

DART Procurement Policy

Scope: See "Purpose and Scope"

Responsible Department: Procurement

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Purpose and Scope

- This document contains procurement policies, not procurement procedures.
- This policy:
 - Is a high-level statement that communicates DART's intentions, values, and overall approach to particular areas and issues.
 - Provides a framework for decision-making and actions at DART.
 - Is intended to set the direction, expectations, and principles that guide DART's employees', officers', agents', and Commission members' behavior and decision-making.
- This policy applies to all contractual actions by DART, with the following exceptions:
 - Transactions involving real estate
 - Joint development projects (in which DART forms a partnership with a private sector entity)
 - Purchases from government-regulated entities such as public utilities which are granted market exclusivity by the regulating agency
 - Purchases of professional subscriptions, memberships, seminars, and expenses in connection with industry meetings and conferences
 - Purchases for travel and living expenses on DART business and other similar expenditures incidental to the routine conduct of DART's business
 - Revenue contracts (contracts whose principal purpose is to generate revenue for DART) of the "open contract opportunities" sort (i.e., when a party seeks to contract with DART on an opportunity that is similarly open to any similar parties). At DART, these include Unlimited Access contracts, Caravan (vanpooling) contracts, and special event contracts.
 - Employment contracts

Applicability and Governance

- DART's procurement actions are governed by:
 - Federal regulations regarding procurements that use federal funds, including 49 U.S.C. (known as the Common Grant Rule)
 - FTA Master Agreement (FTA MA 33)
 - This procurement policy
- Guidelines for following federal regulations are provided in the following resources:
 - 2 CFR 200 (issued by the Office of Management and Budget (OMB) and commonly known as the "Uniform Guidance")
 - FTA C4220.1G (Third-Party Contracting Requirements); Note that this "applies to... regional public transportation authorities that are not a State" and allows for such an authority to "use its own procurement procedures, if those procedures conform to applicable Federal law and regulations, including the applicable Common Grant Rule."
 - Federal Acquisition Regulations (FAR)

- It's DART's policy to follow federal regulations for all procurements, even those that don't use federal funds. However, if no federal funds are used, federal provisions and certifications aren't required.

Who May Procure for DART?

Only DART employees who have received the appropriate level of training may procure goods and services for DART. All procurements over \$50,000 must be conducted by DART's Procurement Department.

Procurement Authority Levels *		
Contract Threshold**	Who May Conduct the Procurement?	Notes
Micro-Purchases (up to \$10,000)	Employees who have completed Micro Purchase training	The Procurement Department provides Micro-Purchase training
Small Purchases between \$10,001 and \$50,000	Employees who have completed Small Purchase training	The Procurement Department provides Small Purchase training
>\$50,000	Procurement Department must conduct all procurements over \$50,000	

* Procurement Authority is not the same as Signature Authority. For information about Signature Authority (i.e., who may approve/sign invoices, purchase orders, and other contracts), refer to DART's Signature Policy.

** Includes the entire life of contract, including the aggregate sum of all amendments, change orders, task orders, and renewals, of the contract

General Procurement Standards

Standards of Conduct

- The conduct of DART employees, officers, agents, and Commission members involved in procurement or contracting activities are governed by:
 - Chapter 68B of the Code of Iowa (Government Ethics and Lobbying)
 - 2 CFR 200 (issued by the Office of Management and Budget (OMB) and commonly known as the "Uniform Guidance")
 - This procurement policy
 - The Employee Code of Conduct & Ethics policy and the Conflict of Interest policy, located in the DART Handbook.

- Any person who knowingly and intentionally violates these standards is subject to disciplinary action, up to termination of employment.

