Procurement Policy and Procedures

Effective Date: January 11, 2012

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The Procurement Policy Statement and related Procedures consolidates Chicago Transit Authority ("CTA") Procurement Policies and Procedures into a comprehensive reference book for CTA personnel and outside parties having an interest in CTA's procurement process.

CTA procurement policy and procedures are subject to state and federal laws, regulations, and policies. These are intended as a guide to good procurement practices and are to be used as a supplement to sound business judgment in procurement and contracting.

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Chapter 1: Procurement Policy Statement

(Section 54 of Chicago Transit Authority Bylaws, Rules and Regulations and Rules of Order)

1.1 Background

The Chicago Transit Authority ("CTA") Procurement Policy Statement, approved by the Chicago Transit Board ("Board"), establishes the broad framework for the CTA Procurement Regulations ("Regulations"). The Regulations consist of the Procurement Policy Statement and related Procedures to guide CTA's day-to-day procurement operations.

These Regulations replace CTA's "Regulations Governing Purchase and Sales Transactions" adopted in April 1992 and will only apply to contracts solicited after the effective date. Furthermore, these Regulations will supersede and amend or repeal any other prior Purchasing and/or related rules, regulations, by-laws or ordinances approved by the Board that are in conflict with the Regulations.

1.2 Procurement Standards

The Procurement Procedures are designed to set forth the standards for processing all contracts unless specifically designated otherwise. These standards are included to ensure that goods, equipment, materials, supplies, real property and services are obtained or disposed of in a timely, efficient and economical fashion adhering to the principles of good administrative practices and sound business judgment.

A. CTA will maintain a contract administration system that ensures that Vendors perform in accordance with the terms, conditions and specifications of their contracts or purchase orders.

B. CTA will comply with all applicable Federal laws and regulations, including, but not limited to, Federal transit laws contained in 49 U.S.C. Chapter 53, Federal Transit Administration ("FTA") regulations including FTA Circular 4220.1F, the Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally- Assisted Programs (49 CFR Part 24), Participation by Disadvantaged Business Enterprises in Department of Transportation Programs (49 CFR Part 26) and other Federal laws and regulations that contain requirements applicable to FTA recipients and their FTA assisted procurements as well as the Metropolitan Transit Authority Act ("MTA Act") (70 ILCS 3605) and other state laws applicable to CTA procurements.

C. Members of the Board and all CTA employees will adhere to the CTA Code of Ethics, as amended from time to time, and all statutory and regulatory

requirements, including without limitation, the applicable U.S. Department of Transportation regulations, FTA Circulars, the Illinois Public Officers Prohibited Activities Act (50 ILCS 105), the Illinois State Officials and Employees Ethics Act (5 ILCS 430/70), the Illinois Criminal Code, "Official Misconduct" (720 ILCS 5/33) and the Illinois "Public Contracts" Act (720 ILCS 5/33E).

Violators are subject to the penalties prescribed in the CTA Ethics Ordinance, the Public Officer Prohibited Activities Act (50 ILCS 105/4), and the State Officials and Employees Ethics Act (5 ILCS 430/70-5).

Subject to the provisions of the Illinois Public Officer Prohibited Activities Act (50 ILCS 105), nothing in these Regulations invalidates the provisions of any bond or other security offered for sale or sold by or for CTA.

1.3 Competitively Bid Procurements

CTA will conduct all procurement transactions consistent with the above-stated procurement standards through the use of those competitive procurement procedures best suited to the particular procurement, except as otherwise specifically justified.

Except as otherwise authorized by these Procurement Policy and Procedures or otherwise specifically justified, all Purchase Orders or contracts for the purchase or sale of real property, the purchase, lease, or sale of personal property, equipment, materials or supplies, labor services or construction over $40,000 by or on behalf of the CTA will be let by free and open Competitive Bidding.

A. Sealed Bids (Invitation for Bids) will be utilized if:

   i. A complete, adequate, precise and realistic specification or purchase description is available;
   ii. The award will be made on the basis of price and price-related factors;
   iii. It will not be necessary to conduct discussions with the responding Vendors about their Bids;
   iv. There is a reasonable expectation of receiving more than one sealed Bid; and
   v. The procurement generally lends itself to a firm fixed price contract.

   CTA will have procedures to ensure the fair and unbiased evaluation of Bids.

   CTA will have procedures to ensure that only the lowest, responsive (including DBE compliant) and responsible Bidders are recommended for award of contracts.

B. Negotiated procurements (Requests for Proposals, Requests for Letters of Interest

and Qualifications) will be used if the nature of the procurement does not lend itself to sealed Bidding and CTA expects that more than one source will be willing and able to submit a proposal.

CTA will have procedures to ensure the fair and unbiased evaluation of competing Proposals. These procedures will incorporate a clear and accurate description of the technical requirements and a comprehensive scope of work for the goods or services to be procured.

i. Requests for Proposals ("RFPs") will clearly state the evaluation factors, including cost or price, cost or price-related factors and non-cost or non- price related technical and business management factors that will be considered in making a Contractor selection/recommendation.

ii. Requests for Letters of Interest and Qualifications ("LIQs") will clearly state the evaluation factors that will be considered in making a Contractor selection/recommendation.

1.4 Acceptable Non-Competitively Bid Procurements

CTA will conduct all procurement transactions consistent with the above-stated procurement standards. However, Competitive Bidding is not required in the following circumstances:

A. Where the goods or services to be procured are procurable from only one source (Sole Source).
B. Where the procurement is for professional services, or requires technical or artistic skill, and federal funds are not utilized.
C. For intergovernmental agreements with other public agencies, including but not limited to those where the procurement is for services or sales agreements between the CTA and the Regional Transportation Authority, or other transportation agencies.
D. When federal funds are not utilized, for such other matters as the Board determines that competitive Bidding is disadvantageous.
E. After receipt of a single responsible Bid to a competitive solicitation and, where competition is determined to be adequate, CTA may negotiate with the single responsible Bidder to establish a fair and reasonable price and other terms.
F. For certain joint procurements, including but not limited to, joint procurements with other governmental agencies, transportation agencies, or assignment of contracts or portions of contracts, or piggy backing.

G. For purchases pursuant to the State of Illinois Federal Surplus Property Program.

CTA's participation in such a program is hereby consented to and authorized in accordance with the following restrictions required by the State of Illinois:

i. the surplus property will be used only for CTA purposes and not for personal use;
ii. the property will be placed into use within one year;
iii. the items will be used for the required minimum period for the item (one year or eighteen months); and
iv. CTA will not sell, loan, trade, or tear down the property without written consent from the State of Illinois.

H. For purchases of personal property, supplies and services under any contract let by the State of Illinois pursuant to lawful procurement procedures.

1.5 Contracting with Disadvantaged Business Enterprises (DBE)

A. CTA will take all steps to ensure nondiscrimination in the award and administration of contracts.
B. CTA will create a level playing field on which DBEs can compete fairly for contracts.
C. CTA will ensure that the DBE program is narrowly tailored in accordance with applicable law and will ensure only firms that fully meet eligibility standards are permitted to participate as DBEs.
D. CTA will help remove barriers so DBEs can fully participate in contracts.
E. CTA will assist in the development of firms so they can compete successfully in the marketplace outside the DBE Program.

1.6 Procurement Authority

Authority and responsibility to enter into contracts for CTA is vested in the President, the Chairman of the Board, their designees or others as appropriately determined. The responsibilities described herein remain with the enumerated CTA job functions regardless of department or organization.

Any procurement authority delegated to persons, departments or divisions will also vest in the President, the Chairman of the Board, and the Board.

1.7 Contract Approval Requirements

The following matrix specifies who may authorize and execute contracts:

Board Action Not Required for (A) – (L)		Summary of Amount/Type of Contract
A.	A Manager, Purchasing or equivalent, or designee, may authorize and execute contracts up to a maximum of $20,000.	Up to $20,000
B.	A General Manager, Purchasing or equivalent, or designee, may authorize and execute contracts up to a maximum of $40,000.	Up to $40,000
C.	The Vice President, Purchasing & Supply Chain or equivalent, or designee, may authorize and execute contracts up to a maximum of $50,000.	Up to $50,000
D.	The President or designee, with the approval of the Chairman or designee, may authorize and execute contracts in response to an Emergency or Public Exigency.	Contracts in response to an Emergency or Public Exigency.
E.	The President or designee, or the Chairman or designee, may authorize and execute sole source contracts up to $100,000; construction contracts up to $100,000; contracts for professional services up to $250,000; contracts competed by RFP or LIQ up to $250,000; and contracts competed by IFB to $250,000.	Sole Source Contracts up to $100,000 Construction Contracts up to $100,000 Professional Services contracts up to $250,000 Contracts competed by RFP or LIQ up to $250,000 Contracts competed by IFB up to $250,000

F.	The President or designee, or the Chairman or designee, following consultation with the General Counsel or designee, may authorize all non-disclosure agreements.	Non-Disclosure Agreements
G.	The President or designee, or the Chairman or designee, following consultation with the General Counsel or designee, may authorize and execute all contracts for professional consultant services donated to the CTA.	Donated Professional Services
H.	The President or designee, or the Chairman or designee, following consultation with the General Counsel or designee, may authorize all rights of entry onto CTA property when the primary purpose of said agreement is for marketing, advertising, filming or other similar commercial purposes.	Marketing, Advertising, Filming Rights of Entry
I.	The General Counsel or designee is authorized to engage the services of experts, law firms and attorneys, and any other services necessary to conduct legal matters for litigation, in anticipation of potential litigation, or the acquisition or disposition of real property, regardless of cost.	Legal Services
J.	The President or designee may authorize and execute agreements for CTA to acquire right in property including leases, licenses, rights of entry, permits or easements for a term of 1 year or less and for a monthly rent/fee of $1,000/month or less.	Leases, Rights of Entry (Real Estate), Permits or Easements for 1 year or less and $1,000/month or less

K.	The President or designee may authorize and execute agreements for outside parties to acquire rights in CTA property including concessions, rights of entry, leases, licenses or easements for a term of 1 year or less and for a monthly rent/fee of $1,000/month or less.	CTA property used for Concessions, Rights of Entry, Leases, Licenses or Easements for 1 year or less and $1,000/month or less
L.	The President or designee may exercise lease options contained in a lease previously approved by the Board.	Previously approved leases
Board Action Required for (M)		**Summary of Amount/Type of Contract**
M.	Following Board approval, the Chairman or designee may execute all disadvantageous contracts; sole source contracts over $100,000; construction contracts over $100,000; professional services contracts over $250,000; contracts competed by RFP or LIQ over $250,000; contracts competed by IFB over $250,000; and contracts competed and not otherwise addressed in (E) or (M) over $250,000. All contracts which require the CTA to indemnify another entity require Board approval unless in the judgment of the General Counsel, the contract is otherwise of such a nature that Board approval is not necessary.	Disadvantageous Contracts
		Sole Source contracts over $100,000
		Construction Contracts over $100,000
		Professional Services contracts over $250,000
		Contracts competed by RFP or LIQ over $250,000
		Contracts competed and not otherwise addressed in (E) or (M) over $250,000
		Contracts which require the CTA to indemnify another entity unless in the judgment of the General Counsel, the contract is otherwise of such a nature that Board approval is not necessary.

1.8 Reporting

With the exception of legal services, all contracts authorized and executed in excess of $10,000 will either be presented to the Board for consideration or will be reported to the Board. Reports of the terms of any concession, lease, license, right of entry, permit or easement of real property authorized by the President or designee, will be provided to the Board. Reports of procurements not requiring Board consideration will be reported to the Board monthly in accordance with the Contract Reports template attached hereto in the Appendices to the Regulations.

1.9 Severability

If any provision of the Regulations is held unconstitutional or otherwise invalid, the remaining parts thereof will remain in full force and effect. If any provision of these Regulations or application thereof conflicts with any State or Federal law, said law will control.

1.10 Minimum Wage

A. Definitions. For purposes of this Section only, the following terms will have the following meanings. This Section does not amend the meanings of these terms as they are used generally in the Procurement Policy and Procedures:

"Contract" means an agreement formed under the authority of Section 32 of the Metropolitan Transit Authority Act and the Procurement Policy and Procedures, except that the term "Contract" does not include: any agreement with a Not-For-Profit Organization, any intergovernmental agreement, or any agreement relating to the acquisition, sale or use of real property, such as leases, licenses, easements and permits.

"Authority Contractor" means a person who or entity that enters into a Contract with the Authority.

"Employee" means an employee of an Authority Contractor, or of one of its subcontractors, performing work or services under a Contract who fits one or more of the following descriptions: (i) the employee performs the work or services at a location that is either (a) on property owned or controlled by the Authority or (b) on other property that is specified by the Authority in the Contract as the site for the performance of the Contract; (ii) the Authority pays the Authority Contractor on an hourly rate basis for the work or services provided by the employee under the Contract; (iii) the Authority pays the Authority Contractor on a per piece rate basis for the work or services provided by the employee under the Contract; or (iv) the employee's work or services are being provided in order to comply with

a Contract requirement that the Authority Contractor provide sufficient staffing so as to supply the Authority with a specified quantity of work hours or workers. For purposes of this Section, except for a person whose regular place of work is a location described in (i) above, a person is not considered to be performing work or services under a Contract if his or her work or services are limited to providing general or administrative support for the Authority Contractor's operations; do not directly relate to the work or services to be provided under the Contract; and either are not included in the Contract price or are included in the Contract price as overhead. For purposes of this Section, the term "Employee" does not include persons subject to subsection 4(a)(2), subsection 4(a)(3), subsection 4(d), subsection 4(e), or Section 6 of the Minimum Wage Law. Notwithstanding these exclusions, for purposes of this Section, the term "Employee" does include the categories of workers described in subsections 4(a)(2)(A) and 4(a)(2)(B) of the Minimum Wage Law.

"Minimum Wage Law" means the Illinois Minimum Wage Law, 820 ILCS 105/1 et seq., in force on the effective date of this Section and as thereafter amended.

"Not-For-Profit Organization" means a corporation having tax-exempt status under Section 501(c)(3) of the United States Internal Revenue Code and recognized under Illinois law governing not-for-profit corporations.

"Per piece rate basis" means a method of compensation whereunder the Authority pays an Authority Contractor on the basis of completion of discrete tasks involving work or services, such as a payment per linear foot or per square foot of installed materials or a payment for processing a specified number of documents. It does not include per unit compensation for supplies and manufactured goods.

B. Every Contract advertised by the Authority on or after November 15, 2014 ("Effective Date") shall contain a provision or provisions stipulating that the Authority Contractor will pay its Employees, and will require the Authority Contractor's subcontractors to pay their Employees, no less than $13.00 per hour for work or services performed under the Contract. Beginning on July 1, 2015, and every July 1 thereafter, the foregoing minimum hourly wage shall increase in proportion to the increase, if any, in the Consumer Price Index for All Urban Consumers – Midwest Region ("CPI") most recently published prior to June 1 by the Bureau of Labor Statistics of the United States Department of Labor. Any increase pursuant to the foregoing will be rounded up to the nearest multiple of $0.05 and shall remain in effect until the next subsequent annual adjustment.

The Authority will notify Authority Contractors of the increase and the resulting minimum hourly wage as soon as practicable following publication of the most recent CPI available prior to June 1.

C. Nothing in this Section shall be deemed to interfere with, impede, or in any way diminish the right of Employees to bargain collectively with their employers through representatives of their own choosing. If a bona fide collective bargaining agreement between an Authority Contractor or its subcontractor and their respective Employees is in force on the Effective Date, the salary or wage provided in the collective bargaining agreement shall control. The requirements of this Section may be waived in a bona fide collective bargaining agreement negotiated after the Effective Date; however, unless the waiver is set forth explicitly in such collective bargaining agreement in clear and unambiguous terms, the requirements of this Section shall control with respect to the work or services provided by Employees under a Contract.

D. The Vice President, Purchasing and Supply Chain may promulgate administrative rules and regulations to implement this Section.

E. If the Vice President, Purchasing and Supply Chain has reason to believe that any Employee of an Authority Contractor or its subcontractor has been paid less than the minimum hourly wage required by this Section, or upon the Authority's receipt of a written verified complaint from such an Employee, the Vice President, Purchasing and Supply Chain is authorized to conduct an investigation to determine whether this Section has been violated.

F. In addition to any other penalty authorized by law, any Contract or subcontract negotiated, entered into, or performed by an Authority Contractor or its subcontractor in violation of any of the provisions of this Section shall be grounds for the Authority to declare the Authority Contractor in default of its Contract and to exercise any remedies that may be available to the Authority, including but not limited to termination of the Contract. Any bid or proposal submitted in response to a solicitation by the Authority that does not comply with the provisions of this Section shall be subject to rejection by the Authority.

1.11 Contracting Careers Opportunities

CTA recognizes that contracts can benefit disadvantaged workers and economically disadvantaged communities. With that recognition, CTA will strive to maximize those benefits on appropriate contracts where legally permissible.

A. Toward that goal, CTA will evaluate the potential for requiring the following on its contracts:

   a. Contractor commitment for outreach to disadvantaged/dislocated workers and workers from economically disadvantaged communities;
   b. Workforce opportunity commitments such as those through the Workforce Innovation and Opportunity Act, labor apprenticeships, and opportunities for residents of economically disadvantaged areas; and/or
   c. Employment commitments such as a U.S. Employment Plan for rolling stock or similar procurements which includes commitments such as the number and quality of jobs created and participation of disadvantaged workers.

B. CTA will continue to advance workforce opportunities and remove barriers for disadvantaged workers so they can fully participate in the contractor's workforce.

C. CTA will require contractors to report their results and will put in place the appropriate enforcement mechanisms.

D. CTA staff will provide periodic reports to the Transit Board.

E. The President of the CTA is directed to implement this policy.

Chapter 2: Definitions

Adequate Competition – Two or more responsible Bidders or Proposers that are willing and able to compete effectively for the business, or when one Bid or Proposal is received in response to a solicitation, a determination that the solicitation is not unduly restrictive.

Allowable Costs – The costs determined to be permissible based on reasonableness and generally accepted accounting principles and practices appropriate to the particular circumstances.

Architect / Engineer – The person or entity responsible for developing the plans and specification of a building or development and, in some cases, supervising the construction effort.

Best and Final Offer (BAFO) – A revision to a Proposal that is submitted after negotiations are completed and contains the Proposer's most favorable terms for price, service, and products to be delivered. If a BAFO is not received by the requested date and time, the BAFO will be rejected, and the late Proposers initial Proposal will be considered their BAFO.

Bid – The document conveying an offer from a party desiring to provide or procure goods or services in response to an Invitation for Bid or Work Order.

Bidder – The general term for the entity that submits a response to a Solicitation. Any individual, firm, partnership, corporation, or combination thereof, submitting a Bid for the work contemplated, acting directly or through a duly authorized representative. For the purposes of these Regulations, Bidder may be used interchangeably with Proposer or Offeror.

Bid Guarantee (Bid deposits) – An amount of money determined by CTA to be fair and reasonable compensation from a Bidder for CTA's costs should that Bidder refuse to honor its Bid. The Bid Guarantee, if required, will be a matter of Responsiveness to the Invitation for Bid.

Blanket Contract – A contract for goods or services that is of indefinite quantity during a definite period of time. Blanket contracts are typically recurring contracts.

Bona Fide Employee – A person employed by a Contractor and subject to the Contractor's supervision and control as to time, place, and manner of performance, who neither exerts nor proposes to exert improper influence to solicit or obtain a contract nor

holds itself out as being able to obtain a contract through improper influence.

Bond – A written instrument executed by a Bidder or Contractor (the "principal"), and a second party (the "surety" or "sureties"), to assure fulfillment of the principal's obligations to the obligee identified in the bond. If the principal's obligations are not met, the bond assures payment to the extent stipulated, for any loss sustained by the obligee.

Brand-Name – A well-known and distinguishable name and make, model number, or other appropriate nomenclature by which a commercial product is offered for sale to the public by a particular manufacturer, producer, or distributor. A Brand-Name is used by CTA only for the purpose of establishing identification and general description of the form, fit, function and quality of the items sought by CTA.

Buyer – The CTA employee authorized to solicit, enter into and/or administer contracts for small purchases (See Chapter 10), and make related determination and findings regarding those purchases. For the purposes of these Regulations, the term includes employees assigned to the Purchasing & Supply Chain Department as well as any CTA employee assigned and authorized to perform those duties.

Cardinal Change – A major deviation from the original purpose of the work or the intended method of achievement, or a revision of contract work so extensive, significant or cumulative that, in effect, the contractor is required to perform very different work from that described in the original contract.

Chaining – The intentional practice of initiating, processing, or signing off on multiple purchases under $40,000 in order to circumvent applicable public bidding requirements or Board Approval when otherwise required. This includes, for example, multiple Requisitions or Purchase Orders (as defined below) within any consecutive and continuous six month period for the same item or services that when totaled, exceed $40,000. This practice is also known as "stringing."

Change Order – A written directive and authorization for payment or time extension from CTA, by its authorized agent, to the Contractor regarding changes in the work under the contract. A Change Order may include future work to be performed under the contract or work performed in accordance with previously authorized Field Memos, Directive Letters, or Proceed Orders issued by CTA through its authorized agent.

Claim – A Contractor notice to CTA for a condition or circumstance that may require an adjustment to the Work, compensation, and/or schedule not included in contract for CTA approval.

Competitive Bidding – Solicitation through Letters of Interest and Qualifications (LIQ), Requests for Proposals (RFP), or Invitations for Bids (IFB) by CTA, under which all individuals or firms are afforded an equal opportunity to compete for award of a contract.

Competitive Range – Those Proposals submitted in response to a RFP or LIQ that, after evaluation by the CTA's selection panel, have a reasonable chance of being awarded the contract.

Construction – The act of building, altering, repairing, renovating, improving or maintaining a building or structure.

Contract – A mutually binding legal relationship obligating the seller to furnish the goods or services (including construction) and the buyer to pay for them. It includes all types of commitments that obligate the buyer to an expenditure of funds, and that, except as otherwise authorized, are in writing. In addition to bilateral instruments, contracts include: contract awards and notices of awards; job orders or task orders issued under basic ordering agreements, requirement contracts, or definite or indefinite-quantity contracts; letter contracts; orders, such as purchase orders, under which the contract becomes effective by written acceptance or performance; bilateral (two-party) contract modifications; and various cooperative and interagency agreements. CTA may be either the seller or the buyer on a contract.

Contract Amendment – A change to a contract that either adds to or deletes from the existing contract scope or that change contract terms, whether accomplished by unilateral action in accordance with a contract provision or by mutual action of the parties to the contract.

Contract Award – The decision by the CTA to accept the Bid/Proposal subject to the execution and approval of a satisfactory Contract. The date of the Award is the date of execution of the Contract by the CTA.

Contract Drawings – The official plans, profiles, typical cross-sections, general cross-sections, elevations, and details listed or referenced in the Specifications or amendments thereto, and, supplemental drawings approved by CTA which show the locations, characters, dimensions, and details of the work to be performed.

Contractor – The person, entity, or authorized representative identified as such in the contract documents and is referred to throughout the contract documents as if singular in number. For the purposes of these Regulations, the term "Contractor" may be used interchangeably with the terms "Vendor" and "Consultant."

Cost Analysis – A detailed analysis of a Contractor's cost or pricing data and the judgmental factors applied in estimating the costs in order to form an opinion of the degree to which Contractor's proposed costs represent what reasonable performance of the contract should cost. CTA's cost principles for evaluation of proposed costs must be consistent with Federal cost principles.

Debarment – A remedial action taken by CTA to deny participation in CTA contracts, or action taken by another government entity to deny a person or entity participation in contracts or financial assistance programs for a period of up to 3 years.

Directive Letter – Written direction by the CTA requiring the Contractor to perform changed or disputed work or services prior to the Contractor and CTA reaching full agreement on an adjustment to the contract price or time. All contract changes must be within the general scope of work.

Emergency – A situation of unusual or compelling urgency requiring immediate action.

Field Memo – Written direction by the CTA requesting the Contractor to perform changes in the work required under the contract. Field Memos are limited to cost increases or decreases that do not exceed $10,000. All contract changes must be within the general scope of work.

Improper Influence – Any influence that induces or tends to induce a CTA employee or officer to give consideration or to act regarding a contract on any basis other than the merits of the matter.

Invitation for Bid (IFB) – A procurement process whereby the CTA requests interested parties to submit a Bid to provide or procure specified goods or services. IFBs are not negotiated procurements. IFBs result in a firm fixed-price contract awarded to the lowest responsive and responsible Bidder.

Job Order Contracting (JOC) – A contract for construction services under which Task or Work Orders or Job Order Requests are issued by CTA for specific construction projects. A JOC contract is a competitively procured firm-fixed-price, indefinite quantity contract.

Joint Development – A project that involves the disposition, by lease or by sale, of CTA- owned or controlled real property interests at or near a station area which, because of proximity to station facilities, have significant potential for commercial, residential, or

related development, alone or in combination with adjoining real property interests to further CTA's development-related goals and objectives.

Joint Procurement – A procurement method when two or more governmental or transportation agencies join together and prepare a procurement and scope to purchase supplies, equipment or services that meets the needs of all participants. This includes information technology services procurements made under U.S. General Services Administration schedule 70.

Legal Holidays – Days when Illinois state courts are not in session.

Letter of Intent – A written statement detailing the preliminary understanding of parties who plan to enter into a contract or some other agreement; a noncommittal writing preliminary to a contract. A letter of intent is not meant to be binding and does not hinder the parties from bargaining with a third party.

Letters of Interest and Qualification (LIQ) – A qualification-based procurement process where price is not an evaluation factor. When federal funds are utilized, LIQs must be used for architectural and engineering services for projects related to or leading to construction and may be used for other procurements unless prohibited by applicable laws and regulations. LIQs are negotiated procurements.

Liquidated Damages – Damages paid, usually in the form of a monetary payment, agreed by the parties to a contract, which are due and payable as damages by the party who breaches all or part of the contract. Liquidated Damages may be applied on a unit of time basis for as long as the breach is in effect, but not be imposed as an arbitrary penalty. The key to establishing liquidated damages is *reasonableness*.

Multi-Round Bid – A process where CTA solicits offers for the purchase of surplus real estate by IFB. When Bids are reviewed, CTA determines if any of the Bids are acceptable. If they are not, CTA can continue the procurement by re-soliciting the responding Bidders for further Bids.

Multiple-Award Modified Blanket – An indefinite-quantity blanket contract type, which is more cost effective for the purchase of commodities which: (a) are not conducive to firm pricing for extended periods due to market volatility and (b) are subject to volume discounts depending on the quantity ordered. The bid solicitation requires bidders to offer firm unit pricing for a predetermined initial period, during which the low bidder will retain exclusive rights to products at their quoted price. Contracts will be awarded to up to three lowest responsive and responsible bidders. Following the predetermined initial period, the

Contractors will bid against each other for each definite quantity, definite delivery purchase for the remainder of the contract term, with each such order awarded to the lowest bidder.

Notice to Proceed – The written notice issued by CTA to the Contractor authorizing the Contractor to begin the Work, or any specified part of Work in accordance with the contract.

Opening – The date set for opening of bids, receipt of unpriced technical offers in multi-step sealed bidding, or receipt of proposals in competitive sealed proposals.

Option – A unilateral right in a contract by which, within a specified period, CTA may elect to purchase additional supplies or services called for by the contract or may elect to extend the contract.

Payment Bond – A bond that ensures payment as required by law to all persons supplying labor or material in the performance of the work provided for in the contract.

Performance Bond – A bond that secures performance and fulfillment of the Contractor's obligations under the contract.

Piggyback (Piggyback Cooperative) – A form of intergovernmental cooperative purchasing which extends the pricing and terms of a contract entered into by one government agency to other agencies. Generally, a larger agency will competitively award a contract that will include language allowing other agencies to utilize the contract which may be to their advantage in terms of pricing, thereby gaining economies of scale that they normally would not receive if they competed on their own.

Price Analysis – The process of examining and evaluating the reasonableness of a Bidder's or Proposer's price without evaluation of the separate cost elements and proposed profit of the Bidder or Proposer.

Proceed Order – A written directive by the CTA that authorizes the Contractor to proceed with performance of changed work under the contract. Proceed Orders are utilized when cost increases or decreases exceed $10,000. All changes to the services to be performed under the contract must be within the general scope of work.

Procurement Administrator – The CTA employee authorized to solicit, enter into and administer contracts, and make related determination and findings. For the purposes of these Regulations, the term includes employees assigned to the Purchasing & Supply Chain Department as well as any CTA employee assigned and authorized to perform

those duties.

Progress Payments - Payments that may be made to the contractor for costs incurred in the performance of the contract. Progress payments may only be made on the basis of costs incurred (or in the case of construction contracts only, on the basis of percent of completion) and CTA must obtain adequate security for which progress payments are made. Adequate security may include taking title, letters of credit or equivalent means to protect the CTA's interest.

Proposal - The submission by a potential Contractor in response to an RFP, IFB or LIQ.

Proposer - The general term for the entity that submits a response to a Solicitation. Any individual, firm, partnership, corporation, or combination thereof, submitting a Proposal for the work contemplated, acting directly or through a duly authorized representative. For the purposes of these Regulations, Proposer may be used interchangeable with Bidder or Offeror.

Protest - A written objection or complaint by an interested party to the terms, conditions, or form of a proposed procurement or to the proposed or actual award of a contract.

Public Auction - Method of selling assets whereby all prospective buyers are notified through Public Notice of the intent to sell assets and are invited to Bid in an open forum against their competitors.

Public Cooperative Purchasing Organization - An entity, including another governmental or public agency, that conducts or administers a competitive procurement process resulting in a contract made available for use by other governmental or public agencies. Use of a Public Cooperative Purchasing Organization contract satisfies CTA's competitive procurement requirements. The original procurement must have been conducted in a manner consistent with applicable law and CTA procurement standards. This includes full and open competition, public advertisement, and compliance with applicable federal requirements.

Public Exigency - Any event or circumstance, not including an Emergency, but nonetheless that requires immediate action.

Public Notice - CTA's notice to the general public of purchase or sale solicitations, which must, at a minimum, be in a daily English language newspaper of general circulation.

Public Private Partnership (PPP) - Binding agreements between the public and private sectors that allow a private entity to assume significant control of, and risk for, multiple elements of an infrastructure project.

Public Works Projects - Infrastructure projects that are financed and constructed by the government for the public good. CTA construction projects are public works projects.

Purchase Order - A document that formalizes an agreement between CTA and a Vendor for the purchase of goods or services not to exceed $40,000 and which follows an informal competitive process. Purchase Orders may also be used for emergency purchases, exigent circumstance purchases, and for other purchases as deemed appropriate.

Quotation - The price or cost submitted by a Vendor for a Small Purchase.

Request for Information (RFI) - A means by which to poll the market or ask a series of questions regarding a potential procurement that is of interest to CTA.

Request for Proposals (RFP) - A negotiated procurement method whereby CTA requests that interested parties submit Proposals to perform a specific project or service or to provide goods. Criteria, including price, dictate how RFP proposals will be evaluated. RFPs allow for discussions with proposers and Best and Final Offers prior to award. RFPs may be a single step or multi-step process.

Request for Qualification (RFQ) - Usually refers to the pre-qualification stage of the procurement process. Only those interested parties who successfully respond to the RFQ and meet the qualification criteria may be included in the subsequent Request for Proposals (RFP) solicitation process.

Requisition - A document requesting goods or services that initiates the procurement process.

Responsibility - The Contractor's ability to perform successfully under the terms and conditions of a proposed procurement.

Responsiveness - The Contractor's compliance in all material respects with a solicitation document.

Revenue Generating Contract - Revenue generating contracts are contracts

whose primary purpose is to generate revenues or to create business opportunities for the Authority.

Reverse Auction - A real-time bidding process in which multiple pre-approved suppliers can view other Bids and bid against one another electronically for a set period of time.

Rolling Stock - Transit vehicles such as buses, vans, cars, railcars, locomotives, trolley cars and buses, as well as vehicles used for support services.

Service Order - The services, deliverables, manpower, and reimbursable items for an identified period to be provided by a Contractor and agreed to by the CTA and the

Contractor. Service Orders are used in selected multi-year contracts.

Single Bid -A solicitation response received from only one source.

Small Purchases - Purchases under $40,000 that are generally awarded to the lowest responsive and responsible Bidder responding to an informal competitive Request for Quotes (RFQ) but may be alternatively awarded based on delivery requirements or other factors specified in the Request for Quotes. Small purchases are often referred to as "under money" contracts.

Sole Source Procurement - A procurement method where the CTA solicits a proposal from only one source, or after solicitation of a number of sources, competition is determined to be inadequate.

Solicitation - The general term for CTA's request for offers from potential Bidders or Proposers. A solicitation generally contains the proposed contract, including contract terms and conditions, instructions to potential Bidders or Proposers regarding the submission of a Bid or Proposal, and any other information needed to prepare a Bid or Proposal.

State or Local - The States of the United States, counties, municipalities, cities, towns, townships, tribal governments, public authorities (including public or Indian housing agencies under the United States Housing Act of 1937), school districts, colleges, and other institutions of higher education, council of governments (incorporated or not), regional or interstate government entities, or any agency or instrumentality of the preceding entities (including any local educational agency or institution of higher education), and including legislative and judicial departments.

Surety - A party legally liable for the debt, default, or failure of a principal to satisfy a contractual obligation.

Suspension - Prohibiting a supplier from submitting bids and offers for a definite or indefinite period of time. A temporary determination to exclude a supplier from obtaining any contracts for a period of time, usually before initiating debarment. Reasons for this action may include poor performance, late deliveries, violations of previous contract terms, etc.

Task Order - A negotiated order for service(s) placed against an established professional service or construction contract and as authorized in the contract.

Transit Oriented Development (TOD) - Transit oriented development is a type of community development that includes a mixture of uses and is located near transit facilities.

Work Order - Solicitation documents issued to pre-qualified Contractors for Construction Bids that are awarded to the lowest and responsible Bidder.

Chapter 3: General Procurement Standards

3.1 Procurement Regulations

These Regulations consist of the Procurement Policy Statement and related Procedures.

These Regulations implement pertinent provisions of Section 30 of the MTA Act, 2 CFR 200 et seq., the Office of Management and Budget ("OMB") Circular A-102, as amended, the most recent effective version of FTA Circular 4220.1, "Third Party Contracting Requirements", the most recent effective version of FTA Circular 5010.1 "Grant Management Guidelines,". other statutory and regulatory requirements applicable to Federal assistance recipients, and relevant Illinois statutory requirements, including those pertaining to real estate.

