

Transportation Authority of Calhoun County
Meeting Agenda
January 28, 2025
Marshall City Hall – Council Chambers
323 West Michigan Avenue, Marshall, Michigan 49068

- I. Call to order
- II. Roll Call
- III. Approval of Agenda
- IV. Approval of Minutes – January 14, 2025
- V. Public Comments on Agenda Items
- VI. Consent Agenda
- VII. Review of Finance and Budget Report – Amy Evans
- VIII. Public Hearings and Subsequent Board Action
- IX. Unfinished Business
 - a. TACC Purchasing Policy Adoption – for current use
 - b. DRAFT Procurement / Purchasing Manual Adoption – for future use
 - c. Procurement Sub Committee Selection
 - d. FOIA Documents Revisions – Mailing and/or Email Address
 - e. New Board Member Search Discussion
 - f. TACC Planning Committee Report – Mallory Avis
 - g. TACC Representative Appointment to BCATS Policy Committee
 - h.
- X. New Business
 - a. Mailbox Agreement, Signatory Resolution
 - b. Mailbox Agreement, General Liability Insurance Requirement
 - c.
- XI. Public Comments on Non-Agenda Items
- XII. Board and Staff Comments
 - a. Communications to the Board
 - b. Progress and Updates
 - c. Legislative Update
 - d.
- XIII. Next Meeting – February 11, 2025
- XIV. Adjournment

**Transportation Authority of Calhoun County
Annual Meeting Minutes
Marshall City Hall – Council Chambers
323 West Michigan Avenue, Marshall, MI 49068
January 14, 2025**

I. Call to Order

The meeting was called to order by Chairperson Erick Stewart at 9:07 a.m.

II. Roll Call

Members Present: Erick Stewart, Amy Evans, Vivian Davis, Tom Tarkiewicz, Jenasia Morris, Dr. Paul Watson

III. Agenda

It was motioned by Dr. Watson and supported by Tom to approve the agenda.

Motion Carried.

IV. Approval of Minutes

It was motioned by Dr. Watson and supported by Vivian to approve December 10, 2024, minutes.

Motion Carried.

V. Public Comment on Agenda Items

None.

VI. Consent Agenda

None.

VII. Presentation and Recognitions

None.

VIII. Finance and Budget Report

- Updates given by Amy on tax deposits and updated forms.
- Amy provided the Board with an end-of-year account balance.

IX. Public Hearings and Subsequent Board Actions

None.

X. Unfinished Business

- a) No LAC updates currently.
- b) D&O insurance rates and options were discussed. It was motioned by Tom and supported by Dr. Watson to purchase a 3-year D&O policy from Worgess Agency. Motion Carried
- c) Staff updated the Board on planning committee goals and upcoming meetings.

XI. New Business

- a) It was motioned by Dr. Watson and supported by Amy to retain Board Officers in their current positions.

Motion Carried.

- b) It was motioned by Tom and supported by Dr. Watson to appoint Matt as the Board's recording secretary for the next year.

Motion Carried.

- c) The Board reviewed and discussed purchasing and procurement memorandum and manual provided by consultants. It was motioned by Tom and supported by Vivian to accept the memorandum of understanding provided by consultants.

Motion Carried.

- d) It was motioned by Dr. Watson and supported by Vivian to adopt a conflict-of-interest form.

Motion Carried.

- e) The Board discussed a mailbox agreement with BCU. It was motioned by Tom and supported by Jenasia to approve mailbox agreement with BCU and give Amy authority to negotiate any details to the agreement.

Erick abstained from voting.

Motion Carried.

- f) No address was found in bylaws. Revision of other policies will be added to future meetings.

- g) The Board discussed new member search for the open County seat.

- h) Staff updated the Board on HB 6088, BCT applications for new facilities.

- i) Staff informed the Board on MPO's and BCATS. It was recommended by staff for the Board to appoint a representative from TACC to BCATS.

XII. Public Comments and Non-Agenda Items

- Email with multiple questions received by Jenasia were asked to BCT staff.
- The board discussed adding regular items to future agendas.
- Staff updated the Board on progress for new vehicles.

XIII. Board and Executive Director Comments

- a) No Board member contacts.

- b) Vivian spoke about the public anticipation of transportation service in Albion.

XIV. Adjournment

Meeting adjourned at 10:42 a.m.

Respectfully Submitted,

Vivian Davis, Secretary

Erick Stewart, Chair

January 28, 2025
Finance and Budget Report

01.10.25, TACC received **\$84,628.81** from Springfield for taxes paid 12.16.24 – 12.31.24.

01.10.25, TACC received **\$229,429.62** from Marshall for taxes paid 12.16.24 – 12.31.24.

01.14.25, Received Michigan Transportation Connect Invoice #2025-01, dated 01.14.25 for \$4,430.50.

01.15.25, TACC received **\$56,873.67** from Albion for taxes paid.

01.16.25, Valerie with BluFish confirmed they received check #1006 for final Invoice #Blu-13417.

01.16.25, Spoke to Kyle Labrecque with Worgess Insurance & Financial Services about securing quoted D&O insurance and requested General Liability insurance quote naming Battle Creek Unlimited the additional insured as a Mailbox License Agreement requirement.

01.16.25, Met with Bridgette Jones at Battle Creek Unlimited to discuss Mailbox License Agreement, get a tour and TACC's mail.

01.16.25, TACC received **\$436.44** check from Battle Creek for Calhoun County Land Bank properties. All subsequent tax payments from Battle Creek will be via ACH deposit.

01.17.25, Deposited Battle Creek's \$436.44 check.

01.17.25, Paid \$908 for first year D&O premium at Worgess to The Cincinnati Insurance Companies. The Policy Period is 01.16.25 through 01.16.28. Terrorism coverage is included at no cost. Crime and Cyber Risk Liability coverage can be added mid-term.

01.21.25, TACC received **\$1,483,507.30** from Battle Creek for taxes paid 12.01.24 – 12.31.24.

01.21.25, \$908 check cleared for D&O insurance.

01.24.25, Received Michigan Transportation Connect Invoice #2025-01REV, dated 01.14.25 for \$4,429.50. Paid with check #1008.

01.27.25, TACC received **\$104,204.92** from Marshall for taxes paid 01.01.25 – 01.15.25.

Respectfully,

Amy Evans

TRANSPORTATION AUTHORITY OF CALHOUN COUNTY PURCHASING POLICY

INTRODUCTION

The Transportation Authority of Calhoun County (TACC) Purchasing Policy prescribes procedures for the purchase of supplies, equipment, and services according to the estimated cost of procurement. Prior to TACC's Designated Recipient status and staff hiring, including an Executive Director, the Board of Directors will procure essential needs, proceeding under FTA guidelines.

DEFINITIONS

- A. Micro Purchases. Goods valued at \$10,000 or less for federally funded procurements may be purchased without obtaining competitive quotations.
- B. Small Purchases. An acquisition of supplies, services, and construction in the amount of \$49,999.99 or less must follow small purchase procedures.
- C. Petty Cash. A cash fund of a fixed amount established by an advance of funds, without charge to an appropriation from an agency designated employee, for disbursement as disbursement is needed from time to time in making cash payments for relatively small purchases.
- D. Blanket Purchase Agreement. A simplified method of filling anticipated repetitive needs for supplies or services by establishing accounts with qualified suppliers.

COMPETITION AND PRICE REASONABLENESS

- A. Purchases Under \$25.00 (Petty Cash). Small purchases not exceeding \$25 may be accomplished without quotations from vendors which have historically offered the lowest pricing. The individual authorized to make purchases using cash shall furnish to the petty cash designated employee the following information:
 - 1. Description of item(s) purchased.
 - 2. Unit price and extensions.
 - 3. Supplier's name and address.
 - 4. Cash discounts, if any.

- B. Micro Purchase Procedures. Purchases estimated to cost \$10,000 or less are considered micro purchases and may be accomplished with at least one quote from vendors which have historically offered the lowest pricing. The Board of Directors shall rely on catalog pricing, prior record of pricing, and expertise in the local market areas to determine price reasonableness. DBE vendors shall be afforded maximum opportunity practical to participate.

Funds are not to be expended prior to obtaining the required signatures.

The following procedures apply to micro-purchases:

1. Competition. Micro-purchases should be distributed equitably among qualified suppliers.
2. Prohibited Divisions. Procurements may not be divided or reduced in size merely to come within the micro-purchase limit.
3. Documentation. The only documentation required is that the price is fair and reasonable and a description of how the determination was made.

- C. Small Purchases. For purchases with an estimated value greater than \$10,000 but less than \$50,000, a minimum of three written quotations are to be requested by the Board. Efforts are to be made to include DBE vendors.

- D. Formal Purchases. Purchases with an estimated value of \$50,000 or more must be treated as formal purchases, per the Michigan Revised Code, and typically require the use of competitive bidding or competitive negotiation procedures.

- E. Purchases Over \$100,000. Purchases of more than \$100,000 require the Board of Directors approval.

- F. Price Reasonableness. Reasonableness of a proposed price may be determined by comparison of the proposed price with:

- Prices found reasonable on recent previous purchases
- Current price lists
- Catalogs
- Advertisements
- Similar items in a related industry
- Industry indices

Adopted:

TRANSPORTATION AUTHORITY OF CALHOUN COUNTY (TACC)

PROCUREMENT / PURCHASING MANUAL
Draft 01.24.25

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CHAPTER I - GENERAL

I-1 INTRODUCTION

The Transportation Authority of Calhoun County (TACC) procurement procedures are designed to set the standards for processing all procurement contracts. These standards are furnished to ensure materials, equipment, construction and services are obtained in a timely, efficient and economical fashion, adhering to principles of good administrative practices and sound business judgment. This manual is organized to allow the user optimum flexibility to initiate, develop, execute and administer all contracts within the parameters of federal, state, and TACC statutory or regulatory requirements.

All procurement transactions, regardless of whether by sealed bid or by negotiation and without regard to dollar value, except micro purchases (less than or equal to \$10,000), shall be conducted in a manner that provides full and open competition. Procurement procedures shall not unduly restrict or eliminate competition. Examples of what is considered to be restrictive competition include, but are not limited to: (1) placing unreasonable requirements on firms in order for them to qualify to do business; Examples are **excessive bonding requirements or requiring an excessive number of years of experience**); (2) organizational conflicts of interest; (3) non-competitive practices which give local or in-state bidders/offerors preference over other bidders/offerors; and (4) any arbitrary actions related to the procurement (such as arbitrary variations from the published criteria for source selection).

The TACC's procurement needs, including supplies, services, equipment and construction, shall be accomplished through the **Procurement/Finance Department**. The acquisition of real property through purchase, lease or eminent domain is exempted from the procedures set forth in this manual. The procedures contained herein have been developed to define the procurement process from the initial step of defining need through preparation of specifications, solicitation, evaluation, award, contract administration and closeout.

Procuring goods and services for TACC must be a cooperative effort, and it shall be the responsibility of all TACC staff involved in the procurement process to employ sound judgment and appropriate standards of ethics and fairness in carrying out their individual responsibilities and tasks. All contracts entered into by TACC shall be sound and complete agreements.

I-2 AUTHORITY

These procurement procedures are developed as required by TACC. At all times, particular attention to the standards and limitations of federal and state law is necessary. Applicable state and federal laws and policies governing the procurement practices of TACC are as follows:

- Michigan Revised Code;
- FTA Circular 4220.1F, third party contracting guidelines;
- TACC Board of Directors' resolutions;
- TACC Bylaws.

To the extent that applicable state laws and regulations are more limiting or restrictive of procurement practices than the federal, TACC is required to act within the bounds established by the state and local laws and regulations.

I-3 DELEGATIONS OF AUTHORITY

TACC Board of Directors authorizes and delegates to the Executive Director the power to:

- approve and execute all purchase requests, and advertise for bids or proposals where such advertising is required by law or regulation;
- approve and execute all contracts; and
- execute all contract documents including purchasing orders, contracts, change orders, and contract amendments.

All purchase orders, contracts and change orders more than \$100,000 shall be submitted for authorization to the TACC Board of Directors prior to execution.

Consistent with TACC plans and programs, including the DBE program, all goods and services estimated to exceed \$49,999.99 shall be competitively procured and, where appropriate, competitively bid with proposals on such items submitted in writing, opened and evaluated prior to the award of a contract.

Goods or services, except for micro purchases, estimated to be \$10,000 or less, shall be competitively procured by contacting two or more qualified vendors or suppliers, documenting and evaluating their quotation prior to award. Sole source procurements for goods and services shall be allowed only on an exceptional and fully documented basis and must meet the circumstances specified in TACC's

Procurement Procedures Manual.

The Executive Director shall retain overall responsibility for the control over all matters conducted by them or as a result of their delegation of authority hereunder.

I-4 DELEGATION APPROVAL OF PURCHASE REQUISITIONS

Pursuant to the authority granted to the Executive Director by the TACC Board of Directors, authority and responsibility for the approval of Purchase Requisitions as follows:

- Requesting Employee – Must fill out Purchase Requisition (PR) with all information needed to issue the Purchase Order. The PR must be submitted with all documentation required for the threshold level of the dollar amount.
- Department Director – Must confirm G/L to be charged and confirm the amount is available in their department's budget.
- **Chief Accountant** – Confirm the G/L is correct and monies are available for items requested.
- Executive Director – Confirm all required information has been provided by the requesting department and the request is appropriate for purchase. PR will then be processed by the Executive Director or designee and Purchase Order will be forwarded to the requesting department/individual.

1.4.1 If the Department Director is also the requester, both signature areas require their signature.

1.4.2 Change Orders

All change orders to contracts affecting time or money must be signed by the Executive Director or designee.

1.4.3 General

All dollar increases are cumulative. All changes to a Board approved resolution require additional Board approval if the change is over the contingency percentage of the Board-approved amount or \$100,000 (whichever is less).

I-5 CODE OF ETHICS AND VENDOR RELATIONS

I.5.1 Code of Ethics

The Transportation Authority of Calhoun County (TACC) **Procurement/Finance Department** has adopted a standard of conduct that governs its performance and business ethics. They are as follows:

- To consider, first, the interest of TACC in all transactions, and to carry out and believe in its established policies and laws of the country;
- To be receptive of competent input from their colleagues and to be guided by such input without impairing the dignity and responsibility of their office;
- To buy without prejudice, seeking to obtain the maximum ultimate value for each dollar of expenditure;
- To strive consistently for knowledge of the materials and processes of manufacture, and to establish practical methods for the conduct of their office;
- To subscribe to and work for honesty and truth in buying and selling, and to denounce all forms and manifestations of commercial bribery;
- To accord a prompt and courteous reception, so far as conditions will permit, to all who call on legitimate business ethics;
- To respect their obligations and to require that obligations to them and their company be respected, consistent with good business ethics; and
- To cooperate with all organizations and individuals engaged in activities designed to enhance the development and image of TACC.

I.5.2 Vendor/Contractor Contacts

To avoid misunderstandings with vendors/contractors the following guidelines shall govern TACC staff contacts with vendors and/or contractors.

I.5.3 Contacts Prior to Issuance of a Solicitation

Informational and market research contacts with prospective contractors/vendors are a valuable source of data to TACC. These contacts are clearly necessary and should be guided by the exercise of good judgment. The primary pitfalls to be avoided are promises or implications of a future contract, and requests for complimentary services or supplies which

may create the impression of an obligation on the part of TACC. Some specific services or assistance from potential vendors/contractors which should be avoided are:

- testing services;
- custom drawings;
- free trips to view products;
- product demonstrations; and
- furnishing significant samples.

If any of the above are required, they must be coordinated with the **Procurement/Finance Department**.

I.5.4 Contacts During Solicitation, Evaluation, Negotiation and Award

All contacts with contractors/vendors that relate to a procurement that is in the solicitation, evaluation, negotiation or award phase must be conducted through the **Executive Director or designee/Finance Department**. Technical questions, such as those relating to "approved equals," will be directed by the Executive Director or designee to the relevant TACC departments for evaluation.