Sources

To acquire property or services, DART can:

1. Use its own labor force and equipment
2. Enter into an agreement for shared use of property and services
3. Enter into Public-Private Partnerships (P3s)
4. Partner with another purchaser to complete a joint procurement
5. Use a State or local government purchasing schedule or purchasing contract
6. Use Federal excess and surplus property
7. Use a General Services Administration (GSA 70) federal supply schedule.
8. Use an existing contract that's held by another recipient (called "piggybacking")
9. Shop the open market (i.e., compare prices of vendors, solicit quotes, bids, and proposals, etc. to allow potential contractors to compete with one another)

Geographic Preferences

- With some exceptions, DART's competitive procurement decisions may not take into consideration any state or local geographic preferences, even if those preferences are imposed by state or local laws or regulations.
- Geographic location may be a selection criterion only in procurements for:
 - Architectural and engineering (A&E) services
 - State licensing requirements
 - Major disaster or emergency relief

Competition

- DART's competitive procurement transactions must be conducted in a manner that:
 - Maximizes full and open competition
 - Doesn't provide an unfair competitive advantage to any potential vendor
- Some situations considered restrictive of competition include:
 - Unreasonable business requirements for bidders or offerors
 - Unnecessary or excessive experience requirements, excessive bonding requirements, insurance, warranty, or similar requirements that affect an otherwise qualified firm's ability to compete
 - Noncompetitive pricing practices between firms or between affiliated companies.
 - Using prequalification procedures that conflict with FTA Circular 4220.1G, Chapter VI(1)(c)

- Noncompetitive awards to any person or firm on retainer contract if that award is not for the property or services specified for delivery under the retainer contract
- Specifying only a "brand name" product, without specifying that equivalent products will be accepted and without providing a description of equivalent products.
- Any arbitrary action in the procurement process
- Competitive procurement standards may be waived:
 - When purchasing fleet replacement parts and related inventory, when doing so is necessary to:
 - Ensure the timeliness of the receipt
 - Maintain compatibility and warranty
 - Control shipping costs
 - When DART accepts from a private entity a grant that has specific requirements or stipulations
- It is the policy of DART that Disadvantaged Business Enterprises (DBEs), as defined in 49 C.F.R. Part 26, shall have an opportunity to participate in awards of DART's contracts and subcontracts. DART must make good-faith efforts to ensure utilization of DBEs. Refer to [DART's DBE Policy](#) for information regarding how Procurement is involved in DART's DBE program.

Economic Purchasing and Price Principles

- Duplicative and unnecessary purchases must be avoided. DART purchases only what it needs at the time of the acquisition.
- Duplicative procurement standards may be waived for fleet maintenance purposes, when it's necessary for DART to purchase backup/duplicative supplies of fleet replacement parts and related inventory.
- Consideration should be given to consolidating or breaking out procurements to obtain more economic pricing (or to provide opportunities for disadvantaged businesses, women-owned business, minority-owned businesses, or small businesses). However, it's prohibited to consolidate or break out procurements for the purpose of circumventing competitive procurement requirements.
- Where appropriate, analysis will be made of lease versus purchase alternatives or any other appropriate methodology to determine the most economical approach.

Price Reasonableness and Analysis

- Price reasonableness should be considered for every procurement.
- (FTA Best Practices Manual 4.6) For procurement actions (including modifications) above the Simplified Acquisition Threshold (SAT) and for public improvements (construction/building work), the following are required:
 - Independent Cost Estimate (ICE), and

- Price Analysis or Cost Analysis

Independent Cost Estimate (ICE)

- The ICE is an estimate of what the product or service “should” cost based on recent competitive market prices.
- The ICE must be prepared without knowledge of the contractor’s proposed pricing (i.e., the ICE must be performed before receiving bids or proposals).
- ICE sources/resources include:
 - Past purchases
 - Published price lists
 - Historical pricing information
 - Comparable purchases by other agencies
 - Engineering estimates
 - Independent third-party estimates
- The source and date of an ICE must be documented

Price Analysis

- A Price Analysis is an evaluation of the offeror’s price relative to the prices being offered by other vendors and being paid by the general public for the same or similar items.
- Price Analyses are suitable for commercial products and services (i.e., products and services for which there is a basis of comparison in the commercial marketplace).
- The accepted forms of price analysis techniques include:
 - Adequate price competition (at least two competing bids or proposals)
 - Prices set by law or regulation
 - Established catalog prices and market prices
 - Comparison to previous purchases