3.2 Amendments

The Procurement Policy Statement, including but not limited to the Contract Approval Requirements, may only be revised following Board approval. As noted in Chapter 1, the Procurement Policy Statement is set forth in Section 54 of the Chicago Transit Authority Bylaws, Rules and Regulations. The authority to amend the procedures set forth in these Regulations to comply with changes in Federal or State law or regulations or to reflect the manner in which CTA does business is delegated to the Vice President, Purchasing & Supply Chain following consultation with the General Counsel. The Board will be apprised of procedural changes to these Regulations.

The Vice President, Purchasing & Supply Chain shall establish a process for issuing modifications and revisions that will enable Procurement Administrators and other users to maintain a current compilation of the Regulations.

3.3 Related Programs

The following CTA programs/requirements and procedure manuals are to be used in conjunction with these Regulations:

- DBE Program for Federally Funded Contracts
- DBE Program for Operating Contracts
- Real Estate and Asset Management Procedures Manual
- CTA Construction Requirements
- CTA Code of Ethics

3.4 Authority and Responsibilities

CTA shall conduct procurement actions as outlined in these Regulations. Procurements and any material decisions related to procurements may be made only by those CTA officials or staff authorized to do so pursuant to these Regulations.

Final authority for purchasing goods and services by the Board shall remain with the Board except as delegated by the Board. Notwithstanding the contracting

authority delegated to the President and staff, the Board retains review and approval authority for procurement actions.

These Regulations will establish a procedure for the identification and utilization of designees. The General Counsel will maintain the list of designees and will request that the list of designees be reviewed and amended as appropriate.

Any authority delegated to persons, departments, or divisions pursuant to these Regulations will also vest in the President, the Chairman, and the Board.

A. Procurement Administrators shall ensure that a contract is not fully executed unless all applicable requirements of Federal law, Federal Regulations and Circulars, the MTA Act, State law and all other applicable CTA procedures (including approvals and control requirements) have been met.

B. Procurement Administrators shall ensure that Contractors receive impartial, fair, and equitable treatment in accordance with the provisions specified herein.

C. Procurement Administrators shall request and consider the advice of specialists in auditing, law, engineering, transportation, safety, and other fields when necessary or appropriate to the exercise of the Procurement Administrator's authority.

3.5 Delegation of Authority

A. The Board may establish delegation of procurement authority.

B. A person with authority for procurement activities is referred to as a Procurement Administrator when he or she perform that function, regardless of any other job or position title he or she may have.

C. Each contract or procurement action that obligates CTA to pay a Contractor must be signed or otherwise authorized by an individual to whom CTA has expressly delegated the authority to make such an obligation.

3.6 Competition

CTA will obtain full and open competition through the use of competitive procurement procedures best suited to the particular procurement, except as otherwise specifically justified.

Some of the situations considered to be restrictive of competition include, but are not limited to:

A. Unreasonable requirements placed on firms in order for them to qualify to

do business;

B. Unnecessary experience and excessive bonding requirements;

C. Non-competitive pricing practices between firms or between affiliated companies;

D. Non-competitive awards to any person or firm on retainer contracts;

E. Organizational conflicts of interest which may include, but may not be limited to, one of the three categories noted below:

i. A person has access to non-public information as part of its performance of services to the CTA and that information might provide that person with a competitive advantage in a future procurement;

ii. A person, as part of its performance of contract responsibility to the CTA, has set the ground rules for the performance of a future contract by, for example, writing the statement of work or defining the specifications; or

iii. A person, either through an assessment of performance under another contract or through an evaluation of Bids must assess its own work or that of a competitor.

F. The specification of only a Brand Name product without listing its salient characteristics and not allowing "an equal" product to be offered; and

G. Any arbitrary action in the procurement process.

3.7 Standards of Conduct

The procurement business of the CTA shall be conducted in a manner above reproach and with complete impartiality and without preferential treatment. Any violation of these standards may be cause for disciplinary action, including dismissal, if appropriate. No officer or employee shall:

A. Release to an individual or entity or its representative any knowledge such person may possess or have acquired in any way concerning any proposed or actual procurement that would give an unfair competitive advantage to any potential or actual Bidder.

B. Make any commitment or promise relating to the award of a contract or any representation which could be construed as such a commitment. Staff will not, under any circumstances, advise a business representative that any attempt will be made to influence another person to give preferential treatment to his or her company in the award of a contract.

C. Use his or her position with CTA to coerce, or give the appearance of, coercing another person, and/or provide any financial benefit to persons with whom he or she has family, business, or financial ties.

D. Accept any gratuity for themselves, members of their families or others, either directly or indirectly, from any source that does or seeks to do business with, or has financial ties of any sort with CTA, or has personal interests that may be affected by the performance, or non-performance, of the official duties of CTA staff.

E. Participate in the selection, award, or administration of a contract if a conflict of interest, real or apparent, exists.

F. Accept any offer of employment or fees for services from a Contractor for one year following employment with CTA if the officer or employee, during the year immediately preceding termination of employment, participated personally and substantially in the award of contracts or the issuance of change orders with a cumulative value of $25,000 or more to the Contractor, its parent or subsidiary. This provision also applies to the spouse or immediate family member living with the CTA officer or employee. In addition, for a period of one year after leaving the employment of CTA, the officer or employee shall not assist or represent the Contractor in any matter involving CTA if the officer or employee participated personally and substantially in the same subject matter, work, or function during his or her term of office or employment. If the former officer or employee exercised contract management authority with respect to a Contractor's contract, the prohibition is permanent as to that contract. Purchasing Administrators shall inform all Contractors in writing of this provision.

3.8 Improper or Unlawful Conduct

A. A Procurement Administrator shall report to the Vice President, Purchasing & Supply Chain any Bids that may evidence any violation of Illinois Law set forth at Public Contracts (720 ILCS 5/33E), including but not limited to, a restraint of trade by two or more Bidders. The Vice President, Purchasing & Supply Chain shall consult with the General Counsel as soon as practical to ascertain whether a reasonable basis exists for believing that collusion has occurred among any businesses for purposes of defrauding CTA.

B. Practices or events that may evidence improper or unlawful conduct include, but are not limited to, the following:

i. The existence of an “industry price list” or “price agreement” to which a Contractor refers in formulating its offer;
ii. A sudden change from competitive bidding to identical bidding;
iii. Simultaneous price increases among two or more Contractors; iv.

Rotation of Bids, so that:

a. each competitor is at some pre-planned point the low Bidder, or
b. certain competitors low bid certain sized contracts and not others;

iv. Division of the market, so that certain competitors bid low only for contracts solicited by certain agencies, or for contracts for certain geographical areas or on certain products, and bid high in all other jobs;

v. Establishment by competitors of a collusive cost or price estimating system; or

vi. Incidents suggesting direct collusion among competitors, such as the appearance of identical calculations or spelling errors in two or more competitive offers.

Any agreement or collusion among Bidders or prospective Bidders that restrains free and open competition will render the Bids of such Bidders void. Each Bidder will accompany its Bid with a sworn statement, or otherwise swear or affirm that it has not been a party to any such agreement. Purchasing will prepare and utilize an appropriate certificate which is in compliance with 720 ILCS 5/33E-11, as amended. Said certificate will be executed by the Bidder prior to award of the contract.

3.9 Public Access to Procurement Information

Certain information about CTA procurements is normally considered public and should be released in accordance with these Regulations and applicable state laws and regulations concerning freedom of information. Other information related to procurement is often protected from disclosure; CTA must exercise caution to ensure that protected information is not made public.

3.10 Disclosure of Ownership Interest

Prior to consideration for award:

A. A corporation that is not listed on a nationally recognized securities market must provide a list of the names of the individuals who possess ownership of at least five percent (5%) of the corporation's stock. Such a list is not required for those corporations listed on a nationally recognized securities market.

B. A corporation which is listed on a foreign stock exchange must identify the stock exchange.

C. A partnership, limited partnership (“LP”), limited liability partnership (“LLP”), limited liability limited partnership (“LLLP”) or joint venture must provide a list of the names of each general or limited or individual partner/joint venturer entitled to receive five percent (5%) or more of the

profits derived from the partnership/joint venture activities. If the partners/joint venturers are corporations, the names of the individuals who own at least five percent (5%) of the corporation's stock or, if the shares in the corporation are publicly traded, the name of the stock exchange on which the corporation is listed must be provided.

D. A limited liability company ("LLC") must provide a list of the names of each owner entitled to receive five percent (5%) or more of the profits derived from the company's activities. It must also identify the manager(s) of the LLC. If the owners or the managers are corporations, the names of the individuals who own at least five percent (5%) of the corporation's stock or, if the shares in the corporation are publicly traded, the name of the stock exchange on which the corporation is listed must be provided.

E. A sole proprietor must provide a list of the names of each person other than the owner who is entitled to receive five percent (5%) or more of the profits derived from the activities of the business.

F. A trust need not provide any information about the individual beneficiaries but must provide the percent of ownership interest the trust has in the Contractor, provided that trusts involved in the ownership or use of CTA real property must make those disclosures, if any, required by 50 ILCS 105/3.1.

G. Before any contract relating to the ownership or use of real property is executed, the actual parties benefiting from the transaction, as identified in 50 ILCS 105/3.1, must be disclosed in a format consistent with said statute.

H. If CTA is unable to obtain the required information after exercising diligent efforts, staff will consult with the General Counsel to determine if the missing information is essential to preserve procurement integrity.

3.11 Prohibited Fee Arrangements

Procurement Administrators shall ensure that each solicitation contains language giving notice to prospective Contractors of the prohibition against arrangements which offer any fee, commission, percentage, brokerage fee, gift, or other consideration to a CTA employee or third party, other than a bona fide employee, contingent on or in exchange for assistance in soliciting or obtaining a contract.

A. CTA shall not award any contract to a Contractor that has made arrangements to pay a fee, commission, percentage, brokerage fee, gift, or other consideration to a CTA employee or third party, other than a bona fide employee, contingent on or in exchange for assistance in soliciting or obtaining the contract.

B. If the Procurement Administrator has reason to believe that a Contractor

or prospective Contractor has paid or offered to pay a CTA employee or third party, other than a bona fide employee, a fee, commission, percentage, brokerage fee, gift or other consideration contingent on or in exchange for assistance in soliciting or obtaining the contract, the Procurement Administrator shall inform the Vice President, Purchasing & Supply Chain in writing, providing any evidence or documentation of the alleged involvement.

C. If it is determined that a Contractor has entered into an arrangement to pay a prohibited fee, commission, percentage, brokerage fee, gift or other consideration to a CTA employee or third party, other than a bona fide employee, under an existing contract, the Procurement Administrator shall terminate such existing contract or take any other appropriate remedial action, including debarment, as determined in conjunction with relevant CTA staff including CTA's General Counsel.

3.12 Circumvention of Contracting Authority - Prohibited

Taking any actions that would circumvent the requirements of these Procurement Policy and Procedures, FTA regulations, or state law is not permitted. Except when procuring architectural and engineering services, the use of statutorily or administratively imposed in-State or local geographical preferences in the evaluation of Bids or Proposals for federally funded contracts is prohibited, unless Federal statutes expressly mandate or encourage geographic preference.

3.13 Scrivener's Errors

Scrivener's errors can be corrected after contract recommendation approval. The following are not considered scrivener's errors:

i. a difference in the contract amount;
ii. a difference in the contract term;
iii. a scope of services that is materially altered;
iv. a change to the company name as opposed to a typographical error in the company name;
v. inaccuracies or inconsistencies in the company ownership information;
vi. the DBE percentage is not accurately reflected; and
vii. a discrepancy between the name of the contractor and the name on the insurance certificate or policy.

3.14 Advance Payments

Advance payments utilizing FTA funds are prohibited unless prior written concurrence is obtained from FTA.

3.15 Federal Clauses

A. All FTA-funded contracts must contain the appropriate Federal contract

clauses. Refer to Appendix II for the list of Federal Contract Requirements Procurement Administrators must review the contract documents and the list included in Appendix II to ensure that all of the applicable Federal contract clauses are included in the contract terms. When a procurement utilizes a non-standard/non- boilerplate contract form, after reviewing the contract documents for inclusion of Federal contract clauses, the Procurement Administrator must sign and date a copy of the list in Appendix II and include the executed copy in the contract file to demonstrate the Procurement Administrator's verification that the appropriate Federal contract clauses are in the contract.

B. The Law Department is responsible for updating CTA's Federal contract boilerplate when appropriate for use by the Purchasing Department in Solicitations.

3.16 Veteran's Employment

CTA will include in construction contracts funded in whole or in part with Federal financial assistance a provision requiring the contractor to give a hiring preference, to the extent practicable, to veterans (as defined in section 5 USC 2108) who have the requisite skills and abilities to perform the construction work required under the contract.

In contracts not funded with any Federal financial assistance, CTA will include a provision requiring contractors and all subcontractors to comply with the provisions of 330 ILCS 55/0.01 et seq., which requires that a preference be given to veterans to fill positions in the construction, addition, or alteration of all public works undertaken or contracted for by the State, or by any political subdivision thereof.

Chapter 4: Procurement Management and Administration

For matters pertaining to Real Property, see Chapter 11 and for matters pertaining to Art in Transit, see Chapter 13.

4.1 General Provisions - Methods of Procurement (Except Real Property)

A. Competitive Bidding will be by Invitation for Bids ("IFB") (see Chapter 7), Request for Proposals ("RFP") or Letters of Interest and Qualifications ("LIQ") (see Chapter 8).

B. Except as otherwise authorized, all contracts or purchase orders for goods and services that exceed $40,000 will comply with the Competitive Bidding and Public Advertisement requirements of these Regulations.

C. All contracts or purchase orders that do not exceed $40,000 will be awarded competitively whenever possible, and in any event, in a manner calculated to ensure the best interest of the public and CTA. (See Chapter 10)

D. CTA may engage brokers for the sale or purchase of non-real estate assets as CTA deems appropriate and if it is in CTA's best interest to do so. Each broker that CTA engages must abide by established processes and procedures that comply with all state, Federal, and local rules and regulations. If broker processes and procedures are different from the Procurement Procedures for the sale or purchase of non-real estate assets as set forth in the Procurement Policy and Procedures, those processes and procedures must be approved by the General Counsel prior to implementation.

4.2 Two-Step Procurements

CTA may use a two-step procurement process in limited situations as set forth in paragraph B, below.

A. The two-step procurement process generally consists of a technical or qualifications-based first phase composed of one or more steps in which Bidders or Proposers submit un-priced technical or qualifications-based proposals (and discussions are held with those Bidders or Proposers, if necessary) to be evaluated by CTA and a second phase in which those Bidders or Proposers whose technical offers or qualifications are determined to be acceptable during the first phase have their priced bids considered. Either an IFB or RFP procurement process may be used.

B. The two-step bidding process can be used:

i. When CTA does not consider it practical to initially prepare a definitive purchase or contract description which is suitable to permit an award

based on price; or

ii. In preference to negotiations when all of the following conditions are present:

a. Available specifications or purchase descriptions are not definite or complete or may be too restrictive without technical evaluation, and any necessary discussion of the technical aspects of the requirement to ensure mutual understanding between each source and CTA;
b. Definite criteria exist for evaluating technical proposals;
c. More than one technically qualified source is expected to be available;
d. Sufficient time will be available for use of the two-step method; and
e. A firm-fixed-price contract or a fixed-price contract with economic price adjustment will be used; or
f. At any time deemed appropriate, as determined by the Vice President, Purchasing and Supply Chain.

C. First step in two-step process includes a solicitation which states:

i. The procurement is a two-step procurement; priced bids or cost proposals will be considered in the second phase only, and only from those Bidders or Proposers whose unpriced technical or qualifications-based proposals are found to be acceptable in the first step;
ii. Unpriced qualifications or technical proposals are requested;
iii. The criteria to be used when evaluating the unpriced Bids or Proposals is stated;
iv. CTA may conduct oral or written discussions regarding the Bids or Proposals;
v. Bidders or Proposers should submit Bids or Proposals that are acceptable without additional explanation or information;
vi. Bidders or Proposers may designate those portions of the qualifications or technical proposals which contain trade secrets or other proprietary data that is to remain confidential; and
vii. The item being procured shall be furnished generally in accordance with the Bidder's or Proposer's technical offer.

D. If permitted by law, CTA may award a contract following the first step.

E. The second step involves the submission of sealed priced Bids or Proposals by those who were selected pursuant to the criteria specified in the first step. No additional public notice or advertisement of the IFB or RFP need be given because such notice was given during the first step of the process.

F. If an IFB is used for the second step, an award will be made to the lowest, responsive responsible Bidder. If an RFP is used in the second step, an award will be made to the Proposer whose offer is the most advantageous to the CTA.

4.3 Emergency or Public Exigency Contracts

A. If an Emergency or Public Exigency exists, the President, or the Vice President, Purchasing & Supply Chain, with the concurrence of the General Counsel and approval of the Chairman, will authorize the negotiation and award of an Emergency or Public Exigency contract to purchase any needed goods or services needed (including construction). Emergency procurements may be negotiated with one source or on a limited competition basis depending upon the circumstances.

B. Public Notice of Emergency or Public Exigency contracts is not required.

C. The justification for an emergency procurement shall not be based solely on internal CTA circumstances. In the absence of an emergency condition, an emergency procurement shall not be justified solely on the basis of any of the following circumstances:

i. The lack of adequate advance planning for the procurement of required supplies, services, or construction;
ii. Delays in procurement caused by administrative delays, lack of sufficient procurement personnel, or improper handling of procurement requests or competitive procedures; or
iii. Pending expiration of budget authority.

D. The emergency procurement of supplies or services shall be limited to quantities or a time period sufficient to meet the immediate threat and shall not be used to meet long-term requirements.

E. To the extent time permits, the Procurement Administrator shall ensure that each emergency procurement contract contains the required clauses, representations, and certifications, in accordance with the requirements of these Regulations.

F. If a long-term requirement for the supplies, services, or construction is anticipated, the Procurement Administrator shall request the using department to initiate a separate non-emergency procurement action at the same time that the emergency procurement is made.

G. The Procurement Administrator shall ensure that proper records of an emergency procurement are maintained.

H. A written report of the nature and extent of the Emergency or Public

Exigency, together with a statement of expenditures, if any, will be promptly reported to the Board.

I. Refer to Appendix VII for step-by-step procedures for emergency contracts (over $40,000)

4.4 Joint Procurement

In addition to the other procurement methods authorized by these Regulations, CTA may also procure goods or services as follows:

A. Piggybacking

i. Contracts awarded by other governmental agencies, transportation agencies, or public cooperative purchasing organizations if such contracts permit participation by other government agencies. Under these circumstances, each agency, unit of government, or organization is only responsible to pay for the goods and/or services that it purchases.

ii. If federal funds are utilized for the purchase:

a. All federal requirements, required clauses, and certifications must be followed and included in CTA's contract and the solicitation document, as appropriate.
b. Piggybacking is not permitted for indefinite quantity/indefinite delivery contracts.
c. Piggybacking is not permitted for contracts for services.

B. Federal Procurement Schedules

For information technology services only, orders may be placed under United States General Services Administration Schedule 70.

C. Procurement with Units of Government or Other Agencies

Procurements may be issued jointly with one or more units of local government or agencies of the State of Illinois. All such jointly issued procurements will be solicited and negotiated jointly. Each participant in the joint procurement will enter into its own contract with the chosen Contractor(s). If Federal funds are utilized for the purchase, all Federal requirements, required clauses and certifications must be followed and included in the solicitation document and contract.

D. All joint procurement contracts are subject to the approval and execution limits otherwise outlined in these Regulations.

Pre-Bid Activities

4.5 Procurement Planning and Concurrence Review

A. The procurement process formally begins with the preparation of a

Requisition and its submission to the Purchasing Department. However, planning for contracts and procurement actions should begin as soon as the need for the item, service or property is identified. CTA will proceed to conduct all procurement transactions through the use of those competitive procurement procedures best suited to the particular procurement, except as otherwise specifically justified.

B. As part of procurement planning, required concurrences from other governmental agencies should be reviewed and timing identified. (Refer to Appendix IV: "Public Agency Concurrence Requirements.")

4.6 Procurement History

The Procurement History Form in each contract file maintained by the Purchasing Department shall be sufficient to constitute a complete history of the transaction, including but not limited to, the basis for the procurement and the award, the assignment of contract administration (including payment responsibilities), if any, and any subsequent action taken by the Purchasing Department.

4.7 Responsibilities and Initiation of Requisitions

A. Prior to initiating a Requisition, the using department shall determine that the material, supplies, equipment, or services are necessary for CTA functions, operations or activities and are not duplicative of other items or services acquired by the CTA. Every Requisition for goods or services will include a complete specification or description and must be approved by the using department before being submitted for further processing.

B. The using department shall, when appropriate, make an analysis of lease and purchase alternatives and any other appropriate possibility to determine which would be the most economical and practical means of acquiring supplies or equipment. Such analysis shall be documented as part of the contract file.

C. Every Requisition for equipment, material, supplies, construction, or other services over $3,000 must be authorized by the Purchasing Department. The Purchasing Department is responsible for selecting the proper method of procurement and the contract terms. (Refer to Appendix I: "Procurement History Form.")D. Using departments must initiate Requisitions in order to allow sufficient time for the procurement process. For Blanket (recurring) contracts, Requisitions should be initiated at the time an existing contract is 50% expended or six (6) to twelve (12) months prior to the contract expiration date.

4.8 Specifications and Purchase Descriptions

A. Materials, supplies and equipment plans, drawings, specifications or purchase descriptions for procurements shall state only the actual minimum

needs (in quantity, as appropriate) of CTA and the maximum needs (in quantity, as appropriate) of CTA and describe the material, supplies or equipment in a manner which will encourage maximum competition and eliminate, insofar as possible, any restrictive features which might limit acceptable offers to one supplier's product, or the products of a relatively few suppliers. Items to be procured shall be described by reference to the applicable specifications or by a description containing the necessary requirements. The term “specification,” as used herein, is a clear and accurate description of the technical requirements for the material, supplies or equipment. Specifications also contain preservation, packaging, packing, and marking requirements.

B. Construction Specifications

The technical provisions of construction specifications shall be in sufficient detail so that, when used with the applicable drawings and the specifications and standards incorporated by reference, Bids can be prepared on a fair and competitive basis. Materials, equipment, components, or systems shall be described, where possible, by reference to documents generally known in the industry. The standards which best represent no more and no less than the CTA’s minimum needs shall be selected for incorporation by reference into the construction specifications. This section may not apply to construction contracts for design build, construction manager at risk and job order contracts. See Chapter 12 of these Regulations.

C. Service Contracts

The scope of work approach is preferred for most CTA service contracts. A scope of work defines the minimum work required of a Contractor and the milestones or deliverables required under the contract. In addition, a minimum requirement must be identified for Contractor qualifications. The scope of work must identify the minimum experience required of the Contractor.

D. Purchase Descriptions

A purchase description may be used in lieu of a specification where no applicable specification exists. An adequate purchase description is an aid to competition and, in the absence of competition, aids in determining the reasonableness of price. A purchase description should set forth the essential physical and functional characteristics of the materials required. Purchase descriptions of services to be procured should outline to the greatest degree practicable the specific services the Contractor is expected to perform.

Purchase descriptions shall not be written so as to specify a product, or a particular feature of a product, peculiar to one manufacturer and thereby precluding consideration of a product manufactured by another firm,

unless it is determined that the particular feature is essential to the CTA requirements, and that similar products of other companies lacking the particular features would not meet the minimum requirements for the item. Generally, the minimum acceptable purchase description is the identification of a requirement by use of brand name followed by the words "or equal". In order for the “or equal” to be evaluated, a listing of salient minimum characteristics of the equivalent part must be included.

4.9 Delivery and Performance Requirements

The time of delivery or performance is an essential contract element that shall be clearly stated in each solicitation. A Procurement Administrator shall ensure that a delivery or performance schedule is realistic and meets the requirements of the procurement.

A. When establishing a contract delivery or performance schedule for goods or services, the Procurement Administrator shall consider applicable factors, including the following:

i. Urgency of need;
ii. Production time;
iii. Market conditions;
iv. Transportation time;
v. Industry practices;
vi. Time for obtaining and evaluating Bids or offers and awarding contracts;
vii. Time for Contractors to comply with any condition precedent to contract performance; and
viii. Time for CTA to perform its obligations under contract, such as furnishing CTA property to the Contractor.

B. The Procurement Administrator may establish contract delivery or performance schedules on the basis of any of the following:

i. A specific calendar date or dates;
ii. A specific period or periods from the date of the contract;
iii. A specific period or periods from the date agreed upon by the parties and set forth in the contract for actual commencement of performance on the contract; or
iv. In contracts containing indefinite delivery provisions, a specific time for delivery after receipt by the Contractor of each individual order issued under the contract.

C. When scheduling the time for performance of a construction contract, the Procurement Administrator shall consider applicable factors, such as the following:

i. The nature and complexity of the project;
ii. The construction seasons involved;
iii. The required completion date;
iv. The availability of materials and equipment; and
v. The use of multiple completion dates.

D. In any contract, different completion dates may be established for separable items of work. When multiple completion dates are used, the Procurement Administrator shall evaluate requests for extension of time with respect to each item and shall modify the affected completion dates when appropriate.

4.10 Independent Cost Estimate

A. As part of the advance procurement planning process, and in any event prior to the advertisement or the approval of a contract change order, the Procurement Administrator shall ensure that there is an independent estimate of the expected price level or value of the goods or services to be purchased or to be changed. If the planned solicitation includes options, they should also be addressed in the estimate. The independent estimate is the CTA's estimate of the price of a proposed procurement for use in performing a cost or price analysis.

B. The independent estimate must be prepared with minimal input from prospective Bidders and should include the name of the estimator and the date the estimate was prepared. The estimate should be prepared in the same format and level of detail as Bidders are to use in submitting their pricing schedules and is intended to serve as an effective tool in evaluating price and cost reasonableness. The estimator should maintain the supporting documentation used in preparing the estimate for reference as part of the evaluation process. Should a solicitation amendment materially affect the anticipated price, the estimate should be revised to address the changed requirement(s). A copy of the independent estimate (and any subsequent revised estimates) should be retained in the contract file.

C. Depending upon the nature of the contract requirement, estimates can range from a single amount to complex estimates based on inspection of the product itself and review of such items as drawings, specifications, and prior data (such as cost data from prior procurements). The Procurement Administrator shall hold the estimate as confidential and not disclose its contents to potential Bidders prior to the receipt of Bids.

4.11 Pre-Qualification

A. Pre-qualification of bidders or products may be used when:

i. CTA wishes to procure complex services such as construction and at other instances when appropriate; or

ii. CTA wishes to procure goods that require sophisticated manufacturing and/or goods with exacting performance requirements. Only those Bidders or Proposers who are prequalified may supply the goods or services required.

B. Either an IFB or an RFP public solicitation may be used. If an IFB is used, award is made to the lowest price, responsive responsible Bidder. If an RFP is used, award is made to the Proposer whose offer best satisfies the criteria set forth in the RFP.

C. For pre-qualification of services:

i. CTA will issue a request for pre-qualification ("RFQ"). The RFQ will set forth the minimum qualifications required as well as other relevant factors and will be publicly solicited. The criteria to be used when evaluating the Bidders' or Proposers' qualifications will be set forth in the RFQ.
ii. The RFQ will identify the solicitation method to be used, following Bidder or Proposer pre-qualification, to procure the services, either an IFB or an RFP. Only those Bidders or Proposers who have been pre-qualified will be given the IFB or RFP. CTA will only consider responses to the IFB or RFP from bidders who have been pre-qualified.
iii. The pre-qualification period will start on the date of issuance of the RFQ and will end on the Bid or Proposal submittal date. CTA will continue to review pre- qualification submittals, if any, after the initial pre-qualification period, as long as the pre-qualification submittal is made prior to the Bid or Proposal submittal date. Those Bidders or Proposers who are pre-qualified as described above may respond to the IFB or RFP.
iv. No additional public notice or advertisement of the IFB or RFP is required because such notice was given during the RFQ.

D. For pre-qualification of products:

i. Pre-qualification of parts or equipment is most commonly used for products that take some period of time to evaluate to determine if they satisfy CTA's standards. CTA accepts submissions for evaluation at any time, including during open procurement actions. However, CTA will not hold a particular solicitation open to accommodate a potential Bidder or Proposer who submits a product for approval before or during that solicitation.
ii. The Procurement Administrator will ensure that all lists of pre-qualified products that are used in acquiring goods are current and include enough qualified sources to ensure maximum full and open competition.

4.12 Federal Third Party Contract Provisions

The Procurement Administrator will review the federal checklist entitled "Applicability of Third-Party Contract Provisions" and verify that all required federal contract provisions are included in the solicitation documents or form of contract before advertising the contract. The Procurement Administrator will document the results in the contract file.

4.13 Liquidated Damages

If the CTA determines it is in its best interest to do so a liquidated damages clause may be used in a contract when the following factors apply:

A. The extent or precise amount of damages would be difficult or impossible to ascertain or prove.

B. A liquidated damages assessment must be at a specific rate per an appropriate time period and must be specified in the contract. For federally funded contracts only, any damages recovered must be credited to the project involved unless the FTA permits otherwise.

4.14 Request for Additional Information

A. In its solicitation documents, CTA reserves the right to request additional information which must be returned to CTA within 5 business days or seek clarification from any bidder or offeror about any statement in its bid or proposal before making an award.

B. CTA reserves the right to request additional information from any bidder or offeror, which must be returned to CTA within 5 business days, who submitted a timely proposal and experienced a documented technical issue within CTA's online contract platform. In order for CTA to ensure fairness, the bidder or offeror experiencing a technical issue prior to bid submission must notify CTA Purchasing prior to the time and date set for submission of bids. If the technical issue is identified after the due date for submission of a bid, the bidder or offeror must contact CTA within 3 business days of the time and date set for submission of bids.

4.15 Rolling Stock Contracts

CTA may enter into a multiyear contract to buy rolling stock and replacement parts, when federal funds are used. The multiyear contract can include an option under which CTA may buy additional rolling stock or replacement parts; provided that such option does not allow for significant changes or alterations to the rolling stock.

A. Options for bus procurements must be exercised no later than 5 years after the date of the original contract.

B. Options for rail procurements must be exercised no later than 7 years after the date of the original contract.

C. Rolling stock transit vehicle procurements utilizing federal funds shall comply with the Provisions of 49 CFR 663, including Pre-Award and Post-Delivery Audits conducted by CTA or a third-party consultant to verify compliance with the applicable Buy America domestic content requirements.

4.16 Use of Options

A. The Procurement Administrator may include an option in a contract when it is in the best interest of the CTA to include in the contract a unilateral right for a specified time by which the CTA may elect to purchase additional equipment, materials, supplies, construction, or services called for by the contract, or may elect to extend the term of the contract.

B. An advantage of awarding a contract with options is that it gives CTA a continued source of goods or services under a contract at known prices.

C. The cost of each option shall be readily discernible from the contract provisions that set forth the option.

D. Each contract shall state the period within which an option may be exercised. Options may not be exercised after the term of the contract has expired; technically, there is no longer a legal and binding contract to extend.

E. The appropriate option clauses must be included in the solicitation. In order to meet the requirements of these Regulations for full and open competition, the option must be evaluated as part of the initial competition and be exercisable at an amount specified in the terms of the basic contract. When options have not been evaluated as part of the award, the exercise of such options will be considered a sole source procurement, if appropriate.

F. The option term(s) need not be funded at the time of contract award.

G. Before exercising an option, the Procurement Administrator should document the contract file with:
   i. A written determination that includes a description of the funds available and of market prices to justify price reasonableness of the option;
   ii. A statement that the option was included in and evaluated as part of the basic contract; and
   iii. Any other factors that support CTA's decision to exercise the option.

4.17 Solicitation Lists

CTA shall maintain solicitation contact information in order to identify adequate sources of goods and services and to notify Contractors of upcoming contracting opportunities.

Conducting All Procurements

4.18 Public Advertisement

A. Except as otherwise provided herein (including as provided in Chapter 12 below), all solicitations to award contracts will be published at least once in an English language daily newspaper of general circulation in the Chicago metropolitan area for at least ten (10) business days, excluding Legal Holidays, in advance of the date announced for the receiving and opening of Bids or Proposals, and will simultaneously be advertised by other media, including posting on CTA's website, as appropriate.

B. The Public Notice will describe the procurement in general terms and reference the solicitation document for the specific terms. The Public Notice will state the date, time and place Bids or Proposals are due and, for IFBs only, the time when they will be opened publicly, which must allow sufficient time to prepare bids prior to bid opening. The Public Notice can incorporate information by reference.

C. No Bids or Proposals will be accepted at any time subsequent to the time indicated in the Public Notice. However, CTA can give notice of an extension of time for the receipt of such Bids or Proposals upon publication, in an English language daily newspaper of general circulation in the Chicago metropolitan area, and by other media, as appropriate. The notice will provide the date to which the Bid/Proposal receipt has been extended. The extended Bid or Proposal date will not be less than five (5) business days after the publication thereof, Legal Holidays excluded.

D. If a Bid Guarantee is required, the Public Notice will so specify.

E. Sole source procurements need not be formally advertised, but the Procurement Administrator should take appropriate steps to seek alternative sources for items which have historically been considered sole source.

F. The contract file shall contain the following:

i. The name and e-mail address of each prospective Bidder on the solicitation e-mailing list to which a notification of the solicitation was sent.;
ii. The name of each publication in which notice was published;
iii. The date on which the solicitation was issued;

iv. A copy of the solicitation; and
v. Documentation recording the name of the Bidder(s), the Bid amount, and when appropriate, whether the Bidder has acknowledged addenda to the solicitation and/or provided a Bid Guarantee.

4.19 Pre-Bid or Pre-Proposal Conferences

A. CTA may use pre-bid or pre-proposal conferences to explain the procurement requirements. If a pre-bid or pre-proposal conference is to be held, it shall be announced to all prospective Bidders.

B. This meeting will be scheduled no earlier than seven days after advertising. It is recommended that a two-week notice of the meeting be given, and that Bids be due no earlier than two weeks after the date of the pre-bid or pre-proposal meeting.

C. The Procurement Administrator shall do the following:

i. Conduct the pre-bid or pre-proposal conference;
ii. Furnish all Bidders with identical information concerning the proposed procurement;
iii. Make a complete record of the conference; and
iv. Promptly furnish a copy of that record to all Bidders.