I.5.5 Vendor Access to Operating Facilities

Except for contractors who have a contractual responsibility to monitor their services, vendors should not be allowed in the work area of any TACC operating facility.

I.5.6 Commitments to Incur Costs Due to Emergencies

Except under emergency circumstances (as defined in Chapter VI), only authorized members of the **Procurement/Finance Department** may obligate TACC to incur costs for the purchase of goods/services. Any other commitments are non-binding on TACC and expose whoever makes such commitment to personal liability for costs thereby incurred. Genuine emergencies, i.e. when life or property are in immediate danger, may preclude the use of established purchasing procedures, and non-procurement personnel may be required to obligate TACC to incur costs. In these emergencies, the **Executive Director or designee/Chief Financial Officer** and the using department shall be notified as soon as possible to ratify the emergency expenditure. A Purchase Requisition shall be delivered to the **Executive Director or designee/Finance Department** the next working day following the emergency. For detailed non-competitive emergency procedures, refer to Chapter VI.

I-6 LEASE VERSUS PURCHASE ALTERNATIVES

As a rule, given the difference between the cost of money to TACC, it is not economically advantageous to TACC to lease equipment. There are, of course, exceptions to this rule. For example, short-term leases of equipment may, in fact, be reasonable and economically sound.

In view of the above, and with the audit implications of uneconomic leasing in mind, a Purchase Requisition for leasing equipment must be accompanied by an analysis addressing the economics of lease versus purchase. The extent of the analysis should be appropriate to the size and complexity of the procurement.

I-7 RELEASE OF INFORMATION

Except for formally advertised procurements (IFBs/RFPs), all cost and pricing data received by TACC in negotiated procurements (RFPs) is to be treated as confidential during the evaluation process.

All technical data received in response to RFPs is confidential during the evaluation process.

I-8 BID PROTESTS

General

It is the policy of TACC to prepare specifications for invitation to bid or for requests for proposals that are not discriminatory in nature. All solicitations are to be open and free to all competing vendors whereby all have a reasonable chance to be successful and to be awarded a contract.

If a Bidder that has submitted a proposal feels that a particular solicitation is unfair, the following procedure must be followed to register a proper protest and said procedure shall be part of all solicitations:

Pre-Bid Protest

STEP 1. The protest must be made in writing and addressed to the **Secretary/Treasurer** of TACC's Board of Directors no later than five (5) business days before the scheduled bid or RFP due date. Such a protest must cite what the solicitation was for, and for what reason the protest is lodged.

STEP 2. The **Secretary/Treasurer** shall make all reasonable attempts to resolve the protest prior to the award of a contract and may reschedule the bid opening date solely at their discretion if deemed necessary. The **Secretary/Treasurer** must make their decision no later than three (3) working days from the date the protest is lodged.

Continue to Step 3 under Post-Bid procedures below.

Post-Bid Protest

- STEP 1. Protest must be made in writing and addressed to the **Secretary/ Treasurer** no later than five (5) business days after the scheduled bid due date. Such protest must cite what the solicitation was for, and for what reason the protest is lodged.
- STEP 2. The **Secretary/Treasurer** shall make all reasonable attempts to resolve the protest prior to the award of a contract. The **Secretary/Treasurer** must make their decision no later than five (5) business days from the date the protest is lodged.
- STEP 3. If the protest is not satisfactorily resolved at Step 2, the person or firm making the protest may request a hearing with their **legal counsel** and TACC. With TACC's **Legal Counsel** serving as arbitrator on the matter. Requests for such a hearing must be made within ten (10) business days of the original date the protest was filed.
- STEP 4. If the protest is not satisfactorily resolved at Step 3, the person or firm making the protest may appeal, within thirty (30) working days of the original protest date, the matter to the Board of Directors, who shall assign the matter to the appropriate **standing committee** of the Board who shall hold a hearing within fifteen (15) business days on the matter and make recommendation to the full Board to be considered at its next regularly scheduled meeting.

The decision of the Board shall be final and binding on all parties. Appeal from the decision of the Board or any request by an adversely affected party may be submitted in writing to the Federal Transportation Administration (FTA). FTA's recourse shall only consider protest appeals where the local protest procedure does not exist or where the local procedure was not followed.

Definitions

- a. "Days" refers to federal government working days.
- b. "File or submit" date of receipt by TACC.
- c. "Interested Party" includes all bidders/offerors with a substantial economic interest in a portion of the IFB or RFP.

The Buy America requirements apply to the following types of contracts: Construction Contracts and Acquisition of Goods or Rolling Stock (valued at more than \$150,000). The Bidder agrees to comply with 49 U.S.C. 5323(j) and 49 CFR Part 661, which provide that Federal funds may not be obligated unless steel, iron, and manufactured products used in FTA-funded projects are produced in the United States, unless a waiver has been granted by FTA or the product is subject to a general waiver. General waivers are listed in 49 CFR 661.7, and include final assembly in the United States for 15 passenger vans and 15 passenger wagons produced by Chrysler Corporation, microcomputer equipment, software, and small purchases (currently less than \$150,000) made with capital, operating, or planning funds. Separate requirements for rolling stock are set out at 5323(j)(2)(C) and 49 CFR 661.11. Rolling stock not subject to a general waiver must be manufactured in the United States and have a 60 percent domestic content.

A Bidder or Offeror must submit to TACC the appropriate Buy America certification (below) with all bids on FTA-funded contracts, except those subject to a general waiver. Bids or offers that are not accompanied by a completed Buy America certification must be rejected as non-responsive. This requirement does not apply to lower tier subcontractors.

Rolling Stock Requirements: If the highest ranking Bidder certifies compliance, then the Bidder must provide the following information within five (5) days of the staff recommendation for award in order for TACC to verify compliance prior to contract award as required by the FTA:

- a. Listing of component and subcomponent parts of the coach identified by manufacturer of the parts, their country of origin and costs; and
- b. The location of the final assembly point for the rolling stock, including a description of the activities that will take place at the final assembly point and the cost of final assembly.

If the recommended Bidder is not in compliance, TACC will request that the next highest-ranking Bidder provide the necessary information. The successful Bidder will be required to update this information prior to acceptance of the equipment.

If the recommended Bidder is unable to certify compliance with the Buy America requirements, but believes that it may qualify for an exception to the requirements consistent with Section 165(b)(2) or (b)(4) of the Surface Transportation Assistance Act, as amended, TACC will tender the request for exception(s) to the FTA for review and approval on behalf of the Proposer.

The Bidder shall submit the following certifications:

- a. Evidence that it will be capable of meeting the specifications; and

- b. The manufacturer's Federal Motor Vehicle Safety Standards (FMVSS) self-certification sticker information that the vehicle complies with the relevant FMVSS, or the manufacturer's certified statement that the contracted buses will not be subject to FMVSS regulations.

Bidders are advised to review the specific Buy America Requirements contained in the regulations at 49 CFR Part 661.

<This affidavit must be on the form provided by TACC, which is enclosed with this bid package>

I-10 STANDARDS OF CONDUCT

No employee, officer, agency, immediate family member, or Board member of TACC shall participate in the selection, award, or administration of a contract if a conflict of interest, real or apparent, would be involved.

Such a conflict would arise when any of the following has a financial or other interest in the firm selected for award:

- (1) The employee, officer, agent or Board member;
- (2) Any member of their immediate family;
- (3) His or her partner, or;
- (4) An organization that employs, or is about to employ, any of the above.

The members of the **Executive Director or designee/Finance Department** will neither solicit nor accept gifts or gratuities, where the financial interest is substantial.

Employees who violate this section will be governed by the State of Michigan Ethics Law.

I-11 PRE-QUALIFICATION

The Executive Director or designee ensures all pre-qualified persons, firms, or products that are used in acquiring goods and services are current and include enough qualified sources to ensure maximum full and open competition. Potential bidders shall not be precluded from qualifying during the solicitation period.

TACC will not, however, delay a proposed award or extend the solicitation period in order to afford a vendor the opportunity to demonstrate that its product(s) meets the standards in the specifications.

I-12 DISADVANTAGED BUSINESS ENTERPRISE

TACC complies with MDOT policy regarding DBEs as defined in 49 CFR Part 26 are ensured nondiscrimination in the award and administration of its contracts. TACC creates a level playing field on which DBEs can compete fairly for contracts; ensure that only firms that meet eligibility standards are permitted to participate as DBEs, help remove barriers to the participation of DBEs: and assist the development of firms that can compete successfully in the marketplace outside of the DBE program.

I-13 SOURCE SELECTION PLAN

The Executive Director or designee will maintain records detailing the listing of procurement. This information may include:

- The selection of contract type
- Reasons for selection
- Basis for contract price
- Rationale for method of procurement

TACC shall be mindful of all conflicts of interest in the source selection process. This shall include the elimination or mitigation of organizational conflicts of interest, which can result from: a) lack of impartiality or impaired objectivity; b) unequal access to information; and (c) biased ground rules. This shall include, but not be limited to, ensuring any consultant who was involved in the development of specifications for a given requirement shall not have the opportunity to bid on the contract for the purchase of that requirement.

I-14 TIME AND MATERIALS CONTRACTS

The use of time and materials contracts (T&M) may only be used after a determination that no other type of contract is suitable and if the contract specifies a ceiling price that the contractor shall not exceed except at its own risk. This type of contract provides for the payment of labor costs based on fixed hourly billing rates which include wages, indirect costs, general and administrative expenses and profit. Materials are billed at cost, unless the contractor usually sells materials of the type needed on the contract in the normal course of his business. In that case the payment provision can provide for the payment of materials based on an established catalog or list prices in effect when the material is furnished.

I-15 TAG ONS

“Tag-ons” are not permitted. This term is defined as the adding on to the contracted quantities (base and option) as originally advertised, competed, and awarded, whether for the use of TACC or for others and then treating the add-on portion as

though it met the requirement of competition.

I-16 COST PRINCIPLES

Contract costs must be allowable, allocable, reasonable and consistent.

Allowable – Defined by the terms of the contract.

Allocable – the project that paid the expense must benefit from it.

Reasonable – the cost reflects what a “prudent person” might pay.

Consistent – costs charged in similar circumstances to other projects.

If costs are not allowable, allocable, reasonable and consistent, they may not be charged to a project.

I-17 COST PLUS PERCENTAGE OF COST CONTRACT USE

Cost plus a percentage of cost contracts are prohibited.

I-18 Breach of Contract Provisions

The **Procurement/Finance Department** is responsible for evaluating and resolving contract claims resulting from a contractor’s violation, default, or breach of contract as well as resolving any claims the contractor may present against TACC.

If FTA has a financial interest, FTA must be notified.

I-19 REVENUE CONTRACTS

A revenue contract is defined as a third party contract whose primary purpose is to either generate revenues in connection with a transit related activity, or to create business opportunities utilizing a FTA funded asset. These contracts must be awarded utilizing competitive procedures and principles.

I-20 TERMINATION FOR CAUSE/TERMINATION FOR CONVENIENCE PROVISIONS

All contracts (with the exception of contracts with nonprofit organizations and institutions of higher education), in excess of \$25,000 shall contain suitable provisions for termination for convenience, including the manner by which it will be affected and the basis for settlement. In addition, such contracts shall describe conditions under which the contract may be terminated for cause as well as conditions where the contract may be terminated because of circumstances beyond the control of the contractor.

I-21 ADDITIONAL REQUIREMENTS FOR FEDERALLY FUNDED CONTRACTS

The following additional requirements shall apply, but may not be limited to, those contracts in which the FTA has a financial interest:

I-21.1. Five Year Limitation on Rolling Stock and Replacement Parts

TACC may enter into a multi-year contract to buy Rolling Stock with an option not exceeding five (5) years to buy additional Rolling Stock or replacement parts. TACC shall not exercise that option later than five (5) years after the date of the original contract.

I-21.2. Requirements for the Use of Options

TACC may use contract options held by another federal grants recipient, with the following limitations:

I-21.2.1. Consistency with the Underlying Contract

TACC must ensure the terms and conditions of the option it plans to exercise are substantially similar to the terms and conditions of the option as stated in the original contract at the time it was awarded.

I-21.2.2. Price

TACC may not exercise an option unless it has determined the option price is better than the prices available in the market, or that when it intends to exercise the option, the option is more advantageous.

I-21.2.3. Awards Treated as Sole Source Procurements

The following actions shall be considered as sole source awards (and so will be subject to sole source award standards):

I-21.2.3.1. Failure to Evaluate Options Before Awarding the

Underlying Contract: If a contract has one or more options and those options are not evaluated as part of the contract award, exercising those options after contract award will result in a sole source award.

I-21.2.3.2. Negotiating a Lower Option Price: If an option is exercised after TACC has negotiated a lower or higher price will also result in a sole source award, unless that price can be reasonably determined from the terms of the original

contract, or the price results from Federal actions that can be reliably measured, such as changes in Federal prevailing wage rates.

I-21.3. Cost and Price Analysis Requirement

TACC shall perform a cost and price analysis for every procurement action, including contract modifications. This shall include the need for independent estimates to start each procurement action (and before receiving bids or proposals).

A cost analysis shall be performed when a price analysis will not provide sufficient information to determine the reasonableness of the contract cost. This can occur when the offeror submits elements of the estimated costs (such as labor hours, overhead, materials, etc.). The cost analysis shall also be performed when competition is inadequate, when only a sole source is available, or in the event of a change order.

Price analysis is the process of examining the bid and evaluating the price without evaluating the separate cost elements.

I-21.4. Federal Cost Principles

Procurements must be in compliance with Federal cost principles applicable to TACC. TACC may use its own cost principles that comply with the applicable Federal cost principles (ref. FAR Part 31) in the determination of allowable costs.

I-21.5. Advance Payments Prohibited

TACC shall not make advance payments (payments made to a contractor before the contractor incurs contract costs) on federally funded projects.

I-21.6. Progress Payments

TACC can make progress payments on federally funded projects, provided adequate security for those payments has been obtained and there is sufficient written documentation to substantiate the work for which payment is requested. TACC shall take title on all items for which progress payments are made.

Progress payments based on the percentage of completion shall be made on construction contracts only.

I-21.7. Liquidated Damages

TACC may use liquidated damages on a contract if it is reasonably expected

that TACC will suffer damages through delayed contract completion, or if weight requirements are exceeded, and the extent or amount of such damages are uncertain and would be difficult or impossible to determine. The rate and measurement standards must be calculated to reasonably reflect TACC's costs should the standards not be met and must be specified in the solicitation and the contract.

I-21.8. Report of Rolling Stock/Bus purchases

TACC must report any and all purchases of transit vehicle procurement awards within 30 days of making an award to the FTA Office of Civil Rights. Reporting will include the name of the successful bidder and the total dollar value of the contract. Only eligible TVM's may bid on FTA-assisted transit vehicle procurements. The reporting must be done on the TVM webpage list of eligible TVMS.

<https://www.surveymonkey.com/r/vehicleawardreportsurvey>

CHAPTER II - PROCUREMENT REQUIREMENTS (PRE-SOLICITATION)

There shall be no procurement action taken until a Purchase Requisition is received by the Executive Director or designee.

The individual originating the purchase request is responsible for providing to the Executive Director or designee a complete and accurate Purchase Requisition. The Purchase Requisition must have appropriate signatures of approval. All Purchase Requisitions must contain information concerning the intended end use of all items being requisitioned. Technical specifications or scope of work and justification for the purchase must also accompany the Purchase Requisition submitted to the Executive Director or designee.

II-1 PURCHASE REQUISITION PROCEDURES

II-1.1 Purpose

The purpose of this procedure is to outline the method by which materials, supplies, services, equipment and construction shall be requested and to define how purchase requests shall be prepared and processed.

II-1.2 Scope

Properly executed Purchase Requisitions are required throughout TACC to initiate procurement action for materials, supplies, services, equipment and construction.

II-1.3 Originator

The individual originating the Purchase Requisition is responsible for the accuracy and adequacy of information supporting the request. Requests shall be submitted early enough to have a solicitation, purchase order or contract prepared, reviewed and issued in time for the required item to be obtained when needed.

