



## Procurement Policy

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<b>Policy Number:</b>	0004	<b>Adopted Date:</b>	June 16, 2023
		<b>Amended:</b>	August 23, 2024 <sup>1</sup>

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This policy provides guidance regarding the procurement and purchase methods for allowable costs pursuant to federal and state regulations and the Snohomish County Transportation Coalition (Snotrac) procedures.

### General Procurement Standards (2 CFR 200.318)

All procurement processes shall be consistent with current minimum federal and state regulation and guidance that pertain to the funds being utilized.

Snotrac policy may set forth stricter requirements than provided by federal and state guidance, but in no way will the Snotrac policy fall short of meeting the minimum federal and state policy.

Any discrepancies arising between Snotrac policy with federal and state provisions due to revisions will default to the minimum federal guidance provider.

Snotrac will conduct all procurement transactions in a manner providing full and open competition.

Snotrac's Conflict of Interest Policy provides standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts. No employee, officer or agent may participate in the selection, award of administration of a contract supported by a Federal award if he or she has a real perceived or potential conflict of interest. Conflicts of interest must be disclosed in writing when known in advance or announced to the voting body. The party with a potential conflict of interest must excuse themselves from any further discussion and/or vote on the matter in questions.

Snotrac will not discriminate in the procurement and award process against any bidder because of race, color, religion, national origin, political affiliation, sexual preference, gender identity, age, or sex.

Snotrac shall ensure that minority and women-owned businesses are provided the maximum practicable opportunity to compete for contracts.

Snotrac will maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specification of their contracts.

Snotrac will verify all subrecipient or vendors for contracts over \$25,000 are not disbarred or

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<sup>1</sup> This Procurement Policy was amended by the Snotrac Board of Directors on August 23, 2024 to reflect forthcoming changes to the Uniform Guidance, 2 CFR 200, effective October 1, 2024.

suspended. The procurement officer will use the System for Award Management (SAM) website to complete this prior to approval of procurement.

## **Competition (2 CFR 200.319)**

All procurement transactions must be conducted in a manner providing full and open competition consistent with the standards provided in federal law. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work or invitation for bids or requests for proposals must be excluded from competing for such procurements. Snotrac procurement transactions will contain no requirements that unduly restrict competition.

Snotrac procurement transactions will contain no requirements that unduly restrict competition as specified in 2 CFR 200.319(a) and (b).

## **Snotrac will procure goods and services using one of the following methods related to the total anticipated cost of procurement. (2 CFR 200.320)**

### **Micro Purchases**

Procurement by micro purchases is the acquisition of goods or services, whereby the aggregate dollar amount does not exceed the micro purchase threshold.<sup>2</sup> Micro purchases do not require the solicitation of competitive quotations or bids if the costs are determined to be reasonable. Micro purchases will be distributed equitably among qualified suppliers.

### **Small Purchases**

Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold.<sup>3</sup> If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources.

### **Procurement by Competitive Proposals**

For services, supplies, or other property that exceed the Simplified Acquisition Threshold, procurement by competitive proposal shall be conducted. Using this procurement technique, more than one source shall submit an offer, either based on a fixed price or cost-reimbursement type of contract. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:

- Procurements for new service providers or modifications of existing contracts over the Simplified Acquisition Threshold must be approved by the Board of Directors.
- Request for Proposals (RFPs) must be either sent to at least five qualified vendors or publicized.
- The RFP must identify all evaluation factors and their relative importance, including a description of required services or components and a clear description of any technical requirements and evaluation factor.
- Proposals should be received from at least three qualified sources.

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<sup>2</sup> As of March 2022, WSDOT set the micro purchase threshold as \$10,000 for Consolidated Grants. If WSDOT increases the micro purchase threshold, Snotrac's threshold will automatically increase to the new threshold.

<sup>3</sup> As of October 1, 2024, the Simplified Acquisition Threshold will be \$500,000.

