the bid package will be incorporated into any purchase order or contract without change. When all submissions specified in the bid package (performance bond, insurance certificate, etc.) have been received, the order will be placed, and the unsuccessful bidders will be notified of the award. All unsuccessful bidders will be released from their bid bond and any funds held by CTS as bid security shall be returned.

I. Bid Protest

- 12.I.1** Any bidder or prospective bidder whose direct economic interest is aggrieved by the bidding and/or award process described in this section may protest the bidding and/or award process in accordance with these procedures.
- 12.I.2** The protest will be submitted in writing to the CTS General Manager within five days of the decision to award the bid by the CTS Board or by the General Manager, as applicable. In order to allow the filing of a protest, the award of any bid by CTS will be effective six days after the decision to award.
- 12.I.3** In the event that a protest is received within the five-day period, the award will not occur until the protest procedure has been fully completed, unless CTS, in the discretion of the general manager, determines that:
- 1) The items to be procured are urgently required.
 - 2) Delivery or performance will be unduly delayed by failure to make a prompt award.
 - 3) Failure to make prompt award will cause undue harm to CTS.
- 12.I.4** The written protest will contain, at a minimum, the following:
- 1) The name of the protesting person.
 - 2) An identification of the protestor's interest in the bidding process.
 - 3) A statement of the grounds for protest, which should detail the basis for the protest and provide supporting legal and factual argument, along with a copy of any documents which the protestor submits to support its position.
- 12.I.5** CTS will notify the successful bidder of a protest upon its receipt. CTS will also, through the general manager, review the protest. The general manager may request from the successful bidder a response to the protest.
- 12.I.6** The general manager will, within not more than ten days of the receipt of the protest, make a recommendation to the CTS Board concerning the protest. The CTS Board shall at its next regularly scheduled meeting or at a special meeting called for that purpose, consider the protest and the recommendation of the general manager and render its decision on the protest.
- 12.I.7** The decision shall become final six days after the decision of the CTS Board unless there is a further protest of the award made pursuant to FTA procedures.

13. COMPETITIVE NEGOTIATED PROCUREMENT

- A.** In a competitive negotiated procurement, a *Request for Proposals* is publicized and proposals are requested from a number of sources. Negotiations are normally conducted with more than one of the sources submitting offers and either a fixed-price or cost reimbursable contract is awarded. This method will be used in the following situations:
 - 13.A.1** Contracting for services or items that cannot be precisely defined, described, or standardized.
 - 13.A.2** Contracting for research and development where the end product may be conceptual in nature.
 - 13.A.3** A cost-reimbursement contract will be awarded.
 - 13.A.4** The technical aspects and price of the offeror's proposal will be negotiated.
 - 13.A.5** CTS wishes to give offerors the opportunity to revise the price or technical aspects of their proposals.
 - 13.A.6** Not only price, but quality and contractual factors will be considered in order to determine the most advantageous offering.

- B.** Artistic or aesthetic values will be weighed to the extent that price is a secondary consideration. The method of procurement involves the following steps:
 - 13.B.1** Cost estimate
 - 13.B.2** Solicitation of proposals
 - 13.B.3** Review and evaluation of proposals
 - 13.B.4** Cost analysis
 - 13.B.5** Negotiating with proposer
 - 13.B.6** Award of contract

- C. Solicitation of Proposals**
 - 13.C.1** Solicitation involves contacting parties assumed to have a capability to perform the service. Vendor lists, trade publications, public advertising, the internet, the Washington State Office of Minority and Women's Business Enterprises directory, and telephone yellow page listings are potential sources of information for developing a list of firms to solicit.
 - 13.C.2** Potential suppliers are furnished a *Request for Proposals* that includes, at a minimum, a description of the item desired or statement of work, due date for proposals, criteria that will be used in the proposal evaluation and their relative weights, and general instructions to bidders.
 - 13.C.3** The cost information solicited must be returned separately from the technical proposal so that it will not influence the technical evaluation.

- D. Review and Evaluation of Proposals**
 - 13.D.1** Proposals are opened privately. Strict confidentiality as to the nature and cost of the proposal must be maintained throughout the negotiation process. Only after award of the contract is the successful firm revealed to the public and the terms and conditions made known.
 - 13.D.2** An evaluation committee will review and score all proposals received against the evaluation criteria specified in the solicitation. The committee will arrive at a list of proposers judged to be within the competitive range and able to perform the work satisfactorily.
 - 13.D.3** The cost information will then be considered by the committee and a strategy developed with regard to how that influences their decision, taking into consideration the weight (if any) that was placed on price in the selection criteria specified in the solicitation.

- E. Negotiation with Proposers**
 - 13.E.1** A cost analysis of the leading proposals will be performed. Overhead, profit, direct charge rates, and other cost factors will be analyzed. Proposers may be required to submit additional data.

13.E.2 The parties may negotiate the procurement. A last and final offer of technical and/or cost data may be requested from the proposer. The committee will review this final offer and decide whether to enter into a contract with the proposer.

13.E.3 If a contract cannot be negotiated, the committee will begin negotiations with the next qualified proposer.