Requests for procurement action shall be returned by the Executive Director or designee to the originator if the necessary documentation is missing or incorrect (i.e. inadequate technical specifications, approvals, account number, etc.). Originators should keep copies and a log in order to follow up on the status of their requests.

II-1.4 Procurement Manager/Finance Department

The Executive Director or designee will purchase the required item(s) as specified on the Purchase Requisition in accordance with **TACC policies and procedures**. Purchases may also be made by the requester after the Executive Director or designee sends them a copy of the Purchase Order.

II-1.5 Preparation

II-1.5.1 Originator

Name of person initiating purchase. Printed name, signature **and ext. #**. Originator prepares an independent cost estimate.

II-1.5.2 Department Code

Originator's department code.

II-1.5.3 Date

Date the Purchase Requisition is completed and signed by the originator.

II-1.5.4 Delivery To

TACC location or individual where delivery is to be made.

II-1.5.5 Required Delivery Date

Date item(s) are needed.

II-1.5.6 Quantity

Actual number of units required.

II-1.5.7 Description

A clear and accurate brief description of the item(s) to be purchased along with supporting information such as drawings, specifications, part numbers, model number, size, shape, color, materials and any additional data that will assist in identifying the minimum needs of TACC.

II-1.5.8 Account Number

Enter the department account number identified within the department's budget.

II-1.5.9 Estimate

Estimated price based on a qualified person's evaluation.


II-1.5.10 Not to Exceed

Amount the purchase order shall not exceed.

II-1.5.11 Companies Contacted


Suggested supply sources, if known.

II-2 FUNDING

For capital grant projects, indicate grant number and provide a completed  **Authorization For Expenditure form (AFE).**

II-3 APPROVALS

All Purchase Requisitions must be approved by the **Finance Department** to preclude incurring ineligible costs.

All Purchase Requisitions for grant funded items or projects shall be approved by the **Grants  Administrator.**

II-4 SPECIAL REQUIREMENTS

II-4.1 Brand Name or Sole Source


If only a specified brand name or sole source item will meet the minimum needs of TACC, such requirement must be justified in writing. A sole source can be justified when the item required is only available from one source and one of the following conditions exists: a) the offeror demonstrates a unique or innovative concept or capability not available from another source; b) patent or data rights restrictions preclude competition; c) substantial duplication costs (in the case of continued development or production of highly specialized equipment or major components thereof, when it is likely that award to another contractor would result in substantial duplication of

costs that are not expected to be recovered through competition); d) unacceptable delay (in the case of continued development or production of highly specialized equipment or components thereof, when it is likely that award to another contractor would result in unacceptable delays in fulfilling TACC's needs).

II-4.2 Component Part



If the requirement is for a component part of a major assembly, special item, or piece of equipment, the make, model and all other pertinent information for the assembly, item or equipment shall be indicated on the Purchase Requisition.

II-4.3 Inventory Parts

All requirements for inventory parts shall be purchased through TACC's  computerized inventory system on an as required basis.

II-4.4 Emergency Requirements

In situations where immediate action is necessary and the cost is estimated to be under \$100,000, to preclude a condition which could adversely affect the health or safety of the public or TACC employees, or causes an interruption to public transit service, the individual responsible should take the necessary action and then ensure a Purchase Requisition is initiated. The Purchase Requisition should be provided to the Executive Director or designee no later than the next working day. The justification for the emergency treatment of the procurement must be attached.

Emergency requirements over \$100,000 must comply with the guidelines set forth in  the Michigan Revised Code. . 

II-4.5 Duplicative Purchases

The Executive Director or designee reviews all purchases to ensure there is no duplication or unnecessary purchases.

II-5 TECHNICAL SPECIFICATIONS AND STATEMENTS OF WORK

II-5.1 Policy

Technical specifications and statements of work for solicitations of offers, for competitively bid or negotiated procurements, shall describe accurately and in clear, concise language TACC's minimum needs. These documents shall

be in a format that describes, in logical steps, the complete service or good to be delivered for each milestone of the total requirement from inception to full completion.

Technical specifications and statements of work shall not be developed as follows: (1) specifications/requirements shall not be slanted toward any particular prospective contractor, (2) descriptive literature from one prospective contractor shall not be used as the sole basis for writing specifications/requirements, (3) solicitation/contractual language shall not be included in the technical specifications/requirements, (4) descriptions shall not contain features that unduly restrict competition.

II-5.2 Technical Specifications Development

II-5.2.1 Technical specifications shall be prepared by in-house staff or, depending upon the item to be procured, may be prepared by a vendor/consultant.

Note: If a vendor/consultant develops the specifications, they may not bid on that particular procurement.

II-5.2.2 The originator shall coordinate closely with the requesting department to determine the detailed requirements. The description shall:

- include a description of the qualitative nature of the item requested including form, fit, and function;
- set forth those minimum essential characteristics and standards required to satisfy TACC's needs. Detailed product specifications should be avoided if at all possible, except for construction procurements; and
- indicate reliability and testing requirements.

II-5.2.3 Product specifications should be in sufficient detail to define TACC's requirements but not inhibit competition. When it is impractical or uneconomical to develop a clear accurate description of the technical requirements, a brand name or approved equal description may be used to define the performance or other salient features of the requirement. When so used, the specific features which must be met by offerors shall be clearly stated. Brand names that are known to meet the approved equal requirements shall be

listed.

II-5.2.4 A market survey may be conducted to determine the source(s) that offer products which meet the requirements. Extreme caution must be exercised to avoid discussions which would give such sources a competitive advantage, such as estimated quantities and budgeted dollar amounts.

II-5.2.5 Where the item can be procured from only one source because of patent or proprietary rights, the originator shall prepare a sole source justification, in accordance with the procedures in Chapter VI, in addition to the specifications.

II-5.2.6 Whenever practicable, performance specifications shall be used instead of design specifications.

II-5.3 Development of statements of work for professional/consultant services solicitations of offers for professional/consultant services shall clearly and accurately set forth all requirements which the offerors must fulfill, including the factors to be used in evaluating proposals. The statement of work shall be developed by the requesting department or consultant and shall contain the appropriate information as follows:

II-5.3.1 A broad description of the services and project and program objectives. The description outlines the contractor's specific responsibilities and the items; i.e., property, materials, etc., that must be furnished by the contractor.

II-5.3.2 A description of all obligations the contractor must meet including TACC, federal, state and local standards that are applicable to the project.

II-5.3.3 A detailed list of all data, property, and services which will be provided by the contractor and by TACC, for use in the performance of the contract if applicable.

II-5.3.4 Detail all tasks the contractor must perform and specify coordination requirements.

II-5.3.5 Specific data that must be submitted for approval and the schedule requirements for submission and approval to assure the project progresses in a logical and expeditious manner.

CHAPTER III - SEALED BID PROCUREMENTS

III. POLICY

III-1.1 General

In procuring goods and services, the **Procurement/Finance Department** personnel shall follow the procedures provided in Chapter V.

Procurement/Finance Department personnel shall use TACC's qualified bidders' list, minority business directory, recommendations from the originating departments, the Yellow Pages or equivalent sources, and appropriate business registers to assist them in identifying sources.

In competitive sealed bidding, sealed bids are publicly solicited and a firm-fixed contract (lump sum or unit price) is awarded to the most responsive and responsible bidder whose bid, conforming to all the material terms and conditions of the invitation for bids, is lowest in price.

In order for competitive sealed bidding to be feasible, appropriate conditions must be present, including, at a minimum, the following:

- a clear, adequate and realistic specification or purchase description is available;
- two or more responsible suppliers are willing and able to compete effectively for TACC's business;
- 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.

If competitive sealed bidding is used for a procurement, the following requirements shall apply:

- a sufficient time shall be allowed prior to the date set for opening of bids;
- bids shall be solicited from an adequate number of known suppliers;
- the invitation shall be publicly advertised;

- the invitation for bids shall clearly define the items or services needed in order for the bidders to properly respond to the invitation;
- all bids shall be opened publicly at the time and place stated in the invitation for bids;
- a firm-fixed price contract award shall be given in written notice to that responsive and responsible bidder whose bid, conforming to the invitation for bids, is lowest in price; and
- any or all bids may be rejected when there are sound documented business reasons in the best interest of the program.

III-2 RESPONSIBILITIES FOR SEALED BID CONTRACTING

Responsibility

Action

1. Provide technical specifications which are complete, realistic, and do not unduly restrict competition.
2. Provide appropriate approved Purchase Requisition.
3. Transmit Purchase Requisition, technical specification, justification, independent estimate and other bid package input to the Executive Director or designee.
4. Review technical specifications for completeness, department clarity, and accuracy. Determine if it is realistic and non-restrictive. If required, meet with the originating department to obtain clarification and changes to the specifications.
5. Review Purchase Requisition for adherence to purchase request procedure.
6. Develop the invitation for bid, coordinating with the originating department.
7. Ensure the invitation for bid contains required clauses and provisions.
8. Review invitation for bid for accuracy and completeness. Advertise procurement as appropriate, in local newspapers, minority media, trade journals, national media, e.g., Passenger Transport.
9. Distribute invitation to bids to those requesting copies. Record names and addresses of all holders of invitation to bid.
10. Conduct pre-bid conference (optional).
11. Receive requests from prospective bidders for clarifications or modifications of invitation for bids and requests for approved equals.

12. Evaluate requests for modifications to the solicitation.
13. Perform technical evaluation of all requests for approved equals.
14. Inform all prospective bidders of any department changes to the invitation for bids.
15. Issue addendums as necessary, to all holders of invitation for bid.
16. Receive bids and safe guard until bid opening.
17. Conduct public bid opening.
18. Review bids received for technical compliance and notify the Executive Director or designee in writing of technical finding(s).
19. Review bids for compliance to DBE department terms and conditions of invitation to bids.
20. Review bids for responsiveness and bidders responsibility.
21. Recommend award to the lowest, most responsive and responsible bid, price and other factors considered.
22. Review and approve the award recommendation.
23. Prepare Board Resolution.
24. Review Board Resolution.
25. Prepare contract documents, letters to unsuccessful bidders and notice to proceed. Prepare surety notice, if construction contract.
26. Send an award letter and contract to the contractor.
27. Sign contract. Submit bonds and certificates of insurance.
28. Sign contract.
29. Issue purchase order, fully executed contract and notice to proceed to the contractor.
30. Return bid bonds to unsuccessful bidders.

III-3 INVITATION FOR BID PREPARATION

III-3.1 Supply, Service and Equipment

III-3.1.1 For supply, service and equipment contracts, invitations for bids should contain the following information if applicable to the procurement involved. Additional items peculiar to supply, services, and equipment are enumerated in subsection 1.2.

- The invitation for bid number and a general description of the supplies, equipment, or services required;
- Address of the Executive Director or designee;
- Date of issuance;
- Date, hour, and place of bid opening. (Official local time shall be used);
- The date, hour and place of pre-bid conference (if applicable);
- A description of the item(s) to be furnished in sufficient detail to permit free and open competition. The description must accurately describe the minimum needs of TACC;
- The time of delivery or performance requirements;
- Bid guarantee and contract bond requirements, if any;
- When considered necessary by the Executive Director or designee/Finance Department, a requirement that all bids must allow a period for acceptance of not less than 60 calendar days;
- Where bidders are required to have special technical qualifications or experience due to the complexity of the items being procured or for some other special reason, a statement of such required qualifications or experience shall be included;
- Any special provisions, necessary for the particular procurement, relating to such matters as progress payments, patents, etc;
- Bid protest procedures;

- TACC's right to reject all bids;
- Procedures to be followed if a single bid is received;
- A statement for the basis for award;
- Any allowable price escalation;
- A statement of federal participation on grant funded procurements;
- Provisions pertaining to the amendment of the invitation for bid;
- Appropriate instructions regarding contract execution after award;
- Any additional contract provisions or conditions required and recommended by FTA, the state, local, or other jurisdictions; and
- The equal employment opportunity and DBE requirements of TACC.

III-3.1.2 For supply and services contracts, excluding construction, the invitation for bid shall contain the following information, if applicable to the procurement involved:

- The quantity of items or services to be furnished, and any provision for quantity variation;
- Pre-award testing requirements;
- When needed for the purpose of bid evaluation, pre-award surveys, or inspection of bidder facility;
- A statement whether the procurement is divisible or awarded on a per line item basis;
- The requirements of bid samples or literature, including a statement of the use of these items.

III-3.2 Bidding Time

III-3.2.1 Policy

Consistent with the need for obtaining the supplies, equipment, services, all invitations for bids must allow sufficient bidding time to permit prospective bidders sufficient time to prepare and submit bids.

III-3.2.2 Minimum Bidding Time

Generally, the time allowed for bidding will be 30 calendar days for items or services which are readily available in the commercial marketplace.

For complete procurements, the bidding time will be established based on the requirements of TACC and the needs of the marketplace.

III-3.3 Bid Samples

III-3.3.1 Policy

Bidders should not be required to furnish a bid sample of a product they propose to furnish unless a sample is needed to assure procurement of an acceptable product.

Invitations for bids shall:

- state the number and fully describe the sample required;
- list the characteristics for which the samples will be examined;
and
- a statement of the purpose of the sample in the evaluation of the bid.

III-3.3.2 Justification

The reasons why bid samples cannot be procured shall be set forth and filed in the contract file.

III-3.4 Descriptive Literature

III-3.4.1 Policy

Bidders should be required to furnish descriptive literature as a part of their bid unless TACC deems that such literature is needed to

enable it to determine before award whether the products offered meet the specification requirements of the invitation for bid and to establish exactly what the bidder proposed to furnish.

The invitation shall clearly state:

- what descriptive literature is to be furnished;
- the purpose for which it is required;
- the extent to which it will be considered in the evaluation of the bids; and
- the rules that will apply if a bidder fails to furnish the literature or if the literature furnished does not comply with the requirements of the invitation.

III-3.4.2 Justification

The reasons why products cannot be procured without the submission of descriptive literature shall be set forth and filed in the contract file.

III-4 ADVERTISING AND SOLICITATION OF BIDS

III-4.1 Advertising

Adequate public notice of the invitation for bids should be given in accordance with the provision of the Michigan Revised Code. The first publication of such notice should be made at least 30 days prior to the bid opening date set forth in the invitation for bid to permit potential bidders to prepare and submit bids, except when a shorter bid period is required to meet the needs of TACC. Notice shall be made by an announcement by the Executive Director or designee to all bidders on any applicable bidders list, by publication in local newspapers, minority media, trade journals, etc.

III-4.2 Mailing to Prospective Bidders

The notice of invitation for bid should be mailed to the maximum number of prospective bidders necessary to assure adequate competition. Unnecessary restrictions on competition shall not be used.

III-4.3 Records of Invitations for Bid and Records of Bids

The **Procurement/Finance Department** must maintain a record of every invitation for bid issued by it and of each abstract or record of bids, also known as the bid tabulation sheet. These records should be reviewed at the time of each subsequent procurement action for the same and/or similar items, to ensure the information available in the file is utilized and updated in connection with the new procurement.

The names and addresses of prospective bidders requesting the invitation for bid who were not included on the original bidders list, should be added and made a part of the record.

III-4.4 Pre-Bid Conference

A pre-bid conference may be requested at the discretion of the requesting department director or Executive Director or designee. Depending on the complexity of the solicitation, the Executive Director or designee may request vendors to mail questions prior to pre-bid conference. The purpose of the conference is to provide a public forum for the clarification of the bid documents and TACC's needs, and to provide a mechanism for bidder input into the procurement process.

All questions should be recorded and the answers should be reduced to writing and distributed to all attendees and any other interested parties. Written responses shall supersede any oral responses made at the pre-bid conference. The attendees at said conference shall be so advised. A record of all attendees and their organization shall be maintained.

III-4.5 Invitations for Bids Addenda

III-4.5.1 If after issuance of the invitation for bids but before the time set for opening of bids it becomes necessary to make changes in quantities, specifications, delivery schedules, bid opening date, general terms and conditions, etc., or to correct a defective or ambiguous invitation for bid such changes shall be accomplished by the issuance of an addendum to the invitation for bid. The addendum shall be sent to each prospective bidder to whom an invitation for bid has been furnished.