- Responses will be reviewed and evaluated based on consistent grading methods for each proposal. Review Committees will be established for evaluating delivery of services.
- When selecting contractors and service providers, awards will be made to the responsible firm whose proposal is most advantageous to the program.
- Selection consideration will be given to such matters as:
  - ◆ Fees or costs.
  - ◆ The ability, capacity and skill of the bidder to perform the contract or provide the goods and services within the time specified without delay or interference.
  - ◆ The character, integrity, reputation, experience and efficiency of the bidder.
  - ◆ Previous and existing compliance by the bidder with laws and ordinance relating to contracts, goods, or services.
  - ◆ The sufficiency of the financial resources and ability of the bidder to perform the contract or provide the goods or services.
  - ◆ The quality, availability and adaptability of the goods or services to the particular use required.
  - ◆ The quality of performance of previous contracts, goods, or services.
- Snotrac will maintain records sufficient to detail the history of procurement.
- Bidders will be notified with the results of the procurement. Bidders may file a written appeal within seven (7) business days after the award to the Executive Director. Appeals will be handled according to Snotrac complaint resolution procedures.

**Sealed Bids**

This method is used when procuring the acquisition of services and other property through formal advertising.

- Typically used for construction contracts
- Bids must be publically solicited
- Two or more bidders are willing and able to compete and qualified to do the work.
- Firm fixed-price contract is feasible; a bidder can be selected based on price

**Noncompetitive Proposals (Sole Source).**

Procurement by noncompetitive proposals, or sole source, is procurement through solicitation of a proposal from only one source. Such noncompetitive procurements will be minimized whenever possible. It may be used only when one or more the following conditions apply.

1. The item is available only from a single source.
2. The public exigency or emergency for the requirement will not permit a delay related to the use of a competitive solicitation process.
3. The Federal awarding agency or pass-through entity expressly authorized noncompetitive proposals in response to a written request from the non-Federal entity, or
4. After solicitation of a number of sources, competition is determined inadequate.
5. If purchase is made using Snotrac unrestricted funds, sole source may be approved with an additional approval from the Executive Director and President.

Only the Executive Director or their designee may authorize a waiver and permit sole source procurement.

**Definitions:**

***Conflict of Interest:*** Conflict between the official responsibilities and the private interests of a person or entity that is in a position of trust. A conflict of interest would arise when an individual or organization has a financial or other interest in or participates in the selection or award of funding for an organization.

***Contractor/ vendor:*** A contractor is an entity that is a dealer, distributor, merchant, or other seller providing goods or services that are required for the conduct of a Federal program to which the following characteristics apply:

- Provides the goods and services within normal business operations,
- Provides similar goods or services to many different purchasers,
- Operates in a competitive environment,
- Provides good or services that are ancillary to the operation of the Federal program,
- Is not subject to the Federal compliance requirements of the program

***Sub-Award:*** - A sub-award is provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a federal program. A sub-award may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract.

***Subrecipient:*** An entity that receives federal assistance passed through from a prime recipient or another subrecipient to carry out or administer a federal program. Distinguishing characteristics of a subrecipient include:

- Determination of eligibility for the Federally funded program,
- Has its performance measured against the objective of the Federal program,
- Has responsibility for programmatic decision-making,
- Has responsibility for adherence to applicable Federal program compliance requirements,
- Uses the Federal funds to carry out a program of the organization as opposed to providing goods or services for a program.

***Procurement:*** For the purposes of this policy, the term procurement includes any action that obligates funds for the purchase of equipment, materials, supplies and services, beginning with the process for determining need and ending with contract completion and closeout.

***Request for Quotations (RFQ):*** A RFQ is a process that is used to acquire the price(s) and pertinent information needed from a contractor. Since the quotation is not a formal offer, the awarding agency must reach a bilateral negotiated agreement before a binding agreement exists. A RFQ differs from an RFP in that it simply asks for a proposed price based on standard specifications that are generally known or apply industry-wide.