4.20 Cancellation of Solicitations Before Bid Opening

A. A solicitation shall not be canceled before bid opening unless the Procurement Administrator determines that cancellation is in the best interests of the CTA. Reasons to cancel include:

i. Inadequate or ambiguous specifications cited in the IFB;
ii. Specifications have been revised;
iii. Supplies or services being contracted for are no longer required;
iv. The IFB did not provide for consideration of all factors of cost to the CTA; or
v. It is in the best interest of the CTA.

B. If a solicitation is canceled before bid opening, Bids that have been received will not be opened.

C. The Procurement Administrator shall send a notice of cancellation to all prospective Bidders to whom solicitations were issued.

4.21 Receipt of Bids or Proposals

A. Bids/Proposals must be submitted electronically through the Bid Office's E-Procurement Platform. Bids/Proposals submitted shall be marked with the date and time of receipt.

B. All Bids and modifications received before the time set for the opening of Bids shall be kept secure in the Bid Office's E-Procurement Platform.

C. Bids shall be submitted so that they will be received in the Bid Office's E-Procurement Platform not later than the submittal deadline. A Bid may be modified or withdrawn by written notice received in the Bid Office's E-Procurement Platform no later than the exact time set for opening of bids.

D. Any Proposals received after the time and date set for submission of offers at the Bid Office's E-Procurement Platform shall be considered "late." Late Proposals will be rejected.

E. The only acceptable evidence to establish the time of receipt at CTA is the Bid Office's E-Procurement Platform time and date stamp.

F. The form of contract included in an IFB packet must be executed by the Bidder and submitted with its Bid. The method of execution must comply with section 4.26 of these Regulations.

4.22 Breaking a Tie

In the event two bidders are determined to be the lowest responsive and responsible bidders, when the contract can only be awarded to one bidder, the Director, Purchasing will toss a coin to determine the successful bidder.

Pre-Award Activities

4.23 Prospective Contractor Responsibility

A. CTA shall make purchases from and award contracts only to responsible Contractors.

B. In the absence of information clearly indicating that the prospective Contractor is responsible, CTA shall make a determination of nonresponsibility.

C. To be determined responsible, a prospective Contractor shall meet all of the following applicable requirements:

i. Financial resources adequate to perform the contract, or the ability to obtain them;
ii. Ability to comply with the required or proposed delivery or performance schedule, taking into consideration all existing commercial and governmental business commitments;
iii. A satisfactory performance record;
iv. The necessary organization, experience, accounting and operational controls, and technical skills, or the ability to obtain them;

v. Compliance with applicable licensing laws, if relevant;
vi. The necessary production, construction, and technical equipment and facilities, or the ability to obtain them;
vii. Compliance with the DBE Program requirements (for procurements described in Chapter 8); and
viii. Other qualifications and eligibility criteria necessary to receive an award under applicable laws and regulations.

D. A prospective Contractor who is debarred, suspended or deemed ineligible for contracting by CTA shall not be awarded a contract for the duration of the debarment or suspension. Furthermore, for federally funded contracts, a Contractor who is suspended or debarred from federal programs under DOT regulations, "Nonprocurement Suspension and Debarment," 2 CFR Parts 180 and 1200, or under the FAR at 48 CFR Chapter 1, Part 9.4 shall not be awarded a contract. The Procurement Administrator will check the System for Award Management, www.sam.gov, and document the results in the contract file.

E. If CTA determines that the price bid or offer by a prospective Contractor is so low as to appear unreasonable or unrealistic, CTA may determine the prospective Contractor to be nonresponsible.

4.24 Prospective Contractor Resources

A. The Procurement Administrator may require, and the prospective Contractor shall promptly provide within five (5) business days, acceptable evidence of the prospective Contractor's ability to obtain resources.

B. Acceptable evidence of the prospective Contractor's ability to obtain resources shall consist of a commitment or explicit arrangement that will be in existence prior to the time of contract award to rent, purchase, or otherwise acquire the needed facilities, equipment, personnel, or other resources.

C. A prospective Contractor that is or recently has been seriously deficient in contract performance may be presumed to be nonresponsible. CTA may determine the Contractor to be responsible if the circumstances of the prior deficiency were properly beyond the Contractor's control or if the Contractor has taken appropriate corrective action.

D. An affiliated business shall be considered a separate entity in determining whether the business that is to perform the contract meets the applicable standards of responsibility. However, the Procurement Administrator shall consider an affiliate's past performance and integrity when they may adversely affect the prospective Contractor's responsibility.

4.25 Prospective Subcontractor Responsibility

A. A prospective prime Contractor shall be accountable for determining the responsibility of prospective Subcontractors.

B. Because the determination of a prospective Subcontractor's responsibility may affect the CTA's determination of the prospective prime Contractor's responsibility, a prospective Contractor may be required to provide written evidence of a proposed Subcontractor's responsibility.

C. When it is in the interests of the CTA, CTA may independently determine a prospective Subcontractor's responsibility, using the standards and requirements for responsibility set forth in this Chapter.

4.26 Obtaining Information for Determination of Responsibility

A. The Procurement Administrator shall obtain information regarding the responsibility of a prospective Contractor who is the apparent low Bidder or whose offer is in the competitive range.

B. If the prospective Contractor fails to supply the information requested in the time allotted, CTA shall make the determination of responsibility or nonresponsibility based upon available information. If the available information is insufficient to make a determination of responsibility, CTA shall determine the prospective Contractor to be nonresponsible.

C. The Procurement Administrator shall place the Written Responsibility Determination Form, which includes a determination of Contractor responsibility, in the file. Prior to contract award, the completed Written Responsibility Determination Form will constitute documentation of the determination of Contractor responsibility.

D. Contract administrators and other CTA personnel who become aware of circumstances casting doubt on a Contractor's ability to perform a contract successfully shall promptly inform the Procurement Administrator and furnish the relevant information in writing.

E. In certain instances, where applicable, the Procurement Administrator may request additional information from a prospective Contractor in order to assist in making a responsibility determination.

4.27 Determinations and Documentation of Responsibility

A. The Procurement Administrator shall make, sign, and place in the contract file a determination of responsibility which shall state the basis on which the prospective bidder meets the requisite criteria of Section 4.23 using the applicable form located in Appendix I titled the Written Responsibility Determination Form.

B. When an offer on which an award would otherwise be made is rejected

because the prospective Contractor is found to be nonresponsible, the Procurement Administrator shall make, sign, and place in the contract file a Written Responsibility Determination Form of nonresponsibility, which shall state the basis for the determination, and include any applicable information from DBE and other CTA departments.

4.28 Disclosure and Use of Information Before Award

A. After receipt of Proposals in response to an RFP or LIQ, the information contained in the Proposals and the number or identity of Proposers shall not be made available to the public or to anyone in the CTA not required to have access to the information in the performance of his or her duties.

B. During the pre-award period of any competitive procurement, only the Procurement Administrator and others specifically authorized may transmit technical or other information and conduct discussions with prospective Contractors. No CTA employee or agent shall furnish information to a prospective contractor if, alone or together with other information, it might give the prospective contractor an advantage over others. However, general information that is not prejudicial to others may be furnished upon request.

4.29 Cancellation of Procurements – Rejection of Bids

The Vice President, Purchasing, has the authority to reject any or all Bids and/ or re-advertise a procurement. The Vice President, Purchasing, in consultation with the Using Group has the authority to cancel any procurement. A written notification of all canceled procurements or rejected Bids will be provided to the Chairman and President as requested.

4.30 Method of Contract Execution by Bidders or Proposers

A. A contract with a partnership shall be signed by all partners, or by a general partner with authority to bind the partnership, or an Authorized Representative thereof If the partner(s) with the authority to bind the partnership.

B. A contract with a corporation shall be signed by the President, CEO, CFO, Vice President, or another employee or officer of the corporation with written authorization to bind the corporation.

C. A contract with joint venturers may involve any combination of individuals, partnerships, or corporations. The contract shall be signed by each participant in the joint venture in the manner set forth in this section with a copy of the joint venture agreement attached.

D. A contract with a sole proprietorship shall be signed by the owner of the company.

E. For contracts under an assumed name:

i. The persons conducting business under the assumed name must file the required certificate in the Office of the County Clerk of the county where business will be transacted.
ii. The Procurement Administrator should verify that the required certificate has been filed.
iii. If the certificate has been filed, the contract may be signed in the assumed name of the business.
iv. If the certificate has not been filed, the contract must be signed in the owner's name d/b/a the assumed name.

F. A contract with a limited liability company ("LLC") shall be signed by the manager or managing member of the LLC or a manager or member with written authority to bind the LLC.

G. All signatures must be notarized, unless in the judgment of the Vice President, Purchasing & Supply Chain, the notarization is not required.

4.31 Adequate Competition

The Procurement Administrator must establish that there is adequate competition. Establishing adequate competition requires two or more responsible Bidders willing and able to compete effectively for the business. Upon receiving a single bid or proposal in response to a solicitation, the Procurement Administrator should determine if competition was adequate. This includes a review of the specifications for undue restrictiveness and may also include a survey of potential sources that chose not to submit a bid or proposal. Any supporting documentation used to make a determination of adequate competition in the event of a single bid or proposal must be included in the contract file.

4.32 Determination of Reasonable Price

A. Before award can be made to a particular Contractor, the Procurement Administrator or Buyer shall perform a price analysis or reasonableness checklist to determine, in writing, that the Contractor's proposed price is fair and reasonable.

B. When there is only one response received to a request for quotation or Solicitation, or the price variance between multiple responses reflects a lack of robust competition, the Procurement Administrator or Buyer shall include a statement in the contract file giving the basis for the determination of a fair and reasonable price.

C. The determination that a proposed price is fair and reasonable may be based on either of the following:

i. Competitive quotation or Solicitation; or

ii. Comparison of the proposed price with prices found reasonable on previous purchases, current price lists, catalogs, advertisements, similar items, value analysis, the Procurement Administrator or Buyer's personal knowledge of the item being purchased, or by reference or comparison to any other reasonable price source.

D. When adequate competition is lacking and for sole source purchases, a cost analysis or reasonableness checklist may be necessary to determine price reasonableness.

Post-Award Activities

4.33 Contract Administration

As stated in Chapter 1, CTA maintains a contract administration system to ensure that Vendors perform in accordance with the terms, conditions and specifications of their contracts or purchase orders. Upon execution of the contract, Purchasing will notify the using department of the start of the contract administration duties. The actions of Contract administration will be the responsibility of the Contract/Project Manager (the “Contract Manager”) who utilizes the contracts on a day-to-day basis in each of their respective departments.

Commencement of Contract administration responsibility. The Contract Manager’s responsibility begins when a contract is executed. If the contract is a blanket contract, then a delegation letter will be sent to the Contract Manager. The Contract Manager must sign and return the letter to the Purchasing Department within 10 business days. If the Contract is a not a Blanket Contract, then a copy of the Purchase order and a copy of the contract will be sent to the Contract Manager in lieu of a delegation letter.

A. Contract Manager Responsibilities

The Contract Manager will take the following actions once a contract is executed and awarded by the CTA:

i. Review the information recorded in Oracle to ensure that it is accurate and notify the Purchasing Department of any inaccuracies;
ii. Notify the Contractor that it may begin performing the work, if applicable;
iii. Place orders for goods and services against the Contract as needed;
iv. Review and approve logs/reports/schedules/etc., if applicable;
v. Review and accept deliverables to ensure that they conform to the contract requirements;
vi. Review invoices via Oracle in a timely manner and authorize payment of accurate invoices;
vii. Notify the Contractor if invoices are inaccurate, and obtain accurate invoices from the Contractor;

viii. Coordinate with Accounts Payable to ensure that accurate invoices are paid, and inaccurate invoices are not paid;
ix. Verify that all work is performed, and all goods are delivered within the contract term;
x. Monitor available funds to ensure that the contract value is not exceeded;
xi. Notify the Purchasing Department if contract changes are necessary, including if additional funds are needed, and follow the procedures for contract changes set forth in these regulations;
xii. Close out the contract by submitting the contract closeout form and send to the Purchasing Department. The closeout form informs Purchasing that all services have been performed or all goods delivered. The form is filed in the contract electronic folder;
xiii. Maintain an accurate record of all contract administration activities; and
xiv. Direct any questions regarding contract administration to the Director, Purchasing.

B. Prohibited Actions

Unless the contract expressly authorizes otherwise, the Contract Manager **may not** take the following actions:

i. Direct the Contractor to perform work or deliver any goods that are not specified in the contract;
ii. Authorize payment for goods or services that are not included in the contract;
iii. Expend more than the contract value; or
iv. Modify the contract without following the procedures set forth in these regulations.

4.34 Contract Distribution

The Purchasing Administrative Staff or Procurement Administrator shall distribute electronic copies of contracts or modifications to the Contractor within ten (10) working days after execution by all parties.

4.35 Post-Award Conference

A. If the Procurement Administrator decides that a post award conference is needed, he or she shall be responsible for the following:

i. Establishing the time and place of the conference;
ii. Preparing the agenda, when necessary;
iii. Notifying appropriate CTA representatives;
iv. Notifying appropriate Contractor representatives;
v. Designating or acting as chairperson;
vi. Conducting a preliminary meeting of other CTA personnel, if necessary; and

vii. Preparing a summary report of the conference.

B. It is the policy of the CTA to conduct a "preconstruction meeting" with all construction Contractors before the work under a construction contract begins. Such a meeting provides key members of both CTA and the Contractor with an opportunity to establish lines of authority and communication and identify their respective duties and responsibilities. Discussions may also cover specific projects, plans, specifications, safety requirements, unusual conditions, and schedules of completion. A thorough understanding of equal employment regulations, civil rights requirements, and other pertinent features of the contract will promote better relations and improve construction operations.

4.36 Contract Compliance

The Contract Project Manager shall ensure that the goods, services, or construction procured under each CTA contract conform to the quality, safety, and quantity requirements of the contract, including inspection, acceptance, warranty, and any other measures associated with quality assurance.

4.37 Subcontracts

A. The Procurement Administrator may require the Contractor to obtain consent for any or all subcontracting in any instance where the Procurement Administrator determines that it would be in the best interests of the CTA.

B. In determining whether to require consent to subcontract, the Procurement Administrator shall consider the following:

i. The complexity of the work to be done under subcontracts;
ii. The value of the subcontract(s);
iii. Whether the CTA's interests can be adequately protected without requiring consent; and
iv. Any other relevant factors.

C. Upon receipt of the Contractor's request for consent to subcontract, the Procurement Administrator shall do the following:

i. Promptly evaluate the Contractor's request for consent to subcontract;
ii. Obtain assistance in the evaluation from audit, pricing, technical, or other specialists as necessary; and
iii. Notify the Contractor in writing of consent to subcontract or the withholding of consent to subcontract, including any changes or corrections required.

4.38 Contract Changes

A. All Change Orders and Contract Amendments shall be within the general scope of the contract and cannot represent cardinal changes to the contract. The Procurement Administrator shall review and verify that the changed work is not a cardinal change to the contract. In the event the change would be a cardinal change to the contract, the work must be publicly solicited as a separate contract and cannot be undertaken as a change to a current contract.

B. Field Memos, Proceed Orders, Directive Letters, Change Orders and Contract Amendments involve changes within the scope of the contract which require a modification to the contract.

C. Payment is not authorized for Field Memos, Proceed Orders and Directive Letters until they are changed into Change Orders.

D. The process for Change Orders and Contract Amendments set forth in the following sections will be utilized by CTA.

4.39 Field Memo

Field Memos will result from the following process:

A. The using department prepares a Field Memo and submits it, along with a justification statement and an independent cost estimate, to the Purchasing Department.

B. The Procurement Administrator reviews the justification and performs a price analysis. If the proposed Field Memo is found acceptable, the Procurement Administrator submits the Field Memo for execution to the Vice President, Purchasing & Supply Chain, or designee. If the justification is not acceptable (including for reasons of cost), the Procurement Administrator can:

   i. facilitate negotiations between the Contractor and the using department; or
   ii. with agreement from the using department, determine that the work should not proceed.

C. The Field Memo is issued to the Contractor by the using department. Field Memos are used for cost increases or decreases that do not exceed $10,000. Field Memos cannot be utilized for extensions of time or acceleration of work. Field Memos do not constitute authorization for payment to the Contractor until they are prepared and submitted as Change Orders.

4.40 Proceed Order

Proceed Orders result from the following process:

A. The using department prepares a Proceed Order and submits it, along with a justification statement and an independent cost estimate, to the Procurement Administrator.

B. The Procurement Administrator reviews the justification. If the proposed Proceed Order is found acceptable, the Procurement Administrator submits the Proceed Order for execution in accordance with PPP Section 4.40(D). If the justification is not acceptable (including for reasons of cost), the Procurement Administrator can:

   i. facilitate negotiations between the Contractor and the using department; or
   ii. with agreement from the using department, determine that the work should not proceed.

C. The Proceed Order is issued to the Contractor by the using department. Proceed Orders are utilized for cost increases or decreases exceeding $10,000 and for extensions of time and accelerations of work.

D. A Director or General Manager, Purchasing may authorize Proceed Orders that do not exceed $100,000 in costs. The Vice President, Purchasing & Supply Chain, may authorize Proceed Orders that do not exceed $250,000 in costs. All Proceed Orders involving costs exceeding $250,000 must be authorized by the President.

E. Proceed Orders do not constitute authorization for payment to the Contractor until they are prepared and submitted as Change Orders.

4.41 Directive Letter

A Directive Letter results from the following processes:

A. The using department submits a request for a Directive Letter along with a justification statement and a not-to-exceed amount.

B. The Procurement Administrator reviews the justification. If the proposed Directive Letter is found acceptable, the Procurement Administrator submits the Directive Letter for execution in accordance with the contract general conditions. If the justification is not acceptable (including for reasons of cost), the Procurement Administrator can

   i. facilitate negotiations between the Contractor and the using department; or

ii. with agreement from the using department, determine that the work should not proceed; and

C. The Procurement Administrator will determine the equitable adjustment of time and/or money. Directive Letters do not constitute authorization for payment to the Contractor until they are prepared and submitted as Change Orders.

4.42 Change Order Procedures

There are two types of Change Orders. The first is for those contracts where the Change Order was not anticipated at the time of the contract approval. The second type of Change Order is an Authorization for Funding which applies to those Change Orders that were anticipated at the time of Board approval, and which the additional cost was disclosed to the Board.

A. For Authorization of Funding Change Orders, the using department would notify the Purchasing Department that they want to request an Authorization for Funding for an option year and either the using department or the Purchasing Department would prepare the written Change Order.

B. The Purchasing Department will then submit the Change Order to the Board with supporting documentation and justification including a certification that the Change Order complies with 720 ILCS 5/33E-9 and the change is germane to the original contract as signed and the Change Order is in the best interest of CTA and authorized by law.

For Change Orders that were not anticipated at the time of contract award:

C. Either the using department or Purchasing Department determines that a Change Order is necessary and makes a written request to the Contractor for a Change Order proposal. All Field Orders, Proceed Orders and Directive Letters must be incorporated into a Change Order.

D. The Contractor responds in writing to the request for a Change Order Proposal. Said response will include the Contractor's costs, actual or estimated, and any requests for time extensions (e.g. extensions of contract term or schedule).

E. The Procurement Administrator, using department and the Contractor negotiate an acceptable price and, if applicable, a time extension amount, in accordance with the budgetary constraints, if any, set forth by the Finance Department.

F. Either the using department or Purchasing Department prepares a written change order and submits it to the Contractor for signature. Once signed, the using department or Purchasing submits the change order to the Finance Department for review.

G. Upon the return of the executed Change Order, the using department

or Purchasing Department submits the executed change order with supporting documentation and justification, including a certification that the Change Order complies with 720 ILCS 5/33E-9, as amended, to the Procurement Administrator for review. For change orders or series of change orders on the same contract that increase or decrease the contract price by more than $10,000 or that extend the time for completion by 30 days or more, the statute currently requires a determination that:

i. the circumstances said to necessitate the change in performance were not reasonably foreseeable at the time the contract was executed; or
ii. the change is germane to the original contract as signed; or
iii. the Change Order is in the best interest of CTA and authorized by law.

H. Board authorization is required for Change Orders to contracts originally valued at $1,000,000 or less when a Change Order individually or cumulatively with other Change Orders:

i. increases the contract value by more than ten percent (10%) of the original contract value, or
ii. increases the contract value by more than $100,000.

I. For Change Orders to contracts originally valued at $1,000,000 or less when the cumulative Change Order contract increase is less than or equal to ten percent (10%) of the original contract value or there is a cumulative increase of $100,000 or less to the contract, the Change Order must be authorized and may be approved according to the same limits specified for contract approvals set forth in Section 1.7 A, B and C. The President or designee must authorize those that exceed the limits specified in Section 1.7 A, Band C. The amount of the contract change increase will determine the minimum level of signing authority necessary to authorize the change.

J. Board authorization is required for Change Orders to contracts originally valued in excess of $1,000,000 when a Change Order individually or cumulatively with other Change Orders:

i. increases the contract value by more than ten percent (10%) of the original contract value, or
ii. increases the contract value by more than $500,000.

K. For Change Orders to contracts originally valued in excess of $1,000,000 when the cumulative Change Order contract increase is less than or equal to ten percent (10%) of the original contract value or there is a cumulative increase of $500,000 or less to the contract, the Change Order must be authorized and may be approved according to the same limits specified for contract approval set forth in Section 1.7 A, B and C. The President or

designee must authorize those that exceed the limits specified in Section 1.7 A, Band C. The amount of the contract change increase will determine the minimum level of signing authority necessary to authorize the change.

L. Change Orders to contracts resulting in a decrease in contract value do not require board approval. Such Change Orders must be authorized and may be approved according to the same limits specified for contract approval set forth in Section 1.7A, B, and C. The President or designee must authorize those that exceed the limits specified in Section 1.7 A, Band C.

M. Change Orders to contracts for Public Works Projects cannot exceed 50% of the original contract price. Any proposed change to a Public Works Contract that exceeds 50% of the original contract price must be procured through the same competitive bidding process as the original contract.

N. Changes to contracts that are not contracts for Public Works Projects cannot exceed 50% of the original contract price unless the Board determines that such increase is in the best interest of the Authority.

O. Change Orders, regardless of contract value, which do not affect the contract completion or termination date or the dollar value of the contract, do not require Board authorization. These contracts will be authorized by the Director or General Manager, Purchasing and reported to the Board on a monthly basis.

P. Change Orders that affect the contract completion or termination date by a cumulative extension of more than 12 months, excluding any options provided for in the original contract, are not permitted unless the Board determines that such extension of the completion or termination date is in the best interest of the Authority. If the contract completion or termination date cumulative extension is 12 months or less, a Change Order for said time extension is not required and the Procurement Administrator will prepare a written time extension letter for approval by the Director or General Manager, Purchasing.

Q. An executed copy of the Change Order will be transmitted to the Contractor by the Procurement Administrator.

4.43 Contract Amendment Procedures

Contract Amendments result from the following process:

A. The using department determines that a change is required to a contract and contacts the Purchasing Administrator and the Contractor to negotiate the terms of the change needed, including an acceptable price and time extension, if any.

B. The Purchasing Administrator in conjunction with the Law Department prepares a Contract Amendment for review by the Contractor.

C. Once a contract amendment acceptable to the Authority and the Contractor has been drafted, it is ready for signature by both parties. Contracts that required board authorization will require board authorization to amend, unless in the judgment of the Vice President, Purchasing & Supply Chain, the contract, or the nature of the amendment thereof, is otherwise of such a nature that Board approval is not necessary, after consultation with the General Counsel.

4.44 Assignment of Contracts

No contracts, inclusive of leases and concessions, will be assigned or sublet without Board authorization, unless in the judgment of the Vice President,Purchasing & Supply Chain, the contract, or the nature of the assignment or sublease thereof, is otherwise of such a nature that Board approval is not necessary, after consultation with the General Counsel.

Assignment of funds must be authorized by the Vice President, Purchasing & Supply Chain after consultation with the General Counsel.

4.45 Change In Ownership

Any Vendor who changes ownership during the performance of a contract must submit an updated ownership disclosure to the Vice President, Purchasing & Supply Chain for approval, within 30 days. A change of ownership will not require an assignment of the contract unless the contracting entity itself is changed.

4.46 Termination

A. Termination for Convenience

i. All federally funded contracts must contain provisions enabling CTA to terminate such contracts for the convenience of CTA. These provisions shall specify the manner in which such termination will be effected and the basis for settlement of any outstanding bills or costs.

ii. CTA contracts will be terminated for convenience only when determined to be in the best interests of CTA. Formal written notice to the Contractor is necessary to terminate a contract for convenience. Such notice will state that the contract is being terminated pursuant to the termination for convenience provision of the contract, the effective date, the extent of termination, and instruct the Contractor to cease performance under the contract.

iii. The Procurement Administrator will negotiate a no-cost settlement with the Contractor if possible. Otherwise, the Procurement Administrator will negotiate an appropriate settlement agreement with the Contractor pursuant to the provisions of the termination for convenience clause of the contract.

B. Termination for Default

i. All federally funded contracts must contain provisions enabling CTA to terminate for cause if the Contractor defaults in one of more of the

enumerated manners set forth in the contract.

ii. If a Contractor's right to proceed is terminated for default, CTA may take over and complete the work or cause it to be completed, and the Contractor and its sureties, if any, shall be liable to CTA for any increased costs caused thereby. The Contractor and its sureties shall, in addition to increased costs in completing the work, be liable for liquidated damages, if liquidated damages are provided for in the contract, or for actual damages, if liquidated damages are not so provided.

iii. If the Procurement Administrator determines that the Contractor's failure to perform arises from causes which are excusable under the terms of the contract, the Procurement Administrator shall not terminate the Contractor's right to proceed, nor shall he/she charge the Contractor with damages because of any delays occasioned by such causes.

iv. Where a surety does not complete performance of the contract, the Procurement Administrator may complete the performance of work by awarding a new contract based on the same plans and specifications. Such award may be the result of competitive bidding or negotiation, whichever procedure is most appropriate under the circumstances. The Procurement Administrator must use reasonable diligence to obtain the lowest price available for completion.

v. If, after due consideration, the Procurement Administrator determines that termination is not in the best interest of CTA although the Contractor is in default, the Procurement Administrator may permit the Contractor to continue the work, and the Contractor and its sureties shall be liable to the CTA for liquidated damages, as specified in the contract, or if liquidated damages are not so specified, for any actual damages occasioned by the failure of the Contractor to complete the work in accordance with the terms of the contract.

4.46 Closeout of Contracts

A. Small purchase files shall be considered closed when the Procurement Administrator receives evidence of receipt of property and final payment.

B. Files for all contracts shall be closed in a timely fashion and as business appropriate.

C. The Procurement Administrator shall ensure that all required contractual actions have been completed.

D. CTA will retain all contracts for at least five years following the final closeout of FTA grant funded contracts or contract expiration or termination.

Chapter 5: Disadvantaged Business Enterprises (DBE)

It is the policy of the CTA to create a level playing field on which Disadvantaged Business Enterprises ("DBE's") can compete fairly for CTA's contracts. See CTA DBE Program Plan for additional details.

5.1 Proposed Contract Review

All contracts in excess of $40,000 will be reviewed by the Diversity Department to determine if the contract has subcontracting opportunities, unless in the judgment of the Director, Diversity review is not required. If so, the Diversity Department will determine whether to assign a contract specific DBE goal to it. The DBE contract goal, if any, will be included in the solicitation documents.

A. The Procurement Administrator will request that the Diversity Department review all proposed solicitations prior to advertisement to determine the contract specific DBE goal.

B. The Diversity Department will promptly provide documentation to the Procurement Administrator with the contract DBE goal or with its written decision not to put a DBE goal on the proposed contract.

5.2 Participation

A. For competitively bid contracts of $40,000 or less, the Buyer will use its best efforts to provide DBEs, provided those DBEs are registered in the CTA Vendor Database, with the maximum opportunity to participate in such contracts. The Purchasing Department will solicit at least one, and if available multiple, DBEs on the RFQs. The Purchasing Department will provide the Diversity Department with a monthly report of the DBE participation on all contracts of $40,000 or less.

B. For competitively bid contracts in excess of $40,000, the Procurement Administrator will forward information regarding the Bidders' or Proposers' good faith efforts to comply with the DBE contract goal to the Diversity Department, which will determine compliance with the DBE contract goal and forward its determination to the Procurement Administrator prior to contract award.

C. Compliance with the DBE contract goal, if any, on IFBs is a matter of Bidder responsiveness. CTA will not award a contract to any Bidder who has not either met the goal or demonstrated good faith efforts to meet the goal at the time of submitting its bid.

D. Compliance with the DBE contract goal, if any, on RFPs and LIQs is a matter of responsibility. CTA will not award a contract to any Proposer who has not either met the goal or shown good faith efforts to meet the goal by the time of contract award.

5.3 Good Faith Efforts

A. Compliance with the DBE contract goal may be achieved by a Bidder or Proposer's demonstration of good faith efforts to meet the contract DBE goal through any one of the following:

i. A non-DBE Contractor subcontracting for a portion of the work sufficient to meet the DBE contract goal with a DBE company certified by a CTA approved certification program such as the Illinois Unified Certification Program ("IL UCP") in the DBE's area of certification and whose proposed work on the contract being evaluated will serve a commercially useful purpose; or

ii. Performance of the contract by an IL UCP-certified DBE in its area of certification; or

iii. A non-DBE Contractor who does not meet the full DBE contract goal through participation by an IL UCP-certified DBE but, in addition to partial compliance, submits statements of good faith efforts to meet the DBE contract goal acceptable to CTA; or

iv. A non-DBE Contractor who does not meet the DBE contract goal, but submits statements of good faith efforts to meet the DBE contract goal acceptable to CTA.

B. In the event the low Bidder on an IFB does not demonstrate good faith efforts to meet the goal, the Bidder will be offered a reconsideration hearing. The decision of CTA's reconsideration officer is final and cannot be appealed.

5.4 Small Business Program

A. CTA established a race-neutral small business program ("SBE Program"). The program will:

i. Utilize the Small Business Administration's ("SBA") size standards for small businesses. Only those businesses that fit within the SBA size standards are eligible to participate in the SBE Program. In order to participate in the small business program, a company must be certified as a small business by one of the agencies listed in subsection ii. hereof as amended from time to time.

ii. Accept certifications by approved entities such as the Illinois Unified Certification Program. The CTA may also certify entities as small business.

iii. From time to time, the Director, Diversity pursuant to an attachment may add additional certifying agencies whose small business certifications CTA will accept to subsection ii. hereof. CTA will not accept self-certifications.

iv. Require that every business wishing to participate in the small business program submit its small business certification.

v. CTA will also apply a personal net worth limitation in accordance with the DBE personal net worth as provided in 49 CFR 26.67(b) to participants in its small business program.

B. Two types of contracts may be included in the Small Business program: (1) certain contracts under $5,000,000 will be set aside for small businesses to bid on as prime contractors, and (2) certain larger construction contracts will require that prime contractors identify portions of the work to subcontract to only small businesses.

At the time of submitting its bid, any bidder on a larger construction contract included in the SBE Program will be required to identify those specific portions of the work to be subcontracted only to small businesses. Compliance with this requirement will be an element of responsiveness to the bid.

Chapter 6: Contract Types and Forms

6.1 General Provisions – Contract Types

A wide selection of contract types is available to Procurement Administrators and Contractors in order to provide needed flexibility in acquiring goods and services. Contract types vary according to the degree and timing of the responsibility assumed by the Contractor for performance.

6.2 Selecting Contract Type

A. When procurement is by competitive sealed bidding, the Procurement Administrator will use either a firm-fixed-price contract or a cost reimbursement contract. The type of contract to be used will be determined prior to solicitation, and the solicitation will inform Bidders of the type of contract that will be used.

B. The Procurement Administrator will include documentation in each contract file to show the reasons the particular contract type was selected, except for the following procurements:

i. Small purchases other than cost-reimbursement contracts; and
ii. Repetitive purchases on a firm-fixed-price basis.

C. The cost-plus-a-percentage-of-cost and the percentage of construction cost methods of contracting will not be used by CTA or its Contractors.

6.3 Fixed-Price Contracts

A. The fixed-price contract usually stipulates a firm price. However, under certain circumstances it may provide for an adjustable price. An adjustable price contract includes a price ceiling, a target price, or both, which limits the financial obligation of CTA to the Contractor for satisfactory completion of the contract.

B. Fixed-price contracts consist of several types designed to facilitate proper pricing under varying circumstances.

C. Firm Fixed-Price Contract — The firm fixed-price contract provides for a price which is not subject to any adjustment.

D. Fixed-Price Contract with Escalation — This type of contract provides for the upward and downward revision of the stated contract price upon the

occurrence of certain specified contingencies.

i. This type of contract is used when the market for a particular good or service is especially volatile, and CTA needs a contract for a term greater than just the initial quantity.
ii. Risks to the Contractor are reduced by the inclusion of escalation provisions.
iii. Upward price adjustments must be limited by the establishment of a reasonable ceiling.
iv. Provisions should also be included to provide for downward adjustments when the prices or rates fall below the base levels provided in the contract.

6.4 Cost-Reimbursement Contracts

A. The cost-reimbursement contract provides for payment of allowable costs incurred in the performance of the contract only to the extent prescribed in the contract. Cost-reimbursement contracts are suitable for use only when uncertainties involved in contract performance do not permit costs to be estimated with sufficient accuracy to use any type of fixed-price contract. This type of contract establishes an estimate of total cost for the purpose of obligation of funds and establishes a ceiling which the Contractor may not exceed (except at the Contractor's own risk) without prior approval of the Procurement Administrator. Nevertheless, it places all significant risk on CTA. The federal cost principles set forth in 2 CFR 200, Subpart E must be adhered to. Only those costs complying with the federal cost principles will be eligible for reimbursement.

B. Cost Contract – A cost contract is a cost-reimbursement type of contract which provides reimbursement for costs, but no fee to the Contractor. The following are illustrative situations in which the use of this type of contract may be appropriate:

i. Research and development work, particularly with non-profit educational institutions or other non-profit organizations; or
ii. Initial small quantity procurements of new items with anticipated subsequent large production runs.

C. Cost-Sharing Contract — A cost-sharing contract is a cost-reimbursement contract under which the Contractor receives no fee, but is reimbursed for an agreed portion of the allowable costs.

D. Cost-Plus-A-Fixed-Fee Contract — A cost-plus-a-fixed-fee contract is a cost reimbursement contract which provides for payment of a fixed fee (profit) to the Contractor.

i. Once the fixed fee has been negotiated, it does not vary with the Contractor's actual costs.
ii. The fee may be adjusted as a result of subsequent changes in the work or services to be performed.
iii. Because the fixed fee does not vary in relation to the Contractor's ability to control costs, there is minimum incentive for effective management control of costs.