Each addendum issued shall:

- be serially numbered;
- include an identification of the invitation for bid to which the

addendum applies;

- clearly describe the changes, clarification or corrections made in the invitation for bid and advise of the extension of the opening date, if any. If no extension of the time set for bid opening is involved, the addendum shall so state.

III-4.5.2 Any information given to a prospective bidder concerning an invitation for bid must be properly furnished to all other prospective bidders, as an addendum, if such information is necessary to bidders in submitting bids or if the lack of such information would be prejudicial to uninformed bidders. Bid opening will be extended unless, in the opinion of the Executive Director or designee, such addendum has been issued in sufficient time to permit all prospective bidders to consider such information in submitting or modifying their bids.

III-4.5.3 Before issuing an addendum to an invitation for bid, the period of time remaining until the time set for opening must be considered. When insufficient time remains before the time set for opening, consideration should be given to notifying bidders of an extension of time via email. The email shall be followed up with a formal addendum. The Executive Director or designee shall make this determination by utilizing the following criteria:

- degree of urgency;
- complexity of requirement;
- impact on the market place; and
- geographic distribution of bidders.

III-4.6 Cancellation of Invitations Before Opening

Cancellation of an invitation for bid usually involves the loss of time, effort, and money spent by TACC and bidders in carrying the procurement process up to the point of cancellation. Invitations for bids should not be canceled unless cancellation is in the best interest of TACC. When an invitation for bid is canceled, bids that have been received shall be returned unopened to the bidders and a notice of cancellation shall be sent to all prospective bidders to whom the invitation for bid was issued. The notice of cancellation shall identify the invitation for bid, and briefly explain the reason the invitation for bid is canceled.

III-4.7 Bids Responsiveness

To be considered for award, a bid must comply in all material respects with the invitation for bid, both to the method and timeliness of submission and to the substance of any resulting contract, so that all bidders may stand on an equal footing and the integrity of the competitive bidding system may be maintained.

Bids should be filled out, executed and submitted in accordance with the instructions which are contained in the invitation for bids. Bidders must use the bid form furnished with the invitation for bid to assure uniformity in bids.

III-4.8 Bid Submission Timing

Bids must be submitted so as to be received in the **Procurement Department** designated in the invitation for bid not later than the exact time set for opening of bids.

III-4.9 Late Bids

Bids are "late bids" when they are received by the **Procurement Department** after the exact time for bid opening. Late bids will not be considered by TACC. Any late bid received by TACC will be returned unopened to the bidder.

III-4.10 Bids Modification or Withdrawal

Bids may be modified or withdrawn by written, email or fax notice, received in the **Procurement/Finance Department** office designated in the invitation for bid not later than the exact time set for opening of bids.

Modifications received by fax/email must be sealed in an envelope by the Executive Director or designee. No information contained therein will be disclosed before the time set for bid opening.

III-4.11 Late Modifications and Withdrawals

Modifications of bids and requests for withdrawal of bids which are received in the **Procurement/Finance Department** designated in the invitation for bids after the exact time set for opening are "late modifications" and "late withdrawals," respectively. A late modification or late withdrawal will not be considered by TACC and will be returned unopened to the bidder.

III-5 BID RECEIPT AND OPENING

III-5.1 Receipt of Bids

III-5.1.1 All bids (including modifications) received before the time set for the opening of bids shall be kept secure. If an invitation for bid is cancelled, bids shall be returned to the bidders. Before opening, information concerning the identity and number of bids received shall be made available only to authorized TACC employees. Such disclosure shall be only on a "need to know" basis. When bid samples are submitted, they shall be handled with sufficient care to prevent disclosure of characteristics before bid opening.

III-5.1.2 Envelopes marked as bids but not identifying the bidder or the solicitation may be opened solely for the purpose of identification, and then only by the **Executive Director or designee/Chief Financial Officer**. If a sealed bid is opened by mistake (e.g., because it is not marked as a bid), the envelope shall be signed by the opener, whose position shall be also written thereon, and delivered to the Executive Director or designee. They shall immediately write on the envelope (1) an explanation of the opening, (2) the date and time opened, and (3) the invitation for bid number, and shall sign the envelope. The Executive Director or designee shall immediately reseal the envelope.

III-5.2 Opening of Bids

III-5.2.1 The Executive Director or designee shall declare to those present when the time set for bid opening has arrived. All bids received prior to the time set for opening shall then be publicly opened, recorded, and read aloud to those present. If it is impracticable to read the entire text, the total amount of bid shall be read, if feasible.

The original of each bid shall be carefully safeguarded.

III-5.2.2 Examination of bids by interested persons shall be permitted. In such cases, the original bids may be examined by the public only under the immediate supervision of the Executive Director or designee, and under conditions which preclude possibility of a substitution, addition, deletion, or alteration in the bids. However, with respect to public disclosure of descriptive literature submitted by a bidder on a restrictive basis, such descriptive literature shall

not be disclosed, pending review of TACC's **Legal Counsel**.

III-5.3 Recording of Bids

The invitation number, bid opening date, general description of the procurement item, names of bidders, prices bid and any other information required for bid evaluation should be entered on the bid tabulation sheet. The Executive Director or designee will certify the accuracy of the bid tabulation sheet by placing their signature thereon. If the invitation for bid is cancelled before the time set for bid opening, this fact should be recorded.

III-5.4 Cancellation of Invitation for Bids after Opening

Preservation of the integrity of the sealed bid systems dictates that after bids have been opened, award should be made to that responsible bidder who submitted the lowest responsive bid, unless there is a sound business reason to reject all bids and cancel the invitation for bids. As a general rule, after opening, an invitation for bid should not be cancelled and re-advertised due solely to the increased requirements for the items being procured. Award should be made on the initial invitation for bid and the additional quantity should be treated as a new procurement.

The invitation for bid may be cancelled when 1) all bids are at unreasonable prices; 2) there is evidence of collusion or bad faith; 3) competition is not adequate to assure a reasonable price; or 4) it is in the best interest of TACC. In such instances, thorough documentation to support the action taken must be included in the files.

The invitation for bid may be cancelled after opening but prior to award, and all bids rejected only upon recommendation of the **Executive Director or designee/Chief Financial Officer**. Complete written documentation of these cases must be placed in the files.

III-5.5 Rejection of Individual Bids

Any bid which fails to conform to the essential requirements of the invitation for bid, such as specifications, delivery schedule, and other requirements which may be specifically provided for in the invitation for bids, may be rejected as non-responsive.

Ordinarily, a bid will be rejected when the bidder imposes conditions which would modify requirements of the invitation for bids or limit their liability to TACC to give them an advantage over other bidders. A low

bidder may be requested to delete objectionable conditions from their bid if these conditions do not go to the substance, as distinguished from the form, of the bid. A condition goes to the substance of a bid where it affects the price, quantity, quality, or delivery of the items offered. Bids received from any person or concern that is suspended, debarred, or ineligible under state or federal law shall be rejected if the period of suspension, debarment, or ineligibility has not expired as of the bid opening date.

Any bid may be rejected if the Executive Director or designee determines in writing that it is unreasonable as to price and the determination is supported by review and analysis of the action.

Where a bid guarantee is required and a bidder fails to furnish it in accordance with the requirements of the invitation for bid, the bid shall be rejected.

The originals of all rejected bids, and any written findings with respect to such rejections, will be preserved with the documents relating to the procurement.

A finding by the Executive Director or designee, that bidder is not responsible in accordance with the responsibility provisions set forth in the solicitation document and in other provisions of this manual, shall be cause for rejection of a bid.

Low bids received from bidders determined not to be responsible by TACC will be rejected.

III-5.6 Rejection of all Bids

Once a recommendation is made to reject all bids and approved by the **Executive Director or designee/Chief Financial Officer**, the **Procurement/Finance Department** staff will take the following steps:

- Determine the recommended course of action, i.e., revise and reissue the solicitation, cancel the entire procurement action;
- Prepare a procurement summary detailing the rejection reason of all bids for **Chief Financial Officer** approval;
- Upon receiving authorization from the **Chief Financial Officer**, send a letter to all the bidders advising them that all bids have been rejected, and whether a revised solicitation will be issued. Return bid guarantees; and

- Maintain documentation in the contract file including copies of original bids, written recommendations from the requesting department, records of conversations with vendors/contractors, the tabulation summary sheet, and a record of the basis for decisions made pertaining to the solicitation.

III-5.7 Restrictions on Disclosure of Descriptive Literature

When a bid is accompanied by proprietary information and the bidder imposes a restriction that such information may not be publicly disclosed, such restriction renders the bid non-responsive if it prohibits the disclosure of sufficient information to permit competing bidders to know the essential nature and type of products offered or those elements of the bid which relate to quantity, price, and delivery terms. The solicitation must state conditions for the determination of non-responsiveness.

Proprietary information restricted by a bidder against public disclosure will not be disclosed in a manner which would contravene the restriction without permission of the bidder.

III-5.8 Minor Informalities or Irregularities in Bids

To be considered for award, a bid must comply in all material respects with the invitation for bid, both to the method and timeliness of submission and to the substance of any resulting contract, so that all bidders may stand on an equal footing and the integrity of the competitive bidding system may be maintained.

Bids should be filled out, executed and submitted in accordance with the instructions which are contained in the invitation for bids. Bidders must use the bid form furnished with the invitation for bid to assure uniformity in bids.

III-5.9 Withdrawal of Bid After Bid Opening

The exclusive remedy for erroneous bids is a right of withdrawal prior to award. The right of withdrawal is conditioned on meeting the requirements of Michigan Revised Code.

Notice of a claim or right to withdraw such a bid must be made in writing and filed with the Executive Director or designee within two business days after the conclusion of the bid opening. The Executive Director or designee will review the claim to withdraw the bid. They render a decision based on their evaluation of the facts and if the bid meets the withdrawal

requirements of Michigan Revised Code.

III-6 EVALUATION OF BIDS

III-6.1 General

III-6.1.1 Executive Director or designee shall conduct a public bid opening for all sealed bids. Contracts for which formal bids are solicited shall be awarded to the responsible bidder whose bid is responsive and is most advantageous to TACC, considering price and other price related factors set forth in the invitation for bid.

The Executive Director or designee has the primary responsibility for evaluating bids. They shall use the procedures outlined below when evaluating bids and formulating their recommendation for award.

- The Executive Director or designee shall seek the assistance of and review the written recommendation together with written justification of relevant TACC departments;
- The **Executive Director or designee/Finance Department** shall make the recommendation to award considering all the facts and circumstances; and
- The Executive Director or designee shall document and retain in the bid file the reasons for their recommendation.

III-6.1.2 Immediately following the tabulation of bids, the Executive Director or designee shall determine the bids that are obviously non-responsive.

III-6.1.3 The determination of the responsiveness of a bid or responsibility of a bidder is a function of the Executive Director or designee.

III-6.2 Responsible Bidder

The term responsible refers to a bidder's integrity, compliance with public policy, record of past performance and financial and technical resources. A prospective vendor must meet the following requirements to be considered a responsible bidder.

- Have adequate financial resources, or the ability to obtain such resources as are required for the performance of the contract;

- Be able to comply with all contract obligations including the bonding and insurance requirements and the required or proposed delivery or performance schedule, taking into consideration all existing business commitments;
- Have a satisfactory record of performance. Contractors who are or have been seriously deficient in current or past contract performance, when the number of contracts and the extent of deficiency of each are considered, may be presumed to be unable to meet this requirement. Past documented, unsatisfactory performance will be sufficient to justify a finding of non-responsibility;
- Have a satisfactory record of integrity and business ethics;
- Have the necessary organization, experience, accounting and operational controls, and technical skills, or the ability to obtain them;
- Have the necessary production, construction, and technical equipment and facilities, or the ability to obtain them;
- Satisfy TACC's DBE program requirements; and
- Be otherwise qualified and eligible to receive an award under applicable laws and regulations.
- For federally funded procurements, the determination of bidder responsibility will include an Excluded Parties List System (EPLS) search for prime contractors and any subcontractors whose contract value exceeds \$25,000. Documentation confirming the completion of the EPLS searches shall be placed in the contract file.

III-6.3 Responsive Bids

The responsiveness of the bid is determined by its conformance to the technical and legal requirements of the bid documents. Generally, a bid is not responsive and may not be considered for award when it contains a deficiency as to any material factor, defined as circumstance which affects price, quality, quantity or delivery of the article or service furnished.

Responsiveness of the bids should be evaluated for the following:

- Meets all the major technical, engineering and performance

requirements of the product or service. Such requirements should be clearly stated in TACC's technical specifications;

- Contains a bid guarantee meeting the requirements of the invitation for bid;
- Bids must be filled out, executed and submitted in accordance with the instructions contained in the invitation for bid which affect issues of a material nature;
- A bid shall be rejected when the bidder imposes conditions which materially modify requirements of the solicitation documents; and
- Meets or exceeds the DBE goal.
- For federally funded procurements, the determination of bid responsiveness process will include confirmation that a completed Certification of Restrictions on Lobbying form has been received for prime contractors and any subcontractors whose subcontract value exceeds \$100,000.

III-6.4 Single Responsive Bid Evaluation

In the event a single responsive bid is received in a sealed bid procurement, the Executive Director or designee shall conduct a canvass of vendors to determine why there were no other bidders. A price or cost analysis of the bid must be performed to determine whether the price is reasonable.

Price analysis is the process of examining the bid and evaluating the price without evaluating the separate cost elements.

This can be done by various methods including obtaining records of recent bids for the item or for a similar item where the difference can be identified and costs attached to them, and a competitive environment exists. Where it is impracticable to obtain information necessary for a valid price analysis, a cost analysis shall be performed.

III-6.5 Tied Bids

In the event of a tie, TACC shall award the firm: 1) with the largest labor surplus in its metropolitan area; 2) the highest DBE participant; or 3) a business registered as a small business with the Small Business Administration.

In the event of a tie and after the aforementioned, the Bidder that submitted their bid first shall be awarded the contract.

III-7 AWARD PROCESS

III-7.1 Awards

The contract shall be awarded to the lowest and best overall bid meeting the minimum requirements as set forth in the specifications. TACC will pay no interest, finance, or carrying charges on our unpaid balance. There will be no down payment or prepayment made as part of this award.

III-7.2 Right To Verify Proposal - Single Bid

TACC shall verify proposal in the event of a single bid response, which shall automatically convert this solicitation to a negotiated purchase, which shall require the Contractor/bidder to negotiate a fair and equitable price. TACC retains the right to request certifiable/cost analysis data, which the bidder must provide.

III-8 CONTRACT EXECUTION

III-8.1 Following an award by Board Resolution (if required), a written contract incorporating terms and conditions of the invitation for bid are prepared by the Executive Director or designee and forwarded to the successful bidder with instructions to sign and return all copies to the Executive Director or designee. The Executive Director or designee will obtain the signature of the Executive Director and return an original contract to the successful bidder. An original copy will be given to the Chief Accountant to place in the contract file and a copy will be placed in the Procurement file.

III-8.2 Contracts for construction, demolition, alteration, repair or reconstruction of improvements shall be executed within 60 days after the bids are opened in accordance with the Michigan Revised Code. Notification of awards for construction contracts will be mailed to the contractors and surety's agent as soon as their identities are known.

CHAPTER IV - NEGOTIATED PROCUREMENT

This chapter outlines TACC's procedures for competitively negotiated procurements. It is applicable to all procurements which meet the conditions set forth under ORC 306.43 and FTA Circular 4220.1F.

In competitive negotiations, proposals are requested from a number of sources and the request for proposals is publicized, negotiations are normally conducted with more than one of the sources submitting offers, and either a fixed price or cost reimbursable type contract is awarded, as appropriate. If competitive negotiation is used for procurement, the following requirements shall apply:

- Proposals shall be solicited from an adequate number of qualified sources to permit reasonable competition consistent with the nature and requirements of the procurement. The request for proposal shall be publicized and reasonable requests by other sources to compete shall be honored to the maximum extent practicable;
- The Request for Proposals (RFP) shall identify all significant evaluation factors, including price or cost where required and their relative importance;
- TACC shall provide mechanisms for technical evaluation of the proposals received, determinations of responsible offerors for the purpose of written or oral discussions, and selection for contract award; and
- Award shall be made to the responsible offeror whose proposal will be most advantageous to TACC, price and other factors considered. Unsuccessful offerors should be notified promptly.