Cost Analysis

- A Cost Analysis is conducted to perform an opinion on the degree to which the proposed cost, including profit, represents what the performance of the contract “should cost”, assuming reasonable economy and efficiency.
- If a reasonably sound Price Analysis cannot be determined, a Cost Analysis is required.
- Cost Analyses:
 - Are suitable for products and services that can't be evaluated against other commercially available items of similar products or services. Examples would include a procurement for professional services where no competing price proposals are submitted, as in a procurement for architectural-engineering services where only one cost proposal is solicited from the highest ranking firm, or a sole-source procurement for other types of services.

- Are required when change orders are issued to contracts requiring the contractor to do work whose cost can only be evaluated by examining the various cost elements, such as labor, materials, travel, etc.

DART's Third-Party Contract Provisions

- **General Provisions:** DART's Procurement Department maintains a library of boilerplate contract provisions, which should be used as a starting point for its third-party contracts. These provisions include, for example, language regarding contract term, contract price, contractor obligations, scope of work, project schedule, contract modifications, delays, payment, dispute resolution, and more.
- **Special Provisions:** Certain types of contracts require DART's Data Privacy and Security Standards Provisions and/or SaaS Terms and Conditions.

Federal Third-Party Contract Provisions and Certifications

- Applicable federal provisions (which flow down to subcontractors) must be included in contracts that use federal funds.
- Which provisions are required depends on what the contract is for, what the price is, and more. For example, all contracts that use federal funds require an equal employment opportunity provision, but only construction contracts over \$2,000 require an anti-kickback provision.
- Contractors must sign applicable federal certifications. Which certifications are required depends on what the contract is for, what the price is, and more. For example, contracts for transit (people-moving) services require an Alcohol and Controlled Substances Testing certification.

Specifications

- Contract specifications describe in detail the requirements surrounding the product or service DART intends to procure.
- DART solicitations must include a clear, accurate description of the technical requirements for the material, product, or service to be procured.
- Whenever practical, requirements will be described in terms of functions to be performed or level of performance required, including the range of acceptable characteristics or minimum acceptable standards.
- Specifications should be detailed enough to ensure that bidders can submit pricing on a comparable basis. However, specifications or scopes of services for negotiated procurements may be more general and accommodate the possibility of alternative solutions or products.
- Specifications shouldn't contain details that could restrict competition or be so detailed as to restrict competition.
- When it's impractical to describe all technical requirements clearly and accurately, a "brand name or equal" description may be used to define the performance. This description should set forth those salient physical, functional, or

other characteristics of the referenced product that an equal product must have in order to meet the recipient's needs. However, this method may not be used to limit competition, but rather to describe the characteristics of the product needed. The specifications must include the relevant characteristics that the product must meet and state that vendors may offer "equal" products meeting those characteristics. (If only a "brand name" or make/model is specified, without the "or equal" provision, the procurement must be processed as a sole source and is subject to justification requirements).

- Whenever practicable and economically feasible, products and services dimensioned in the metric system of measurement are acceptable.
- Whenever practicable and economically feasible, preference will be given to products and services that conserve natural resources, protect the environment, and are energy efficient.

Selection Procedures

- DART's selection procedures ensure fair, unbiased evaluation of competing offers for all types of competitive procurement transactions.
- When a purchase from a vendor exceeds the micro-purchase threshold, the vendor must be determined to be responsive and responsible. Responsibility determination must include a search of the online System for Award Management (<https://sam.gov/>) to determine that the vendor has not been debarred or suspended from federal awards.
- If there is a technical evaluation (often required in RFPs), it must be overseen by the Procurement Department to ensure it's fair, thorough, and adequately documented. A determination shall be made by the Procurement and Contracts Manager that the apparently successful offeror:
 - Is responsive (i.e., complies with all material elements of the solicitation)
 - Is responsible (i.e., possesses the technical and financial resources to successfully perform the contract, and has a satisfactory record of past performance, compliance with public policy, and integrity).
 - Is submitting a fair and reasonable price