6.5 Time and Materials Contract

A. The time and materials contract provides for the procurement of property or services on the basis of:

i. Direct labor hours at specified, fixed hourly rates, including direct and indirect labor, overhead, and profit, and
ii. Material at cost. Material handling costs may be included in the charge for "material at cost" to the extent they are clearly excluded from any factor of the charge computed against direct labor hours.

B. This type of contract does not provide any incentive for Contractors to control the cost of materials or to manage their labor forces effectively.

C. Because this type of contract does not encourage effective cost control and requires almost constant surveillance, it should be used only when no other type of contract will suffice.

D. A labor-hour contract is a variant of a time & materials contract, differing only in that materials are not supplied by the Contractor.

i. This type of contract is used only when it is not possible, at the time of awarding the contract, to estimate the extent or duration of the work or to anticipate costs with any reasonable degree of confidence.
ii. Particular care should be exercised in the use of this contract, since its nature does not encourage effective cost control. There must be adequate controls, including surveillance during

performance, to give reasonable assurance that inefficiency and waste is not perpetuated.

iii. Because this type of contract does not encourage effective cost control and requires almost constant surveillance, it should be used only after determining that no other type of contract is suitable to ensure contract performance.

iv. A ceiling price, which the Contractor exceeds at his own risk, should be established for this type of contract.

6.6 Indefinite Delivery Contracts ("Blanket Contracts")

A. CTA may use this type of contract (either requirements contract or an indefinite quantity contract) when the exact quantities of supplies or services are not known at the time of contract award. Indefinite quantity contracts provide for delivery of an indefinite quantity including a stated minimum and maximum limits of goods or services during a fixed period. Quantity limits may be stated in the contract as number of units or as dollar values.

B. The Procurement Administrator will include the following in each contract and solicitation for a Blanket Contract:

i. A realistic estimate of the total quantity that will be ordered, based on the most current information available;

ii. A clause stating that the estimate is not a representation to a Bidder that the estimated quantity will actually be required or ordered, or that conditions affecting the requirements will be stable or normal.

C. If feasible, a requirements type contract will state both the minimum and maximum limit of the Vendor's obligation to deliver and CTA's obligation to order. The contract will require that CTA order and the Contractor to furnish at least the stated minimum quantity of supplies or services. The Contractor will also be required to furnish, if and as ordered, any additional quantities, not to exceed the stated maximum. The Procurement Administrator will ensure that the contract obligates a sufficient budget to cover CTA's minimum required order under the contract.

D. The Procurement Administrator will obligate funds when each individual order is issued and may order from requirements type contract as much as is needed by CTA up to the maximum quantity of the goods or services covered by the contract. Each order placed under a Blanket Contract will

contain the following information:

i. Date of the order;
ii. Contract number and an order number;
iii. Item number, description, quantity, and unit price;
iv. Delivery or performance date;
v. Place of delivery or performance;
vi. Packaging, packing, and shipping instructions, if any; and
vii. Any other pertinent information.

6.7 Letter of Intent

A. Prior to execution of a contract by the Contractor and CTA, CTA may use a Letter of Intent to demonstrate its intent to enter into the contract with the Contractor. Letters of intent are not binding on the CTA and may not be used to circumvent these Regulations. The Letter of Intent will authorize the Contractor to begin immediately performing services or delivering supplies while the contract terms are negotiated.

B. It should be used only in exceptional circumstances and is most appropriate for urgent and compelling needs.

C. Letters of Intent may result from the following process:

i. The using department requests a Letter of Intent by submitting a justification statement justifying the need for the Contractor to begin performing services prior to contract execution. The Letter of Intent authorizes the Contractor to begin performance prior to contract execution and allows time to conduct negotiations of the terms and conditions with the Contractor. However, CTA will not be obligated to pay for the work until the contract is executed.
ii. The Procurement Administrator reviews the Letter of Intent, and if acceptable, submits the Letter of Intent to the Vice President, Purchasing & Supply Chain.
iii. The Vice President, Purchasing & Supply Chain, or designee is authorized to execute Letters of Intent.
iv. Letters of Intent will be issued to the Contractor by the Procurement Administrator.

D. A Letter of Intent should be superseded by a definitive contract at the earliest practicable date.

6.8 Memoranda of Understanding

An agreement with one or more parties that sets out the parties' mutual understanding and the obligations of each party toward the common objective. A memorandum of understanding (MOU) creates guidelines for each party as they contribute their efforts toward the shared goal but does not obligate Authority funds. An MOU is less formal than a contract. The President or Vice President, Purchasing & Supply Chain, or designee, is authorized to execute MOUs.

6.9 Non-Disclosure Agreement

A nondisclosure agreement, which is also referred to as an NDA or a confidentiality agreement, is an agreement in which the parties promise to protect the confidentiality of confidential and proprietary information that is disclosed during the procurement processes described herein or during the course of doing business with the CTA.

NDAs may be either "mutual" or "one-way." A mutual NDA is one in which both parties are exchanging confidential information. A one-way agreement is used when only one party is making a disclosure.

The President or designee, or the Chairman or designee, following consultation with the General Counsel or designee, may authorize all non-disclosure agreements.

6.10 Revenue Contracts

Revenue contracts are contracts of which the primary purpose is to generate revenues or to create business opportunities for the CTA. If revenue contracts involve use of a federally funded asset, the FTA requires that such contracts be awarded utilizing competitive procedures and principles. The extent and type of competition should be consistent with the purpose and scope of the procurement and the available marketplace. Competitive procedures are not required when a business opportunity is made available on an equal basis to all qualified applicants.

6.11 Public Private Partnerships

A. To the extent permitted by law and regulations, CTA may participate in public private partnerships.

B. A public private partnership may take the form of a Transit Oriented Development or joint development, but it need not do so.

C. The provisions of these Regulations apply to such agreements.

6.12 Reverse Auctions

A. To the extent permitted by law and regulations, CTA may purchase goods and equipment through a reverse auction.

B. A reverse auction is a real-time electronic bidding process.

C. CTA will issue an IFB that states it will be subject to the reverse auction process.

D. Interested bidders will submit bids; however, the bids will not include the price for the items to be purchased

E. The Procurement Administrator will determine the pool of responsive and responsible bidders. Those bidders will be permitted to participate in the electronic bidding process as described in the IFB.

6.13 Other Contract Types

CTA may enter into any other type of contract permitted by the FTA, State law or regulation, including the contract types set forth in Chapter 12, Construction Contracts.

Chapter 7: Procurement by Competitive Sealed Bid (Invitation for Bids)

7.1 General Provisions-Invitation for Bids

An Invitation for Bid (IFB) results in a firm fixed-price contract awarded to the lowest priced responsive and responsible bidder.

A. Bids shall be solicited from an adequate number of Contractors to assure full and open competition. In the case of a single bid in response to an IFB, the Procurement Administrator may negotiate in order to determine if the price is fair and reasonable or may choose to re-advertise.

B. Solicitations may be canceled prior to bid opening or after bid opening. The file shall contain reasons supporting the cancellation or rejection of bids.

C. Each IFB shall include the following:

i. Instructions and information to bidders concerning the bid submission requirements, including the time and date set for receipt of the bids and the address where bids are to be delivered;
ii. General Conditions;
iii. The purchase description, delivery, or performance schedule, and any Special Conditions and Detailed Specifications necessary. The Special Conditions and/or Detailed Specifications shall set forth clear and accurate specifications for the items to be purchased or scope of work for services needed;
iv. Required Federal provisions if the contract is Federally funded;
v. Required state provisions if the contract is funded with other than federal funds;
vi. Bid protest procedures;
vii. Special Conditions for DBE requirements and DBE forms B, C and D, as amended;
viii. Proposal form; and
ix. Such other forms as determined necessary by the Procurement Administrator.

D. The IFB shall require written acknowledgment by each bidder of the receipt of all amendments, addenda, and changes issued.

E. Bids should be evaluated with minimal discussions with bidders.

F. Good faith efforts to meet the DBE contract goal, if any, shall be evaluated as an element of responsiveness. CTA will not award a contract to a bidder who does not meet the requirements set forth in Chapter 5.

G. Award is made to the one or more responsive responsible bidders whose

bids, conforming with all the material terms and conditions of the IFB, are the lowest in price on the basis of the price-related factor(s) specified in the IFB.

7.2 Opening of Bids

A. Bids and modifications shall be opened publicly at the time, date, and place designated in the IFB.

B. The name of each bidder, the bid price, and other information that is deemed appropriate shall be read aloud or otherwise made available. This information shall be recorded at the time of bid opening.

C. Examination of bids by interested persons shall be permitted only at the time of bid opening. This can be done through the online contract platform during the bid opening session.

7.3 Postponement of Bid Opening

A. The Procurement Administrator may postpone a bid opening under the following circumstances:

i. If the Procurement Administrator has reason to believe that the bids of an important segment of bidders have been delayed in the mail for causes beyond the control of bidders without their fault or negligence, such as flood, fire, accident, weather conditions, or strikes;
ii. If emergency or unanticipated events interrupt normal processes so that the conduct of bid openings as scheduled is impractical; or
iii. Any other reason deemed sufficient.

B. At the time of a determination to postpone a bid opening, an announcement of the determination shall be publicly posted and, if practical, communicated to prospective bidders who are likely to attend the scheduled bid opening.

C. The Procurement Administrator shall prepare a written memorandum for the file explaining the circumstances of the postponement.

7.4 Cancellation/Rejection of Bids

A. The Vice President, Purchasing & Supply Chain, in consultation with the using department, has the authority to cancel any procurement or reject any or all Bids. A written notification of all canceled procurements/rejected bids will be provided to the Chairman and President as requested.

B. When it is determined that it is necessary to reject all bids, the Procurement Administrator shall notify each bidder that all bids have been rejected. The reasons for bid rejection must be in the contract file.

C. If administrative difficulties are encountered after bid opening which may delay award beyond the bidder's acceptance period, the lowest bidders should be requested, before expiration of their bids, to extend the bid acceptance period (with consent of sureties, if any) in order to avoid the need for re-advertisement.

7.5 Rejection of Individual Bids

A. Any bid that fails to conform to the material requirements of the IFB shall be rejected.

B. Any bid that does not conform to the applicable specifications shall be rejected unless the IFB authorized the submission of alternate bids and the goods or services offered as alternates meet the requirements specified in the IFB.

C. A bid shall be rejected if the bidder imposes conditions that would modify requirements of the IFB.

D. A bid received from any bidder that is suspended, debarred, or otherwise ineligible to receive a Federal, State or CTA contract shall be rejected if the period of suspension, debarment, or ineligibility has not expired by the bid opening date.

E. Low bids received from bidders determined by the Procurement Administrator to be not responsible shall be rejected. Similarly, low bids received from bidders determined by the Procurement Administrator to be non-responsive shall be rejected.

F. Low bids received from bidders who did not demonstrate good faith efforts to meet the contract DBE goals will be rejected.

G. When a bid guarantee is required and a bidder fails to furnish the guarantee in accordance with the requirements of the IFB, the bid shall be rejected.

H. A responsive bid received from a responsible bidder may be rejected based on finding that the price is unreasonable.

I. The originals of all rejected bids and any written findings with respect to the rejections shall be maintained in the contract file.

7.6 Minor Informalities or Irregularities in Bids

A. Minor informalities or irregularities in bids may be waived by the Procurement Administrator.

B. When it is in the best interests of CTA, the Procurement Administrator, after

consultation with the Law Department, will give the bidder an opportunity to cure any deficiency resulting from a minor informality or irregularity in a bid, or waive the deficiency.

7.7 Mistakes in Bids Before Award

A. When the Procurement Administrator has reason to believe that a clerical mistake may have been made in a bid, the Procurement Administrator, after consultation with the Law Department, shall request from the bidder a verification of the bid, calling attention to the suspected mistake, to verify that the suspected clerical error is an error.

B. Clerical errors must be obvious or apparent on the face of the bid and include such errors as an obvious misplacement of a decimal point, a typographical, transposition or arithmetical error or an obvious mistake in the designation of a unit.

C. If the bidder verifies its original bid, CTA may consider the bid as originally submitted.

D. If the bidder alleges a mistake was made, the Procurement Administrator may advise the bidder to make a written request to withdraw or modify its bid, supported by any and all evidence to support the position it is taking. If the bidder chooses to modify its bid, the Purchasing Administrator may correct the clerical error.

E. Only bids that are responsive as submitted may be corrected. A nonresponsive bid may not be corrected to a responsive bid.

F. If the correction of a bid mistake would result in displacing one or more lower bids, the Procurement Administrator may only permit correction where the existence of the mistake and the bid actually intended are ascertainable substantially from the invitation and the bid itself.

G. If the mistake is not an obvious clerical error or minor informality or irregularity, the Law Department must be consulted before the bid may be corrected or withdrawn.

7.8 Mistakes in Bids After Award

A. If a mistake in a bid is not discovered until after award, the Procurement Administrator, after consultation with the Law Department, is authorized to make one of the following determinations:

i. To rescind a contract;
ii. To reform a contract to: (i) delete the items involved in the mistake or (ii) to increase the price if the contract price, as corrected, does not exceed that of the next lowest acceptable bid under the original

IFB; or

iii. That no change shall be made in the contract as awarded.

B. Determinations under subsection (A) shall be made only on the basis of clear and convincing evidence that a mistake in bid was made. It must be clear that the mistake was (a) mutual, or (b) if unilaterally made by the bidder, so apparent as to have given the Procurement Administrator notice of the probability of the mistake.

C. The contract file shall contain a record of each determination made in accordance with this Section, the facts involved, and the action taken.

7.9 Contract Awards

A. Each contract shall be awarded to the responsible and responsive bidder(s) whose bid(s) meets the requirements set forth in the IFB and is/are the lowest price on the basis of the price-related factor(s) specified in the IFB.

B. In the unusual event that more than one bidder proposes the same low bid price, the Purchasing Administrator will toss a coin to determine which bidder should be awarded the contract.

C. The successful bidder is notified of award by the Procurement Administrator.

D. Upon execution of the contract, the Procurement Administrator shall also notify unsuccessful bidders that their bids were not accepted and shall return any bid guarantee furnished with the unsuccessful bids to the unsuccessful bidders.

E. Following an award, a record showing the basis for determining the successful bidder, including the manner in which a tie was broken when there are equally low bids, shall be made a part of the contract file.

7.10 Bid Bonds

When a bid guarantee is required by the IFB, submittal of the bid bond is an element of responsiveness. Therefore, if the bidder does not submit the required bid bond with its bid, the bid will be determined to be non-responsive and will be rejected by CTA.

7.11 Procedures for Release/Purchase of Non-Stock Material or Service

Refer to Appendix VII for step-by-step procedures.

Chapter 8: Procurement by Competitively Bid Negotiation Methods (Request for Proposals / Request for Letters of Interest and Qualifications)

8.1 General Provisions – Request for Proposals

A Request for Proposal (RFP) is an invitation from the CTA requesting firms to submit proposals to perform a specific project or provide specific services to the CTA.

A. RFPs will be the solicitation type used to communicate CTA's requirements to prospective Contractors when CTA is doing a negotiated competitive procurement.

B. RFPs may be used when the procurement does not lend itself to sealed bidding; CTA expects that more than one source will be willing and able to submit a proposal, and the award will be made based on factors in addition to price. This procurement method permits CTA to consider technical factors and negotiate scope, price, and other contract terms.

C. RFPs must require that the evaluation be based on specific enumerated criteria or factors, including but not limited to price or cost. The criteria or factors must be included in the solicitation document.

D. RFPs may permit discussions with proposers concerning the offers submitted, negotiation of contract scope, price or estimated cost, and other contract terms and conditions, and revision of proposals before the final Contractor selection.

E. If not self-evident, the rationale for choosing competitive proposals rather than sealed bidding procedures should be documented by the Procurement Administrator in the contract file.

8.2 Evaluation Committee

A. All RFPs will be reviewed and ranked by an Evaluation Committee consisting of the following:

i. Three or more voting committee members, as deemed appropriate, from a pool of qualified staff appointed by the President upon the recommendation of the Vice President, Purchasing & Supply Chain. At least one voting committee member will be from the using department. The size of the committee will be determined based on dollar value or complexity of the procurement.

ii. One non-voting committee member will be assigned by the Director, Diversity, to evaluate DBE compliance.

iii. One or more non-voting members from the Purchasing Department, including the Chair of the Evaluation Committee, to monitor compliance with the pre-established evaluation criteria and the

Purchasing Regulations.

iv. A Project Manager from the using department.

v. Non-voting technical advisors as necessary.

B. All members of the Evaluation Committee, the Project Manager, the DBE representative, and others that may advise the Committee or participate in the review of proposals, must sign a Confidentiality Agreement in a form acceptable to the Vice President, Purchasing & Supply Chain and the General Counsel prior to their involvement in the RFP review process.

8.3 Evaluation Factors

A. The evaluation factors that will be considered in evaluating proposals must be tailored to each procurement.

B. The evaluation factors for each procurement and the relative importance of those factors are determined by the using department and the Procurement Administrator.

C. RFPs shall clearly state the evaluation factors that will be considered in selecting the Contractor. Numerical weights, which may be employed in the evaluation of proposals, need not be disclosed in the RFP. RFPs must include the cost or price and cost or price-related factors and evaluation methodology.

D. The Vice President, Purchasing & Supply Chain will determine which proposals are in the competitive range for the purpose of conducting written or oral negotiations. The competitive range shall be determined on the basis of the factors that were stated in the solicitation and shall include all proposals that have a reasonable chance of being selected for award.

8.4 Evaluation of RFPs

A. The evaluations will be based on the evaluation factors set forth in the RFP. Factors not specified in the RFP will not be considered.

B. Every responsive proposal submitted will be evaluated by the Evaluation Committee, whose evaluations must be as thorough, objective, and well-documented as possible. The Purchasing Administrator is responsible for ensuring that the evaluation results are sufficiently documented and are placed in the contract file, along with a copy of the proposal.

C. Unlike sealed bids, which are publicly opened, the results of the proposal evaluation may not be disclosed, either before or after the contract is awarded, except as required in the event of a bid protest or lawsuit regarding the contract.

D. The Evaluation Committee may, but need not, conduct written or oral discussions with responsible proposers who submit proposals within the competitive range.

Discussions are held between CTA and the proposers with the intent of allowing the proposer to revise its proposal to provide CTA the best value based on the requirements and evaluation factors set forth in the solicitation. These discussions may include bargaining, which includes persuasion, alteration of assumptions and positions, give-and-take, and may apply to the price, schedule, technical requirements, or other terms of a proposed contract. The Procurement Administrator determines the scope and extent of the discussions.

E. Upon completion of discussions, the Procurement Administrator will ask all proposers within the competitive range with whom negotiations have successfully concluded to submit their Best and Final Offer. Oral requests for the Best and Final Offers will be confirmed in writing. Best and Final Offers are requested only once in a competition, unless the Procurement Administrator determines that it is in CTA's best interest to request revised proposals, conduct another round of negotiations, and request a second Best and Final Offer. Any request for Best and Final Offers will include a set due date and time for the submission. Best and Final Offers received after the date and time stated on the written request for Best and Final Offers will be rejected, and the CTA will look at the late vendors initial offer as its Best and Final Offer.

F. After evaluation of the Best and Final Offers, the Evaluation Committee will rank or re-score the proposers and the Vice President, Purchasing & Supply Chain, will select the responsible proposer(s) whose Best and Final Offer is most advantageous to the CTA.

G. Prime Contractors and Subcontractors are required to submit and certify cost or pricing data under certain circumstances.

H. Price negotiation is intended to permit the CTA and the proposer to agree on a fair and reasonable price.

I. The selected firm will be required to show good faith efforts to comply with the contract DBE goal, if any. Compliance with the DBE goal is an element of responsibility and may be negotiated.

J. Promptly after the award of each contract, the Procurement Administrator will notify unsuccessful proposers in writing, unless pre-award notice was given.

8.5 General Provisions - Request for Letters of Interest and Qualifications

A. A Request for Letters of Interest and Qualifications (LIQ) is an invitation from the CTA requesting firms to submit proposals for Architectural or Engineering Services (A & E), as well as for certain construction management, project design, or other permissible services that are directly in support of, connected to, or related to the construction, alteration, or repair of real property as set forth in 49 U.S.C. 5325(b)(1).

B. LIQs must require that the evaluation be based on specific enumerated criteria/factors exclusive of cost. The criteria/factors must be clearly stated in the solicitation document.

C. The Procurement Administrator will select the appropriate type of contract (fixed price, cost reimbursement, time and materials) in accordance with the guidelines. The type of contract selected for use should be discussed and justified in the pre- negotiation plan.

D. Negotiations under the LIQ process are conducted with the most qualified proposer first, and only if CTA cannot reach agreement regarding a fair and reasonable price will negotiations be conducted with the second most qualified proposer. This process will continue until CTA is able to come to an agreement with a proposer.

E. The selected proposer will be required to provide a commitment or show good faith efforts to comply with the DBE goal, if any prior to entering into negotiations.

8.6 Evaluation of LIQs

A. All LIQs will be reviewed and evaluated in accordance with the LIQ requirements by an Evaluation Committee appointed by the President upon the recommendation of the Vice-President, Purchasing and Supply Chain.

B. All members of the Evaluation Committee, the Project Manager, the DBE representative, and others that may advise the Committee or participate in the review of proposals must sign a Confidentiality Agreement prior to their involvement in the LIQ review process.

C. The evaluations will be based on the evaluation factors set forth in the LIQ. Factors not specified in the LIQ, will not be considered.

D. Every responsive proposal submitted will be evaluated by the Evaluation Committee, whose evaluations must be as thorough, objective and well- documented as possible. The Procurement Administrator is responsible for ensuring that the evaluation results are sufficiently documented and are placed in the contract file, along with a copy of each proposal.

E. Unlike sealed bids, which are publicly opened, the results of the proposal evaluation may not be disclosed, either before or after the contract is awarded, except as required in the event of a bid protest or lawsuit regarding the contract.

F. Promptly after the award of each contract, the Procurement Administrator will notify unsuccessful proposers in writing, unless pre-award notice was given.

8.7 Cancellation/ Rejection of RFPs and LIQs

The Vice President, Purchasing & Supply Chain, in consultation with the using department, has the authority to cancel any procurement or reject any or all RFPs or LIQs. A written notification of all cancelled procurements/rejected proposals will be provided to the Chairman and President as requested.

8.8 Bid Bonds

When a bid guarantee is required at any time, the proposer must submit the bid guarantee as required by the CTA or its proposal will be rejected.

8.9 Procedures for LIQs for Architectural or Engineering Services

Refer to Appendix VII for step-by-step procedures.

8.10 Procedures for RFPs for Professional Services

Refer to Appendix VII for step-by-step procedures.

8.11 Multiple Award Task Order Contracts.

Multiple award task order contracts for services may be awarded upon a determination by the Vice President, Purchasing & Supply Chain that it is in the best interest of the CTA to award multiple contracts for services to multiple contractors and to allocate work among such Contractors through a task order system. The criteria to be considered by the Vice President, Purchasing & Supply Chain in making such determination may include the following: the nature of the services to be procured; the expected frequency of task order issuance; the capacity of vendors to provide all of the required services within the required timeframes; and the potential advantage of multiple contracts (e.g., more favorable terms; more competitive pricing, etc.).

A. Multiple awards may be made for contracts for goods or services, pursuant to an RFP or LIQ, in conjunction with the procedures in this Chapter. Such RFQ or LIQ, and the subsequent contracts, will state the procedures and criteria to be used in selecting the Contractor to perform on an individual task order for services or goods.

B. For services other than standard services, such procedures and criteria will provide that each Contractor will receive each solicitation and have a

reasonable opportunity to compete to provide the services or goods, unless an alternative method of assigning task orders, is set forth in the RFP or LIQ and the contract. In the event that such alternative method is used, each selected Contractor will receive notice of assignment of each task order, regardless of whether each selected Contractor received the solicitation for the task order.

C. For goods and standard services, CTA may:

i. Select the vendor that represents the best value to the CTA for that particular task order, based on each Contractor's contract; or
ii. Solicit offers for each task order from all awarded vendors. If CTA solicits offers for each task order, each Contractor will receive each solicitation and have a reasonable opportunity to compete to provide the standard services or goods.

D. CTA may set forth an alternative method of assigning task orders in the RFP or LIQ and the contract. In the event that such alternative method is used for standard services or goods, each Contractor with a contract will receive notice of assignment of each task order at the time each task order is issued, regardless of whether each Contractor with a contract received the solicitation for the task order.

E. The following list constitutes acceptable alternative methods of assigning task orders:

i. Rotation, or other non-discretionary method of assignment, including where assignment pursuant to such method may be varied based on stated criteria (e.g., capacity, or past performance);
ii. Assignment to or competition among particular Contractor(s) with technical expertise particularly suited to the task order;
iii. Assignment to a particular Contractor based on a Contractor's particular experience or knowledge;
iv. Assignment to a particular Contractor based on the CTA's need to distribute task orders among Contractors; or
v. Any other method as set forth in the RFP or LIQ.

F. In the event that a Contractor selected pursuant to one of the selection methods above is unable to perform the services on an individual task order or provide the goods to be purchased for reasons such as lack of capacity or conflict of interest, CTA may disqualify that Contractor for purposes of that task order and select another Contractor with approval of the Vice President, Purchasing & Supply Chain.

G. Each Contractor will be required to respond to every solicitation for an individual task order for which it is solicited. The Vice President, Purchasing

& Supply Chain may determine that a Contractor is in default if it fails to bid without an adequate explanation for such failure.

H. Price will be among the criteria considered in making individual vendor selection decisions, and no task order will be issued unless the Procurement Administrator determines that the proposed price is fair and reasonable. Prices set forth in a multiple award contract will represent maximum prices that may be set forth in individual task orders issued to that Contractor.

I. Unless otherwise approved, contracts awarded pursuant to this section will have an initial term, or a total term including all options. Task orders may extend beyond the expiration of the contract term, in which event the terms and conditions of the contract will continue to apply to the task order until its termination or expiration. Task orders may have a maximum term of three years or, if issued for a specific project, until the specific project is completed. Notwithstanding the above, a task order may be extended beyond or further extended beyond the expiration of the contract term, or beyond the expiration of the task order with approval by the Vice President, Purchasing & Supply Chain, if extend by more than 12 months by the Board.

Chapter 9: Sole Source and Disadvantageous Procurements

9.1 General Provisions

Procurement of construction, goods, and services without competition is authorized under limited conditions and subject to written justification documenting the conditions which preclude competition.

A. A competitive procurement is not required if:

i. The goods or services, including construction, needed by the CTA are available from only one responsible source and no other type of goods or services, including construction, will satisfy the needs of the CTA; or
ii. The CTA determines that public exigency or emergency for the requirement will not permit a delay resulting from competitive procedures as set forth in Chapter 4; or
iii. If after solicitation of a number of sources, competition is determined inadequate. This determination may be made by the Procurement Administrator based upon industry research, and the formal or informal solicitation of potential sources. The file must reflect a documented finding that adequate competition cannot be obtained in the time frame necessary to meet the needs of the CTA; or
iv. The FTA, or other funding organization, authorizes noncompetitive negotiations; or
v. To exercise an option that was not awarded as part of the base contract award as set forth in Chapter 6; or
vi. The noncompetitive procurement is otherwise expressly permitted pursuant to Section 1.4.

B. The Procurement Administrator may determine that competition is adequate even if a single Bid or Proposal was received in response to a solicitation if after review:

i. The Procurement Administrator determines that the specifications were not restrictive; and
ii. That the other identified sources unilaterally chose not to submit a Bid or proposal.

If a single Bid is received under these circumstances, the Procurement

Administrator may negotiate the price. The Procurement Administrator will be responsible for determining price reasonableness.

9.2 Sole Source

A. The Procurement Administrator may award a contract by using the noncompetitive negotiation procedures after the Sole Source/Disadvantageous Review Committee (SDRC) makes the determination that there is only one reasonably available source for goods or services, including construction. This determination requires a reasonable basis to conclude that the CTA's minimum needs can only be satisfied by the goods or services, including construction, proposed to be procured, and that the proposed sole source Contractor is the only source reasonably capable of providing the required goods or services, including construction.

B. If the reason for making a procurement on a sole source basis is based on the particular source's ownership or control of limited rights in data, patent rights, copyrights, or trade secrets applicable to the required goods or services, including construction, the Procurement Administrator shall require that the written findings clearly demonstrate the need for the specific goods or services, including construction, and that one of the following applies:

   i. The requirements cannot be modified to allow a competitive procurement; or
   ii. It is in the best interests of the CTA to meet its requirements through procurement of the specific goods or services, including construction, and that the proposed Contractor is the only reasonably available source for the specific goods or services, including construction.

C. Sole Source justifications are to be issued by the using department and require the approval of the SDRC. Justification for the sole source procurement shall address all of the goods and/or services, including construction, being procured under a single contract. For Small Purchases approval is required by the Director or General Manager, Purchasing. SDRC approval is not required for Small Purchases. The justification of the sole source procurement for certain goods or services, including construction, shall not be used to avoid competitive procedures for obtaining other goods or services, including construction, which do

not qualify for sole source procurement.

D. Each sole source justification which shall be included in the contract file shall include the following:

i. Description of the requirement;
ii. History of prior purchases and its nature (competitive vs. noncompetitive);
iii. The specific exception to competitive procedures that applies;
iv. An explanation of the unique nature of the procurement or other factors that qualify the requirement for sole source procurement;
v. An explanation of the proposed Contractor's unique qualifications or other factors that qualify the proposed Contractor as a sole source for the procurement;
vi. Cost Analysis – see the most recent effective version of FTA Circular 4220.1, Chapter VI, Section 6, paragraph a, as amended, for further explanation; and
vii. Any other pertinent facts or reasons supporting the use of a sole source procurement.

9.3 Sole Source Solicitation

A. The Procurement Administrator shall not be required to publicize a solicitation for a sole source procurement.

B. The Procurement Administrator shall, in writing, request a Proposal for a sole source procurement. The request to the sole source Contractor shall contain the scope of work and refer to or attach all terms and conditions of the solicitation, including all applicable representations and certifications.

C. The Procurement Administrator shall ensure that each sole source contract contains all of the required clauses, representations, and certifications in accordance with the requirements of these Regulations.

9.4 Disadvantageous

A. This type of contracting can be used for contracts where no Federal funds are used, and justifications are to be issued by the using department and require the approval of the SDRC. The SDRC determines that competitive bidding for the requirement is disadvantageous.

B. For disadvantageous contracts, the Procurement Administrator shall not be required to publicize a solicitation.

C. The Procurement Administrator shall ensure that each disadvantageous contract contains all of the required clauses, representations, and certifications, in accordance with these Regulations.

D. The reasons for determining that competitive bidding for the requirement is disadvantageous will be documented in the contract file.

9.5 Noncompetitive Procurements Authorized by Funding Agencies

A. As permitted by Section 9.1(A)(iv), where the FTA, or other funding organization, as part of a grant or cooperative agreement, has approved the inclusion of particular vendors or does not contemplate competitive bidding, the Procurement Administrator will not be required to publicize a solicitation and the user department will not be required to obtain SDRC approval, but must follow the procedure in subsection (B).

B. The user department must prepare a memo for approval by the Vice President, Purchasing & Supply Chain, following consultation with the General Counsel, with a copy to the Chair of the SDRC setting forth why the SRDC approval is not required and include a copy of the approved grant application.

9.6 Sole Source / Disadvantageous Review Committee

A. Sole Source/ Disadvantageous Review Committee (SDRC) shall review proposed sole source procurements described in Section 9.2(c) and disadvantageous procurements described in Section 9.4 as authorized by subsections 1.4A (sole source) and 1.4D (Disadvantageous): This provision applies to new procurements only and not to change orders or extensions.

B. The user department must provide all documents and information required by the SDRC.

C. Following review by the SDRC, if the SDRC recommends approval, the procurement may be assigned to a Procurement Administrator for further action as a sole source or disadvantageous procurement.

D. If the SDRC does not recommend approval, the user department will be

directed to proceed with Competitive Bidding as defined in Chapter 2 (IFB, RFP, RFQ or LIQ).

Chapter 10: Small Purchases

10.1 General Provisions – Small Purchases

A. Small Purchases, often referred to as "under money" purchases, may only be used for the procurement of goods or services when the procurement does not exceed the Small Purchase threshold of $40,000. CTA shall use the Small Purchase procedure that is most suitable, efficient, and economical based on the circumstances of each procurement.

B. A Buyer shall not use Small Purchase procedures when the procurement is estimated to exceed the Small Purchase threshold even though the resulting award does not exceed that limit. A Buyer shall not attempt to circumvent the process for procuring goods and services in excess of $40,000 set forth in these Regulations by splitting a procurement totaling more than the Small Purchase threshold into several purchases.

10.2 Noncompetitive Small Purchases – Check Requests

A. Goods and services for an amount not exceeding $3,000 may be purchased utilizing the following:

i. A Check Request, in which payments to Vendors are administered directly with Finance Department approval without the direct involvement of the Buyer (Refer to Appendix V Administrative Procedure #1502).

10.3 Competitive Small Purchases

A. For each purchase under $40,000 not utilizing the Check Request process, the Buyer shall solicit quotations from a reasonable number of sources including, when possible, at least one Disadvantaged Business Enterprise ("DBE") to promote competition to the maximum extent practicable.

B. The Buyer shall consider the following factors when deciding how many quotations will be solicited:

i. The nature of the item or service to be purchased and whether it is highly competitive and readily available in several makes or brands, or has limited sources;
ii. Information obtained in making recent purchases of the same or similar item;
iii. The urgency of the proposed purchase;

iv. The dollar value of the proposed purchase; and
v. Past experience concerning specific Vendor prices.

C. Generally, solicitation of at least three sources should be considered to promote competition to the maximum extent practicable. If practical, price quotes should be solicited from two sources not included in the previous solicitation.

D. If the Buyer determines that the best interests of the CTA indicate that quotations should be obtained from more than three sources, the Buyer may require the solicitation of additional quotations.

E. A Small Purchase may be limited to one source if the Buyer determines, in writing, that there is only one available source in accordance with these Regulations.

F. The Buyer may limit written records of solicitations to notes or abstracts to show prices, delivery, references to printed price lists used, the Vendor or Vendors contacted, and other pertinent data.

G. The Buyer shall maximize competition for Small Purchases and shall not limit solicitations to suppliers of well-known and widely distributed makes or brands or solicit on a personal preference basis.

10.4 Purchase Orders

A. Each Purchase Order is initiated via a Requisition.

B. The Buyer shall issue a purchase order on a fixed-price basis and shall not include economic price adjustment or redetermination provisions.