F. Award of Contract

Following acceptance of final and best offers either a fixed-price or cost-reimbursement contract is awarded. If required, contractor's bonds and prevailing wage requirements will be included in the contract.

14. NONCOMPETITIVE NEGOTIATED PROCUREMENT

A. Procurement by noncompetitive proposals will be used only when the award of a contract is infeasible under small item procurements, sealed bids, or competitive proposals, and at least one (1) of the following circumstances applies:

14.A.1 The item is available only from a single source.

14.A.2 The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation.

14.A.3 The FTA authorizes a noncompetitive negotiation.

14.A.4 After solicitation of a number of sources, competition is determined inadequate.

B. A noncompetitive procurement must be accompanied by a justification. The requisitioner has the responsibility of questioning the justification to preserve the integrity of the procurement process. In all cases, the decision to seek sole source procurement will be decided by the general manager.

C. This method of procurement involves the following steps:

14.C.1 Cost estimate

14.C.2 Solicitation of bid

14.C.3 Negotiating with proposer

14.C.4 Price or cost analysis

14.C.5 Contract award

D. Negotiation of the Procurement

14.D.1 A noncompetitive procurement will be treated in a manner similar to the competitive negotiated procurement except there will be only one proposer. A thorough cost analysis to determine the cost and profit is fair and reasonable.

14.D.2 Cost, delivery, specifications, and all other factors relating to the procurement need to be negotiated.

E. Placing the Order

14.E.1 After the appropriate approval for the level of the cost is received, the order will be placed either by purchase order or contract.

14.E.2 Whichever document is used will state the complete agreement between the parties, including technical specifications, cost, delivery, and other applicable terms and conditions.

15. PROCUREMENT WITH FEDERAL FUNDS

A. When federal funding is used to purchase materials or supplies then contracts will include the clauses as listed in Appendix B: FTA Guidelines & Buy America Attestation.

B. When federal funding is used to purchase vehicles, then contracts will include the clauses as listed in Appendix C: FTA Guidelines & Buy America Attestation.

- C. When federal funding is used in a procurement requiring a bid process, then the process shall include the information as included in Appendix B or C as applicable.
- D. When contracting with small and minority businesses, women's business enterprises, and labor surplus area firms.
 - 15.D.1 CTS will take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.
 - 15.D.2 Affirmative steps must include:
 - 1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists.
 - 2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources.
 - 3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises.
 - 4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises.
 - 5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
 - 6) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section.
- E. Domestic preferences for procurements.
 - 15.E.1 As appropriate and to the extent consistent with law, CTS will to the greatest extent practicable under a federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this section will be included in all subawards including all contracts and purchase orders for work or products under this award.
 - 15.E.2 For purposes of this section:
 - 1) "Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.
 - 2) "Manufactured products" means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

16. METHOD OF PAYMENT

A. CTS Credit Card

May be used for any appropriate and approved business expenses. Employees are not permitted to use CTS credit card for any personal purchases.

B. Open Purchase Orders

Will specify persons authorized to place orders for routine items, such as gasoline, minor repairs, and certain supplies, and may have a cost limit.

17. RECORDS AND RECORDKEEPING

- A. The Buyer's department will be responsible for keeping any and all records relating to procurement actions.

18. ADMINISTRATIVE AND REGULATORY CHANGES

Except as noted specifically in this policy, all changes to this policy will require approval by the CTS Board.

19. REFERENCES

- A.** Appendix A: Procurement Limits
- B.** Appendix B: FTA Guidelines & Buy America Attestation (Materials and Supplies)
- C.** Appendix C: FTA Guidelines & Buy America Attestation (Vehicles)
- D.** Appendix D: WSDOT Sample Bid Process
- E.** Federal Transit Administration (FTA) Circular 4220.1F
- F.** Federal Acquisition Regulation (FAR)
- G.** FTA's Best Practices Manual
- H.** Title 39 RCW, Public Contracts and Indebtedness
- I.** 40 USC Chapter 11
- J.** CTS Travel Expense Policy
- K.** CTS Business Meals and Light Refreshments Policy
- L.** CTS Employment Guide



Policy Title: PROCUREMENT	Policy No.: 20-001
Appendix A: Procurement Limits	Current Policy Date: 07/12/2021
Approved By: Jason McNickle, Acting General Manager	Appendix Effective Date: 11/04/2025

Subject to the policy provisions, the CTS positions listed below are authorized to purchase equal to or less than the following maximum dollar amounts.

CTS POSITION	PICK & PAY	BUYER – FOR ORDER & DELIVER
General Manager	\$50,000	\$50,000
Maintenance Manager	\$15,000	\$15,000
Operations Manager	\$10,000	\$10,000
Human Resources Manager Finance Manager	\$5,000	\$5,000
Lead Fleet Maintenance Technician	\$2,500	\$2,500
Lead Maintenance Worker IT Specialist Application and Software Tech	\$1,500	\$1,500
Administrative Services Coordinator Fiscal Coordinator Mobility Coordinator	\$1,000	\$1,000
Maintenance Worker II	\$500	N/A
Maintenance Office Manager Operations Office Coordinator Payroll Specialist	\$300	\$300
Operations Supervisor Maintenance Worker I	\$300	N/A
All other positions	\$50	N/A