Records / Documentation

- DART must maintain records detailing the history of a procurement in a manner consistent with its size, complexity, and cost. At a minimum, these records include:
 - **Signed/executed copy of contract**, if one exists
 - **Procurement Method:** The rationale for the method of the procurement (e.g., competitive sealed bidding, competitive negotiation, sole source, etc.)
 - **Contract Type:** The rationale for the selection of the contract type (e.g., fixed price, cost reimbursement, etc.)
 - **Contractor Selection:** The rationale for contractor selection or rejection, as well as a written responsibility determination for the successful contractor, if applicable

- **Cost or Price:** The basis for the contract price, which is typically determined using an independent cost estimate, a cost analysis, or a price analysis
- Additional records to maintain could include things like bond documentation and contractor correspondence.
- DART's:
 - Record retention policy is here: K:\Procurement\Procurement\Records Retention\Final\DART Records Management Policy - Final.
 - Procurement record retention rules are located on the specified tab in K:\Procurement\Procurement\Records Retention\Final\Exhibit A - DART Record Retention Schedule

Contract Period / Term

The appropriate contract period (term) depends on the contract type.

Contract Type	Contract Period Not to Exceed
Rolling Stock and replacement parts	5 years
Services	6 years (maximum 3-year initial term, with up to three individual 1-year renewals)
Information Technology (e.g., SaaS)	10 years (maximum 5-year initial term, with up to five individual 1-year renewals)

Base contract periods on sound business judgment, including considerations like:

- The nature of the item being purchased
- The need to give the contractor the opportunity to recapture start-up costs
- The need to give competing vendors the opportunity to do business with DART
- The relative benefit to DART of a longer or shorter contract term

Resolution of Third-Party Contracting Issues

DART is responsible for resolving all contractual and administrative issues arising out of its third-party procurements, including source evaluation and selection, protests of awards, disputes, and claims using good administrative practices and sound business judgment. All DART contracts include terms for protests, disputes, and claims/litigation.

Contract Options

- A contract option is a unilateral right in a contract by which, for a specified time, DART may elect to purchase additional equipment, supplies, or services called for by the contract, or may elect to renew a contract.

- A contract renewal is a common type of contract option. (Note that a contract renewal is different from a contract extension, which is a type of contract modification).
- Official change orders (aka amendments) must be completed when a contract option is exercised.
- There are limitations to when and how contract options can be exercised. For example, if a contract's options were not evaluated as part of the original contract award, exercising those options after contract award will result in a sole source award requiring justification.
- Exercising an option after DART has negotiated a lower or higher price will also result in a sole source award unless that price can be reasonably determined from the terms of the original contract, or that price results from Federal actions that can be reliably measured, such as changes in federal prevailing labor rates.
- DART may not exercise an option unless it has determined that the option price is better than prices available in the market, or that when it intends to exercise the option, the option is more advantageous.

Contract Modifications

- Modifications to an active contract are often desired or required. A contract modification might, for example, alter a project timeline, modify tasks that were in the original scope of work, or extend a contract.
- Each contract modification must stand on its own merit, just like an original contract. Therefore, you must have:
 - A justification / reason (requirement) for the change
 - Funds to support the change
 - Evidence that prices are fair and reasonable
 - Documentation that tells the story of the purchase
- When modifying a contract, an official change order (aka amendment) must be completed, according to the terms outlined in the original contract. If a change order adds work, the work must be within the original scope of the contract.

Procurement Thresholds

The method of procurement/degree of competition required depends in part on the dollar value and the type of contract. Purchases may not be divided to be under a dollar threshold to avoid competition or procurement standards.