C. Each Purchase Order shall include any trade and prompt payment discounts.

D. Each purchase order shall specify the quantity of supplies or services ordered.

E. When applicable, a Purchase Order shall provide that inspection and acceptance will be at destination and that advance copies of the purchase order shall be furnished to the point of receipt. Receiving reports shall be completed by the designated CTA Manager immediately upon receipt and

acceptance of the goods or services.

F. Each Purchase Order shall contain a definite calendar date by which delivery of goods, or the performance of services, is required.

G. Copies of Purchase Orders shall only be distributed on a “need to know” basis.

H. The Buyer shall send the successful Vendor the executed Purchase Order before the supplier undertakes performance. The Buyer shall notify the unsuccessful Vendors, if requested.

10.5 Termination and Cancellation of Purchase Orders

A. If a Purchase Order that has been accepted in writing by the supplier is to be terminated, the Buyer will process the termination action in accordance with the provisions of these Regulations.

B. If a Purchase Order that has not been accepted in writing by the supplier is to be canceled, the Buyer will notify the supplier in writing that the Purchase Order has been canceled, request the supplier's written acceptance of the cancellation, and proceed in accordance with the provisions of these Regulations.

C. If the supplier accepts the cancellation and does not claim that costs were incurred as a result of beginning performance under the Purchase Order, no further action will be required, and the Purchase Order shall be considered canceled.

D. If the supplier does not accept the cancellation the Buyer shall treat the action as a termination and not pay any costs incurred after notification of the cancellation.

E. If the supplier claims that costs were incurred as a result of beginning performance under the cancelled Purchase Order, the Buyer shall treat the action as a termination and only pay justifiable costs incurred that can be proved with documentation (e.g., invoices, receipts, work orders, etc.).

10.6 Blanket Purchase Orders

A. A blanket purchase order (“BPO”) may be used, in accordance with the provisions of these Regulations as a simplified method of filling anticipated

repetitive needs for goods or services.

B. A Buyer may establish a BPO if one or more of the following criteria apply:

i. There is a wide variety of items in a broad class of goods that are generally purchased, but the exact items, quantities, and delivery requirements are not known in advance and may vary considerably;
ii. There is a need to provide commercial sources of supply for one or more offices in the CTA that does not otherwise have or need direct authority to purchase; or
iii. The administrative cost of writing numerous purchase orders can be avoided through the use of this procedure.

C. A requisition is submitted by the using department requesting a BPO when the precise quantities of an item to be purchased are unknown, but the total cost will not exceed $40,000.

D. A BPO shall not be used for any goods, service, or other item for which a requirements type contract has been already issued by CTA.

E. All competitive sources shall be given an equal opportunity to furnish goods, services, or other items under a BPO.

F. A BPO may be limited to furnishing individual items or commodity groups or services that the supplier is in a position to furnish, except as provided otherwise under this section.

G. The existence of a BPO shall not justify procurement on a sole source basis.

H. When there is an insufficient number of Vendors with BPOs to ensure maximum practicable competition for a particular purchase, the Buyer shall Solicit quotations from other sources and make the purchase.

10.7 Blanket Purchase Order Procedures

A. The Buyer shall execute and issue a BPO and a BPO delegation letter to be approved by the using department Manager.

B. The Buyer shall include the following information in each BPO:

i. A statement that the supplier will furnish supplies or services,

described in general terms, if and when requested by the Buyer during a specified period and within a stipulated total amount;

ii. A statement that the CTA is obligated only to the extent that authorized purchases are actually made under the BPO;

iii. A statement that the prices to the CTA shall be as low or lower than those charged to the supplier's most favored customer for comparable quantities under similar terms and conditions, in addition to any discounts for prompt payment; and

iv. A statement that specifies the dollar limitation for purchases under the BPO.

C. The Buyer shall include on each BPO a list of names of authorized CTA users to purchase under the BPO and their contact information.

D. Each BPO shall contain a requirement that all deliveries or shipments under the agreement (except subscriptions and other charges for newspapers, magazines, or other periodicals) shall be accompanied by delivery tickets or sales slips which contain the following minimum information:

i. The name of the supplier;
ii. The BPO number;
iii. The date of purchase;
iv. The purchase order number;
v. An itemized list of supplies or services furnished;
vi. The quantity and unit price of each item, less applicable discounts; and
vii. The date of delivery or shipment.

E. Each BPO shall require that one of the following procedures be followed:

i. The supplier must submit to the using department an itemized invoice at least monthly or upon expiration of the BPO, whichever occurs first, for all deliveries made during a billing period and for which payment has not been received. These invoices need not be supported by copies of delivery tickets; or

ii. The supplier must submit to the using department an invoice for subscriptions or other charges for newspapers, magazines, or other periodicals that shows the start and end dates and state either that ordered subscriptions are in effect or will be in effect upon receipt of

payment.

F. Each order placed against a BPO (release) shall be issued in Oracle (approved by the authorized CTA Manager) which shall include a BPO order number, accounting data identifying the source of funds for the items or services ordered, the name of the person placing the order, the date of the order, and other information required by the authorized CTA Manager.

G. The Buyer executing a BPO shall maintain adequate records to ensure that the total dollar volume of orders does not exceed the stated total aggregate amount, and, in no event equals or exceeds $40,000.

H. An individual BPO shall be considered terminated when the purchases under it equal its total dollar limitation or when its stated time period expires.

10.8 Time Extensions for Blanket Purchase Orders

A. The Buyer may extend a blanket purchase order for 12 months or less if there are sufficient dollars remaining on the purchase order, and the supplier has agreed to extend the agreement under the same terms, pricing, and conditions. The Buyer will prepare a written time extension letter and submit it to the Purchasing Manager for approval.

B. If there are any changes to the existing terms, pricing, or conditions, the Buyer shall obtain the supplier's written acceptance of a purchase order modification if the written acceptance is determined by the Buyer to be necessary to ensure the supplier's compliance with the purchase order as revised.

10.9 Procedures for Purchasing Non-Stock, Operating Funded Supplies and Services, Including Urgent Purchases up to $40,000

Refer to Appendix VII for step-by-step procedures.

Chapter 11: Real Property

11.1 Authorization for Real Property Agreements

A. Except as provided otherwise in this chapter, every real property contract for the purchase or sale of real property by or to CTA, regardless of amount, will be authorized by the Board before being executed as provided by the Board.

B. Every lease, license, permit, right of entry, or easement of property for use by CTA for a term of one year or less or for a monthly rent/fee of $1,000 or less, will be authorized and executed by the President, or designee. Such lease, license, permit, right of entry or easement may include indemnification by CTA.

C. If the term of the lease, license, permit, right of entry, or easement for use of property by CTA exceeds one year or the monthly rent or fee exceeds $1,000, the agreement will be authorized by the Board before being executed as provided by the Board.

D. Every concession, lease, license, permit, right of entry, or easement of CTA property for a term of one year or less and/or for a monthly rent or fee of $1,000 or less will be authorized and executed by the President, or designee.

E. If the term of the concession, lease, license, permit, right of entry, or easement of CTA property exceeds one year and/or the monthly rent or fee exceeds $1,000, the agreement will be authorized by the Board before being executed as provided by the Board.

F. A written report of the nature of the concession, lease, license, right of entry, permit, or easement authorized by the President, or designee, will be provided to the Board as requested.

11.2 Methods of Procurement – Real Property

A. Unless otherwise authorized by the Board or as provided in paragraph B below, all contracts for the sale of real property that exceed $10,000 will comply with the Competitive Bidding and Public Advertisement requirements of these Regulations. In addition, any concession in or lease of property of CTA for a term of more than one year or for monthly rent that exceeds $1,000 per month will comply with the Competitive Bidding and Public Advertisement requirements of these Regulations.

B. In instances where CTA uses the services of a Real Estate Brokerage firm to market and recommend award of leases for CTA's concession spaces, the Real Estate Brokerage firm will not be required to comply with the competitive bidding and public advertisement requirements of this

section; provided, however, the Real Estate Brokerage firm must:

i. comply with all Federal and Illinois State laws governing the marketing and leasing of commercial real estate,
ii. utilize a selection process that provides for open and full competition that is reasonable for the commercial circumstances, and
iii. submit proposed criteria for the evaluation and selection of lessees to the CTA for approval.

C. Unless otherwise authorized by the Board, the sale or lease of CTA real property will not be for a price less than the minimum appraised value.

D. A Bid Guarantee, in the form of cash, a cashier's check, certified check, a money order or acceptable bond in the amount of ten percent (10%) of the Bid price, may be required on Bids for sale or lease of CTA real property exceeding $10,000. If a Bid Guarantee is required, the Public Notice will so specify. After the Bid opening, substitution of an approved Bond may be allowed in lieu of cash, certified check, cashier's check, or money order by any Bidder being considered for award of a contract. Bid Guarantees submitted by unsuccessful Bidders will be returned.

11.3 Public Advertisement – Real Property

A. Unless otherwise authorized by the Board, or as provided in Section 11.2(B) above, all Bids or Proposals to award real property sales contracts for a price exceeding $10,000, and leases of concessions for a rental amount exceeding $1,000 per month or for a term longer than one year will be published at least once in an English language daily newspaper of general circulation in the Chicago metropolitan area. That notice must be at least ten business days, excluding Legal Holidays, in advance of the receipt and opening of Bids or Proposals. The notice will simultaneously be advertised by other media, as appropriate.

B. The Public Notice will describe the proposed sale or lease and reference the solicitation document for more detail. The Public Notice will also state the date, time and place Bids or Proposals are due and no Bids or Proposals will be accepted at any time subsequent to the time indicated in the Public Notice. If indicated in the Public Notice, CTA may reserve the right to conduct a Multi-round Bid process as defined in these Regulations. Finally, the Public Notice must state if bidding will be conducted by Public Auction.

C. No Bids or Proposals will be accepted at any time after the time indicated in the Public Notice. CTA can give notice of an extension of time for the receipt of Bids or Proposals or holding of the Public Auction upon publication in an English language daily newspaper of general circulation

in the Chicago metropolitan area, and by other media, as appropriate. The Notice will provide the date to which the Bid or Proposal receipt or Public Auction has been extended. The extension of the Bid or Proposal receipt or Public Auction will not be less than five business days after the publication thereof, Legal Holidays excluded.

D. Documentation as to the form and dates of the advertisement or other publication shall be placed in the file.

11.4 Sale of Interests in CTA Property

A. This section applies to both sales of real property in fee and sales of permanent easements, except sales of permanent easements to utilities and other public agencies. If the Board determines that it is in CTA's best interest, permanent easements may be granted to utilities and other public agencies without the declaration that the property is surplus as is required by subsection B below.

B. The Board must declare real property to be surplus property before CTA may sell or otherwise transfer fee title to or grant a permanent easement in the property.

C. The property to be sold or transferred must first be appraised by CTA. The property cannot be sold, nor can an easement be granted for less than the appraised value unless the Board determines otherwise.

D. If the real property was acquired with Federal funds, CTA must comply with the applicable Federal disposition rules set forth in the most recent effective version of FTA Circular 5010.D, Chapter IV, as amended.

E. If persons or businesses will be displaced by the CTA's sale of the property, CTA must comply with the requirements of the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (49 CFR Part 24).

11.5 Procedure for the Sale of Interests in CTA Property

A. A determination is made by CTA that real property it owns is no longer needed for operational purposes. Real Estate staff along with Planning and Construction staff will be responsible for determining the availability of real property for sale.

B. Real Estate staff will obtain an appraisal, review appraisal, survey, and preliminary title report prior to advertising the property for sale. Real Estate staff will assist the Purchasing Department with those steps necessary to advertise the property or interest therein for the sale or transfer

C. Methods that can be used:

i. The IFB method of procurement is used when the only evaluation factor is cost.
ii. The requirements of Chapter 7 of these Regulations must be followed; provided that the sale or transfer of an interest in CTA real property will be awarded to the high Bidder rather than the low Bidder.
iii. The RFP method of procurement is used when factors in addition to cost must be considered at the time of sale or transfer of an interest in CTA real property. The requirements of Chapter 8 of these Regulations must be followed.
iv. CTA real property may also be sold, or an interest in such property may be transferred to another public agency or on a disadvantageous basis to an adjacent property owner.

D. Unless otherwise authorized by the Vice President of Purchasing and Supply Chain after consultation with the General Counsel and Real Estate staff, CTA property is sold "as is."

E. Real Estate staff will work with the General Counsel to prepare the closing documents and complete the sale of the property or interest therein.

F. All of the steps taken to determine which property to sell or transfer and to complete the sale will be memorialized in the file.

11.6 Purchases of Interests in Real Property by CTA

A. When CTA determines that it requires additional property for a project or operational purposes, Real Estate staff will send a notice of interest to potentially affected property owners informing them of CTA's interest in their property.

B. An appraisal must, and a review appraisal may, be made of the property to be acquired. An environmental assessment of the property may also be made prior to sending an offer letter to purchase to the property owner.

C. If the property is acquired with Federal funds or if the property will be used in a Federally funded project, the requirements of Circular 5010.D, as amended, and 49 CFR Part 24 must be followed.

D. If CTA is able to reach an agreement with the property owner to purchase the property, Real Estate staff will work with the General Counsel to prepare the closing documents and complete the purchase of the property.

E. In the event CTA is not able to reach agreement with the property owner to purchase the property, the General Counsel may file an eminent domain lawsuit to take the needed property through condemnation.

All of the steps taken to determine which property to purchase and to complete the purchase will be memorialized in the file.

11.7 Types of Leases

A. Ground leases are used for parking or vehicular access to an adjacent property. As a general rule, ground leases have a long term and often can be extended through options.

B. Concession leases are used for concession spaces in or near CTA rail stations and other storefront property owned by CTA. These may be either long or short-term leases. Concession spaces may be offered for lease through the Real Estate Brokerage procedure set forth in section 11.3(B).

C. Retail and office leases in CTA office buildings. CTA currently leases retail and office space in its headquarters building at 567 West Lake and office space at 120 North Racine. Both retail and office space in CTA's headquarters building may currently be offered for lease through a Real Estate Brokerage procedure, as set forth in Section 11.3(B).

11.8 Leases/Concessions of CTA Property

A. Leases of CTA real property may be permitted when the property to be leased is not currently needed for CTA operations. A lease of CTA property may be requested by interested parties or CTA may decide to solicit interested parties to lease the property.

B. No CTA property may be offered for lease until the approval of CTA using departments has been obtained in writing.

C. An appraisal must be obtained by Real Estate staff to determine the fair market rental value of the property prior to leasing any CTA real property. In addition, a survey will be required if CTA does not have a legal description of the property to be leased.

D. Leases may be short or long-term. CTA may lease either developed property or vacant land. In addition, CTA may lease concession spaces in or near rail stations.

E. Real Estate staff will work with the Procurement Administrator to prepare the solicitation document if the property will be offered for lease. Leases may be offered through the IFB or the RFP process or may be offered to another public agency or on a disadvantageous basis to the adjacent property owner.

F. All leases of CTA real property for a term of more than one year or for a rental amount exceeding $1,000 require Board approval. Any lease

amendments, subleases, or assignments require Board approval, unless in the judgment of the Vice President, Purchasing & Supply Chain, the lease amendment, sublease, or assignment is otherwise of such a nature that the Board approval is not necessary, after consultation with the General Counsel.

G. Real Estate staff is responsible for tracking lease terms to ensure that any option periods are exercised in the appropriate time frame, required insurance is maintained by the tenant and the property is advertised for re-lease sufficiently in advance of the expiration date of the current tenant's term.

11.9 Leases of Property by CTA

A. CTA may enter into leases of property needed for its operational purposes. Real Estate staff will work with the using department to identify the property to be leased by CTA and to establish the lease term and other conditions of the lease.

B. All leases with a term that exceeds one year or a monthly rent that exceeds $1,000 require approval by the Board.

11.10 Licenses/Rights of Entry/Permits

A. CTA may enter into licenses of its property for use by others or CTA may enter into licenses for use of property by CTA.

B. Licenses generally have a short term and cannot be transferred by the party to whom they are granted. Insurance and indemnification are required in most cases.

C. Licenses are commonly used for yard and garden agreements and may be used for bus turnarounds as well as for construction purposes.

D. CTA may issue rights of entry to use its property or may enter into rights of entry for use of property by CTA.

E. Rights of entry are commonly used for environmental testing, access or for construction purposes but may be permitted for other purposes. They generally have a short term and require insurance and indemnification.

F. CTA may enter into a permit to use property owned or controlled by others or issue permits for the use of its property.

G. Both licenses and permits are often used for bus turnarounds.

H. Licenses, rights of entry and permits are negotiated, drafted, and

processed by Real Estate staff. All of the steps taken to enter into these agreements must be memorialized in the file.

I. Any license, right of entry or permit that exceeds one year in length or that has a monthly fee that exceeds $1,000 must be approved by the Board.

11.11 Transit Oriented Development ("TOD") / Joint Development

A. Transit oriented development is a type of community development that includes a mixture of uses and is located near transit facilities.

B. Joint Development is a form of TOD that includes the common use of property for transit and non-transit purposes. It includes an agreement with a private entity to complete a project on, above, or connecting to land owned by or to be acquired by the transit agency.

C. Joint Development must include a public transit benefit which can be a physical connection to a public transit facility, or an enhancement of the use made of a transit facility. FTA financial assistance is available for joint development projects.

D. CTA may enter into TOD or joint development projects. It may continue to retain title to the property and enter into a long-term lease or other type of agreement rather than transferring title to the CTA property included in the development.

E. Joint development projects involving CTA property acquired with Federal funds or projects involving Federal assistance must comply with Federal rules and guidance, including that set forth in 72 FR 5788, dated February 7, 2007, as amended.

F. Any property to be acquired by CTA for a joint development project must be acquired pursuant to the 49 CFR Part 24.

G. The procedures set forth in sections 11.7 and 11.9 of these Regulations apply to acquisitions or leasing of CTA real property for TOD and joint developments.

Chapter 12: Construction Contracts

12.1 General Provisions–Construction

As a general rule, construction contracts involve unique projects with drawings and specifications which are developed solely for that particular project.

In some cases, construction contracts may follow a more traditional approach involving sequential design and construction. Utilization of this approach requires that a detailed design package of the entire project be complete before soliciting Bids for construction. For complex or time sensitive projects, a phased design and construction approach may be utilized. This approach allows construction to begin before the full detailed design package for the project is complete. Phased design and construction may involve the use of a construction manager at risk or turnkey (design-build) contracting. In the case of both sequential or phased design and construction, CTA may contract with an outside architect or engineer for complete design services for the project before it solicits Bids. The architect or engineer may remain on the project during the course of construction and will work under the direction and oversight of CTA and its program manager during both the design and construction phases of the project. CTA may also have a contract with a construction manager to oversee the construction phase of the project under the direction and oversight of CTA and its program manager. If the architect or engineer or construction manager are not CTA employees, they will be retained to act as CTA's agent.

12.2 Methods of Procuring Construction Contracts

A. Construction contracts may be solicited through the IFB process with the lowest price, responsible, and responsive Bidder being awarded the contract or through an RFP where a contract award may be based on best value to the Authority. Solicitations for construction contracts will be administered in accordance with these Regulations.

B. Infrastructure staff will work with the Procurement Administrator to prepare construction contracts for solicitation and to present proposed contracts to the Board for approval.

12.3 Construction and Real Estate

A. The using department must confirm with Real Estate staff and document for the Procurement Administrator that CTA owns or controls all the land on which a construction project is proposed to be built.

B. In the event CTA does not own or control the property, CTA must take steps to acquire the property in accordance with Chapter 11 of these Regulations.

C. If the construction project will use federal funds, any real property to be acquired must be acquired in compliance with 49 CFR Part 24.

12.4 Types of Construction Contracts

A. Except as otherwise specified in this Chapter 12, any contract permitted by Chapter 6 of these Regulations may be used for a construction contract.

B. Design Build Contracts

Proposals may be solicited, and contracts awarded, that include both design and construction as part of a single contract (also known as design-build contracts) in accordance with applicable laws and regulations. CTA must procure design-build services through means of qualifications-based competitive proposal procedures based on the Brooks Act as set forth in FTA Circular 4220.1F, VI, 3.h., as amended, when the preponderance of the work to be performed is considered to be for architectural and engineering services. Qualifications-based competitive proposal procedures should not be used to procure design-build services when the preponderance of the work to be performed is not of an architectural and engineering services nature, unless required by State law adopted before August 10, 2005.

C. Phased Design, Award and Construction

In this type of contract, each phase of the project is placed under contract once the design for that phase is completed. This procedure is designed to shorten the overall time for project completion.

E. Job Order Contracts (JOC)

i. This type of contract is a competitively bid, firm, fixed price, indefinite quantity contract against which work orders are issued as specific needs arise. JOC contracts may be procured through the IFB or RFP process.

ii. If the contract is awarded through an IFB process, selection of the successful Bidder is based on the cost of the adjustment factors for normal and overtime work identified by the Bidder with the contract awarded to the low Bidder. If the contract is awarded through an RFP process, selection of the successful proposer is based on the criteria identified in the RFP.

iii. Once a JOC Contractor is selected, CTA will issue a job order request for each construction task. The JOC Contractor submits a proposal to do the task for a definite price. If the price is reasonable, a work order is issued by CTA. CTA may request revisions to the proposal and if the JOC Contractor agrees, a work order is issued. If the parties cannot reach an agreement, CTA will issue a public solicitation for the task.

iv. If multiple JOC Contractors are selected through an RFP process, all Requests for Work Order Price Proposals (RFPPs) will be sent to all JOC Contractors. The work order will be awarded through a

process ensuring that the award will be made based on the lowest cost to CTA to complete the scope of work specified in the RFP.

F. Construction Manager at-Risk Contracts
Proposals are solicited for the Construction Manager at-Risk who would then solicit Bids for the tasks involved in the construction project. CTA would evaluate the Construction Manager at-Risk responses to the solicitation on technical and other relevant factors and pricing. The selected Construction Manager at-Risk may design the project, solicit Subcontractors to complete the tasks involved in the project and act as the General Contractor for the project.

The types of phase pricing that may be required to be submitted with the Construction Manager at-Risk proposals include:

i. pre-construction phase;
ii. construction phase price per week or month of field activity;
iii. profit and overhead;
iv. guaranteed maximum price for construction phase; and
v. other direct costs such as bonds and insurance.

The guaranteed maximum price, if any, will include all actual awarded Subcontractor prices plus the Construction Manager at-Risk's construction phase management costs, other direct costs such as bonds and insurance and the Construction Manager at-Risk's profit plus any other relevant costs as determined by CTA.

12.5 Special Construction Contract Provisions

A. Labor provisions:

i. Federally funded contracts: Davis-Bacon Act, Contract Work-Hours and Safety.
ii. Standards Act and the Copeland Anti-Kickback Act.
iii. Non-federally funded contracts: Illinois Prevailing Wage Act (820 ILCS 130).

B. Bonding – Bid Bonds, Payment Bonds and Performance Bonds. If required, a Bid Bond if required must be submitted with the bids in the amount required by the solicitation document. A Payment Bond secures the Contractor's payment of Subcontractors and material on the project. A Performance Bond guarantees the Contractor's performance on the contract.

C. Liquidated Damages Clause. Liquidated damages are a specific sum or a sum readily determinable and stipulated by the CTA as the amount to be recovered each day for each increment of delay in completion of the

contract in lieu of actual damages.

D. Specifications for Construction. The technical provisions of the construction specifications must be in sufficient detail that, when used with the applicable drawings, Bids can be prepared on a fair and competitive basis.

E. Differing Site Conditions clauses. A differing site conditions clause is intended to describe the risk being assumed by CTA, and offering an equitable adjustment to the Contractor if the defined conditions materialize.

F. Value Engineering. This is a procedure designed to incentivize Contractors to submit change proposals that reduce the cost of contract performance by promising Contractor a share of the savings. Such a provision may be used but is not required.

G. Buy America requirements promulgated under the Build America, Buy America Act (BABA) and 49 U.S.C. § 5323(j), including implementing regulations at 49 CFR Part 661, Pub. L. No. 117-58, and Pub. L. No. 117-58, §§ 70901-52, and 2 CFR Part 184, which provide that federal funds may not be obligated unless steel, iron, manufactured products, and construction materials used in FTA-funded projects are produced in the United States, unless the Contractor provides an appropriate waiver in one of the following:

   i. A BABA statutory waiver has been granted by FTA in accordance with 49 CFR § 661.7; or
   ii. The product qualifies for a general applicability BABA waiver in accordance with Appendix A to 49 CFR § 661.7.

   The bidder must submit the appropriate Buy America certification with its bid. Bids that are not accompanied by a completed Buy America certification will be rejected as nonresponsive.

H. Other applicable provisions noted in this PPP and inclusive of applicable provisions in Appendix II Federal Contract Requirements.

I. Contract Close-out provisions. Certain documentation unique to construction contracts will be required such as lien waivers, manufacturer's warranties, operations and maintenance manuals, spare parts lists, and as-built drawings.

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Chapter 13: Art in Transit

13.1 General Provisions

A. The procedure outlined in this Chapter 13 will apply to the selection of artists for art procurements.

B. The intent of the solicitation processes set forth in this Chapter 13 is to:

i. Procure art that is of a quality commensurate with the funds expended;
ii. Encourage and incorporate community input in the selection of artists and artwork;
iii. Promote equitable distribution of art projects among artists of diverse cultural heritage and gender; and
iv. Ensure eligibility of artists regardless of race, color, national origin, ancestry, sex, age, sexual orientation, gender-related identity, religion, marital status, order of protection status, disability, military status, sexual orientation, or unfavorable discharge from military service as those terms are defined by the Illinois Human Rights Act, 775 ILCS 5/1-102.

C. Standard solicitation procedures, including but not limited to Invitations for Bids, may not be effective means of soliciting artists.

D. At the outset of an artwork procurement, the general scope of the project, approximate schedule for completion, budget, and selection process will be determined by the Chief Infrastructure Officer.

13.2 Maintenance of Artists Registry/Solicitation

A. The Authority will maintain a registry of potential artists and contact information, based on responses received to prior “Calls for Artists” (as defined below). The registry may include a more detailed database that tracks artist characteristics such as career level, media type, styles, images of previous work, and/or other relevant qualifications. The Chief Infrastructure Officer will determine whether to limit selection of artists from such registry or to use the procurement methods set forth in Section 13.4 or 13.10. Once an artist has been awarded a contract, the artist will be ineligible for future contracts.

B. When an RFP (or alternative solicitation document), which may be used interchangeably with the term “Call for Artists” (as described in Section 13.4 below) is issued, the artists in the registry will be notified, and the notification will also be posted on the CTA website. Other means of soliciting artists may also be used such as posting notification of projects through the Chicago Artists Resource, Illinois Arts Council, or on community or government agency websites or through print or other media outlets likely

to reach a substantial number of artists.

13.3 Community Input

At the Authority's sole discretion, Community input may be solicited as part of an art procurement either through public meetings and/or inclusion of community representatives as technical advisors to either the review or evaluation committee.

C. The type and extent of community input, if any, will be determined solely by the Authority on a project-by-project basis.

B. Input may or may not include generating ideas and preferences for the project and/or supplying information about the community.

C. Community input may take place before, after or concurrently with the solicitation process or after contract award.

13.4 Call for Artists

When procuring the services of an artist pursuant to an RFP or other publicly advertising solicitation ("Call for Artists"), the following provisions will apply:

A. The Call for Artists will state whether the selection process will be a "design selection" process or an "artist selection" process and will set out the criteria that will be used to evaluate the responses.

B. At a minimum, artists responding to a Call for Artists will be required to submit examples of previous work and a curriculum vitae.

C. If a specific Call for Artists so provides (at the sole discretion of the Authority), artists who were added to the artist registry within the preceding two (2) years may instead submit a letter requesting that the qualification materials previously submitted be considered.

D. The Call for Artists will communicate the Authority's requirements to prospective artists. For example, it may provide that fabrication and installation services may be solicited separately by the Authority, or it may state that artists may be expected to provide these services.

E. The estimated budget for the project will generally be published with the Call for Artists so that the artists will be informed of the relative magnitude of the project.

13.5 Committees

Recommendation of the selection of an artist, either from the registry or from a Call for Artists, will be made by an evaluation committee with the assistance of a review committee. The composition of the review and evaluation committees will be subject to approval by the President of the Authority and may include members

other than those set forth below in his or her sole discretion.

A. The review committee will typically be comprised of at least one art professional (such as an art administrator, artist, or curator) and one Authority staff person. The review committee members will act as technical consultants to the evaluation committee. The review committee will first review the candidates selected from the registry or responding to the "Call for Artists", as applicable, for their qualifications for the scope of artwork being procured and will eliminate non-viable candidates. The review committee will then evaluate the remaining responses. The artist's proposed compensation will be evaluated by the review committee for reasonableness. The evaluations of the review committee will be forwarded to Purchasing, who will determine which responses are in the competitive range. A uniform design stipend may be offered by the Authority, in its sole discretion, to the artists in the competitive range for further developing a design proposal in order for the Authority to make a final selection.

B. The evaluation committee will typically be comprised of three or more voting members from a pool of qualified Authority staff. It is anticipated that the evaluation committee will include at least one member of the design/architecture team for the underlying project, if applicable.

C. The evaluation committee may have non-voting members and/or technical advisors, who may or may not be Authority staff, including but not limited to, the members of the review committee.

D. The evaluation committee will also have at least one non-voting member from the Purchasing Department to chair the committee and monitor compliance with published evaluation criteria as well as these Regulations.

E. The evaluation committee will have one non-voting art Project Manager from the user department in charge of the Authority's artwork.

F. The evaluation committee will have one non-voting member assigned by the Director, Diversity, to evaluate DBE compliance.

G. All members of the review and evaluation committees, the Project Manager, the DBE representative, and others that may advise each committee or participate in the review or evaluation of proposals must sign a Confidentiality Agreement in a form acceptable to the Vice President, Purchasing & Supply Chain and the General Counsel prior to their involvement in the review or evaluation process.

13.6 Selection Processes

A. The notice to artists in the registry or the Call for Artists, as applicable, will state whether the selection process will be a "design selection" process or

an “artist selection” process and will set out the evaluation criteria for qualifications that will be used to evaluate the viability of the response or artist for the project. The former will focus on the design being proposed by the artist, while the latter will focus on the artist’s qualifications, reputation, and skill.

B. The artists’ submissions will be evaluated by the review committee pursuant to the evaluation criteria set forth in the RFP (or alternative solicitation document). The review committee may solicit feedback on the submissions from designated community representatives or other CTA staff and may request additional information or oral interviews from the artists before finalizing their evaluations. The review committee will score the submissions and the Procurement Administrator will tabulate the scores and prepare a memorandum to the Vice President, Purchasing & Supply Chain summarizing the scoring. The Vice President, Purchasing & Supply Chain will establish the competitive range. Those proposals in the competitive range will be referred to the evaluation committee.

C. The evaluation committee will then rank the design proposals according to the evaluation criteria set forth in the RFP (or alternative solicitation) and will forward its rankings to the Procurement Administrator. The Procurement Administrator will tabulate the results and prepare a memorandum to the Vice President, Purchasing & Supply Chain summarizing the results. The Vice President, Purchasing & Supply Chain reviews and approves the design proposals based on results from the Evaluation Committee, and directs the Procurement Administrator to proceed to negotiations with the highest ranked artist(s).

D. The Procurement Administrator, with the assistance of Law and user department staff, will negotiate a contract with the selected artist(s).

E. To ensure that the artist’s design incorporates community input, it is expected that discussions with community representatives and relevant Authority staff will continue while the artist develops a specific design.

F. According to the approval matrix set forth in Section 1.7 of these Procurement Policies and Procedures, the authorized individual will approve the staff recommendation prior to execution of the contract.

13.7 Evaluation Factors

A. The evaluation factors that will be considered in evaluating proposals (in the case of design selection process) or artists (in the case of artist selection process) will be tailored to each project and will be clearly stated in the notice to artists in the registry or the Call for Artists, as applicable.

B. The evaluation factors for each project and the relative importance of those

factors are determined by the Project Manager and the Procurement Administrator, subject to approval of the Chief Infrastructure Officer.

C. Criteria for evaluating design may include, but are not limited to:

i. quality and value of art or design;
ii. impact on CTA customers;
iii. connection to site and/or adjacent community;
iv. relationship in form or substance to the cultures, people, natural or built surroundings;
v. history of the area in which the project is located;
vi. appropriateness for site, including safety and scale;
vii. durability of materials;
viii. resistance to vandalism; and
ix. requirement of minimal maintenance.

D. Criteria for evaluating artists may include, but are not limited to:

i. aesthetic quality of previously completed art projects and commissions;
ii. applicability and suitability of past work to the current project;
iii. appropriateness of previously completed art projects to their sites, including safety and scale; and
iv. experience working with the public and neighborhood community.

13.8 Evaluation of Submissions

A. The evaluations will be based on the evaluation factors set forth in the notice to artists in the registry or Call for Artists, as applicable.

B. All evaluations by the review committee and rankings by the evaluation committee must be as thorough and well-documented as possible.

C. The review committee members and evaluation committee members may discuss as a group before finalizing their evaluations or rankings. The Procurement Administrator will ensure that the evaluations and rankings are sufficiently documented and are placed in the contract file, along with the RFP (or alternative solicitation document), and responses.

D. Price negotiation is intended to permit the CTA and the artist to agree on a fair and reasonable cost.

E. The selected artist will be required to show good faith efforts to comply with the contract DBE goal, if any. Compliance with the DBE goal is an element of responsibility and may be negotiated.

F. Promptly after approval of the recommendation, the Procurement Administrator shall notify unsuccessful proposers in writing, unless a notice that the artist was not selected was given pre-award.

13.9 Cancellation/ Rejection of Solicitation

The Vice President, Purchasing in consultation with the Chief Infrastructure Officer, has the authority to cancel any procurement or reject any or all responses. A written notification of all cancelled procurements or rejected proposals will be provided to the Chairman and President as requested.

13.10 Alternate Procurement Methods

The following two alternate procurement methods may be used when Federal funds are not utilized:

A. If the CTA's Vice President, Purchasing & Supply Chain, after consultation with the General Counsel, determines it is in CTA's best interest to do so, the CTA may procure the services of an artist, whether or not included on the artist registry, without first issuing a Call for Artists. In such event, one or more artists from CTA's registry or other national or international art registries or databases may be invited to submit design proposals or qualifications. The artist(s) invited to participate will be selected based on national or international reputation, technical experience, aesthetic quality of previously completed art projects and commissions or other criteria as determined by the CTA.