TACC must utilize competitive negotiation procedures for procurement of architectural/engineering and other related professional services, whereby competitors' qualifications are evaluated and the most qualified competitors are selected, subject to negotiation of fair and reasonable compensation.

TACC may reject all proposals and re-solicit or cancel the procurement if deemed to be in its best interest. Proper justification and good business reasons must be provided before such action is taken.

TACC may also enter into a contract with any offeror, based upon the initial proposal without conducting written or oral discussions; provided, the solicitation specifically stipulates this reservation of TACC's rights.

Requests for Proposals shall be publicized as follows:

- All projects estimated to exceed \$49,999.99 shall be advertised in a local newspaper. If the project complexity warrants wider circulation to ensure adequate competition, advertising shall be placed in trade

journals/magazines or other mass communication media.

- Exceptions to the above are:
 - requirements of an unusual or compelling urgency wherein TACC would be seriously injured if proposals were permitted to be made more than ten days from date of advertising; and
 - modifications to existing contracts that were advertised prior to award, or where competition would not be feasible.

For negotiated procurements, the requesting department or **project manager** shall provide to the Executive Director or designee a detailed independent estimate of cost for the required services.

Solicitations, other than architect/engineer and construction management, shall require submission of both technical and cost proposals. After technical evaluations have been completed, negotiations will be entered into with all firms determined to be in the competitive range. This shall include all proposers who have a reasonable chance of being selected for award. The final selection shall be made at the conclusion of formal negotiations and based upon the evaluation of best and final offers unless the determination has been made to award on the basis of the initial proposals without conducting discussions with any of the competing firms.

After receipt of proposals, none of the information contained in them or concerning the number or identity of offerors shall be made available to the public or to anyone in TACC not having a legitimate interest or "need to know". All participants in the evaluation and negotiation process shall be required to sign a confidentiality statement during the entire selection and award process. The participant's responsibility and TACC's rights in protecting the confidential nature of the process and submittals under consideration shall also be acknowledged by the participant.

IV-1 NEGOTIATION SOLICITATION DOCUMENTS PREPARATION

All Requests for Proposals (RFPs) shall be based on a clear and accurate description of the requirements for the services to be procured. Such requirements shall not contain features which unduly restrict competition.

The **Executive Director or designee/Finance Department** shall have the authority to determine where a specification is restrictive or not, and to reject a specification which they have determined to be unduly restrictive of competition. When a determination is made that a specification is unduly restrictive, it shall be returned with appropriate comments to the initiator for revision.

TACC's project initiating personnel are responsible for providing the in-house independent cost estimate, specifications, drawings and statements of work for the services required. Preparation of technical requirements and statements of work shall be the responsibility of the project initiator.

In addition to the technical requirements and statement of work, additional and special terms and conditions shall be prepared to cover such items as required delivery schedule and progress reporting requirements. Initiators are responsible for providing this information, together with the Purchase Requisition to the Executive Director or designee.

The Executive Director or designee is responsible for assembling the solicitation document. A solicitation document includes instructions to proposers, specifications, special terms and conditions, the contractual provisions required by state and federal government, the proposed contract terms and conditions and the evaluation criteria that will be utilized for contractor selection.

All departments and groups involved in the RFP preparation shall review the portions for which they are responsible. When all reviews have been completed, the Executive Director or designee shall issue the final documents.

IV-2 REQUEST FOR PROPOSALS PREPARATION

For negotiated procurements the Executive Director or designee is responsible for the following:

IV-2.1 RFP Preparation

IV-2.1.1 Purchase Requisition:

- Adequate statement of work and justification memo attached;
- Place Purchase Requisition in the working file.

IV-2.1.2 Draft RFP includes:

- RFP number;
- TACC name and address;
- Issuance date;
- Date, hour and address for proposal submission;

- A complete statement of the service to be furnished. The description should include sufficient detail to provide a common basis for evaluation;
- Reporting requirements, the time for performance and a required procurement schedule;
- The requirements and condition for the use of TACC personnel and facilities;
- The requirements and conditions for the protection of submittals or portions thereof from disclosure;
- Clear enumeration of the evaluation criteria to be utilized in descending order of importance;
- The RFP should solicit both a cost proposal and a technical proposal. The proposer must be required to submit cost proposals fully supported by cost and pricing data adequate to establish the reasonableness of the pricing;
- The RFP shall solicit the names and telephone numbers of persons authorized to conduct contract negotiations on behalf of the proposer, as well as the names and resumes of the principal participants in the services to be performed and a description of the resources of the proposer that will be devoted to the project;
- Specify the number of copies of proposals to be submitted;
- Specify insurance requirements;
- Reference to and specify any applicable federal, state or local laws or regulations;
- Any other special provisions applicable to the procurement; and
- Require proposers to state if they have been audited by any governmental agency and give the most recent audit date.

IV-2.1.3 Mailing List

- Potential sources indicated by the requester;
- Use source files and DBE directory.

IV-2.1.4 Final Copy

- Double check all dates and numbers;
- Reproduce copies:
 - required for mailing
 - originating department
 - DBE Officer
 - internal and external requests

IV-2.1.5 Mail and Distribute Copies

- Mail to all organizations on the mailing list.
- Distribute internally as appropriate.

IV-2.2 Receiving Proposals

IV-2.2.1 Log and Inspect

- Enter receipt of proposal into the proposal log;
- Note number of copies submitted.

IV-2.2.2 Distribution

- Provide one copy to each member of the evaluation committee;
- All copies are retained by committee members to use during presentations (if required). The Executive Director or designee will keep the original proposal copy in the procurement file.

IV-3 PROPOSAL EVALUATION GUIDELINES

Proposals for professional services shall be evaluated and ranked technically solely on the basis of criteria contained in the solicitation.

Generally, emphasis will be placed on the technical expertise of the firm and while price is a consideration, it may not be the determining factor. The objective is to select the firm or individual that can best provide the services, when the technical ability, price and other factors have been considered.

Following the receipts of proposals by the Executive Director or designee, several steps are to be followed in the evaluation process prior to the selection of a firm to do the work. These various steps are discussed below:

IV-3.1 Evaluation Committee

Prior to the receipt of proposals, the **Executive Director or designee/Chief Financial Officer** shall appoint an evaluation committee which shall consist of persons qualified by virtue of expertise, to evaluate and make judgments regarding technical issues contained in the proposals. The nature and complexity of the procurement and the advice of the originating department head will be considered in selecting persons to serve on the evaluation committee. The evaluation committee may be composed of the originating department head or a designated representative, and a representative of the **Finance Department**.

The role of the Executive Director or designee is to chair the evaluation committee, advise the committee on proper evaluation and scoring procedures, and ensure that the open and competitive nature of the process is maintained. The designated committee members must attend all committee meetings. If a committee member is or expects to be absent for an extended period of time or an emergency precludes the member's attendance, the meeting must be postponed or a new designee must be appointed.

The meeting shall be rescheduled allowing sufficient time for the new designee to become familiar with the project. There will be no alternate substituted for designated members and the Executive Director or designee will adjourn the meeting if a designated member is not in attendance.

IV-3.1.1 Conflict of Interest Restriction

In order to avoid even the appearance of conflict of interest, members of the evaluation committee must disclose any past employment or other affiliation with any firm or individual being considered for selection. In the event such affiliation existed or exists, the member is responsible for disqualifying themselves and requesting the nomination of a substitute member from their department.

To accomplish that end and in order to avoid the necessity of having to adjourn and reschedule committee meetings, the Executive Director or designee shall inform the committee members of the names of the firms that submitted proposals at the first meeting. The restriction against an employee serving on an evaluation committee that is considering contracting with a firm or individual with whom the employee is or was affiliated will remain in effect as long as the employee is employed by TACC.

IV-3.2 Evaluation Criteria

Included in the RFP is a list of evaluation criteria which shall be used by the TACC evaluating committee in reviewing the proposals. Typically, the evaluation criteria or factors shall relate to the areas of technical expertise, project approach, technical resources and project management.

IV-3.2.1 Technical Expertise

The RFP shall identify for the proposer the types of technical expertise which are required for the particular job. The proposers shall then be evaluated on their competence in those areas.

All criteria may not be given equal value in the evaluation process but may be weighed to reflect their relative contribution to the project. The criteria must be listed in order of importance in the RFP so that the proposer is aware of the items and their relative emphasis.

IV-3.2.2 Project Approach and Experience

The proposer shall be evaluated on its understanding of the nature and scope of the work to be performed. The evaluation committee shall consider both organization and experience with attention to factors such as:

- Experience and make-up of firm;
- Experience of key personnel assigned to the project;
- Experience with government agencies;
- Experience with transit projects;
- Past achievements;

- Commitment of key personnel to the project;
- Project execution plan;
- Cost; and
- Management techniques/systems.

IV-3.2.3 Technical Resources

The proposer shall be evaluated on its technical capabilities with attention to factors such as:

- Number of personnel available;
- Company owned equipment.

IV-3.3 Evaluation Matrix

The Executive Director or designee shall prepare an evaluation matrix to be used by the evaluation committee in evaluating the proposals. The form must be based on the evaluation criteria listed in the RFP and be sufficiently detailed to properly document the analysis performed by the evaluation committee.

The evaluation committee shall evaluate the proposals and fill out the evaluation matrix. The score shall then be totaled. A committee meeting shall be held to verify the scoring process and to determine the proposals technically qualified to be included in the competitive range of proposals for negotiations. The evaluation committee shall submit with the matrix a narrative appraisal of significant strengths and weaknesses of each proposal.

The results shall be delivered to the Executive Director or designee for documentation and for notification of the proposers selected for negotiations. Should the evaluation committee determine whether an award is appropriate based upon submittals, a recommendation shall be prepared documenting the consensus of the committee.

IV-3.4 Verification of Technical Evaluation Scores

Individual evaluation scores which vary more than 10 percent from the average scores for the subject criterion of the total evaluation committee on any specific proposal shall be subject to review by the Executive Director or

designee.

The purpose of the review is to discover the specific deficiency or significant characteristic the evaluator considered to be of such magnitude that, when evaluated further by the Executive Director or designee, could change the scores of the committee or the individual evaluator. Should an evaluation be reviewed, it shall be documented and attached to the evaluation matrix summary and retained in the contract file. This process is sensitive because it is the preliminary source of data for debriefing unsuccessful offerors or for use in responding to protest actions.

IV-3.5 Selection of Proposers for Negotiations and Award

After completion of the technical evaluation of the proposals, the evaluating committee may continue to participate in the negotiation process, or a negotiation panel may be selected by the Executive Director or designee.

Prior to commencing formal negotiations, the panel shall meet to develop a strategy plan for conducting the negotiations. Should additional meetings be necessary to complete the plan, negotiations will be delayed to provide adequate time to develop a comprehensive plan which will address the following issues:

- Proposal elements which are unacceptable, weak, or could be refined to improve the project;
- Any pricing objective including a range of pricing which would be acceptable;
- Schedule for individual proposer negotiation sessions including time, date, and location;
- Role of panel members; and
- Any other significant factors.

All firms whose proposals are determined to be within the competitive range shall be invited to participate in oral or written discussions. The competitive range shall be composed of all firms whose proposals are determined to be technically acceptable. This determination shall be made based on consideration of the technical factors pursuant to the terms of the RFP.

Written or oral discussions may be conducted with all offerors who submit proposals within a competitive range, except that this

requirement need not necessarily be applied to the following procurement:

- Cost of \$100,000 or less;
- In which prices or rates are fixed by law or regulation;
- Emergency requirements; and
- In which it can be clearly demonstrated from the existence of adequate competition that award can be made without discussion, provided however, that the solicitation notified all offerors of such possibility and provided that such award is in fact made without any written or oral discussion with the offeror.

For the sole purpose of eliminating minor uncertainties or irregularities, an inquiry may be made to an offeror concerning their proposal. Such inquiries and resulting clarification furnished by the offeror shall not constitute discussions. If the clarification prejudices the interest of other offerors, award may not be made without discussion with all offerors in the competitive range.

IV-3.5.1 Competitive Range

The determination as to which proposals are in a competitive range shall be made by the Executive Director or designee. The competitive range shall be determined on the basis of technical, cost, and other salient factors and shall include all proposals which have a reasonable chance to be selected for award. When there is doubt as to whether a proposal is within the competitive range, that doubt shall be resolved by including it. The initial number of tentatively acceptable proposals considered as being within the competitive range may be reduced when, as a result of the written or oral discussions, any such proposal has been determined to no longer have a reasonable chance of being selected for award.

When unpriced technical proposals are solicited they shall be evaluated to determine those which are acceptable to TACC or which, after discussion, can be made acceptable. After necessary discussion of such technical proposals is completed, prices shall be solicited for all acceptable proposals.

IV-3.5.2 Oral Interviews/Written Communication

The evaluation committee shall prepare lists of questions they may ask the proposers during the oral interviews. These questions generally address items that are not sufficiently covered by the proposers in their proposals. The proposer shall be required to update his proposal in writing if clarification or additional information was provided.

The format of the oral interviews is varied. Proposers shall either be asked to make formal presentations or be prepared for a question and answer session. For each of the finalists, telephone interviews shall be conducted with prior clients of the proposers. These clients shall be listed as references in the proposals.

This information shall be distributed to the evaluation committee and used in the final selection process.

IV-3.5.3 Discussions with Offerors

- All offerors selected to participate in discussions shall be advised of deficiencies in their proposals and shall be offered a reasonable opportunity to correct or resolve the deficiencies and to submit such price or cost, technical or other revisions to their proposals that may result from the discussions. A deficiency is defined as that part of offeror's proposal which would not satisfy TACC's requirements;
- Discussions shall not disclose the strengths or weaknesses of competing offerors or disclose any information from any offeror's proposal which could enable another offeror to improve his proposal as a result thereof;
- Auction techniques are strictly prohibited; an example would be indicating to an offeror a price which must be met to obtain further consideration, or informing them their price is not low in relation to another offeror. On the other hand, it is permissible to inform an offeror their price is considered by TACC to be too high;
- During the discussion, price negotiations may be conducted with the offerors only after a mutual understanding of the contractual terms and conditions, and the scope of work has been achieved;
- At the end of each discussion or interview, a memorandum summarizing the discussion shall be prepared and placed in the

contract file;

- At the conclusion of discussions, a final, common cut-off date which allows a reasonable opportunity for submission of written "best and final" offers shall be established and all remaining participants so notified. If oral notification is given, it shall be confirmed in writing.

The notification shall include: (1) discussions have concluded; (2) offerors are being given an opportunity to submit a "best and final" offer; and (3) if any modification is submitted, it must be received by the date and time specified; and

- Should it be necessary to reopen negotiations after receipt of the "best and final" offers, all proposers with whom negotiations were conducted shall be afforded an opportunity to continue in the negotiation process.

IV-3.6 Debriefing of Unsuccessful Offerors

When requested by an unsuccessful offeror, a debriefing shall be conducted by the **Executive Director or designee/Chief Financial Officer** utilizing the evaluation matrix, documentation of scoring process and the narrative appraisal describing the strengths, weaknesses, and risks as basis for the debriefing discussion.

IV-4 EXECUTIVE DIRECTOR OR DESIGNEE RESPONSIBILITIES

IV-4.1 Coordinate Proposal and Proposer Evaluation

IV-4.1.1 Participate as Evaluation Committee Chairperson

IV-4.1.2 Issue Internal Information as Required to the Evaluation Committee.

IV-4.1.3 Notify Finalists and Schedule Oral Interviews

- Telephone finalists;
- Confirm with letter to finalists; and
- Reserve meeting room and complete setup of meeting.