Price Threshold (for life of contract, including extensions)	Procurement Level	Method of Procurement / Minimum Degree of Competition
Up to Micro-Purchase Threshold (*\$10,000)	Micro-Purchase	No competitive quotes required.
Micro-Purchase Threshold up to Simplified Acquisition Threshold (SAT) (*\$250,000)	Small Purchase	At least two competitive quotes or proposals required (three or more are preferred)
Greater than Simplified Acquisition Threshold (SAT) (*\$250,000)	Large Purchase	Competitive sealed bidding or competitive proposals are required

* As of June 2025:

- The Micro-Purchase threshold is \$10,000 (as set by the FAR at 48 CFR part 2)
- The Simplified Acquisition Threshold is \$250,000 (as set by the FAR at 48 CFR part 2)

Micro-Purchases

Micro-purchases are typically made for items sold “off-the-shelf” to the general public (e.g., pencils, hand sanitizer). They are single, discrete purchases, or “one-off” purchases, to which contract periods/length of contract considerations don’t apply.

Competition: No competition is required, but it's encouraged when practicable.

Contract Required: No contract or Purchase Order (PO) is required for micro-purchases.

Documentation:

- Most micro-purchases don't require documentation (with some exceptions, such as construction projects over \$2,000 that use federal funds)
- It's recommended that you retain the following records.
 - DART's Written Record of Procurement Micro-Purchases form
 - Quote, order form, receipt, or invoice
 - If vendor requires it, the Purchase Order (PO)

Additional Information:

- Purchases may not be split into micro-purchases to avoid a competitive solicitation process.

Small Purchases

- Small purchases are relatively simple and informal solicitations for services, supplies, or other property.
- Small purchases could involve multi-year contracts, as long as contract aggregate expenditure doesn't exceed the SAT.
- Procurements over \$50,000 must be handled by DART's Procurement Department.

Competition Required: Competition is required. At least two (but ideally three) quotes or proposals from qualified sources must be sought out and documented.

Contract Required: A contract or PO is required, with applicable federal clauses and certifications included if using federal funds.

Documentation Required:

- DART's Written Record of Procurement – Small Purchases form
- Invoices
- Purchase Order
- Copy of solicitation correspondence (i.e., the letter or email that was sent to vendors)
- Responses received from bidders (in email or written form), and any other bidder correspondence
- DART's Bid Quotation Form, which includes reason for award determination and details such as buyer name, date, department, funding source, budgetary estimate, vendor information, item description, unit and total costs, and comments.
- DART Commission approval for procurement, if \$100,000 or greater
- See [Records / Documentation](#)

Large Purchases

Competition Required: Competitive sealed bidding through DART's eProcurement system is required.

Contract Required: Yes, with applicable federal clauses and contractor certifications included if using federal funds.

Documentation Required:

- DART's Record of Procurement – Large Purchases form
- Determination of responsiveness and responsibility
- Solicitation, including specifications, and amendments
- Advertisement of solicitation
- Notified vendors/bid list
- ICE Summary
- Price Analysis and (if needed) Cost Analysis
- Documentation concerning rebid or proposal conferences and/or any solicitation Q&As
- Notice of Intent to Award Contract
- Rejection letters
- Public Bid opening documentation
- Best and Final Offers (BAFOs)
- Protest letters, decisions, and related documents
- Signed federal clauses and certifications
- DART Commission approval for procurement
- Contractor-submitted data and reports

- Correspondence and documentation related to complaints or contractor performance
- Documentation regarding pre-award or post-award Mistakes in Bid
- Invoices / Purchase Orders
- Additional documentation is required for some contract (e.g., construction contracts)
- See [Records / Documentation](#)

Procurement Methods

Competitive Quotes

Definition:

- A method of procurement that involves soliciting quotes (via a Request for Quote, or an RFQ, usually via emails or letters) for specified goods or services from at least two (preferably three or more) vendors
- DART determines from which vendors to solicit the quote.
- A reasonable effort should be made to solicit quotes from a range of vendors.
- The fixed-price award goes to the lowest quote. This method doesn't permit negotiations or consideration of qualitative factors, with some exceptions listed below.
- Results in a Firm Fixed Price Contract

When it's used/additional information:

- Competitive quotes are used to find vendors for micro-purchases and small purchases (although they're not required for micro-purchases).
- Occasionally negotiations are allowed during this type of procurement. For example:
 - Only a single quote was received, so DART negotiates with the vendor to ensure a fair price.
 - The lowest quote was too expensive, so DART negotiates with that vendor to obtain a price within available funds.