B. An artist may alternately be awarded a contract pursuant to Section 1.4B of these Procurement Policies and Procedures if CTA determines such artist has exceptional merit, technical proficiency, or other qualifications that would benefit the CTA and public.

Chapter 14: Bonds, Other Security and Insurance

This Chapter prescribes CTA requirements for Contractor Bid Bonds or other security, performance and payments bonds, and Contractor insurance, where required. This Chapter also provides guidelines for the Procurement Administrator and other CTA officials to handle bonding and insurance issues.

14.1 General Provisions – Bonds and Other Security

A. The following types of security may be required for any solicitation or contract subject to these Regulations regardless of the estimated amount of the contract:

   i. Bid guarantee;
   ii. Other Bid or proposal security, including but not limited to earnest money deposit;
   iii. Construction performance and payments bonds; and
   iv. Performance or payment bonds or other security on non-construction contracts.

B. CTA will determine whether security of any type would be in the best interests of CTA in all contracts other than small purchases. In non-construction contracts, the Procurement Administrator will consider the following factors:

   i. Whether CTA property or funds are to be provided to the Contractor for use in performing the contract or as partial compensation (such as in retention of salvaged material);
   ii. When a Contractor sells assets to or merges with another business entity, whether CTA (after recognizing the other entity as the successor in interest) needs assurance that it is financially capable;
   iii. Whether substantial progress payments are to be made before delivery of an item starts;
   iv. Whether the contract is for dismantling, demolition, or removal of improvements; or
   v. Any other factors which might favor the use of security to protect the best interests of CTA.

C. When a security is required by CTA under this Chapter, CTA may accept any of the following types of security:

   i. A bond provided by a surety;
   ii. A certified check, money order, or cashier's check issued by an insured financial institution in the equivalent amount of the security;
   iii. United States government securities that are assigned to the CTA which pledge the full faith and credit of the United States; or

iv. Cash.

D. The provider of any surety, letter of credit or other bank or insurance company security should be rated in the double A (AA/Aa) or comparable category, or better, by at least one of the nationally recognized credit rating agencies.

i. The minimum credit rating should apply as long as the security is required by CTA and should apply to any security substitutions.
ii. U.S. Government securities assigned to CTA should be held in a custodial account for the benefit of CTA. CTA should approve the custodian and the custodial agreement.

E. The amount of any bond may be decreased as portions of the contract work are completed as determined by the CTA as long as CTA determines that CTA is adequately protected, and Federal rules and regulations and State law permit such action.

14.2 Bid Guarantee for Construction Contracts

A. Generally, the Procurement Administrator will not require a Bid Guarantee in connection with any solicitation unless a payment or performance security will be required under the contract.

B. When the CTA independent price estimate for a construction contract exceeds one hundred thousand dollars ($100,000), CTA will require a Bid security for an Invitation for Bids, or, if appropriate, for the Request for Proposals.

C. When the CTA independent price estimate for a construction project is not more than one hundred thousand dollars ($100,000), the Procurement Administrator may require a Bid security.

D. The Bid security for a construction contract will be in an amount equal to at least five percent (5%) of the amount of the Bid or price proposal. The Bid security for non-construction contracts will be in an amount set by the Procurement Administrator.

14.3 Bid Guarantee for Real Property

A. A Bid Guarantee will be required for the sale of CTA real property. The solicitation document will set forth the requirement for a Bid Guarantee in an amount not greater than ten percent (10%) of the Bid or price proposal. The amount of the Bid Guarantee will be set by the Procurement Administrator for each solicitation.

B. An earnest money deposit will also be required from the high Bidder or selected Offeror as specified in the solicitation. The earnest money

deposit will be in the amount of ten percent (10%) of the purchase price.

14.4 Performance and Payment Bonds

CTA will require a Contractor to furnish performance and payment bonds or other security on any construction contract as required by Federal regulations or State law.

A. CTA may require a Contractor to furnish a payment or performance bond or other security for any construction or non-construction contract, regardless of amount, when Risk Management and the Procurement Administrator, after assessing the contract risks to CTA and all available methods of risk management determines that the security is necessary or advisable to protect the interests of CTA. The security will be furnished in accordance with the provisions of this Section.

B. The amount of the performance bond will be 100% of the original contract price, unless Risk Management determines that a lesser amount or percentage would be adequate for the protection of the CTA. In making this determination, CTA should consider the adequacy of other appropriate forms of protection available for the procurement, such as warranties, guarantees, insurance and indemnities. However, FTA regulations require 100% payment and performance bonds for all construction or facility maintenance contracts or subcontracts exceeding $250,000, and State law (Public Construction Bond Act 30 ILCS 550/1) requires a 100% bond for payment and performance for public works contracts over $150,000. The Procurement Administrator will state the amount or percentage of bonding required in the solicitation.

C. CTA may require an additional performance bond when a contract price is increased or there is a change in the facts and circumstances that led to the initial determination of the original amount of the performance bond. If required, the increase in the performance bond will maintain the proportion (contract value) of security established in the original contract price, unless CTA has determined that another amount or percentage is required.

D. A payment bond is generally required only when a performance bond is required. For non-construction contracts, a payment bond should be used only when it is determined to be in the CTA's best interest. The determination of the need for and appropriate amount of a payment bond will be made by Risk Management as part of the risk assessment and will be documented in the contract file.

E. When performance or payment bonds are required, the solicitation will contain the following:

i. A statement that security is required; and

ii. The amount of the bond expressed as a fixed sum or percentage of the contract price.

F. The Contractor will furnish all performance and payment bonds (or other securities) by the deadline for submitting bonds (or other securities) as stated in the solicitation. The bonds (or other securities) must be submitted before a notice to proceed is issued.

G. No performance or payment bond will be required after the contract has been executed if it was not specifically required in the contract, except when determined necessary by the Procurement Administrator for a contract modification.

14.5 Surety Bonds and Other Security

A. A new surety bond covering all of or part of the obligation on a security previously approved may be substituted for the original security, if approved by the Vice President, Purchasing & Supply Chain.

B. If, after completion of the work of a contract requiring payment and performance security, CTA receives written notice from the surety regarding the Contractor's failure to meet its obligation to its Subcontractors or supplier, CTA will withhold final payment. However, the surety will agree to hold the CTA harmless from any liability resulting from withholding the final payment.

14.6 Insurance Requirements

A. Construction Contracts

i. The Contractor and Subcontractor will be required to carry general liability, workers' compensation, automobile insurance and builders' risk insurance on construction contracts. The specifications for these contracts will be coordinated with Risk Management for recommendation as to that insurance coverage.

ii. CTA may elect to purchase and pay premiums for insurance under a Blanket Railroad Protective Liability Program and elect to enroll Contractors and Subcontractors into the Program.

iii. CTA may further elect to purchase and pay premiums for an Owner Controlled Insurance Policy (OCIP) or Wrap Up Insurance. Wrap Up Insurance covers all parties in a construction project under one umbrella policy, generally for more than one type of insurance coverage. Contractors and Subcontractors are enrolled by CTA in the OCIP as members of the Wrap Up Program for work performed at the job site.

iv. Neither the Railroad Protective Insurance nor the OCIP, cover professional liability or automobile liability insurance. Accordingly, a CTA construction Contractor will be required to procure and pay

premiums for professional liability and comprehensive automobile liability insurance in the performance of the contract when not covered under the comprehensive general liability insurance provided by CTA.

v. CTA Contractors will comply with insurance requirements imposed by State law or local governments.

B. Other than Construction Contracts

The Procurement Administrator will include insurance and indemnification provisions in equipment, materials, services and real property contracts in accordance with procedures established by Risk Management.

Chapter 15: Debarment and Suspension

15.1 Causes for Debarment or Suspension

The causes for debarment or suspension include the following:

A. Conviction for commission of a criminal offense as related to obtaining, attempting to obtain, or in the performance of a public or private contract or subcontract.

B. Conviction under state or Federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other offense indicating a lack of business integrity or business honesty which currently, seriously, and directly affects responsibility as a Contractor.

C. Conviction under state or Federal antitrust statutes arising out of the submission of Bids or Proposals.

D. Serious violation of contract provisions and other offenses, as set forth below, of a character which is regarded by the Vice President, Purchasing & Supply Chain, to justify suspension or debarment:

i. Failure without good cause to perform in accordance with the specifications or within the time limit provided in the contract;
ii. A recent record of failure to perform or of unsatisfactory performance in accordance with the terms of one or more contracts provided that failure to perform or unsatisfactory performance caused by acts beyond the control of the Contractor will not be considered to be a basis for debarment;
iii. Deliberate failure of a surety, without good cause, to fulfill its obligations to the CTA on any performance and/or payment bond or Bid bond naming the CTA as obligee;
iv. Violation of the CTA Ethics Ordinance;
v. Making a material misrepresentation in connection with an application for certification or re-certification as a Disadvantaged Business Enterprise; and
vi. Any other cause the Vice President, Purchasing & Supply Chain, determines to affect Responsibility as a Contractor, including, but not limited to, suspension or debarment by another governmental entity (see section 14.4).

15.2 Procedures and Decision for Debarment or Suspension

A. After reasonable notice to the person(s) involved and reasonable opportunity for that person(s) to be heard, the Vice President, Purchasing & Supply Chain, after consultation with the General Counsel, may recommend the suspension or debarment of a person for cause from consideration for award of contracts or for approval as a surety. For the purpose of this section, person will mean any individual, corporation, partnership, association, or legal entity.

B. The Vice President, Purchasing & Supply Chain, after consultation with the General Counsel or designee, may recommend the suspension of a person from consideration for award of contracts or for approval as a surety if there is sufficient cause to recommend suspension.

C. The Vice President, Purchasing & Supply Chain, will submit the recommendation for debarment or suspension to the Debarment and Suspension Committee.

D. The members of the Debarment and Suspension Committee will be: the Chairman of the Board, who will chair the Committee; the President; and the Chairman of the Committee on Finance, Audit and Budget of the Board.

E. The Debarment and Suspension Committee has authority to suspend or debar a person for cause from consideration for award of contracts or for approval as a surety. For federally funded contracts, as a general rule, the debarment will not be for a period of more than three years. For federally funded contracts suspensions cannot exceed three months.

F. The Debarment and Suspension Committee will issue a written decision as to whether the person should be debarred or suspended. The decision will state the reasons for the action taken and:

   i. If the decision is to debar or suspend, inform the debarred or suspended person involved of his rights for judicial review of the decision as provided in these Regulations; or
   ii. if the decision is not to debar or suspend, inform the person involved that the process has concluded and that the person was not suspended or debarred.

G. A copy of the decision will be promptly reported to the Board.

15.3 Scope of Decision - Debarment or Suspension

A. The decision will apply to the person set forth in the notification of debarment or suspension.

B. The decision will also apply to any associated organization or business entity of which:

i. A debarred or suspended person is an officer, director, or in any other substantial management position, until such time as the individual is severed from such organization; or

ii. A debarred or suspended person has a controlling legal or beneficial financial interest, until such time as the debarred or suspended person divests from such interest; or

iii. A debarred or suspended person controls or is controlled by such associated business organization or entity, which, subsequent to the date administrative action was taken, begins or holds itself out as ready to perform the same work which the debarred or suspended organization was performing or endeavored to perform or otherwise demonstrates by its action subsequent to the date of debarment or suspension that it is evading the decision.

C. Any debarred or suspended person, for the term of such suspension or debarment, will be ineligible to perform work as a Contractor or any tier Subcontractor on contracts awarded or approved by the CTA. All Bidders on CTA contracts will certify that they and all Subcontractors on the contract are not listed on the ineligible to contract with CTA.

15.4 State or Federal Debarment or Suspension

In the event that applicable state or Federal laws, regulations or rules mandate a greater or lesser period of ineligibility for the award of contracts to a person, such laws, regulations or rules will determine such person's eligibility with respect to the specific causes for debarment and suspension contained in such laws, regulations and rules. In addition, where applicable state or Federal laws, regulations or rules provide for debarment or suspension for causes in addition to those specified in these Regulations, such state or Federal laws, regulations or rules will determine eligibility. Furthermore, if a person is debarred or suspended by an agency of the State of Illinois, the City of Chicago, or the Federal government:

A. CTA will not consider that person for award of a CTA contract;

B. CTA will terminate any existing contracts with that person; and

C. CTA can sanction that person in the same manner (either suspension or debarment) and for the same period of time as the sanction imposed by the State of Illinois, the City of Chicago, or the Federal government, as appropriate.

15.5 Finality of Decision

A decision to debar or suspend will be final and conclusive unless the debarred or suspended person, within thirty (30) days after issuance of the decision, commences a timely action in a court of competent jurisdiction in accordance with applicable law.

15.6 Ineligible List

The Vice President, Purchasing & Supply Chain, will maintain a list of all debarments and suspensions. The list of those persons ineligible to contract with CTA will be a public record.

Chapter 16: Bid Protests and Contractor Claims

This Chapter addresses the process for both Bid Protests and Contractor claims.

Any interested party shall have the right to have a Protest considered and resolved administratively by the CTA in an economical and expeditious manner. “Interested party”, as used in this Chapter, means a Bidder whose direct economic interest would be affected by the award of a contract or by the failure to award a contract. The Bid Protest Procedure set forth in this Chapter 16 applies to IFBs, RFPs, RFQ’s and LIQs.

The filing of Bid Protests will not unnecessarily delay the procurement process, especially if the Protest is vexatious or frivolous in nature as determined by the Director, Purchasing.

16.1 Written Submission

An interested party wishing to protest a matter involving a proposed procurement or contract award shall file with the Director, Purchasing a written submission addressing, at a minimum, the following:

A. The name and address of the interested party and its relationship to the procurement are sufficient to establish its interest;

B. Solicitation or contract number;

C. Statement of the grounds for the Protest, including the provision(s) of the solicitation and the Federal or State law or Federal or CTA regulation upon which the Protest is based;

D. Statement of the specific relief requested; and

E. Any documents relevant to the Protest that the protesting party desires CTA to consider should be attached.

16.2 Time for Filing

A. Protests Regarding Solicitation

Any Bid Protest regarding a solicitation by CTA must be filed no later than five (5) business days before the opening of Bids. Any Protest filed after that date which raises issues regarding the solicitation will not be considered.

B. Protests Regarding Bid Evaluation

Any Bid Protest regarding the evaluation of Bids by CTA must be filed no later than twenty (20) business days after the opening of Bids. Any Protest filed after that date which raises issues regarding the Bid evaluation will not be considered unless the issue arose after the initial twenty (20) business day period and before contract execution.

C. Protests Regarding Award of Contract
Any Protest regarding the award of a contract must be filed no later than ten (10) business days after the date of the award. Any Protest regarding the award of the contract filed after that date will not be considered.

16.3 Procedures for Protests Regarding Solicitation

This type of Protest includes any claim that the Bid solicitation contained unduly restrictive, exclusionary, or discriminatory specifications, any challenge to the basis of award, or any claim that the solicitation documents or the solicitation process violated applicable Federal or State law, or that CTA failed to follow these Regulations.

A. Upon receipt of a timely filed protest regarding the solicitation, CTA will postpone the opening of Bids until resolution of the Protest, unless otherwise authorized to proceed under these Regulations (as set forth in Section 16.6(C) below). If Bid opening is postponed, no additional Bids will be accepted during the period of postponement.

B. If the Protest involves a claim of unduly restrictive, exclusionary, or discriminatory specifications, CTA will, in evaluating the Protest, consider both the specific need for the feature or item challenged and any effects on competition of including the specification regarding that feature or item. If CTA determines that such feature or item was included in the specification in order to meet justified and valid CTA transit needs or was not unduly restrictive of competition or designed to exclude a particular competitor, then CTA will have grounds to deny the Protest.

16.4 Procedures for Protests Regarding Bid Evaluation

This type of Protest includes any challenge to determinations by CTA of the responsiveness of a Bid or the responsibility of a Bidder, or any claim that the evaluation of Bids violated Federal or State law or these Regulations.

Upon receipt of a timely filed protest regarding the evaluation of Bids, CTA will determine if the protestor has established that there is sufficient evidence regarding the non-responsiveness of a Bid or the non-responsibility of a Bidder or doubt regarding CTA's compliance with Federal or State law or these Regulations. If the protestor submits sufficient evidence supporting its Protest to show that the Protest is not vexatious or frivolous, CTA will suspend its evaluation of all Bids submitted until resolution of the protest, unless otherwise authorized to proceed under these Regulations (as set forth in Section 16.6(C) below).

16.5 Procedures for Protests After Award

This type of Protest will only be considered by CTA if the protestor is able to demonstrate that the Bidder who was awarded the contract fraudulently represented itself as a responsible Bidder or that CTA violated Federal or State

law or these Regulations in awarding the contract.

Upon receipt of a timely filed Protest regarding the award of a contract, CTA will issue a stop work order, if necessary, until the resolution of the Protest.

16.6 All Protests

The Director, Purchasing, will notify the Protestor upon timely receipt of a Protest and may, where appropriate, request additional information from the protestor. CTA may, at its discretion, meet with the protestor to review the matters raised by the Protest. The procurement process may be postponed until CTA makes a determination on the validity of the protest unless otherwise authorized to proceed under Section 16.6(A) below.

A. The CTA may suspend the procurement process upon receipt of a bona fide Bid Protest. However, CTA reserves the right, notwithstanding the pendency of a Protest, to proceed with appropriate action in the procurement process or under the contract in the following circumstances:

   i. Where the item to be procured is urgently required; or
   ii. Where CTA determines that the Protest is vexatious or frivolous; or
   iii. Where delivery or performance will be unduly delayed, or other undue harm will occur by failure to make the award promptly.

B. Where a timely Protest has been filed prior to opening of Bids and unless the Protest is resolved by CTA prior thereto, the date for receipt of Bids will be extended to accommodate the time needed for resolving the Protest and instituting any necessary remedial measures, unless otherwise authorized to proceed under the circumstances set forth in Section 16.6(A).

C. When a Protest against the making of an award is received and the award is postponed pending disposition of the Protest, the other Bidders may be informed of the Protest. If appropriate, those Bidders should be requested, before expiration of the time for acceptance of their offer, to extend the time for acceptance.

D. Except in extraordinary circumstances, the Director, Purchasing, shall issue a written decision on the Protest based on the information provided by the protestor, the results of any meetings with the protestor, and CTA's own investigation. CTA's decision is final except where:

   i. New data becomes available which was not previously known, and which is a basis for Protest;
   ii. There is an error of law or regulation; or
   iii. The protestor appeals a decision reviewable by FTA to FTA, which is limited to claims that CTA did not follow protest procedures in these Regulations or that CTA violated Federal law or regulations.

E. When the CTA denies a Protest, it must inform the protestor in writing of its right to appeal CTA's decision to the FTA. If CTA denies a Protest it will lift any suspension imposed and will proceed with the procurement process for the contract.

F. A copy (electronic or paper) of each bid protest must be provided, in its entirety, to the Senior Manager, Purchasing & Business Systems or other person, as designated.

16.7 Two-Step Procurements

A Protest regarding a Two-Step procurement described in Section 4.2 must be filed within the time requirements stated above, provided however, that a Protest regarding selection of the short-listed respondents participating in the second step of a Two-Step procurement must be submitted no later than ten (10) business days following receipt of notice that the respondent has not been selected to participate.

16.8 Remedy

If a Bid Protest is upheld, even in part, then CTA will take appropriate action on a case-by-case basis to correct the procurement process and protect the rights of the protestor, including resolicitation of Bids, revised evaluation of Bids or CTA determinations, or termination of the contract.

16.9 Contract Disputes

A. Except as otherwise determined by the Vice President, Purchasing & Supply Chain, all contracts entered into on behalf of the CTA shall include a disputes clause.

B. A "claim" is a demand or assertion by one of the parties made in writing and seeking as a right, the payment of money, adjustment or interpretation of Contract, Terms, or other appropriate relief.

C. Meritorious claims that can be completely settled as to time and money issues should be processed by the CTA in the same manner as contract change orders or amendments.

D. If, after completion of the investigation, the Director, Purchasing determines that a claim has no merit or that equitable adjustment cannot be negotiated for a claim with merit, the final decision shall be prepared by the Vice President, Purchasing & Supply Chain after consultation with the General Counsel.

E. The final decision shall be transmitted by certified or registered mail, return receipt requested, to the Contractor's address shown on the cover page of the contract unless the Contractor has previously requested in writing that another address be used. The return receipt must indicate the date of

receipt of the final decision by the Contractor. The final decision shall include the following elements:

i. Description of claim or dispute;
ii. Pertinent contract terms;
iii. Reference to relevant facts; and
ii. The decision of the Vice President, Purchasing & Supply Chain, with supporting rationale.

F. The Contractor may appeal to state court.

16.10 Contract Dispute Notification

A. If a Protest concerns a procurement that is federally funded, the Director, Purchasing, or Designee, shall provide prompt written notification to the FTA Regional Counsel. Said notification shall provide a brief overview of the Procurement and the substantive issue(s) raised in the Protest.

B. If a protest concerns a procurement that is funded by the Regional Transportation Authority ("RTA") or the Illinois Department of Transportation ("IDOT"), pursuant to the RTA Program Management Guidelines as amended from time to time, the Director of Purchasing or Designee, shall:

i. Notify RTA within 10 business days;
ii. Provide RTA status updates on protests every 30 days after initial notification; and
iii. Inform RTA and IDOT of the protest resolution.

C. Within 10 business days upon receipt of a protest, CTA shall submit the following documents to the RTA for information:

i. Cover letter;
ii. The Protest Certification Form (Appendix IV);
iii. When the protest was submitted;
iv. Name of protestor;
v. A brief description of the arguments raised in the protest;
vi. Contract date(s) (e.g., when advertised, bid/proposal due date, date of award, etc.);
vii. A summary of the Grantee's proposed response to the protest, if known;
viii. Schedule impacts due to the protest, if applicable; and
ix. Budget impacts due to the protest, if applicable.

D. After 30 days from submitting a protest notification or status update, CTA shall submit the following documents to the RTA for information when protests have not been resolved:

i. Cover Letter;
ii. The Protest Certification Form (Appendix IV);
iii. Current protest timeline:
- Date when the Protest was submitted;
- Date(s) of correspondence to and from the protestor;
- Contract date(s) (e.g., when advertised, bid/proposal due date, date of award, etc.);
- Date(s) of meeting(s) with protestor.

iv. Updated schedule impacts due to the Protest, if applicable; and
v. Updated budget impacts due to the Protest, if applicable.

E. Within 30 days after resolution of a protest, CTA shall submit the following documents to the RTA and IDOT for information:

i. Cover Letter;
ii. The Protest Certification Form (Appendix IV);
iii. A justification statement, which includes:
- CTA's final position on the Protest and the basis for that position;
- A list of all counterarguments by the CTA, setting forth the rationale for the CTA's position on each;
- A description of actions taken to mitigate future similar protests, if applicable.

iv. A settlement agreement or agreements made by CTA with the Protestor as a result of the Protest, if applicable;
v. Final schedule impacts due to the Protest, if applicable;
vi. Final budget impacts due to the Protest, if applicable.

F. If any claims or litigation concern a procurement that is funded by the RTA or IDOT, the Director, Purchasing, or Designee, shall:

i. Notify RTA of claims and litigation within three (3) business days;
ii. Request concurrence for use of Grant funds for claims and litigation; and
iii. Inform RTA of resolution for claims and litigation within seven (7) business days.

G. Upon receipt of claims or litigation involving RTA or IDOT funded procurements, CTA shall submit the following documents to the RTA for information:

i. Cover Letter;
ii. The Protest Certification Form (Appendix IV);

iii. The base contract web based project management system (Post Award Notification) identification number;
iv. The value of the dispute;
v. A brief description of the dispute;
vi. The basis of the disagreement.

H. Within 30 days after resolution of claims and litigation, CTA shall submit the following documents to the RTA and IDOT for information:

i. Cover Letter;
ii. The Protest Certification Form (Appendix IV);
iii. The base contract web based project management system (Post Award Notification) identification number;
iv. The settlement agreement or disposition.

Appendices

I. Intra-Departmental Forms

- Method of Procurement History Form
- Sample Contract Award Recommendation Summary
- Staff Procurement Summary Sheet (SS1)
- Staff Bid Summary Sheet (SS2)
- Cost Analysis
- Price Analysis Worksheet
- Diversity Compliance Evaluation Form
- Written Responsibility Determination Form

II. Federal Contract Requirements

III. General Procurement Workflow

IV. Public Agency Concurrence Requirements

- RTA Capital Grant Concurrence Requirements
- IDOT Capital Grant Concurrence Requirements
- Concurrence for Pre-Award Certification Form
- Concurrence for Contract Change Certification Form
- Concurrence for Claim Certification Form
- Concurrence for Protest Certification Form

V. Administrative Procedure #1502: Check Requests

VI. Contracts Report Template

VII. Procedures

- Emergency Contracts (Over $40,000)
- Purchasing Non-Stock, Operating-Funded Supplies and Services, Including Urgent Purchases up to $40,000
- LIQs for Architectural or Engineering Services
- RFPs for Professional Services

METHOD OF PROCUREMENT HISTORY

To best determine which method of procurement is suitable, classify your situation by checking off the appropriate boxes below. All elements must apply to use that method.

Micro-purchase

- Amount < $2,500 ☐
- Multiple Sources ☐

Competitive Procurement

- Amount > $2,500 ☐
- Multiple Sources Available ☐
- Not an emergency purchase ☐

Sole Source

- OEM, custom item ☐
- Only one source available ☐
- Approved by FTA-Sole Source ☐
- Public exigency issue/emergency ☐
- Competition is inadequate after public solicitation ☐

Sealed Bids (IFB)

- Complete & adequate specification or purchase description ☐
- Two or more responsible bidders willing to compete ☐
- Selection can be made on basis of price ☐
- Procurement suitable for firm, fixed price ☐
- No discussion with bidders needed after receipt of offer ☐

Emergency Procurement

Subset of Sole Source

- There is a health and safety issue that prohibits delay ☐

Competitive Proposals (RFP)

- Complete specifications not feasible ☐
- Bidders input needed for specification ☐
- Two or more responsible bidders willing to compete ☐
- Discussion needed with bidders after receipt of proposals, prior to award ☐
- Fixed price can be set after discussions ☐

Time and Materials Contract

Subset of RFP

- Fixed price cannot be set for work ☐
- Complete extent of work unknown, whether time, or material use, or both ☐

Contract Type

- ☐ Firm-Fixed-Price
- ☐ Time and Materials
- ☐ Cost Reimbursement
- ☐ Other:

Contract for Architectural or Engineering Services ☐

CONTRACT AWARD RECOMMENDATION SUMMARY

REQUISITION NO.: (Insert req. no here)

CONTRACT AMOUNT: (Not-to-Exceed)

FUNDING: (Insert funding type here)

DESCRIPTION: **Invitation for Bid (IFB)**

(Insert description here)

AWARD RECOMMENDED TO: (Insert recommended vendor here)

PREVIOUS CONTRACTOR: (Insert previous vendor here)

CONTRACT PERIOD	ORIGINAL CONTRACT AMT.	REMAINING AMT.	AVG. MONTHLY EXPENDITURE
		As of	

Contract Utilization Analysis:

PRICE COMPARISON:
Next lowest bidder is (insert % here)% **higher/lower than recommended bidder**

Recommended bidder is % **higher/lower than previous purchase**

Remarks:
(Insert remarks here)

(Insert department responsible for contract here) (Select **WILL UTILIZE/IS RESPONSIBLE FOR*)* THIS CONTRACT.**

BIDDERS RESPONDING:

Solicitations E-mailed: (#)
Solicitations Requested: (#)
Solicitations Requested via Internet: (#)

(Insert vendors responding here)

DBE Goal: % **of contract**
DBE Participation Commitment: % **of contract**
Were good faith efforts documented?
Proposed DBE subcontractors:

Purchasing (Insert Name)	DATE		
Diversity (Insert Name)	DATE	Law (Insert Name)	DATE
(Insert EVP & Dept. Name)	DATE	Purchasing & Supply Chain (Insert Name)	DATE
Finance (Insert Name)	DATE	President (Insert Name)	DATE

(Insert PA initials and date created here) IFB_UPC

PURCHASING DEPARTMENT

STAFF PROCUREMENT SUMMARY SHEET (SS1)			
Requisition Number:	**Contract Dollar Amount Recommended:**	**Duration of New Contract:**	**Procurement Administrator Name and Ext.:**
Current Contract Term: **Start:** **End:**	**Current Contract Amount Left:**	**Previous Contract Amount:**	**User Name and Phone No.:**
Originating Department:	**Independent Cost Estimate:**	**Type of Contract: (Include a rationale for the method of procurements)**	
Description of Material, Service, Product, Etc.:			
Justification for Procurement:			
Contract Peculiarities And/Or Problems:			
Vendor History & Responsibility:			

Procurement Checklist:

The Procurement Administrator must check the items attached:

- ❑ Copy of Advertisement/Proof of Publication
- ❑ Copy of Committee Evaluation Sheet
- ❑ Copy of Bid Evaluation Sheet
- ❑ Copy of Price Analysis or Cost Analysis
- ❑ Copy of Summary Record of Negotiations for Sole Source, Architectural/Engineering, and RFP Contracts

_____ _____

Procurement Administrator Signature Date

PURCHASING DEPARTMENT
Staff Bid Summary Sheet (SS2)

Contract No.:							
Procurement Administrator:	Description:				Estimated Dollar Amount:	Delivery Time:	
						Project:	
Bid Advertisement Date:					Bid Due Date:		
Bid Req.#	COMPANY	DBE %	Price/Amount (Including escalation, if any)	Price/Amount (Including escalation, if any)	Price/Amount (Including escalation, if any)	% Difference in Price	Price/Amount (Including escalation, if any)

COST ANALYSIS

A cost analysis must be performed in connection with every Sole Source, some Change Orders and Competitive Negotiated procurements. This analysis is applicable wherever there is inadequate price data to justify price and/or wherever cost and profit data has been obtained. This exercise is an analysis of direct and indirect costs to determine that profit and total price are reasonable:

Contract Number: _____ **Procurement Administrator:** _____

Recommended Vendor/Contractor/Consultant:

Description:

PLEASE COMPLETE AND IDENTIFY THE METHOD(S) USED AS LISTED BELOW:

(1) Is profit reasonable? **Yes** ☐ **No** ☐

**The Procurement Administrator will negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. See attached form CA#2 to help determine profit.*

Comments:

(2) Are the cost elements reasonable? **Yes** ☐ **No** ☐

**Consultant must provide the cost elements (including, e.g., labor hours, overhead, materials, etc.) of the estimated costs in order to perform the cost analysis, unless price reasonableness can be established on the basis of a catalog or market price of a commercial product sold in substantial quantities to the general public, or on the basis of prices set by law or regulations.*

Comments:

(3) Is cost or price reasonable when compared with the independent cost estimate? **Yes** ☐ **No** ☐ **% Higher** ( ) **% Lower** ( )

Comments:

(4) Is cost or price reasonable when compared with past prices? **Yes** ☐ **No** ☐ **% Higher** ( ) **% Lower** ( )

**Be wary of how changes in quantity, quality, delivery schedules, and the economy can cause price variations.*
**Was previous price fair and reasonable? Check documentation in previous contract.*

Comments:

(5) Is price (are prices) reasonable when compared with past prices? **Yes** ☐ **No** ☐ **% Higher** ( ) **% Lower** ( )

**Verify the facts, assumptions, and judgments used.*
**How was the estimate developed?*
**You must be comfortable that estimate has validity before you can use it to make a cost or price reasonableness determination.*

Comments:

DOCUMENTATION: ***Describe in narrative and logical sequence your facts, what you considered, your analysis, and how you reached your conclusion.***

PRICE ANALYSIS

A price analysis must be performed in connection with every Invitation for Bid/Sealed bids, Small purchases and some competitive negotiations. The analysis is a comparison of the proposed price to comparable pricing data: (a) competing bids, (b) catalogs, and (c) independent in-house cost estimate:

Contract Number: _____ **Procurement Administrator:** _____

Recommended Vendor/Contractor/Consultant:

Description:

PLEASE COMPLETE AND IDENTIFY THE METHOD(S) USED AS LISTED BELOW:

	Yes	No	% Higher	% Lower
(1) Is price (are prices) reasonable in comparison to other bids?	☐	☐		

**Does adequate price competition exist?.*

Comments:

	Yes	No	% Higher	% Lower
(2) Is price (are prices) reasonable when compared to independent cost estimate?	☐	☐	( )	( )

**Verify the facts, assumptions, and judgments used.*
**How was the estimate developed?*
**You must be comfortable that estimate has validity before you can use it to make price reasonableness determination(s).*

Comments:

	Yes	No
(3) Is price reasonable in comparison to catalog or Market Prices? (Where available and applicable)	☐	☐

**Established catalog prices exist if the items are commercial in nature and are sold in substantial quantities to the general public.*
**Market price is a current price established in the usual or ordinary course of business between parties and free to bargain.*

Comments:

	Yes	No	% Higher	% Lower
(4) Is price (are prices) reasonable when compared with past prices?	☐	☐	( )	( )

**Be wary of how changes in quantity, quality, delivery schedules, and the economy can cause price variations.*
**Was previous price fair and reasonable? Check documentation in previous contract.*

Comments:

DOCUMENTATION: ***Describe in narrative and logical sequence your facts, what you considered, your analysis, and how you reached your conclusion.***

DIVERSITY COMPLIANCE BID EVALUATION FORM
(INTERNAL USE ONLY)

DATE: _____

PROCUREMENT ADMINISTRATOR: _____ **CONTRACT #:** _____

ESTIMATED CONTRACT VALUE: $ _____ **DBE GOAL:** ____ %

CONTRACT DESCRIPTION:

BID OPENING DATE: _____ **TARGET AWARD DATE:** _____

PLEASE LIST ALL BIDDERS FROM LOWEST TO HIGHEST BID AMOUNT

COMPANY NAME: _____ **BID AMOUNT:** $ _____

CONTACT PERSON: _____

PHONE: _____

EMAIL:

COMPANY NAME: _____ **BID AMOUNT:** $ _____

CONTACT PERSON: _____

PHONE: _____

EMAIL:

COMPANY NAME: _____ **BID AMOUNT:** $ _____

CONTACT PERSON: _____

PHONE: _____

EMAIL:

If more than 3 Bidders, please complete additional Bidder information forms (see attached).