IV-4.1.4 Conduct Oral Interviews

IV-4.1.5 Document Oral Interviews and Participate in Final Evaluation

IV-4.2 Prepare for Negotiations with Selected Proposer(s)

IV-4.2.1 Conduct Pre-Negotiation Strategy Meeting(s)

- Provide proposed contract type;
- Provide any new or additional information available regarding the project;

IV-4.2.1.2 Request any Additional Follow-up Information from the Proposer.

Make determinations regarding responsibility of the proposer whose proposal is selected for award, or for consideration in the proposal selection process.

IV-4.3 Conduct Detailed Negotiations with Proposer

The Executive Director or designee shall coordinate with the evaluation committee to develop a pre-negotiation strategy on each issue it wishes to negotiate with each proposer.

IV-4.3.1 Coordinate with the originating department to provide technical evaluations and personnel for discussions of the statement of work, schedules, deliverables and costs.

IV-4.3.2 Finalize Contract Type, Statement of Work, Contract Deliverables and Contract Schedules

IV-4.3.3 Finalize Contract Costs

IV-4.4 Contract Preparation

IV-4.4.1 Prepare Negotiated Contract Document

IV-4.4.2 Review for Accuracy and Completeness as to Whether the Prices are Consistent with the best and final offer.

IV-4.4.3 Incorporate Changes as Appropriate

IV-4.4.4 Prepare Final Contract and Award

Letter IV-4.4.5 Mail to Contractor

IV-4.4.6 Follow Up Progress with Contractor

IV-4.4.7 Receive contract signed by contractor and review as follows:

- Is the contract properly signed?
- Are the bonds and insurance certificates signed?

IV-4.4.8 Obtain Executive Director's Signature

IV-4.4.9 Maintain Fully Executed Contract, and Prepare Transmittal Letter to the Contractor

IV-4.4.10 Generate PO (if applicable)

IV-5 CONFIDENTIALITY OF PROPOSALS

Proposers are required to submit financial data which is usually considered by the proposers to be privileged information. Such information shall be considered to be confidential and shall be released only by the **Executive Director or designee/Chief Financial Officer**. Dissemination of proposals within TACC should be controlled and restricted to those persons with a demonstrable "need to know".

IV-6 COMPETITIVELY NEGOTIATED CONTRACTS RESPONSIBILITIES

Responsibility

Action

Originating Department

1. Prepare a detailed description of the service required and suggested sources.
2. Process Purchase Requisition and justification for purchase.

ED or designee
/Finance

3. Receive Purchase Requisition, department justification and scope of work.
4. Draft RFP.
5. Review a final description of the project and scope of work based on the requirements and seek, as necessary, the advice of other offices and other departments.
6. Prepare final RFP.
7. Advertise. Executive Director or their designee to prepare a mailing list with suggestions from the originating department and mail RFP.
8. Hold a pre-proposal conference, if applicable.
9. Identify changes, if any, which need to be forwarded to proposers.
10. Send changes to proposers.
11. Identify staff evaluation committee.
12. Receive and record proposals.
13. Prepare evaluation form.
14. Set schedule for evaluation meetings.
15. Review and evaluate proposals. Request additional data as needed.
16. Compile rating summary from evaluation forms.
17. Determine tentatively acceptable and unacceptable proposals.
18. Notify tentatively acceptable offerors of schedule for oral interviews and request response to written questions.
19. Hold an oral interview with tentatively acceptable offerors.
20. Prepare a pre-negotiation plan and conduct detailed negotiations on contract terms and conditions with all acceptable proposers.
21. Make recommendations of selected proposer to the **Chief Financial Officer**.

- | | |
|-------------------------|--|
| | 22. Document entire procurement. |
| Executive Director | 23. Approval for resolution for submission to the Board of Directors. |
| Legal Counsel | 24. Conduct legal review of contract, if necessary. |
| Board of Directors | 25. Approve contract award. |
| ED or designee | 26. Forward contract to contractor for signature. |
| Contractor | 27. Sign contract and submit bonds and insurance certificates as appropriate. |
| Executive Director | 28. Sign contract. |
| ED or designee | 29. Generate purchase order, if applicable. |
| ED or designee executed | 30. Send purchase order, notice to proceed and fully contract to the contractor. |
| ED or designee | 31. Administer contract. |

CHAPTER V - PURCHASING THRESHOLDS

V-1 INTRODUCTION

This chapter prescribes procedures for the purchase of supplies, equipment, and services according to the estimated cost of procurement.

V-2 DEFINITION

- A. Micro Purchases. Goods valued at \$10,000 or less for federally funded procurements may be purchased without obtaining competitive quotations.
- B. Small Purchases. An acquisition of supplies, services, and construction in the amount of \$49,999.99 or less must follow small purchase procedures.
- C. Petty Cash. A cash fund of a fixed amount established by an advance of funds, without charge to an appropriation from an agency designated employee, for disbursement as disbursement is needed from time to time in making cash payments for relatively small purchases.
- D. Blanket Purchase Agreement. A simplified method of filling anticipated repetitive needs for supplies or services by establishing accounts with qualified suppliers.

V-3 COMPETITION AND PRICE REASONABLENESS

- A. Purchases Under \$25.00 (Petty Cash). Small purchases not exceeding \$25 may be accomplished without quotations from vendors which have historically offered the lowest pricing. The individual authorized to make purchases using cash shall furnish to the petty cash designated employee the following information:
 - 1. Description of item(s) purchased.
 - 2. Unit price and extensions.
 - 3. Supplier's name and address.
 - 4. Cash discounts, if any.
- B. Micro Purchase Procedures. Purchases estimated to cost \$10,000 or less are considered micro purchases and may be accomplished with at least one quote from vendors which have historically offered the lowest pricing by utilizing the Purchase Requisition. **The Executive Director or designee/Finance Department** shall rely on catalog pricing, prior record of pricing, and expertise in the local market areas to determine price reasonableness. DBE vendors shall be afforded maximum

opportunity practical to participate.

Funds are not to be expended prior to obtaining the required signatures on the Purchase Requisition.

The following procedures apply to micro-purchases:

1. Competition. Micro-purchases should be distributed equitably among qualified suppliers.
2. Prohibited Divisions. Procurements may not be divided or reduced in size merely to come within the micro-purchase limit.
3. Documentation. The only documentation required is that the price is fair and reasonable and a description of how the determination was made.

C. Small Purchases. For purchases with an estimated value greater than \$10,000 but less than \$50,000, a minimum of three written quotations are to be requested by the requesting department or **Procurement Department** utilizing Purchase Requisitions. Efforts are to be made to include DBE vendors.

D. Formal Purchases. Purchases with an estimated value of \$50,000 or more must be treated as formal purchases per Michigan Revised Code and typically require the use of competitive bidding or competitive negotiation procedures.

E. Purchases Over \$100,000. Purchases more than \$100,000 require the Board of Directors approval.

F. Price Reasonableness. Reasonableness of a proposed price may be determined by comparison of the proposed price with:

- Prices found reasonable on recent previous purchases
- Current price lists
- Catalogs
- Advertisements
- Similar items in a related industry
- Industry indices

CHAPTER VI - CONSTRUCTION PROCUREMENT

VI-1 CONSTRUCTION CONTRACT PROCUREMENT

1.0 Bonding Policy and Requirements in Accordance with Michigan Revised Code

Each person bidding for a contract with TACC for any public improvement shall file with the bid, a bid guaranty in the form of either:

- (1) A bid guarantee and contract bond for the full amount of the bid;
- (2) A certified check, cashier's check, or letter of credit pursuant to Michigan Revised Code. The amount of the certified check, cashier's check, or letter of credit shall be equal to ten percent of the bid.

2.0 Preparing Bid Documents

The originator or architect/engineer (A/E) contractor is responsible for providing drawings, plans, cost estimates and complete and realistic technical specifications that are not restrictive of competition. The originator of the construction request shall prepare the Purchase Requisition which will be forwarded to the **Procurement/Finance department**.

3.0 Review and Approval of Bid Package

The Executive Director or designee, along with the originator and if applicable the architect/engineer contractor will review the drawings, plans and technical specifications for completeness and confirm whether or not the specifications are non- restrictive.

The bid package is reviewed by the Executive Director or designee to verify if the invitation for bid contains the required clauses and provisions including applicable requirements of the Davis Bacon Act and TACC's **Disadvantaged Business Enterprise Program**.

4.0 Advertising for Construction Bids

Adequate public notice of the invitation for bids should be given in accordance with the provisions of the Michigan Revised Code. This notice will normally be made at least 30 calendar days prior to the bid opening date set forth in the invitation for bid to permit potential bidders to prepare and submit their bids. The originator of the construction project will assist the Executive Director or designee by providing a list of prospective bidders. Any company requesting an invitation for bid resulting from the public advertisement should be sent an invitation for bid.

The Executive Director or designee must retain a record of every invitation for bid issued and each abstract or record of bids, known as the tabulation summary.

5.0 Pre-Bid Conference

The purpose of the pre-bid conference is to provide a public forum for the clarification of the solicitation documents and TACC's needs, and to provide a mechanism for clarification of the technical specifications and the procurement process. Depending on the complexity of the solicitation, the Executive Director or designee may require bidders to submit questions prior to the conference.

TACC attendees at the pre-bid conference will be the Executive Director or designee, who will chair the meeting, the originator and/or the A/E contractor. When appropriate, a visit to the job site will be included in the pre-bid conference agenda. The originator will attend the job site visit and assist the Executive Director or designee in matters of a technical nature.

Questions received from prospective bidders prior to the conference may include requests for clarification or deviations from the invitation for bid as well as requests for approved equal. All requests for technical information will be given to the originator or A/E contractor for resolution.

The originator and/or the A/E contractor along with the Executive Director or designee, will review all requests for deviations from the solicitation.

The Executive Director or designee will compile a consolidated written list of all questions/requirements received from the prospective bidders and TACC's responses.

This list will be distributed to all attendees at the pre-bid conference and any other requester who received the invitation for bid.

A record of all attendees at the pre-bid conference and their organization will be maintained by the **Procurement Department**.

6.0 Bid Package Addenda

If after issuance of an invitation for bid, but before the set time for the opening of the bids, it becomes necessary to make changes in quantities, plans, drawings, specifications, delivery schedules, opening dates, etc., or to correct a defective or ambiguous invitation for bid, such changes will be accomplished by the issuance of an addendum to the invitation for bid.

The addendum will be sent to each prospective bidder to whom the invitation for

bid has been furnished. The originator and/or the A/E contractor will assist the Executive Director or designee by reviewing the addendum for technical accuracy.

Each addendum issued will:


- Be serially numbered.
- Include an identification of the invitation for bid to which the addendum applies.
- Note the changes, clarification or corrections made in the invitation for bid and the extension of the opening date, if any.

The following information is presented to give the overall view of the bidding process. Any information given to a prospective bidder concerning an invitation for bid must be furnished promptly to all other prospective bidders, as an addendum to the invitation for bid, only if such information is necessary to bidders in submitting bids on the invitation for bid or if the lack of such information would be prejudicial to uninformed bidders. Bid opening will not take place unless such addendum has been issued with sufficient time to permit all prospective bidders to consider such information in submitting or modifying their bids.

Before issuing an addendum to an invitation for bid, the time remaining until the set time for bid opening must be considered. When insufficient time remains, consideration will be given to notifying bidders of a time extension by email. The email will be followed up with a formal addendum. The Executive Director or designee will make this determination by utilizing the following criteria.

- Degree of urgency
- Complexity of requirements
- Impact on the market price
- Geographic distribution of bidders
- Normal mailing time for request for bid

7.0 Contractor Selection

 The Executive Director or designee will conduct a public bid opening for all sealed bids. Construction contracts may be awarded to the responsive and responsible bidder whose bid is lowest, provided their bid is not in excess of 10% of the in-house or engineer's estimate. If there is no responsive and responsible bidder

within the cost limit or it is otherwise deemed to be in the best interest of TACC, all bids will be rejected, and the job will be re-bid.

Bids received after the time and date specified will be returned unopened to the bidder(s). TACC reserves the right to reject any and all bids.

7.1 Receiving and Evaluating Bids

The Executive Director or designee will tabulate all of the bids and evaluate the lowest bidder's bid for technical compliance and responsibility. The evaluation will include all reasons or findings of non-compliance.

If all the bids exceed the originator's or A/E contractor's estimate by more than 10%, all of the bids will be rejected. In this event TACC may re-solicit for bids. In addition, the originator and/or the A/E contractor and **Procurement/Finance** staff may desire to meet with the bidders to discuss the basis for their bids. The outcome of this meeting may result in either revised specifications, a revised originator's or A/E contractor's estimate, or both.

7.2 Recommending a Contractor

The Executive Director or designee has the primary responsibility for evaluating bids. The originator or A/E contractor will provide technical support as required during the bid evaluation process.

The criteria outlined below will be used when evaluating bids and formulating a decision to award a contract.

- The **Executive Director or designee/Chief Financial Officer** will make the decision to award considering all the facts and circumstances.
- The **Executive Director or designee/Chief Financial Officer** will document and retain in the **bid**/contract file the reasons for their decisions.

7.2.1 Responsible Bidder

The term "responsible" refers to a bidder's integrity, record of past performance and financial and technical resources and other factors which could affect the ability of a bidder to successfully complete a project. A prospective bidder must meet the following requirements to be considered a responsible bidder.

A. Have adequate financial resources, or the ability to obtain such

resources as are required for the performance of the contract.

- B. Be able to comply with the bonding and insurance requirements and the required or proposed delivery or performance schedule, taking into consideration all existing business commitments.
- C. Have a satisfactory record of performance. Contractors who are or have been seriously deficient in current or recent contract performance, when the number of contracts and the extent of deficiency of each are considered, may be presumed to be unable to meet this requirement. Past unsatisfactory performance will be sufficient to justify a finding on non-responsibility.
- D. Have a satisfactory record of integrity and business ethics.
- E. Have the necessary organization, experience, accounting and operational controls, and technical skills, or the ability to obtain them.
- F. Have the necessary production, construction, and technical equipment and facilities, or the ability to obtain them.
- G. Meets or exceeds **TACC DBE program requirements**.
- H. Otherwise qualified and eligible to receive an award under applicable laws and regulations.

An affirmative finding of bidder responsibility must be made for an award to be made. Unresolved questions or issues pertaining to the bidders' capacity or ability to perform must result in a finding of non-responsibility.

7.2.2 Responsive Bidder

The responsiveness of the bid itself is determined by its conformance to the technical and legal requirements of the bid documents. Generally, a bid is not responsive and will not be considered for award when it contains a deficiency in any material factor, defined as a circumstance which affects time, bonding, price, quality, quantity or terms of delivery of the goods or service furnished.

Responsiveness of the bids will be evaluated for the following:

- A. Meets all the major technical, engineering and performance requirements of the good or service. Such requirements should be clearly stated in TACC's technical specifications.
- B. Meets the DBE requirements stating the goal to be attained and, if lower than the required goal, document good faith efforts to support the goal attained.
- C. Bids are filled out, executed and submitted in accordance with the material instructions contained in the invitation for bid.

A bid will be rejected when the bidder imposes conditions which would modify material requirements of the solicitation documents. TACC may waive minor errors or omissions.

7.2.3 Evaluation of a Single Bid

In the event a single bid is received in a sealed bid procurement, the Executive Director or designee will conduct a canvas of bidders to determine why there were no other bidders. A cost analysis shall be performed to ensure that it is reasonable.

In a single bid situation, competitive bidding procedures can be modified such that price negotiation is permissible, but not to the extent that the solicitation's substance is so changed that more bidders could be attracted if bids were solicited for the revised requirements.

7.2.4 Identical Bids

The resolution of apparently identical bids is performed as follows:

- A. Arithmetic calculations are checked to confirm that the bids are identical and the bids are reviewed for responsiveness.
- B. If the bids remain identical and are responsive, the Executive Director or designee advises the bidders involved, in writing, that a tie occurred and advises them the tie will be broken based on the information in the TACC's boilerplate language.