PLEASE INCLUDE THE FOLLOWING ATTACHMENTS:

- **Bid Worksheet**
- **Email Blast List**
- **DBE Schedules C's & D's for all Bidders**

Written Responsibility Determination Form

(All Procurement Methods)

Proposer/Respondent: **Requisition:**

RESPONSIBILITY DETERMINATION

The Procurement Administrator is responsible for determining that the Contractor meets the requisite criteria of Section 4.23 of the CTA Procurement Policies and Procedures. This form has been prepared to document the Procurement Administrator's responsibility determination. If the Bidder fails on any of the criteria, then the Bidder may be found non-responsible, and its bid rejected.

Responsibility Determination Checklist			
Responsibility Criteria	**Examples of Where to Find Relevant Information**	**Pass/Fail**	**Comments (if necessary)**
Financial Resources adequate to perform the contract or the ability to obtain them.	Review requested financial responsibility documents and contact Finance department (e.g., D&B Report, financial statements, or tax returns etc.).	☐ Pass ☐ Fail	
Ability to comply with the required/proposed delivery/performance schedule.	Review proposed delivery schedule, review performance history if current/previous CTA contractor, and contact using department.	☐ Pass ☐ Fail	
Satisfactory performance record (on CTA or other agencies' contracts).	Review references or other clients listed in the bid. If current/previous CTA contractor, contact using department.	☐ Pass ☐ Fail	
The necessary organization, experience, accounting and operational controls, and technical skills, or the ability to obtain them. If applicable.	Review qualification requirements against bid, contact using department if necessary.	☐ Pass ☐ N/A ☐ Fail	
Compliance with applicable licensing laws, if applicable.	Review Scope of Services, Instructions, or Detailed Specifications for licensing requirements, review bid submission for required license, if applicable.	☐ Pass ☐ N/A ☐ Fail	
The necessary production, construction, and technical equipment and facilities or the ability to obtain them.	Review references. Consult using department. If a new CTA vendor, obtain D&B Report.	☐ Pass ☐ Fail	
Other qualifications or eligibility criteria necessary to receive an award under applicable laws and regulations if necessary.	Will the contractor have all the required licenses or certifications at the necessary time (e.g., at time of award, Notice to Proceed, etc.)?	☐ Pass ☐ N/A ☐ Fail	

Is the contractor, or an affiliate, in arrears or is in default to the CTA upon any debt or contract, or that is a defaulter, as surety or otherwise, upon any obligations to the Authority, or had failed to perform faithfully any previous contract with the CTA, if applicable.	Consult using department or finance.	☐ Pass ☐ N/A ☐ Fail	
Bidder is not presently debarred/suspended. (Refer to Debarment Memo).	Complete Debarment memo after checking the appropriate debarment lists. Also review the Primary and Lower Tier debarment certifications submitted by the bidder.	☐ Pass ☐ Fail	
Compliance with the DBE program requirements[1]	Review DBE evaluation memo.	☐ Pass ☐ N/A ☐ Fail	
Compliance with required Insurance/Bond requirements[2]	Review Insurance/Bond requirements. Consult with Risk Management Department.	☐ Pass ☐ N/A ☐ Fail	

Based on the forgoing, I have determined that the Bidder is:

☐ Responsible

☐ Not Responsible

Evaluated By: _____, Committee Chair/Procurement Administrator

Signed: _____ Date Evaluated: _____

[1] CTA's PPP Section 5.2(c) states "Compliance with the DBE contract goal, if any, on IFBs is a matter of Bidder responsiveness." CTA PPP Section 5.2(d) states "Compliance with the DBE contract goal, if any, on RFPs and LIQs is a matter of responsibility." Further, CTA PPP Section 8.4(i) titled Evaluation of RFP's states "Compliance with the DBE goal is an element of responsibility and may be negotiated."

II. Federal Contract Requirements

II. Federal Contract Requirements

PROVISIONS, CERTIFCATIONS, REPORTS, FORMS, AND OTHER – MATRICES

APPLICABILITY OF THIRD-PARTY CONTRACT PROVISIONS

(excluding micro-purchases, except Davis-Bacon requirements apply to construction contracts exceeding $2,000)

PROVISION	Professional Services/A&E	Operations/ Management	Rolling Stock Purchase	Construction	Materials & Supplies
No Federal Government Obligations to Third Parties (by Use of a Disclaimer)	All	All	All	All	All
False Statements or Claims Civil and Criminal Fraud	All	All	All	All	All
Access to Third Party Contract Records	All	All	All	All	All
Changes to Federal Requirements	All	All	All	All	All
Termination for cause and for convenience	>$10,000	>$10,000	>$10,000	>$10,000	>$10,000
Civil Rights (Title VI, ADA, EEO except Special DOL EEO clause for construction projects)	All	All	All	All	All
Special DOL EEO clause for construction projects				>$10,000	
Disadvantaged Business Enterprises (DBEs)	All	All	All	All	All
Incorporation of FTA Terms	All	All	All	All	All
Debarment and Suspension	>$25,000	>$25,000	>$25,000	>$25,000	>$25,000
Buy America			>$150,000	>$150,000	>$150,000
Resolution of Disputes, Breaches of Contract, or Other Litigation	>$250,000	>$250,000	>$250,000	>$250,000	>$250,000
Lobbying	>$100,000	>$100,000	>$100,000	>$100,000	>$100,000
Clean Air	>$150,000	>$150,000	>$150,000	>$150,000	>$150,000
Clean Water	>$150,000	>$150,000	>$150,000	>$150,000	>$150,000
Cargo Preference			Transport by ocean vessel.	Transport by ocean vessel.	Transport by ocean vessel.
Fly America	Foreign air transp./travel.	Foreign air transp./travel.	Foreign air transp./travel.	Foreign air transp./travel.	Foreign air transp./travel.

PROVISION	Professional Services/A&E	Operations/ Management	Rolling Stock Purchase	Construction	Materials & Supplies
Federal Tax Liability and Recent Felony Convictions	All	All	All	All	All
Domestic Preferences for Procurements	All	All	All	All	All
Remedies for Breach of Contract	>$250,000	>$250,000	>$250,000	>$250,000	>$250,000
Davis-Bacon Act				>$2,000 (also ferries).	
Contract Work Hours and Safety Standards Act	>$100,000 And include employment of mechanics or laborers	>$100,000 And include employment of mechanics or laborers (transportation services excepted).	>$100,000 And include employment of mechanics or laborers	>$100,000 And include employment of mechanics or laborers (also ferries).	>$100,000 And include employment of mechanics or laborers
Copeland Anti-Kickback Act Section 1 / Section 2				All / >$2,000 (also ferries).	
Bonding				$250,000	
Seismic Safety	A&E for new buildings & additions.			New buildings & additions.	
Transit Employee Protective Arrangements		Transit operations.			
Charter Service Operations		All			
School Bus Operations		All			
Drug Use and Testing	Safety Sensitive Positions per 49 C.F.R. part 655	All Transit operations contracts.	Safety Sensitive Positions per 49 C.F.R. part 655	Safety Sensitive Positions per 49 C.F.R. part 655	Safety Sensitive Positions per 49 C.F.R. part 655
Alcohol Misuse and Testing		All Transit operations contracts.			
State Safety Oversight Agency Conflict of Interest	All	All	All	All	All
Patent Rights	R & D				
Rights in Data and Copyrights	R & D				
Pre-Award and Post-Delivery Audits of Rolling Stock Purchases			Revenue service rolling stock purchases with FTA funds		
Bus Testing			Bus Procurements		
Energy Conservation	All	All	All	All	All
Recycled Products		EPA-selected items $10,000 or more annually.		EPA-selected items $10,000 or more annually.	EPA-selected items $10,000 or more annually.
Prohibitions on certain telecommunications and video surveillance equipment	All Procurements awarded after August 13, 2020 that include telecommunications and video surveillance services or equipment.	All Procurements awarded after August 13, 2020 that include telecommunications and video surveillance services or equipment.	All Procurements awarded after August 13, 2020 that include telecommunications and video surveillance services or equipment.	All Procurements awarded after August 13, 2020 that include telecommunications and video surveillance services or equipment.	All Procurements awarded after August 13, 2020 that include telecommunications and video surveillance services or equipment.

PROVISION	Professional Services/A&E	Operations/ Management	Rolling Stock Purchase	Construction	Materials & Supplies
Prompt Payment	All non-transit vehicle manufacturer contracts	All non-transit vehicle manufacturer contracts	All non-transit vehicle manufacturer contracts	All non-transit vehicle manufacturer contracts	All non-transit vehicle manufacturer contracts
Return of Retainage	All non-transit vehicle manufacturer contracts	All non-transit vehicle manufacturer contracts	All non-transit vehicle manufacturer contracts	All non-transit vehicle manufacturer contracts	All non-transit vehicle manufacturer contracts
Veterans Preference				All	
Conformance with ITS National Architecture	ITS projects.	ITS projects.	ITS projects.	ITS projects.	ITS projects.
ADA Access	A&E	All	All	All	All
Notification to FTA and U.S. DOT Inspector General	>$25,000	>$25,000	>$25,000	>$25,000	>$25,000
Program Fraud and False or Fraudulent Statements and Related Acts	All	All	All	All	All
Seat Belt Use	All	All	All	All	All
Distracted Driving	All	All	All	All	All

III. General Procurement Workflow

<table>
<tr><th>IFB (Blanket Contracts)</th><th>IFB(One Time Purchase)</th><th>RFP(s)</th><th>LIQ(s)</th><th>Sole Source</th><th>Disadvantageous</th><th>Small Purchase(Under money)</th></tr>
<tr><td>Purchasing Department initiates Requisition at 50% expended and/or 6 months prior to current contract expiration.</td><td>Purchasing Department initiates Requisition at 50% expended and/or 6 months prior to current contract expiration.(One time Purchases can convert to blanket contract depending on usage)</td><td>User Department initiates Requisition and develops scope of work</td><td>User Department initiates Requisition and develops scope of work</td><td>Refer to the Procurement Policy and Procedure Section 9.5 Sole Source Disadvantageous Review Committee.</td><td>Refer to the Procurement Policy and Procedure Section 9.5 Sole Source Disadvantageous Review Committee.</td><td>System or User Department initiates Requisition.</td></tr>
<tr><td>Requisition routes to User Department for approval</td><td></td></tr>
<tr><td colspan="7">Requisition routes to Capital/ Budget for approval</td></tr>
<tr><td colspan="2">Purchasing creates Bid documents</td><td colspan="2">Purchasing, with consultation from Law and User</td><td rowspan="8"></td><td rowspan="8"></td><td rowspan="2">Purchasing conducts competitive process by either phone, fax or email</td></tr>
<tr><td colspan="3">Solicitation Issued</td></tr>
<tr><td colspan="2" rowspan="3">Bid Responses received and opened at public Bid opening</td><td colspan="2">Pre-proposal conference (if necessary)</td></tr>
<tr><td colspan="2">Proposals received</td></tr>
<tr><td colspan="2">Evaluation Committee created (VP Purchasing recommends)</td></tr>
<tr><td colspan="2" rowspan="4">Bid evaluated for responsiveness and responsibility to determine lowest bidder</td><td>Proposals evaluated based on criteria created by User Department and Purchasing, including price.</td><td>Proposals evaluated based in criteria created by User Department and Purchasing, price is not a criteria</td><td rowspan="4">Purchasing determines lowest responsive, responsible Bidder and awards.</td></tr>
<tr><td>Purchasing determines which Proposals are within the competitive range.</td><td rowspan="3">Final negotiations occur with designated winner; scope and price negotiated</td></tr>
<tr><td>Best and Final Offer requested & returned</td></tr>
<tr><td>DBE analysis completed</td><td>Final evalautions made and winner declared</td></tr>
<tr><td colspan="5">Purchasing, Law and user Department complete Contract Utilization Analysis</td></tr>
<tr><td colspan="5">Award Recommendation routed for apropriate signatories (Recommendation Form)</td></tr>
<tr><td colspan="5">Recommendation placed on appropriate agenda (only A items are presented to the Board)</td><td>Recommendation placed on Board (A) Agenda</td></tr>
</table>

IV. Public Agency Concurrence Requirements

- RTA Capital Grant Concurrence Requirements
- IDOT Capital Grant Concurrence Requirements
- Concurrence for Pre-Award Certification Form
- Concurrence for Contract Change Certification Form
- Concurrence for Claim Certification Form
- Concurrence for Protest Certification Form

Regional Transportation Authority

RTA'S STATE FUNDED CAPITAL GRANT PROGRAM
RTA'S CAPITAL GRANT CONCURRENCE REQUIREMENTS
FOR CTA THIRD PARTY CONTRACTS AND FORCE ACCOUNT WORK
PRE-AWARD AUTHORITY IS AVAILABLE PRIOR TO GRANT EXECUTION

		Phase	Pre-Bid	Pre-Award	Pre-Award
IV.a. Sealed Bid Contracts		**Total Cost**	**All**	**< $10M**	**≥ $10M**
1	Material		NR	Info	CR
2	Vehicles		NR	Info	CR
3	Equipment		NR	Info	CR
4	Construction		NR	Info	CR
5	Master Purchase Agreement		NR	Info	CR
6	Master Purchase Agreement Work Order or Purchase Order		NR	Info	CR
7	Other Than Lowest Bid		NR	CR	CR
IV.b. Competitive Negotiation Contracts					
8	Non-Traditional Delivery (NTD) Construction		NR	Info	CR
9	NTD Work Orders		NR	Info	CR
10	Professional Services		NR	Info	CR
11	Professional Services Blanket Agreement		NR	Info	CR
12	Professional Services Blanket Agreement Task Order		NR	Info	CR
13	Acquisition - Real Property		NR	CR	CR
IV.c. Noncompetitive Contracts					
14	Single Responsive/Responsible Bid or Proposal		NR	CR	CR
15	Sole Source		NR	CR	CR
16	NTD Advance Packages		NR	CR	CR
17	Force Account		NR	≥ $1M: CR	≥ $1M: CR
18	Carrier or Cooperative Agreements		NR	Info	CR
19	Addendum		*requirements same as base contract*		
IV.d. Contract Change or Other Impact					
20	Change Order* The lesser of $250K or 10% change to contract		NR	<$250K or 10%: CR	<$250K or 10%: CR
21	Amendment* The lesser of $250K or 10% change to contract		NR	<$250K or 10%: CR	<$250K or 10%: CR
22	General Construction Allowances *		NR	Info	Info
23	NTD Follow-on Work Order or Contingency*		NR	Info	Info
IV.e. Protests					
24	Claims and Litigation		*requirements in Guidelines*		

**Document submission required for all Pre-Award contract changes or modifications, regardless of value.*

NR = Not Required

CR = Concurrence Required with Certification Form

Info = Notification/Information Required with Certification Form

Color indicates RTA Audit Required for all contract types, thresholds and contract stages

Note: Post-Award Concurrence is not Required. Signed copies of executed contracts must be submitted to RTA

As of: 07/21/2020

RTA'S STATE FUNDED CAPITAL GRANT PROGRAM
IDOT'S CAPITAL GRANT CONCURRENCE REQUIREMENTS
FOR CTA THIRD PARTY CONTRACTS AND FORCE ACCOUNT WORK
PRE-AWARD AUTHORITY IS AVAILABLE PRIOR TO GRANT EXECUTION

		Phase	Pre-Bid	Pre-Award	Pre-Award
IV.a. Sealed Bid Contracts		**Total Cost**	**All**	**< $25M**	**≥ $25M**
1	Material		NR	Info	Info
2	Vehicles		NR	Info	CR
3	Equipment		NR	Info	Info
4	Construction		NR	Info	CR
5	Master Purchase Agreement		NR	Info	CR
6	Master Purchase Agreement Work Order or Purchase Order		NR	Info	CR
7	Other Than Lowest Bid		NR	Info	CR
IV.b. Competitive Negotiation Contracts					
8	Non-Traditional Delivery (NTD) Construction		NR	Info	CR
9	NTD Work Orders		NR	Info	Info
10	Professional Services		NR	Info	CR
11	Professional Services Blanket Agreement		NR	Info	CR
12	Professional Services Blanket Agreement Task Order		NR	Info	CR
13	Acquisition - Real Property		NR	Info	Info
IV.c. Noncompetitive Contracts					
14	Single Responsive/Responsible Bid or Proposal		NR	Info	CR
15	Sole Source		NR	Info	CR
16	NTD Advance Packages		NR	Info	CR
17	Force Account		NR	Info	Info
18	Carrier or Cooperative Agreements		NR	Info	Info
19	Addendum		*requirements same as base contract*		
IV.d. Contract Change or Other Impact					
20	Change Order* ≥ $500K increase to contract		NR	CR	CR
21	Amendment* ≥ $500K increase to contract		NR	CR	CR
22	General Construction Allowances		NR	Info	Info
23	NTD Follow-on Work Order or Contingency		NR	Info	Info
IV.e. Protests					
24	Claims and Litigation		*requirements in Guidelines*		

**Document submission required for all Pre-Award contract changes or modifications, regardless of value.*

NR = Not Required
CR = Concurrence Required with Certification Form
Info = Notification/Information Required with Certification Form

Note: Post-Award Concurrence is not Required. Signed copies of executed contracts must be submitted to RTA

As of: 07/21/2020

Concurrence Certification Form

GRANTEE NAME: Click or tap here to enter text.
GRANTS THAT FUND THIS CONTRACT (LIST ALL): Click or tap here to enter text.
PROJECT NUMBERS AND TITLES FUNDING CONTRACT (LIST ALL): Click or tap here to enter text.
CONTRACT NO.: Click or tap here to enter text. **TASK ORDER NO.:** Click or tap here to enter text.
CONSULTANT/CONTRACTOR NAME: Click or tap here to enter text.
E-BUILDER SYSTEM IDENTIFICATION NUMBER: Click or tap here to enter text.

SUMMARY DESCRIPTION OF CONCURRENCE REQUEST:
Click or tap here to enter text.

Pre-Award concurrence request includes the following documents as available and applicable (provide explanation if no document is available):

- ☐ Cover Letter and Concurrence Request Form: Click or tap here to enter text.
- ☐ Certified copy of the advertisement for bid: Click or tap here to enter text.
- ☐ Certified detailed tabulation of all bids/proposals received (this includes detailed scoring): Click or tap here to enter text.
- ☐ Copy of the bid/proposal selected for award: Click or tap here to enter text.
- ☐ Statement reflecting the reason(s) for selecting the proposed firm: Click or tap here to enter text.
- ☐ Copy of the proposed contract and related documents: Click or tap here to enter text.
- ☐ Copy of the plans, drawings, and specifications: Click or tap here to enter text.
- ☐ Copy of the certificate of insurance (construction only): Click or tap here to enter text.
- ☐ Copy of the performance bond (construction only): Click or tap here to enter text.
- ☐ Request for Proposal (RFP), Letter of Interest and Qualifications (LIQ), or Invitation for Bid (IFB): Click or tap here to enter text.
- ☐ Independent Cost Estimate: Click or tap here to enter text.
- ☐ Cost Analysis or Price Analysis: Click or tap here to enter text.
- ☐ DBE Goal: Click or tap here to enter text. DBE Actual: Click or tap here to enter text.
- ☐ List of DBE firms to be utilized to meet the DBE goal: - Click or tap here to enter text.
- ☐ If the purchase order is a release from a purchase agreement, did RTA concur on the purchase agreement?

  ☐ Yes. If yes, provide date when RTA concurred on the purchase agreement: Click or tap here to enter text.

  ☐ No. If no, RTA needs to concur on the purchase agreement before the purchase order can be submitted.
- ☐ Project Management Plan: Click or tap here to enter text.
- ☐ Project schedule: Click or tap here to enter text.
- ☐ Account of protest(s) received, if applicable (use Protest Certification Form)
- ☐ Other related documents (specify): Click or tap here to enter text.

Budget

☐ Total Project Budget (Including Other Funds): Fill out the table with the whole project budget by funding source and how much from each source is being funded.

Funding Source	**Amount**
Click or tap here to enter text.	Click or tap here to enter text.
Click or tap here to enter text.	Click or tap here to enter text.
Click or tap here to enter text.	Click or tap here to enter text.
Click or tap here to enter text.	Click or tap here to enter text.
Click or tap here to enter text.	Click or tap here to enter text.
Total	Click or tap here to enter text.

Additional documents for a Professional Service Contract or Blanket Agreement:

☐ List of consultants considered prior to the final selection: Click or tap here to enter text.

☐ Negotiation Summary: State the basis for the decision to select that offeror whose proposal is most advantageous: Click or tap here to enter text.

Additional documents for a Professional Blanket Agreement Task Order:

☐ Copy of the base contract and supporting documents including a procurement summary: Click or tap here to enter text.

☐ List of consultants considered prior to the final selection: Click or tap here to enter text.

☐ Negotiation Summary: State the basis for the decision to select that offeror whose proposal is most advantageous: Click or tap here to enter text.

The documents for an Acquisition – Real Property pre-award concurrence request or information submittal includes the following:

☐ Proposed contract and supporting documentation: Click or tap here to enter text.

☐ Description of the property involved: Click or tap here to enter text.

☐ Detailed record, documentation, and summary of all negotiations: Click or tap here to enter text.

☐ Two appraisals by a certified or licensed appraiser and reviewer's analysis: Click or tap here to enter text.

☐ Before instituting eminent domain proceedings: An opinion of the Grantee's attorney that all requirements of state and local law have been met: Click or tap here to enter text.

Additional documents for a Single Responsive/Responsible Bid or Proposal Contract:

☐ Rationale for determining the competition adequate: Click or tap here to enter text.

☐ Survey of potential sources: Click or tap here to enter text.

☐ Statement that the price is fair and reasonable and the basis for that determination: Click or tap here to enter text.

Additional documents for a Carrier or Cooperative Agreement:

- ☐ The reason for contracting with the carrier or operator rather than an independent contractor: Click or tap here to enter text.
- ☐ Evidence of the ability of the carrier or operator to perform the work: Click or tap here to enter text.
- ☐ Assurance that the materials, equipment, or improvements will remain available for public transportation use: Click or tap here to enter text.
- ☐ Other agreements between the grantee and the carrier or operator that relate to the proposed contract (i.e., lease or subsidy contracts): Click or tap here to enter text.

Additional documents for Force Account work:

- ☐ Force Account Plan: Click or tap here to enter text.
- ☐ Independent Cost Estimate: Click or tap here to enter text.
- ☐ Schedule and Budget: Click or tap here to enter text.
- ☐ Statement equivalent to a Sole Source Justification that no private sector contractor has the expertise to perform the work: Click or tap here to enter text.

Force account work is warranted under (mark all that apply)

- ☐ Cost Savings (Provide estimated cost savings calculations): Click or tap here to enter text.
- ☐ Exclusive Expertise: Click or tap here to enter text.
- ☐ Safety and Efficiency of Operations: Click or tap here to enter text.
- ☐ Union Agreement: Click or tap here to enter text.

Additional documents for an Other Than Responsive and Responsible Lowest Bid contract award:

- ☐ Full statement of the reasons for not awarding to the apparent low bidder with supporting documentation: Click or tap here to enter text.
- ☐ Statement demonstrating that all attempts have been made to comply with the intent and the guidelines for unrestricted open bidding: Click or tap here to enter text.

Additional documents for a Sole Source or Non-Traditional Delivery Construction Advance Package

- ☐ Independent cost estimate: Click or tap here to enter text.
- ☐ Justification statement (that includes information specified in the Guidelines): Click or tap here to enter text.
- ☐ Proposal solicitation package: Click or tap here to enter text.
- ☐ Proposed project schedule: Click or tap here to enter text.
- ☐ Survey of potential sources (canvass), if applicable: Click or tap here to enter text.
- ☐ A statement that the price is fair and reasonable and the basis for that determination: Click or tap here to enter text.
- ☐ Reason for selected contract type (firm fixed unit prices, not-to-exceed price, etc.): Click or tap here to enter text.
- ☐ Project master plan/project management plan: Click or tap here to enter text.

Proposed vendor contract contains the required state and RTA clauses and provisions as certified by the grantee (state grant agreement reference, RTA grant agreement reference): - (insert reference in the vendor contract)

Yes No N/A

1. ☐ ☐ ☐ Requirement to comply with all applicable provisions of federal, state, and local law: Click or tap here to enter text.
2. ☐ ☐ ☐ Notice that state requirements may change, and the changed requirements will apply to Projects: Click or tap here to enter text.
3. ☐ ☐ ☐ Statement that the contract is subject to the terms and conditions of the agreement between IDOT/RTA and RTA/Service Board: Click or tap here to enter text.
4. ☐ ☐ ☐ Records retention: Click or tap here to enter text.
5. ☐ ☐ ☐ Documentation of Project: Click or tap here to enter text.
6. ☐ ☐ ☐ Third Party Contract change: Click or tap here to enter text.
7. ☐ ☐ ☐ Contracts of the Grantee: Click or tap here to enter text.
8. ☐ ☐ ☐ Labor Law Compliance: Click or tap here to enter text.
9. ☐ ☐ ☐ Drug Free Workplace Conditions and Certification: Click or tap here to enter text.
10. ☐ ☐ ☐ Ethics: Click or tap here to enter text.
11. ☐ ☐ ☐ General Audit and Inspection: Click or tap here to enter text.
12. ☐ ☐ ☐ Illinois Works Requirements: Click or tap here to enter text.
13. ☐ ☐ ☐ Non-Discrimination Laws: Click or tap here to enter text.

Service Board Certifies that the proposed contractor meets the following certification requirements by checking yes and signing below. This language does not need to be in the contract.

14. ☐ ☐ ☐ Bid Rigging Certification: Click or tap here to enter text.
15. ☐ ☐ ☐ Debt to State Certification: Click or tap here to enter text.
16. ☐ ☐ ☐ International Boycott Certifications: Click or tap here to enter text.
17. ☐ ☐ ☐ Non-procurement Debarment and Suspension Certifications: Click or tap here to enter text.
18. ☐ ☐ ☐ Goods from Child Labor Act Requirements: Click or tap here to enter text.

Federal law requirements – Only if Federal Funds are included. Proposed vendor contract contains the required federal clauses and provisions as certified by the grantee: (insert reference to vendor contract section including page number; provide explanation if "No" or "N/A" is selected)

Yes No N/A

- ☐ ☐ ☐ Fly America Requirements: Click or tap here to enter text.
- ☐ ☐ ☐ Buy America Requirements: Click or tap here to enter text.
- ☐ ☐ ☐ Seismic Safety Requirements: Click or tap here to enter text.
- ☐ ☐ ☐ Energy Conservation Requirements: Click or tap here to enter text.
- ☐ ☐ ☐ Clean Water Requirements: Click or tap here to enter text.
- ☐ ☐ ☐ Bus Testing Requirements: Click or tap here to enter text.
- ☐ ☐ ☐ Pre-Award and Post Delivery Audit Requirements (acquisition of Rolling Stock/Turnkey only): Click or tap here to enter text.
- ☐ ☐ ☐ Lobbying Requirements: Click or tap here to enter text.
- ☐ ☐ ☐ Access to Records and Reports Requirements: Click or tap here to enter text.
- ☐ ☐ ☐ Federal Changes Requirements: Click or tap here to enter text.

☐ ☐ ☐ Bonding Requirements: Click or tap here to enter text.
☐ ☐ ☐ Clean Air Requirements: Click or tap here to enter text.
☐ ☐ ☐ Recycled Products Requirements: Click or tap here to enter text.
☐ ☐ ☐ Davis-Bacon and Copeland Anti-Kickback Acts Requirements: Click or tap here to enter text.
☐ ☐ ☐ Contract Work Hours and Safety Standards Act Requirements: Click or tap here to enter text.
☐ ☐ ☐ No Government Obligation to Third Parties Requirements: Click or tap here to enter text.
☐ ☐ ☐ Program Fraud and False or Fraudulent Statements and Related Acts Requirements: Click or tap here to enter text.
☐ ☐ ☐ Termination Requirements: Click or tap here to enter text.
☐ ☐ ☐ Government-wide Debarment and Suspension Requirements: Click or tap here to enter text.
☐ ☐ ☐ Civil Rights Requirements: Click or tap here to enter text.
☐ ☐ ☐ Breaches and Dispute Resolution Requirements: Click or tap here to enter text.
☐ ☐ ☐ Disadvantaged Business Enterprises (DBE) Requirements: Click or tap here to enter text.
☐ ☐ ☐ Disadvantaged Business Enterprises (DBE) Forms: Click or tap here to enter text.
☐ ☐ ☐ Incorporation of Federal Transit Administration (FTA) Terms Requirements: Click or tap here to enter text.
☐ ☐ ☐ Contractor requirement to sign certification regarding bribery: Click or tap here to enter text.
☐ ☐ ☐ Contractor requirement to sign certification regarding debarment, suspension, and ineligibility: Click or tap here to enter text.

GRANTEE'S CERTIFICATION:
I hereby certify that the above information is just and correct.

Signed: _____ Date: _____

Name/ Title (print): _____

Contract Change Certification Form

GRANTEE NAME: Click or tap here to enter text.
GRANTS THAT FUND THIS CONTRACT (LIST ALL): Click or tap here to enter text.
PROJECT NUMBERS AND TITLES FUNDING CONTRACT (LIST ALL): Click or tap here to enter text.
CONTRACT NO.: Click or tap here to enter text. **TASK ORDER NO.:** Click or tap here to enter text.
CONSULTANT/CONTRACTOR NAME: Click or tap here to enter text.
E-BUILDER SYSTEM IDENTIFICATION NUMBER: Click or tap here to enter text.

SUMMARY DESCRIPTION OF CHANGE REQUEST:

_____

A contract change concurrence request includes the following documents (provide explanation if no document is available):

- ☐ Cover letter - _____
- ☐ Independent cost estimate (with level of effort, if applicable) - _____
- ☐ Proposed contract change:
  - ☐ Change Order No. _____,
  - ☐ Amendment No. _____,
  - ☐ General Construction Allowance No. _____,
  - ☐ Non-Traditional Delivery Construction Follow-on Work Order No. _____, **OR**
  - ☐ Non-Traditional Delivery Construction Contingency - _____
- ☐ Background statement:
  - ☐ Explanation how the change affects the original contract(s) and project(s);
  - ☐ Describe what events or circumstances contributed to the contract change; **AND**
  - ☐ List proposed projects funding the contract change including the project number and proposed obligation (if contract funds more than one project) - _____
- ☐ Justification statement:
  - ☐ Explain the necessity for the procurement to be a contract change instead of a new contract;
  - ☐ Describe the alternatives that the Grantee considered and why each alternative was rejected;
  - ☐ Describe the actions the Grantee is taking to ensure that future, similar procurements will be competitive;
  - ☐ State that the price is fair and reasonable and provide a basis for that determination; **AND** -
  - ☐ Provide opinion for design errors or omissions, if applicable - _____
- ☐ Contractor or consultant cost proposal:
  - ☐ Includes all applicable costs: labor, equipment, materials, other direct costs, overhead, profit, etc.; **AND**
  - ☐ States the final total cost - _____
- ☐ Cost and price analysis - _____
- ☐ Cost summary:
  - ☐ State the cost of this contract change;
  - ☐ List the cumulative cost of all prior contract changes; **AND**
  - ☐ Include an estimate of any further anticipated contract changes and associated costs - _____

Total Project Budget (Including Other Funds): Fill out the project budget below:

Funding Source:	Amount:

☐ Other related documents (specify) - _____

NOTE: If the original contract that this change is being made to has not been submitted to RTA, then the original contract must be submitted for Concurrence or Info Only as required by the Matrix before RTA will review the change.

GRANTEE'S CERTIFICATION:

I hereby certify that the above information is just and correct.

Signed: _____ Date: _____

Name/ Title (print): _____

Claim Certification Form

GRANTEE NAME:	
GRANTS NO.:	
PROJECTS NO. AND TITLE:	
CONTRACT NO.:	**TASK ORDER NO.:**
CONSULTANT/CONTRACTOR NAME:	
WEB BASED PROJECT MANAGEMENT SYSTEM IDENTIFICATION NUMBER:	

SUMMARY DESCRIPTION OF CLAIMS AND LITIGATION:

_____

☐ Cover letter - _____

Notification includes the following documents (provide explanation if no document is available):

☐ Value of the dispute - _____
☐ Brief description of the dispute - _____
☐ Basis of the disagreement - _____
☐ Other related documents (specify) - _____

Concurrence Request includes the following documents (provide explanation if no document is available):

☐ Cost summary: ☐ Base contract value; ☐ Cost of proposed settlement; and ☐ List cost of all prior settlements - _____
☐ Justification statement: ☐ State the Grantee's final position on the claim and basis for that position; ☐ List all the counterclaims by the Grantee, setting forth the amount and rationale for the Grantee's position on each; ☐ State the settlement costs are allowable under the Grant; ☐ Describe the actions the Grantee is taking to mitigate future, similar disputes; and ☐ State that the price is fair and reasonable and provide a basis for that determination - _____
☐ Cost and price analysis - _____
☐ Contractor/consultant written position on the dispute - _____
☐ Dispute History: ☐ Date of claim submission; ☐ Dates for claim correspondence from or to the contractor/consultant; ☐ Dates of negotiation meetings; ☐ Court dates; and ☐ Claim settlement date - _____
☐ Proposed settlement agreement - _____
☐ Other related documents (specify) - _____

Resolution includes the following documents (provide explanation if no document is available):

☐ The settlement agreement - _____
☐ Other related documents (specify) - _____

GRANTEE'S CERTIFICATION:

I hereby certify that the above information is just and correct.

Signed: _____ Date: _____

Name/ Title (print): _____

Protest Certification Form

GRANTEE NAME:	**GRANTS NO.:**
PROJECTS NO.:	**PROJECTS TITLE:**
CONTRACT NO.:	**TASK ORDER NO.:**
CONSULTANT/CONTRACTOR NAME:	
PHASE: ☐ Pre-Award ☐ Post Award	**NOTIFICATION TYPE:** ☐ Original ☐ Status Update ☐ Resolution

SUMMARY DESCRIPTION OF PROTEST:

_____

☐ Cover letter - _____

Notification includes the following documents (provide explanation if no document is available):

☐ When the protest was submitted - _____
☐ Name of protestor - _____
☐ Brief description of the arguments raised in the protest - _____
☐ Contract date(s) (e.g. when advertised, bid/proposal due date, date of award, etc.).- _____
☐ Summary of the Grantee's proposed response to the protest - _____
☐ Schedule impacts due to the protest, if applicable - _____
☐ Budget impacts due to the protest, if applicable - _____
☐ Other related documents (specify) - _____

Status update includes the following documents (provide explanation if no document is available):

☐ Current Protest Timeline: ☐ Date when protest was submitted; ☐ Date(s) of correspondence to and from the protestor; ☐ Contract date(s) (e.g. when advertised, bid/proposal due date, date of award, etc.); and ☐ Date(s) of meeting(s) with the protestor - _____
☐ Updated schedule impacts due to the protest, if applicable - _____
☐ Updated budget impacts due to the protest, if applicable - _____
☐ Other related documents (specify) - _____

Resolution includes the following documents (provide explanation if no document is available):

☐ Justification Statement: ☐ State the Grantee's final position on the protest and basis for that position; ☐ List all the counterarguments by the Grantee, setting form the rationale for the Grantee's position on each; and ☐ Describe the actions the Grantee is taking to mitigate future, similar protests, if applicable - _____
☐ The settlement agreement - _____
☐ Final schedule impacts due to the protest, if applicable - _____
☐ Final budget impacts due to the protest, if applicable - _____
☐ Other related documents (specify) - _____

GRANTEE'S CERTIFICATION:

I hereby certify that the above information is just and correct.