7.3 Approval of Contract Award

Unless all bids are rejected, award must be made by written notice, within the time for acceptance specified in the bid (normally 60 days) or extension thereof, to that responsive, responsible bidder with the lowest price. Award will be made by the Board of Directors for all construction contracts exceeding \$100,000.

If, after the bid opening, administrative difficulties threaten to delay the award beyond the bidder's acceptance periods, bidders should be requested (before expiration of their bids) to extend the bid acceptance period to avoid the need for re- procuring.

In all sealed bid procurements, the award of contracts will be to the lowest responsive, responsible bidder. If the award is to be made to other than the apparent low bidder, a full justification must be prepared and put into the bid/contract file.

The following documentation is required:

- A. A copy of the bid/proposal of the awardee and the bids of all those whose prices are lower than the awardee's.
- B. A copy of the solicitation document. A procurement summary explaining the basis for selection of the contractor, including the evaluation criteria, the technical evaluation and, when appropriate, the negotiation memorandum.
- C. A statement by the Executive Director or designee that the price is fair and reasonable and the basis for that determination.
- D. The cost analysis used as a basis for determining the price is fair and reasonable.
- E. A list of all bids received.

Contracts will be awarded based on the factors of responsiveness and responsibility. If the award is to be made to other than the apparent low bidder, the above documentation must explain in what ways the bidder was not responsive or responsible.

7.4 Information to Unsuccessful Bidders

Where an award is made to other than the apparent low bidder, the Executive Director or designee or their designee will notify the

unsuccessful lower bidder(s) promptly of the fact their bids were rejected. The notification should state the reasons for rejection. In addition, notification that an award has been made to another firm should be given to all unsuccessful bidders.

8.0 Awarding the Construction Contract

As soon as the award is made, copies of the original written contract, incorporating terms and conditions of the invitation for bid, will be prepared by the Executive Director or designee and forwarded to the successful bidder with instructions to sign and return all copies together with proof of the requisite bonding, insurance, DBE subcontractors and, for construction contracts where the specifications do not otherwise require, the contractor's proposed schedule. Promptly after receipt of the previously mentioned documentation, the contract is then approved by the Executive Director and a notice to proceed is sent to the contractor. Copies of the original documents are maintained in the Contracts/Procurement files.

Unless an extension of time is obtained from the contractor, contracts for construction, demolition, alterations, repair or reconstruction will be executed within 60 days after the bids are opened in accordance with Michigan Revised Code. The construction contract award notification will be mailed to the contractor and surety agent as soon as their identities are known.

8.1 Emergency Procedure

Under the Michigan Revised Code, a construction contractor can be procured without competitive bidding if TACC's Board of Directors agrees by a two-thirds affirmative vote that a real and present emergency exists and:

A. The estimated cost is less than \$100,000.

B. There is actual physical damage to structure or equipment.

9.0 Other Provisions for Construction Contracting

All provisions of Chapter III, Sealed Bid Contracts, shall be applicable to this chapter unless in conflict with the provisions of this chapter. When a conflict exists, the provisions of this chapter shall prevail.

VI-2 CONSTRUCTION SERVICES PROCUREMENT

1.0 Preparing Purchase Request

When a requirement exists for the services of a construction manager or an architect/engineer contractor, the originator of the request will prepare a Purchase Requisition, a scope of work, and purchase justification. The scope of work must clearly define what services are to be performed and which deliverables are to be provided by the A/E or CM contractor to be included in the request for proposal. The scope of work will provide a clear and accurate description of the technical requirements, including existing pertinent specifications for the service to be procured. Such requirements will not contain criteria which restrict competition for the contract.

The originator of the request is responsible for providing an in-house cost estimate and schedule for the service to be contracted.

The Executive Director or designee, shall prepare additional and special terms and conditions to cover such items as required delivery schedule, progress reporting requirements and technical evaluation criteria in order of merit. If possible the originator shall provide a list with a minimum of four qualified contractors along with the Purchase Requisition.

2.0 Preparing Information for Bids (IFB)

The **Executive Director or designee/Finance Department** has the responsibility for assembling the IFB package. An IFB package shall include:

- A. Instructions to offerors, such as proposal date, proposal conferences and procurement procedures.
- B. Services to be provided (e.g., technical requirements, scope of work)
- C. Request for technical qualifications of the firm and proposed personnel.
- D. Contract terms and conditions.
- E. Contractual provisions required by TACC, state & federal governments.
- F. TACC's DBE requirements and goals.

The Executive Director or designee will ensure all elements of the IFB are included and will coordinate the IFB with the originating department.

3.0 Procurement of Architect/Engineer Contractor

The **Executive Director or designee/Finance Department** when applicable will

advertise the project in appropriate media and distribute the RFP to prospective proposers. TACC is not obligated to solicit from every firm which may be included on its bidders list, but only from the number of qualified sources necessary to ensure effective competition and to ensure the procurement is made to the best advantage of TACC in accordance with FTA regulations and Michigan statutes. Any firm can ask for the RFP and submit a proposal.

After the RFP has been distributed the Executive Director or designee, when applicable, may hold a pre-proposal conference to which all the potential proposers are invited for the purpose of answering questions they might have about the project. If sufficient lead time for the conference permits, the potential proposers will be requested to submit their questions in writing prior to the conference. At the pre-proposal conference all the questions that were submitted will be answered in writing.

If at the pre-proposal conference questions are asked for which answers are not immediately known, written copies of such questions and answers will be sent to all firms receiving the RFP when the answers are determined. The originator, Executive Director or designee, and other pertinent TACC department representatives will attend the conference to provide input and to assist in answering the questions submitted by the proposers. The Executive Director or designee will be responsible for having the proceedings recorded during the conference and issuing written questions and answers.

3.1 Receiving Proposals

The Executive Director or designee will be the recipient of all proposals sent to TACC. Those received after the time and date specified will be returned unopened. If cost proposals are inadvertently received at the same time, they will remain unopened until technical ranking of the proposers is completed in accordance with the Brooks Act.

After the receipt of proposals by the Executive Director or designee, the procedures outlined in the following paragraphs will be followed in the selection of a contractor to do the work.

3.2 Evaluation Committee

A proposal evaluation committee shall be appointed in accordance with Chapter IV, Negotiated Procurement.

The role of the Executive Director or designee is to conduct the evaluation and negotiation process; advise the evaluation committee on proper evaluation and scoring procedures; and ensure the open and competitive

nature of the process is maintained. The designated evaluation committee must attend all committee meetings. If a committee member is, or expects to be, absent for an extended period, or is unable to attend because of an emergency, the meeting must be postponed while a new designee is chosen. The meeting will be rescheduled, allowing sufficient time for the new designee to become familiar with the project. There will be no alternate substituted for designated members and the Executive Director or designee will adjourn the meeting if a designated member is not in attendance.

3.3 Evaluating Proposals

Proposals for A&E services and other services that are directly in support of, directly connected to, directly related to, or lead to construction, alteration, or repair of real property will be evaluated in accordance with the Brooks Act and ranked technically, solely based on criteria contained in the solicitation.

Emphasis will be placed on the technical expertise of the firm. The objective is to select the firm or individual that can best provide the services required by the project.

3.4 Evaluation Criteria

Included in the RFP will be a list of evaluation criteria to be used by the evaluation panel in reviewing the proposals. Typically, the evaluation criteria will relate to such areas as technical expertise, understanding the specific project, experience with similar projects, and personnel proposed. These areas of technical expertise will be weighted to reflect their relative importance to the project.

3.5 Evaluation Matrix

The Executive Director or designee will prepare an evaluation matrix form to be used by committee members in evaluating the proposals. The form must be based on the evaluation criteria listed in the RFP.

The evaluation committee will review the proposals and fill out the evaluation matrix. The scores then will be totaled. A committee meeting will be held to verify the scoring process and to decide which of the proposers are to be invited for interview based upon the input of the evaluation committee to the Executive Director or designee on technical compliance of the proposal.

The final consolidated proposal evaluation scores will be the basis for the Executive Director or designee to notify the firm selected, or firms which

are to attend an interview for further discussion of their proposals.

The information contained on the evaluation forms is sensitive because it is the primary source of data for responding to protests from unsuccessful offerors.

The firm with the highest technical evaluation score will be selected for negotiation of a contract. The Executive Director or designee will notify the selected firm and request a cost proposal. Upon receipt of the cost proposal the Executive Director or designee will provide copies of the cost proposal to members of the evaluation committee for review.

3.6 Debriefing of Unsuccessful Proposers

When requested by an unsuccessful proposer, a debriefing will be conducted by the Executive Director or designee using the evaluation forms, and the narrative appraisal describing the strengths and weaknesses of the proposal. In no event will the evaluation forms be shared with any proposer.

3.7 Contract Award

Following successful negotiations and a determination by the Executive Director or designee that the proposer is responsible, a contract will be awarded.

CHAPTER VII - CONTRACT ADMINISTRATION

The **Executive Director or designee/Finance Department** is responsible for the post-award administration of contracts to ensure compliance with the terms of the contractor and TACC.

The contract file must contain documentation which details the history of the procurement through award of the contract. It includes, at a minimum, the rationale of any matter(s) which may result (or have resulted) in controversy or dispute.

The documentation includes the following:

- The rationale for the method of procurement.
- The selection of the contract type.
- The reasons for selection or rejection of the contractor.
- The basis for the contract price.

The following are the normal contract administration functions to be performed by the Executive Director or designee:

- Review the contractor's insurance plan.
- Conduct post award conferences.
- Resolve issues of controversy.
- Review and approve or disapprove the contractor's requests for payments.
- Issue contract modifications.
- Perform pre-award surveys.
- Assist in evaluating and making recommendations for acceptance or rejection of waivers and deviations.
- Assist the DBE Officer in evaluating an offeror's proposed DBE subcontracting plan.
- Accomplish administrative closeout procedures.
- Ensure compliance with specifications.
- Issue change orders and perform price and cost analysis.

Contract Modification/Change Order

Any written change to the terms of the contract are defined as contract modifications. A Contract Modification/Change Order is considered as a sole source procurement.

Contract Closeout

The **Executive Director or designee/Finance Department** is responsible for initiating administrative closeout of the contract after receiving evidence of its physical completion.

Mail Box License Agreement

This Mail Box License Agreement (“Agreement”) is made and entered into by and between the Transportation Authority of Calhoun County (“TACC”) or (“Licensee”) and Battle Creek Unlimited, Inc. (“Licensor”).

WHEREAS, Licensor is the current owner or lessee of certain space in the building (“Building”) located at the address set forth and as described in Exhibit A to this Agreement (“Premise”).

WHEREAS, TACC desires to lease a mailbox in the Premises from Licensor on the terms and conditions herein and furnished as set forth in Exhibit A to this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties agree as follows:

TERM: The Commence Date is February 1, 2025, and the license granted by Licensor hereunder will begin on Commencement Date and continue on a month-to-month basis until cancelled by either party upon 30 days prior written notice to the other party.

FEE: Beginning on the Commencement Date, TACC shall pay Licensor, at the address set forth in the Notice section below, the sum of **\$25 per month** (the “Fee”), payable monthly in advance, as consideration for the license. The Fee for any partial month shall be prorated based upon the actual number of days in the month. The Fee shall be payable upon the first day of each calendar month so long as this Agreement is in effect. The parties agree and understand that except for the Fee, TACC is not responsible or obliged to pay Licensor any other sum including without limitation any amount for taxes, common expenses, utilities, repair or any other expense associated with the use or occupancy of the Premises, or the furniture or fixtures contained therein. Licensor must arrange and pay for all utilities furnished to the Building for the term of this Agreement, including without limitation electricity, gas, water, sewer, and any and all taxes.

REPAIR AND MAINTENANCE: Licensor will maintain the Building and keep it in good repair at its expense, including without limitation maintaining and repairing windows, doors, skylights, adjacent sidewalks, parking lot, common areas, lavatories, the Building front, and interior walls. TACC is responsible for any costs associated with the installation of a new mailbox or any equipment needed while leasing the mailbox at the Leased premises.

HOLD HARMLESS:

A. No responsibility shall rest upon the Licensor by reason of the condition of the Leased Premises (mailbox) nor shall the Licensor be liable to the TACC or any of its patrons, customers, agents, servants or employees by reason of the condition of the Leased Premises (mailbox) or any improvements, equipment or personal property situate thereon. Lessee agrees to indemnify and hold harmless Licensor against all loss, damage and expense arising out of bodily injury or damage to property resulting on, about or from TACC use of the Leased Premises (mailbox) other than injury or damage caused by Lessor's gross negligence or willful misconduct. TACC shall provide at its own

expense and keep in continuous force and effect during the term of this Agreement comprehensive public liability insurance naming Licensor as an additional insured.

B. Said policies shall be written by a company or companies approved by the Licensor, and certificates or policies evidencing continuous coverage thereunder together with evidence of prompt payment of all premiums arising therefrom shall be furnished to Licensor periodically so as to demonstrate the required continuous coverage.

HOURS OF OPERATION: TACC shall have access to the mailbox Monday thru Friday from 8 am – 5 pm EST. From time-to-time special circumstances may arise in which Licensor will work with TACC to reasonably accommodate.

USE OF CONFERENCE ROOM: TACC shall pay a fee to use the conference room for business purposes. The fee schedule is listed in Exhibit B.

SURRENDER: TACC will surrender the mailbox in the Premises at the end of the license term in the same condition as when TACC took possession, allowing for reasonable use and wear and damage by acts of God, including without fires and storms.

NOTICE: All notices hereunder will be in writing and will be sufficient if sent by first-class registered or certified mail, postage prepaid, return receipt requested, or by reputable commercial overnight carrier that provides a receipt, such as Federal Express or Airborne Express, and will be deemed given when received or refused and addressed as set forth below, or to such other address or addresses as may be from time to time designated by notice by a party to the other party as herein provided as follows:

If to Licensor: Battle Creek Unlimited, Inc.
Attn: Bridgette Jones
4950 W. Dickman Road, STE 1
Battle Creek, MI 49037

With a copy to:
Transportation Authority of Calhoun County (TACC)
Attn: Acting Treasurer, Amy Evans
4950 W. Dickman Road, STE B2
Battle Creek, MI 49037

MISCELLANEOUS: This Agreement may not be modified orally or in any manner other than by an Agreement in writing signed by the parties hereto. This Agreement shall be binding upon the inure to the benefit of the parties hereto and their respective successors and assigns. The above recitals and any exhibits hereto are made a part hereof and incorporated herein. No waiver of any provision of this Agreement shall operate or be construed as a waiver of any other provision. The headings in this Agreement are for convenience of reference only and are not intended to limit or define the scope of effect of any provision of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their authorized officers on _____.

Transportation Authority of Calhoun County - TACC

Signature: _____

Print Name: _____

Title: _____

Battle Creek Unlimited, Inc.

Signature: _____

Print Name: _____

Title: _____

EXHIBIT A

ADDRESS OF PREMISES:

4950 W. Dickman Road, STE B2
Battle Creek, MI 49037

DESCRIPTION OF PREMISES:

Mailbox access in the B-Building, located in the foyer area of the building.

EXHIBIT B – Conference Room Rental Rates

Hourly Rate:

- \$15 (per hour)

Half Day Rate:

- \$60 (four hours)

Full Day Rate:

- \$120 (eight hours)

**TRANSPORTATION AUTHORITY OF CALHOUN COUNTY
BOARD OF DIRECTORS**

Resolution 01-2025

At the regular Board of Directors meeting of the Transportation Authority of Calhoun County (TACC), held in the Chambers of Marshall City Hall, located at 323 West Michigan Avenue, Marshall, Michigan 49068, on Tuesday, January 28, 2025, with Chair Erick Stewart presiding, the following action was taken:

WHEREAS the Transportation Authority of Calhoun County needs an address to receive mail and meeting space from time to time; and

WHEREAS Battle Creek Unlimited owns and leases mailboxes and meeting space at 4950 W. Dickman Road, Ste. B, Battle Creek, MI, 49037; and

WHEREAS the Transportation Authority of Calhoun County Board of Directors approved a Mailbox License Agreement with Battle Creek Unlimited on January 14, 2025, which provides the TACC with a mailbox/mailling address of 4950 W. Dickman Road, Ste. B2, Battle Creek, MI 49037 and hourly conference space rental; and

NOW THEREFORE BE IT RESOLVED the Transportation Authority of Calhoun County authorizes Amy Evans, Acting Treasurer, to execute the approved Mailbox License Agreement on behalf of the TACC.