Signed: _____ Date: _____

Name/ Title (print): _____

V. Administrative Procedure #1502: Check Requests

ADMINISTRATIVE PROCEDURE # 1502
Check Requests and P-Cards

Initiating Department:	Finance
Effective Date:	10/15/2012
Supersedes:	AP 1502 (5/10/2012)
Number of Pages:	Page 1 of 7

1. PURPOSE AND SUMMARY

To communicate procedures to be followed when using Check Requests and Procurement Cards for the purchase of goods or services necessary to the performance of CTA business outside of CTA's formal procurement process. Payment options are limited to Check Requests and Procurement Cards.

If any provision of this AP conflicts with the terms of any collective bargaining agreement, the collective bargaining agreement shall prevail.

2. SUPPORTS THE FOLLOWING POLICY

It is the policy of the CTA to pay for authorized expenditures incurred while performing CTA business.

3. DEFINITIONS

3.1 **Chaining** - Chaining means splitting purchases into separate reimbursements in order to circumvent or avoid the requirements of the CTA's procurement regulations. Chaining is prohibited by CTA and may also violate other laws, including the Illinois Criminal Code.

3.2 **Check Request** - A method of making payments to vendors for material and service expenses that do not go through the CTA's formal procurement process and are not covered by a CTA contract or the CTA's procurement regulations. Check Requests are not to be used as a method for circumventing CTA's procurement regulations. There are two categories of Check Request:

A. Purchases that are less than $3,000 ("Micro Purchases"); and
B. Other expenses that are authorized by Executive Orders or other administrative directives but not covered by a CTA contract.

3.3 **Emergency** - A situation of unusual and compelling urgency whereby failure to react to the situation would adversely affect the safety of CTA personnel or the riding public, or the operation of the transportation system.

3.4 **Procurement Card (also called "P-Card")** – CTA charge card issued to select employees for material and service expenses that do not go through CTA's formal procurement process and are not covered by a CTA contract. P-Cards are not to be used as a method for circumventing CTA procurement regulations. P-Cards can only be used for the following categories of expenses under $3,000:

A. Expenses that are authorized by Executive Orders or other administrative directives but not covered by a CTA contract;
B. Expenses related to cases of emergency or public exigency that cannot otherwise be resolved by emergency or public exigency purchase as either outlined or specified in the *Procurement Policy and Procedures*, Section 4.2; and
C. To provide for employees performing special project functions and job duties during cases of emergency or public exigency and/or outside traditional work hours on a limited basis.

3.5 **Public Exigency** - Any event or occasional combination of circumstances, calling for immediate action or remedy; a sudden and unexpected happening or a reasonably unforeseen occurrence or condition.

4. ELIGIBILITY AND PROVISIONS

4.1 Check Request Expenses – Allowable

Check Requests are limited to allowable expenses with a documented CTA business purpose. Allowable expenses include, but are not limited, to the following:

A. Materials and Supplies: Materials and supply purchases where items are not available from inventory or any current purchase order. The applicable box on the *Check Request* (Form 414) must be checked.
B. Postage/shipping/mailing: Postal or delivery services not available at CTA or which require immediate action.
C. Copies and faxes: Copies or other office services not available at CTA or which require immediate action.
D. Local (within 50 miles of CTA service area) business meals involving non-CTA personnel: Business purpose of meal and names of employees and others in attendance required. Check request amount limited to $20.00 per person excluding tax and tip; gratuities limited to twenty percent (20%). Check Request requires approval of the President's Office.
E. Employee Appreciation:
   1. Twice per calendar year, refreshments for Department-sponsored employee appreciation events limited to $10.00 per person. Gift cards and other merchandise are prohibited.
   2. To provide for employees performing special project functions and job duties outside traditional work hours on a limited basis.
F. Eligible travel expenses: See Administrative Procedure #1505: *Travel, Seminar and Training Authorization and Reimbursement.*
G. Dues and Memberships for professional associations related to employee job duties.

4.2 Check Request Expenses – Prohibited

Unallowable material or services include, but are not limited to, the following:

A. Contracted for Materials and Supplies: Materials and shop supply purchases that are available in CTA inventory or through any current purchase order
B. Expenses which, considered together, would constitute Chaining
C. Local (within 50 miles of CTA service area) business meals involving only CTA personnel except as noted above (within allowable expenses) and with President's Office approval
D. Refreshments/supplies for non-business related special events (holiday, picnics, other) including items (flowers, cards, gift cards, fruit baskets, decorations, other) for personal events
E. Alcoholic beverages, Tobacco Products, Controlled Substances
F. Personal Items
G. Sponsorships and Donations
H. Entertainment and Recreational Activities
I. Office Furniture and Office Decor
J. Appliances (e.g. microwaves, refrigerators, coffee makers)
K. Refreshments/supplies for regular (daily or weekly) consumption by department personnel including kitchen textiles (e.g. napkins, cups, utensils)
L. Sporting Goods
M. Electronic Equipment (the purchase of items such as computers, printers and cell phones), unless individually approved in writing by the Vice President, Technology Management (may be demonstrated via e-mail attached to completed Form 414)
N. Software and Related Licensing Agreements, unless individually approved in writing by the Vice President, Technology Management (may be demonstrated via e-mail attached to completed Form 414)
O. Home expenses related to use of telephone or internet
P. Traffic citations or parking fines and penalties

Q. Car Washes
R. Cash Advances
S. Capital Equipment / Construction

4.3 Check Request - Terms of Use

Check Requests must be for valid CTA business purposes and supported by original receipts.

A. Purchase must be for a non-stock or an emergency item. Reimbursements will not be made for materials carried in CTA inventory (stock items) except in cases of public exigency or emergency.
B. Procurement must be for a one-time purchase. Chaining is expressly prohibited. Requests for purchases considered chained will not be approved.
C. Purchase price must be considered fair and reasonable, and a justification memorandum supporting a fair and reasonable price and providing a brief explanation as to how the determination was made must be provided as an attachment to the complete Form 414. The employee must exercise the same care as a prudent person would if purchasing items for personal use.
D. Procurement must be necessary for the conduct of CTA business.
E. Shipping charges should be included as part of the order costs quoted by the vendor.
F. Use of Check Requests is subject to periodic audit.

4.4 Check Request – Approvals:

Check Request (Form 414) must be completed in its entirety and supported by invoice (for goods and services) or registration, application, or order form when appropriate. A justification memorandum supporting the fair and reasonable purchase price and providing a brief explanation as to how the determination was made must be provided as an attachment.

A. All Check Requests must be approved by the department Vice-President.
B. For purchases greater than $500, approval by the Budget Department is also required.
C. For purchases funded under CTA's Capital Program, Capital Investment approval is required.
D. Employee Tuition Aid Reimbursement shall be approved in accordance with the provisions of the "Tuition Aid Reimbursement Plan."
E. Grievance and Labor Settlements shall be approved by the Labor Relations Department.
F. Fare box refunds shall be approved by the appropriate GM or VP of Transit Operations.
G. Costs associated with real estate acquisitions shall be approved by the GM or VP of Real Estate Department and as authorized by an approved CTA Board Ordinance.
H. Per diem legal services shall be approved by the General Counsel or his/her designee.
I. For purchases that fall in one of the categories of prohibited purchases outlined in § 4.2, President's Office approval is required.

4.5 Procurement Card – Terms of Use: Use of the P-Card must be for valid CTA business purposes and supported by original receipts.

A. Only the following employees shall be permitted to hold P-Cards:
   1. Chief of Staff;
   2. Chief Transit Operations Officer;
   3. Chief Safety and Security Officer;
   4. Chief Infrastructure Officer; and
   5. Vice President, Budget and Capital Finance.
B. Any issuance of P-Cards beyond the aforementioned designated employees may only be made with approval from the President or designee.
C. Purchase must be for a non-stock or an emergency item. P-Cards are not to be used for materials carried in CTA storerooms (stock items) except in circumstances described in § 3.4.
D. Procurement must be for a one-time purchase. Chaining is expressly prohibited.
E. Purchase price must be considered fair and reasonable, and documentation supporting a fair and reasonable price and how the determination was made must be provided. The employee must exercise the same care as a prudent person would if purchasing items for personal use.

F. Procurement must be necessary for the conduct of CTA business.
G. Shipping charges should be included as part of the order cost quoted by the vendor.
H. Only the employee to whom the P-Card is issued is authorized to use it. Delegating the use of the P-Card to another employee, even an employee with his/her own P-Card, is strictly prohibited.
I. Each P-Card holder shall be assigned a monthly credit limit. Intentional circumvention of this limit is strictly prohibited.
J. Qualifying P-Card purchases may be requested to be made by the Vice President, Budget and Capital Finance. These requests must be made in writing by a Department Vice President (or above) or designee. The Vice President, Budget and Capital Finance, will be responsible for verifying that the requested purchase falls within the scope of § 3.4.
K. Transactions made on the P-Card will be subject to review and approval by the Budget and Comptroller's Office after the purchases have been made.
L. P-Card holders are responsible to monitor transactions on a minimum monthly basis if no transactions are made or as needed to ensure charges match valid, documented purchases. Within forty-eight (48) hours of any transaction, the cardholder must expense and approve all transactions and assign the proper CTA accounting code.
M. Disputed transactions should be reported promptly and as further detailed in the *Procurement Card Program Cardholder Policies Manual* and the *Purchasing Card Program, User Guide for Cardholders and Managers*.
N. Lost or stolen cards should be reported promptly and as detailed in the *Procurement Card Program Cardholder Policies Manual*.
O. Use of the P-Card is subject to periodic audit.
P. P-Card transactions will be tracked by the Comptroller's Office. The Comptroller's Office will submit a monthly report of the P-Card transactions to the Electronic External Communications Department for posting to the CTA's website.

4.6 Sales Tax

A. CTA is exempt from the Illinois Retailers' Occupation Tax, the State and Local Service Occupation Tax, the Use Tax and the Service Use Tax.
B. It is the employee's responsibility to present vendors with a copy of the CTA's tax exemption letter from the Illinois Department of Revenue to indicate that CTA is a tax exempt organization.
C. A copy of the exemption letter can be obtained from the Accounts Payable Department.

4.7 Travel

Additional guidelines related to CTA travel are outlined in the Administrative Procedure #1505: *Travel, Seminar and Training Authorization and Reimbursement.*

5.A. PROCEDURES – CHECK REQUESTS

1.	Employee	With management authorization, employee contacts the vendor and places an order for an allowable expense. Employee notifies vendor that CTA is a tax-exempt organization and provides appropriate proof of tax-exempt status. Upon receipt of an invoice (for goods and services) or registration, application or order form (when appropriate) from the vendor, employee completes a *Check Request* (Form 414).

		Attaches the invoice or other supporting documentation to the Check Request and receives appropriate approvals.
2.	Department Head	Ensures that all information is accurate, all expenses are allowable and that supporting documentation is included. Budget Department approval required if check amount is in excess of $500. For purchases funded under CTA's Capital Program, Capital Investment approval is required. If check request is for an allowable business meal, President's Office approval is required.
3.	Budget Department	When applicable, reviews and approves.
4.	Capital Investment	When applicable, reviews and approves.
5.	President's Office	When applicable, reviews and approves.
6.	Accounts Payable	Reviews and processes Check Request. Issues payment.

5.B. PROCEDURES – PROCUREMENT CARDHOLDERS

1.	Authorized Employee	Requests *Procurement Card Employee Application Form* from Comptroller's Office. Returns completed form to Comptroller's Office.
2.	Comptroller's Office	Based on authorization from Section 4.5(A) or approval from the President or designee, establishes cardholder account.
3.	Authorized Employee	As scheduled by the Comptroller's Office, employee attends mandatory P-Card training session prior to P-Card activation. Employee must also review and sign an *Acknowledgement & Agreement* form, a *Procurement Card Program Code of Conduct* form, and the *Procurement Card Program Cardholder Policies Manual.*
4.	Employee	Once a P-Card is activated, an employee must expense and approve all transactions within forty-eight (48) hours of purchase. All expenditures must be documented as further detailed in the *Procurement Card Program Cardholder Policies Manual.*

5.	Budget Department	When applicable, reviews and approves as further detailed in the *Procurement Card Program Cardholder Policies Manual.*
6.	Comptroller's Office	When applicable, reviews and approves as further detailed in the *Procurement Card Program Cardholder Policies Manual.* Issues payment. Tracks the P-Card transactions and prepares a monthly report of the transactions made by each P-Cardholder; submits the monthly report to the Electronic External Communications Department.
7.	Electronic External Communications Department	Posts monthly report tracking P-Card transactions by Comptroller's Office to CTA website.

5.C. PROCEDURES – NON-PROCUREMENT CARDHOLDERS

1.	Requesting Department	Vice President (or above) or designee submits request in writing to Vice President, Budget and Capital Finance regarding the qualifying purchase and explains support for its justification under § 3.4. The written request must include: (1) Vendor name and contact information; (2) Description of goods/services to be purchased; (3) Amount of goods/services to be purchased; (4) Price of goods/services to be purchased (including shipping/handling, tax, etc.); (5) Statement that goods/services requested are not currently in stock and cannot be purchased through a current CTA contract; (6) Justification for purchase price being fair and reasonable; (7) Justification for purchase under categories in § 3.4.
2.	Vice President, Budget and Capital Finance	Reviews request and verifies accuracy of the following: (1) Scope of goods/services falls under the categories provided in § 3.4; (2) Total price of purchase is under $3,000; (3) Statement that goods/services requested are not currently in stock and cannot be purchased through a current CTA contract;

		(4) Justification for purchase price being fair and reasonable. If request satisfies the criteria, approves the request and facilitates purchase of goods/services. If criteria are not satisfied, contacts the User Department for clarification. If, regardless of discussions with the Requesting Department, some or all of the criteria remain unsatisfied, rejects the request. If, through discussions with the Requesting Department, all criteria are ultimately satisfied, approves the request and facilitates purchase of goods/services. Expenses and approves all transactions within forty-eight (48) hours of purchase. All expenditures must be documented as further detailed in the *Procurement Card Program Cardholder Policies Manual.*
3.	Budget Department	When applicable, reviews and approves as further detailed in the *Procurement Card Program Cardholder Policies Manual.*
4.	Comptroller's Office	When applicable, reviews and approves as further detailed in the *Procurement Card Program Cardholder Policies Manual.* Issues payment. Tracks the P-Card transactions and prepares a monthly report of the transactions made by each P-Cardholder; submits the monthly report to the Electronic External Communications Department.
5.	Electronic External Communications Department	Posts monthly report tracking P-Card transactions by Comptroller's Office to CTA website.

Approved by: Doug Kuda

Title: Chief of Staff

Date Approved: 10-3-12

VI. Contracts Report Template

Contracts Report

NEW CONTRACTS

VENDOR NAME	CONTRACT NUM	DESCRIPTION	USING DEPT	DBE GOAL	DBE PARTICIPATION COMMITMENT	ORIGINAL CONTRACT AMOUNT	START DATE	END DATE

CHANGE ORDERS

VENDOR NAME	CONTRACT AND CHANGE ORDER NUM	DESCRIPTION	USING DEPT	DBE GOAL	DBE PARTICIPATION COMMITMENT	ORIGINAL CONTRACT AMOUNT	CHANGE ORDER AMOUNT	ADJUSTED CONTRACT AMOUNT	START DATE	END DATE

NEW SUSPENSIONS AND DEBARMENTS

VENDOR NAME	SUSPENSION / DEBARMENT EFFECTIVE DATE	LENGTH OF SUSPENSION / DEBARMENT

VII. Procedures

- Emergency Contracts (Over $40,000)
- Purchasing Non-Stock, Operating-Funded Supplies and Services, Including Urgent Purchases up to $40,000
- LIQs for Architectural or Engineering Services
- RFPs for Professional Services

CTA Emergency Procurement Policies & Procedures

Definitions

Emergency- An emergency is a situation of unusual and compelling urgency whereby failure to react to the situation would adversely affect the safety of CTA personnel or the riding public, or the operation of the transportation system.

Public Emergency- Any event or occasional combination of circumstances, calling for immediate action or remedy; or sudden and unexpected happening or a reasonably unforeseen occurrence or condition.

Emergency or Public Emergency Contracts

If an emergency or Public Emergency exists, the President , or the Vice President, Purchasing & Supply Chain, with the approval of the Chairman, will authorize the negotiation and award of an Emergency or Public Emergency contract to purchase any goods or services needed. Emergency procurements may be negotiated with one source or on a limited competition basis depending on the circumstances.

Procedures for Emergency Contracts (Over $40,000)

Responsibility	Action
General Manager (Using Department)	**1. Informs Vice President of the operating emergency or Using Department public exigency need.**
	2. Prepares a request with an explanation of the operating emergency, as well as estimated cost and a list of potential vendors. Enters requisition into Oracle and forwards request to their Vice President.
Vice President (Using Department)	**3. Approves the request and the Oracle purchase requisition and forwards request to the Vice President, Purchasing & Supply Chain or designee.**
Vice President, Purchasing & Supply Chain or Designee	**4. Receives, reviews and approves the request; forwards to the President for review/approval and then to the Chairman of the Chicago Transit Board for authorization.**
Chairman, Chicago Transit Board	**5. Receives, reviews and approves or disapproves the request.**
	6. Following the review, returns the request to the Vice President, Purchasing & Supply Chain either approved or disapproved.
Vice President, Purchasing & Supply Chain	**7. Reviews the request. If approved, will direct the staff to proceed with the Procurement**

Procedures for Purchasing Non-Stock, Operating-Funded Supplies and Services, Including Urgent Purchases up to $40,000

Responsibility	Action
Fast Buy Requests	
Using Department	**1. Enters requisition into the Oracle System using Oracle System procedures for Adding a Requisition.** **a. Sends a written justification which includes the requisition number to the Purchasing Manager via e-mail.**
Manager, Purchasing	**2. Reviews the request to determine if it meets the guideline for a Fast Buy justification.**
	3. If a Fast Buy is justified, purchase materials/service in less than 1 (one) week.
	4. If a Fast Buy is not justified, follows the procedure for regular requests.

Noncompetitive Small Purchases – Check Requests

Goods and services for an amount not exceeding $3,000 may be purchased utilizing the following:

A check request, in which payments to vendors are administered directly with the Finance Department's approval without the direct involvement of the Buyer (Refer to Administrative Procedure #1502).

Procedures for Purchasing Non-Stock, Operating-Funded Supplies and Services, Including Urgent Purchases up to $40,000.00

Responsibility	Action
Regular Requests	
Using Department	1. Enters requisition into the Oracle System using Oracle System procedures for Adding a Requisition for Purchase and submits for approval routing.
Manager, Purchasing	2. Once approved reviews the online request for required information, such as complete description, specification, drawings, budget's approval, insurance requirements and sole source letters, if applicable, and assigns it to a Buyer to be processed (bid close date should be within 14days) and entered as a Purchase Order.
Using Department	3. Enters a receipt in Oracle when the Material / Services have been received and inspected.
Short Close Requests	
Using Department	1. Enters a requisition into the Oracle System, using Oracle System procedures for adding a requisition. a. **NOTE:** Upon entering the request into Oracle, the user must check the urgent check box. b. Sends a written justification which includes the requisition number to the Purchasing Manager via e-mail.
Manager, Purchasing	2. Reviews the request to determine if it meets the guideline for a Short Close justification. 3. If a Short Close is justified, the bid close date is shortened by 7-10 days from 14 days. 4. If a Short Close is not justified, follow the procedure for regular requests.
Fast Buy Requests	
Using Department	1. Enters a requisition into the Oracle System, using Oracle System Procedures for Adding a Requisition. a. **NOTE:** Upon entering the request into Oracle, the user must check the urgent check box. b. Sends a written justification which includes the requisition number to the Purchasing Manager via e-mail.
Manager, Purchasing	2. Reviews the request to determine if it meets the guideline for a Fast Buy justification. 3. If a Fast Buy is justified, purchase material/service in less than one (1) week. 4. If a Fast Buy is not justified, follows the procedure for regular requests.

Procedures for LIQs for Architectural or Engineering Services

The procurement of architectural and engineering services is a qualifications-based selection process. Price is not to be used as a factor in the determination of a firm's qualifications. A Letter of Interest and Qualification (LIQ) process solicits responses from architectural and/or engineering firms, to provide professional services for a specific project. Advertisements are placed by the CTA in a local secular English language daily newspaper of general circulation, the CTA website and other publications deemed appropriate. Announcements of the CTA's LIQ are mailed on the date of publication to firms that have previously expressed an interest in performing project related work. Information detailing LIQ response procedures is included in the solicitation package.

The LIQ process may require proposers to provide the following types of submittal information. Items may be added or deleted, as required by individual projects.

- Staff availability during the life of the project
- Ability to meet schedule
- Promptness of start-up
- Experience and Qualifications of key personnel
- Experience and Qualifications of the firm
- Transit design experience
- Commitment to the project relative to other projects
- Approach to project including schedule
- References on projects of similar type of work
- Commitment to Disadvantaged Business Enterprise (DBE) participation
- Financial statement

The LIQ solicitation includes information on the evaluation and selection processes. The process usually provides for an initial evaluation of the written proposal to the LIQ. After initial evaluation, the CTA will short list firms. These firms will participate in an interview or oral presentations prior to CTA making a determination of the best qualified proposer. The CTA shall seek to negotiate a contract with the best qualified proposer to provide the required scope of services within the internal level of effort estimate. If negotiations are successful then Board approval will be requested for contract award. If negotiations are unsuccessful, then the Authority will negotiate with the second highest qualified proposer after termination of negotiations with the highest qualified proposer. This process will continue with the short listed firms until an agreement is successfully negotiated. If all negotiations are unsuccessful, CTA reserves the right to resolicit the procurement.

The Evaluation Committee will consist of the following:

— Voting member(s) from the originating department and other departments as appointed by the President upon the recommendation of the Vice President, Purchasing & Supply Chain.
— One non-voting committee member shall be assigned by the General Manager, DBE Program and Contract Compliance Department to monitor compliance with policies regarding DBE program.
— Non-voting Project Manager
— One or more non-voting members from the Purchasing Department, including the Chair of the Evaluation Committee, to monitor compliance with purchasing procedures, pre-established evaluation criteria and funding agency concerns.

Procedures for LIQs for Architectural or Engineering Services

PROCEDURES

Responsibility	Action
Originating Department	1. Prepares Purchase Requisition in Oracle (ERP) with an attached memorandum stating the purpose and justification for the proposed project and the type of service being sought. The Requisition attachment(s) must also include the following requirements: brief statement of the scope; schedule; budget of the proposed project; recommended firms. The requisition approval process follows the steps established through ERP.
	2. Prepares evaluation criteria including the scoring system to be used in the evaluation process. Prepares evaluation criteria to be used by the Evaluation Committee.
Capital Investment Department	3. Reviews Purchase Requisition package; identifies funding sources (e.g., FTA, IDOT, RTA, City of Chicago, or other funding sources); and identifies organization, activity and account numbers. Approves and forwards ERP Requisition package and memorandum to Grant Accounting.
Grant Accounting Department	4. Reviews Requisition package; confirms organization, activity and account numbers; and forwards Requisition package through ERP process.
Purchasing & Supply Chain, Programs	5. Ensures insurance and other requirements are met for each requisition prior to routing the Requisition package to GM, Purchasing.
General Manager, Purchasing	6. Arranges for LIQ solicitation to be prepared and issued to be submitted to the Bid Office by the date and time established in the solicitation.
Purchasing & Supply Chain, Programs	7. Coordinates the placement of advertisements announcing the LIQ solicitation (Exhibit 1) in a local secular English language daily newspaper of general circulation, the CTA website and other publications deemed appropriate.
	8. Selects a representative from the Purchasing Department who will serve as a non-voting member and Chair of the Evaluation/Selection Committee. The Chair is responsible for advising committee members of their appointments and scheduling and conducting all committee meetings.

Procedures for LIQs for Architectural or Engineering Services

Vice President Purchasing & Supply Chain	9. Selects a sufficient number of individuals with appropriate qualifications from throughout the Authority to serve on the Evaluation and Selection Committee.
President	10. Approves members of the Evaluation and Selection Committee.
Bid Office	11. Receives and logs LIQ responses; transmits sealed proposals to Purchasing.
Purchasing Department	12. Opens and records LIQ responses received; schedules a meeting of the Evaluation/Selection Committee to review and evaluate the LIQ responses.
Evaluation Committee	13. Attends committee meeting, at which time the Chair distributes LIQ responses, evaluation guidelines and evaluation score sheets. Project Manager or designee presents the project scope and schedule; clarifies and elaborates on the evaluation criteria. Chair forwards to the DBE representative all DBE goal compliance documents that have been submitted with the LIQs. Chair establishes the date for submitting evaluation score sheets.
DBE Program/ Contract Compliance	14. Evaluates DBE goal submittals. Prepares a compliance memorandum and forwards it to the Chair, Evaluation Committee prior to the date established for submitting the evaluation score sheets. This memorandum is advisory regarding the apparent commitment indicated by prospective consultants.
Purchasing Department	15. Receives evaluations from the Evaluation committee members. Reviews DBE compliance memorandum and applies weighting factor to evaluation scoring. (Evaluation and Selection Committee members are not provided with criteria weight.) Prepares memo to the Vice President of Purchasing & Warehousing, which summarizes the Evaluation Committee scoring.
Vice President, Purchasing & Supply Chain	16. Establishes competitive range. If required and different from the Evaluation Committee, nominates a Selection Committee for approval by the President to evaluate consultants in the competitive range. A representative from Purchasing shall chair the Selection Committee as non-voting member.

Procedures for LIQs for Architectural or Engineering Services

Selection Committee	17. Participates in interviews and/or oral presentations with each of the consultants in the competitive range. Evaluates and ranks the firms according to the evaluation criteria established prior to the interviews or oral presentations.
Procurement Administrator, Purchasing	18. Prepares a final list of consultants ranked according to the results of the Selection Committee evaluations. Forwards results to the General Manager of Purchasing.
General Manager, Purchasing	19. Reviews results and forwards to Vice President, Purchasing & Supply Chain.
Vice President, Purchasing & Supply Chain	20. Reviews and approves recommended consultant based on results from the Selection committee. If required and different from the Evaluation or Selection Committee, nominates a Negotiating Committee to negotiate with the selected consultants in the ranked order. A representative from Purchasing shall chair the Negotiating Committee.
Negotiating Committee	21. Establishes a negotiation strategy.
	22. Conducts negotiations with the highest ranked consultant to reach agreement on scope of services, schedule, labor hours, costs, and compliance with DBE goal commitments.
General Manager, Purchasing	23. Reviews, approves and forwards recommendation to the Vice President, Purchasing & Supply Chain.
Vice President, Purchasing & Supply Chain	24. Reviews, approves and provides consent to proceed with Contract Award Recommendation to the General Manager, Purchasing.
General Manager, Purchasing & Supply Chain, Programs	25. Coordinates for routing a Contract Award Recommendation Summary and other supporting documents and arranges for appropriate signatures; places recommendation for contract award on the CTA Board's agenda for approval.
	26. Obtains approval to award contract according to the CTA's Procurement Policy & Procedures
Purchasing Department	27. Submits contract to funding agency for concurrence, if required by capital funding regulations.
	28. After CTA approval and/or funding agency concurrence, arranges for contract to be executed by the CTA.

Procedures for RFPs for Professional Services

A RFP may require the following information from potential consultants. Items may be added or deleted, as required by individual projects.

- — Approach to project task accomplishment, including proposed work schedule
- — Technical skills
- — Quality of work program
- — Experience, evaluations, and implementation
- — Staff availability during the life of the project
- — Ability to meet schedule
- — Prompt start up
- — Name(s) of committed top talent, key personnel
- — Key personnel credentials
- — Experience and tenure
- — Commitment to this project relative to other projects
- — Report preparation capabilities
- — Client relationship record
- — Performance history associated with distinctive and efficient problem-solving methods
- — DBE participation
- — Cost

Evaluation of a professional service contract is based on qualifications, proposed scope of work, and cost. However, unlike contracts for supplies or construction, the CTA is not obligated to take the lowest bid received when evaluating professional service proposals. The CTA reserves the right to negotiate a contract with one or more of the firms responding to the RFP based solely upon its assessment of the qualifications and ability of the firm, and the content of the proposal relative to the project task.

Selection is based on the competence and qualifications necessary for the type of service required. An evaluation is normally based on the written response and may be augmented by an oral presentation by the finalist(s) if so required by the CTA. The firm selected may be required to participate in negotiations, and re-submit price, or other revisions that may be required as a result of the negotiations.
Price is not the sole basis in determining award of contract. The CTA reserves the right to negotiate price proposals with prospective consultants.

Overall responsiveness and indication of the ability to start on the project and to complete the project in the time available, in addition to the experience in the type of work requested, are also considered before an award of the contract.

The Evaluation Committee will consist of the following:

- — Voting member(s) from the originating department.
- — Voting committee members, as deemed appropriate, from a pool of qualified staff appointed by the President upon the recommendation of the Vice President, Purchasing & Supply Chain.
- — One non-voting committee member shall be assigned by the General Manager, DBE Program and Contract Compliance Department to monitor compliance with policies regarding DBE program.
- — One or more non-voting members from the Purchasing Department, including the Chair of the Evaluation Committee, to monitor compliance with purchasing procedures, pre-established evaluation criteria and funding agency concerns.

Procedures for RFPs for Professional Services

PROCEDURES

Responsibility	Action
Originating Department	1. Prepares Purchase Requisition in Oracle, with an attached memorandum stating the purpose and justification for the proposed project and the type of service being sought. The Oracle Requisition or attachment(s) must also include the following requirements: brief statement of the scope; schedule; budget of the proposed project; names of the firms recommended for solicitation, where available; a statement indicating whether operating or capital funds are to be used; and the organization, activity and account numbers.
Budget or Capital Investment Department	2. Reviews Purchase Requisition and memorandum; identifies funding (Operating, FTA, IDOT, RTA, City); and confirms organization, activity and account numbers. Approves and if necessary forwards Requisition and memorandum to Grant Accounting.
Grant Accounting Department	3. Reviews Requisition and memorandum; confirms organization, activity and account numbers; and forwards Requisition and Memorandum to Purchasing.
Originating Department Project Manager	4. Submits to the Purchasing Department recommended evaluation guidelines and criteria weights.
General Manager, Purchasing	5. Arranges for RFPs to be prepared and issued; requests the number of copies of the responses, as deemed appropriate, to be submitted to the Bid Office before closure of the advertisement date.
Manager, Purchasing & Supply Chain/Programs	6. Arranges for an advertisement to be placed in a local secular English language daily newspaper of general circulation, the CTA website and other publications deemed appropriate, announcing request for proposals.
General Manager, Purchasing	7. Selects a representative from Purchasing who will serve as a non-voting member and Chair of the Evaluation Committee. The Chair is responsible for advising committee members of their appointments and scheduling and conducting all committee meetings.

Vice President Purchasing & Supply Chain	8. Selects at random a sufficient number of individuals with appropriate qualifications from throughout the Authority to serve on the Evaluation and Selection Committee.
President	9. Approves members of the Evaluation and Selection Committee.
Bid Office	10. Receives and logs RFPs; transmits sealed proposals to Purchasing.
Purchasing Department	11. Opens and records RFP responses received; schedules a meeting of the Evaluation and Selection Committee to review and evaluate the RFP responses.
Evaluation Committee	12. Attends committee meeting, at which time the Chair distributes RFP, evaluation guidelines and evaluation score sheets. Project Manager or designee presents the project scope, schedule, and estimated cost; clarifies and elaborates on the evaluation criteria. Chair forwards to the DBE representative all DBE goal compliance documents that have been submitted with the RFPs. Chair establishes the date for submitting evaluation score sheets.
Purchasing Department	13. Receives evaluations from committee members and applies weighting factor to scoring. (Evaluation and Selection Committee members are not provided with criteria weight.) Identifies firms' scores and prepares memo to the Vice President of Purchasing & Supply Chain summarizing the scoring.
Vice President, Purchasing & Supply Chain	14. Establishes competitive range. If required and different from Evaluation and Selection Committee, nominates a Selection Committee to evaluate consultants in the competitive range. A representative from Purchasing shall chair the Selection Committee as a non-voting member.
Selection Committee	15. Participates in interviews or oral presentations with each of the consultants in the competitive range. Evaluates and ranks the firms according to the evaluation criteria established prior to the interviews or oral presentations.

Procurement Administrator, Purchasing	16. Prepares a final list of consultants ranked according to the results of the Selection Committee evaluations. Forwards results to the General Manager of Purchasing.
General Manager, Purchasing	17. Reviews the results and forwards to Vice President, Purchasing & Supply Chain.
Vice President, Purchasing & Supply Chain	18. Reviews and approve recommended consultant based on results from the Selection committee. If required and different from the Evaluation or Selection Committee, nominates a Negotiating Committee to negotiate with the selected consultant in the ranked order. A representative from Purchasing shall chair the Negotiating Committee.
Negotiating Committee	19. Establishes a negotiation strategy.
	20. Conduct negotiations with the highest ranked consultant to reach agreement on scope of services, schedule, labor hours, costs, and compliance with DBE goal commitments.
General Manager, Purchasing	21. Reviews, approves and forwards recommendation to the Vice President, Purchasing & Supply Chain.
Vice President, Purchasing & Supply Chain	22. Reviews, approves and provides consent to proceed with Contract Award Recommendation to the General Manager, Purchasing.
General Manager, Purchasing	23. Prepares a Contract Award Recommendation Summary and arranges for appropriate signatures; places recommendation for contract award on the CTA Board's agenda for approval.
	24. Obtains approval to award contract according to the CTA's Procurement Policy and Procedures.
Purchasing Department	25. Submits contract to funding agency for concurrence, if required by capital funding regulations.
	26. After CTA approval and/or funding agency concurrence, arranges for contract to be executed by the CTA.