“Moved by _____, seconded by _____ to approve Amy Evans, Acting Treasurer, for the Transportation Authority of Calhoun County Board to sign the Mailbox License Agreement with Battle Creek Unlimited.

YES –
NO –
Motion

I, the undersigned, Secretary to the Transportation Authority of Calhoun County, do hereby certify that the foregoing is a true and complete copy of certain proceedings taken by the Transportation Authority of Calhoun County at its regular meeting held on January 28, 2025, relative to adoption of the resolution there set forth; that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and the minutes of said meeting were kept and will be made available as required by said Act.

Dated: January 28, 2025

Vivian Davis, Secretary
Transportation Authority of Calhoun County Board

CSU Producer Resources, Inc.

A subsidiary of Cincinnati Financial Corporation
P.O. Box 145496, Cincinnati, OH 45250-5496
513-870-2000

Date: 01/27/2025

To: Worgess Insurance Financial Services
2 MICHIGAN AVE W STE 100
BATTLE CREEK MI 49017

21-024

From: Corey Bledsoe

RE: Transportation Authority of Calhoun County Inc

Quote number: 855056654

QUOTATION

We are pleased to present a quote for this risk. This quote is based on the information you submitted, however the terms and conditions may differ from what was requested. Please review carefully.

Coverage to be provided by The Cincinnati Specialty Underwriters Insurance Company, an approved non-admitted company.

Proposed Policy Period: From: 01/27/2025 To: 01/27/2026

Quote Expiration: 02/26/2025

Description of Operations: Prem ops only

Coverage:

General Liability - OCCURRENCE

Retroactive Date: NONE

Limits of Insurance	
Each Occurrence	\$ 1,000,000
Damage to Premises Rented to You	\$ 100,000
Medical Expense	\$ 1,000
Each Offense – Personal & Advertising Injury	\$ 1,000,000
General Aggregate other than Completed Operations	\$ 2,000,000
Products/Completed Operations Aggregate	Excluded

Deductible	Per Claim	Per Occurrence
Bodily Injury	Not Applicable	Not Applicable
Property Damage	Not Applicable	Not Applicable
Combined BI and PD	\$ 2,500	Not Applicable

Payment Options: CSU offers both Agency Bill and Direct Bill payment methods. Listed below are the payment methods available to the insured.

Re: Transportation Authority of Calhoun County Inc

Agency Bill:

Premium:	
CGL Deposit Premium	\$ 750.00
Flat Premium	\$ N/A
Terrorism Risk Insurance Act	\$ 25.00
Broker Fee	\$ 50.00
Surplus Lines Tax	\$ 15.50
Stamping Fee	\$ N/A
Other Taxes or Fees	\$ 3.88
TOTAL	\$ 844.38

Direct Bill:

	Annual	Semi-Annual	Quarterly	25%/9
CGL Deposit Premium	\$ 750.00	\$ 773.00	\$ 789.00	\$ 812.00
Flat Premium	\$ N/A	\$ N/A	\$ N/A	\$ N/A
Terrorism Risk Insurance Act	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00
Broker Fee	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00
Surplus Lines Tax	\$ 15.50	\$ 15.96	\$ 16.28	\$ 16.74
Stamping Fee	\$ N/A	\$ N/A	\$ N/A	\$ N/A
Other Taxes or Fees	\$ 3.88	\$ 3.99	\$ 4.07	\$ 4.19
TOTAL	\$ 844.38	\$ 867.95	\$ 884.35	\$ 907.93
Down-Payment*	\$ 844.38	\$ 468.95	\$ 273.85	\$ 349.93

*Down-Payment includes any fully earned or flat premiums, Broker Fee (where applicable), and all Surplus Lines Tax and other state specific taxes or fees. Depending on the bind request date or length of the policy term, the down-payment may include premiums from subsequent installments.

Re: Transportation Authority of Calhoun County Inc

Provisions applicable to premium:

A. Premium is subject to annual audit: Yes No

B. Agency Bill Payment Terms: Premium is payable in full on the 25th of the month following the statement month. If payment is not received by the 25th of the month following the statement month, coverage will be cancelled and may not be reinstated or may not be reinstated at the same terms and conditions. If premium is financed and the finance company requests the company to cancel coverage, the company will honor that request. If the finance company subsequently requests the company to reinstate coverage, the company, at its sole discretion, may not reinstate coverage or may reinstate coverage with a gap in coverage terms or conditions.

C. Direct Bill Payment Terms: Payor is responsible for submitting the down-payment and any subsequent installment reflected on the billing invoice within 22 days from the invoice date. Subsequent installments are subject to change based on policy changes and/or billing charges. Please refer to Billing Invoice for future installments.

D. Direct Bill Billing Charge: The following billing charges vary by state and may apply up to \$25 per infraction: Non-Sufficient Funds (NSF) Charge, Rescission Charge, and/or Late Charge. Please refer to the Disclosure of Direct Bill Charges form included with your invoice for more information.

E. Minimum Earned Premium at Inception: 25 %
Minimum earned premium is the minimum amount to be retained as premium if coverage is cancelled at the insured's request after coverage is bound with the company.

F. Minimum Premium is the lowest amount to be retained for the policy period. Minimum premium is equal to 100% of the deposit premium.

G. Flat Premium: Any premium shown as a flat is fully earned and is not subject to the minimum earned premium.

H. Broker Fee: The broker fee is considered a flat charge and fully earned and is not subject to the minimum earned premium.

Forms and Endorsements:

Refer to Forms and Endorsements Schedule **CSIA406**

Standard Terms and Conditions:

1. In compliance with TRIA, a signed disclosure statement and coverage selection form is required at the time coverage is bound.
2. Please advise if coverage is desired. Coverage is not bound until issuance of a policy number by the company.
3. Commission: 15 %

Additional Terms and Conditions and Remarks:

Authority to Issue Certificates of Insurance:

After coverage is bound with our prior approval, you may issue **unmodified** ACORD Certificates of Insurance with an accurate representation of the coverage form and endorsements applicable to the policy at the time you issue the Certificate. No modification to the ACORD Certificate of Insurance is allowed without prior written approval from the company.

Certificates of Insurance do not amend, extend or alter policy coverage, terms or conditions in any manner. Changes to the policy are permitted only with prior written approval by the company.

Re: Transportation Authority of Calhoun County Inc

DISCLOSURE NOTICE OF TERRORISM INSURANCE

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, that you have the right to purchase insurance coverage for losses resulting from acts of terrorism, as defined in Section 102(1) of the Act.

Certified Act of Terrorism

As defined in Section 102(1) of the Act, the term "act of terrorism" means any act that is certified by the Secretary of the Treasury - in concurrence with the Secretary of State, and the Attorney General of the United States - to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

Disclosure of Federal Participation in Payment of Terrorism Losses

You should know that where coverage is provided for losses resulting from certified acts of terrorism, such losses may be partially reimbursed by the United States government under a formula established by federal law. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States government generally reimburses 85% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The premium charged for this coverage is provided below and does not include any charges for the portion of loss that may be covered by the federal government under the Act.

You should also know that the Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses in any one calendar year exceeds \$100 billion. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

Disclosure of Premium

In accordance with the federal Terrorism Risk Insurance Act, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for acts of terrorism certified under that Act.

The portion of your premium attributable to coverage for acts of terrorism certified under the Act is Excluded plus applicable taxes and fees. This amount does not include any charges for the portion of losses covered by the United States government.

REJECTION OF TERRORISM INSURANCE COVERAGE

You may choose to reject this offer of coverage for losses resulting from acts of terrorism as defined in the Act by signing the statement below and returning it to your insurance producer.

Coverage Rejection - I hereby reject the offer to purchase coverage for certified acts of terrorism as defined in the Act. I understand that I will have no coverage for losses resulting from such acts of terrorism.

Authorized Signature by Applicant

Date

Print Name

Named Insured

The Cincinnati Specialty Underwriters Insurance Company Policy Number

Forms and Endorsements Schedule

POLICY NUMBER:

POLICY EFFECTIVE DATE: 01/27/2025

NAMED INSURED: Transportation Authority of Calhoun County Inc

FORMS APPLICABLE

Forms Applicable - Common Forms

CSIA501 (07/14) Common Policy Declarations
CSIA409 (01/08) Named Insured Schedule
CSIA410 (03/08) Notice to Policyholders
CSIA417 (01/15) Cap On Losses From Certified Acts Of Terrorism
CSIA448 (09/20) Policyholder Notice Terrorism Insurance Coverage
CSIA403 (11/17) Special Provisions - Premium
CSIA404 (08/07) Service of Suit
CSIA464 (02/23) U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") Advisory Notice to Policy
CSIA301 (02/23) War Exclusion

Forms Applicable - Commercial General Liability

CSGA501 (04/08) Commercial General Liability Coverage Part Declarations
CSGA403 (10/07) Liability Premises Schedule
CSGA408 (04/08) Commercial General Liability Classification and Premium Schedule
CG0001TOC (04/13) Commercial General Liability Coverage Form Table of Contents
CG0001 (04/13) Commercial General Liability Coverage Form
CSGA401TOC (02/13) Changes to Commercial General Liability Coverage Form Table of Contents
CSGA401 (02/13) Changes to Commercial General Liability Coverage Form
CG0168 (11/20) Michigan Changes
CSGA3195 (11/22) Exclusion - Perfluorinated Compounds (PFC) and Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS)
CG2185 (12/23) Exclusion - Electronic Data - Deletion of Bodily Injury Exception
CSGA3205 (06/23) Exclusion - Cyber Liability
CSGA3206 (06/23) Exclusion - Privacy Violation Liability

Forms and Endorsements Schedule

POLICY NUMBER:

POLICY EFFECTIVE DATE: 01/27/2025

NAMED INSURED: Transportation Authority of Calhoun County Inc

FORMS APPLICABLE

Forms Applicable - Commercial General Liability

CG0300 (01/96)	Deductible Liability Insurance
CG2150 (04/13)	Amendment of Liquor Liability Exclusion
CG2196 (03/05)	Silica Or Silica-Related Dust Exclusion
CSGA306 (04/20)	Exclusion - Communicable Disease, Contagious Disease or Infectious Disease
CSGA301 (02/21)	Exclusion - Assault or Battery
CG2149 (09/99)	Total Pollution Exclusion Endorsement
CG2426 (04/13)	Amendment of Insured Contract Definition
CSGA418 (06/08)	Amendment of Pollutants Definition
CSGA361 (06/08)	Exclusion - Fungi or Bacteria
CSGA439 (11/08)	Amendment of Duties in the Event of Occurrence Offense Claim or Suit Condition
CG2104 (11/85)	Exclusion - Products/Completed Operations Hazard
CG2147 (12/07)	Employment-Related Practices Exclusion
CSGA315 (10/23)	Exclusion - Firearm(s) or Ammunition(s) - Total
CSGA345 (03/08)	Exclusion - Designated Operations or Work
CSGA342 (01/08)	Exclusion - Fireworks or Pyrotechnics
IL0017 (11/98)	Common Policy Conditions
IL0021 (09/08)	Nuclear Energy Liability Exclusion Endorsement
CSLL348 (01/08)	Limitation - No Stacking of Limits of Insurance
IL0003 (09/08)	Calculation of Premium



CYBER LIABILITY QUOTE ESTIMATE

Date:

To: Transportation Authority of Calhoun County Inc

4950 W DICKMAN RD STE B2

BATTLE CREEK MI 49037

QUOTATION

CSU offers three Cyber products: Data Defender, Network Defender and Cyber Defense. Data Defender and Network Defender can be purchased separately or together. The quote(s) cannot be bound without prior company approval. Final pricing is subject to a favorable Cyber Liability Application, CSHC002. Please contact your C-SUPR underwriter for more information on these products.

1. DATA DEFENDER

Provides first party coverage for specified expenses arising from a "personal data compromise" involving "personally identifying information" of "affected individuals."

"Affected individuals" may be customers, clients, members, directors or employees of the insured entity.

Coverage	Annual Aggregate Limit	Deductible	Annual Gross Premium
Response Expenses	\$50,000	\$1,000	\$64
Defense and Liability	\$50,000	\$1,000	\$24
Identity Recovery	\$25,000	\$250	\$17
Total Data Defender Premium for \$50,000 Annual Aggregate Limit			\$ **105
Coverage	Annual Aggregate Limit	Deductible	Annual Gross Premium
Response Expenses	\$100,000	\$1,000	\$101
Defense and Liability	\$100,000	\$1,000	\$42
Identity Recovery	\$25,000	\$250	\$17
Total Data Defender Premium for \$100,000 Annual Aggregate Limit			\$ **160
Coverage	Annual Aggregate Limit	Deductible	Annual Gross Premium
Response Expenses	\$250,000	\$1,000	\$162
Defense and Liability	\$250,000	\$1,000	\$66
Identity Recovery	\$25,000	\$250	\$17
Total Data Defender Premium for \$250,000 Annual Aggregate Limit			\$ **245

2. NETWORK DEFENDER

Provides third party coverage for the breach of business information, unintended propagation and forwarding of malware and unintended abetting of a denial of service attack.

Coverage	Annual Aggregate Limit	Deductible	Annual Gross Premium
Computer Attack	\$100,000	\$1,000	\$202
Network Security	\$100,000	\$1,000	\$121
Total Network Defender Premium for \$100,000 Annual Aggregate Limit			\$ **323
Coverage	Annual Aggregate Limit	Deductible	Annual Gross Premium
Computer Attack	\$250,000	\$1,000	\$356
Network Security	\$250,000	\$2,500	\$341
Total Network Defender Premium for \$250,000 Annual Aggregate Limit			\$ **697

3. CYBER DEFENSE

Cyber defense comprises seven components, including first and third-party coverages. This robust cyber option offers higher limits and broad coverage and requires individual underwriting. Please consult your C-SUPR underwriter for additional details. To receive a quote, please complete supplemental application CSHC004.

** Note: applicable taxes, terrorism and \$50 broker fee will be added to the final policy.

SPECIMEN

Commercial General Liability Premises Schedule

POLICY NUMBER:

POLICY EFFECTIVE DATE: 01/27/2025

if Supplemental
Declarations Is Attached

NAMED INSURED: Transportation Authority of Calhoun County Inc

LOC.

ADDRESS

1 4950 W DICKMAN RD STE B2
BATTLE CREEK MI 49037

SPECIMEN

Commercial General Liability Classification and Premium Schedule

POLICY NUMBER:

POLICY EFFECTIVE DATE: 01/27/2025

NAMED INSURED: Transportation Authority of Calhoun County Inc

LOC NO.	CLASSIFICATION	CODE NO.	PREMIUM BASE A - Area B - Payroll S - Gross Sales U - Units	RATE		DEPOSIT PREMIUM	
				Premises Operations and All Other	Products/ Completed Operations	Premises Operations and All Other	Products/ Completed Operations
1	Buildings or Premises - office - Not Otherwise Classified (Not-For-Profit)	61227	A, 25000	30.000	.000	\$750	

POLLUTION LEGAL LIABILITY ESTIMATED QUOTE

Date: 01/27/2025

To: Worgess Insurance Financial Services
2 MICHIGAN AVE W STE 100
BATTLE CREEK MI 49017

21-024

From: Corey Bledsoe

Re: Transportation Authority of Calhoun County Inc

Quote number: 855056654

QUOTATION

The quote(s) cannot be bound without prior Company approval. Final pricing is subject to a favorable Pollution Application, **CSGA 015**. Please contact your CSU underwriter with any questions.

Limit	\$100,000	\$250,000	\$500,000	\$1,000,000
Deductible	\$1,000	\$2,500	\$5,000	\$10,000
Rate	2.9%	5.3%	7.6%	9.9%
Pollution Minimum Premium	\$100	\$185	\$265	\$350