Competitive Sealed Bidding

Definition:

- A method of procurement that includes public notice of an Invitation for Bid (IFB) and evaluation of bids based on criteria established in the IFB.
- The fixed-price award goes to the lowest responsive and responsible bidder. This method doesn't permit bidder negotiations or consideration of qualitative factors, with some exceptions listed below.
- Results in a Firm Fixed Price Contract

When it's used/additional information:

- This is the preferred method for acquiring property, construction, and other well-defined services or goods. If a different method is used for these purposes, there must be a well-documented justification and it must be approved in advance by the Procurement Department.
- Occasionally negotiations are allowed during this type of procurement.
 - Examples:
 - Only a single responsive bid was received from a responsible bidder, so DART negotiates with the bidder to ensure a fair price.
 - The responsive bid from the lowest responsible bidder was too expensive, so DART negotiates with that bidder to obtain a contract price within available funds.
 - However, DART may not, as part of a negotiation process, alter the scope and specifications defined in the IFB in a manner that might have attracted additional bidders if it had been incorporated in the solicitation. The IFB must be canceled and started over.

Competitive Proposals

Definition:

- A method of procurement that includes the issuance of a written Request for Proposal (RFP), public notice of the RFP (if over SAT threshold), evaluation based on criteria established in the RFP, and negotiation with the top ranked Offeror.
- The negotiated award (of either a fixed price contract or a cost-reimbursement type contract) goes to the Offeror offering the "best value" to DART.
- The RFP solicitation must inform potential offerors that the award will be made on a "best value" basis and identify what factors will form the basis for award, such as technical design, technical approach, length of delivery schedules, quality of proposed personnel, past performance, and management plan.

When it's used: Competitive Negotiation is required when the Procurement and Contracts Manager has determined that all of the following conditions exist:

- A complete, adequate, and realistic specification or purchase description isn't available.
- Two or more responsible offerors are willing and able to compete effectively for the award.
- The selection of the successful offeror requires consideration of factors other than price
- Discussions with offerors are anticipated.

Specialty Procurements

Construction

Definition:

- Construction contracts are contracts for building, altering, repairing, improving, or demolishing any structure, building, or highway, and any draining, dredging, excavation, grading, or similar work upon real property.
- Requires competitive sealed bidding, except under very limited instances and with a written determination made in advance by DART's Procurement and Contracts Manager.

Special considerations:

- As an Iowa public entity that receives local taxpayer dollars, DART is subject to Iowa Code Chapter 26 for public improvements. These thresholds are more restrictive than the federal thresholds.
- Davis-Bacon prevailing wage requirements apply to federally funded construction contracts exceeding \$2,000.
- DART will use value engineering for all construction projects over \$10 million.
- In addition to using a traditional design-bid-build contracting method, DART will consider Alternate Contracting Methods (ACMs), which include:
 - Design-build
 - Progressive design-build
 - Construction manager/general contractor
 - Construction manager-at-risk
 - Public-private partnership, and
 - Other innovative methods with or without a name
- There is a separate Change Order policy for construction contracts.

Procurement Thresholds for Construction Contracts

Price Threshold (for life of contract, including extensions)	Method of Procurement / Minimum Degree of Competition
Less than \$36,000 if no federal funds being used; \$10,000 or less if federal funds are being used	No competitive quotes required
\$36,000 to \$82,000	At least two competitive quotes required (three or more are preferred)
More than \$82,000	Competitive sealed bidding is required

* Thresholds as of 1/1/2025

Architectural and Engineering (A&E) Services

- FTA requires the use of the qualifications-based procurement procedures contained in the Brooks Act to acquire A&E services, and also for program management, construction management, feasibility studies, preliminary engineering, design, architectural, engineering, surveying, mapping, and related services. (49 U.S.C. Section 5325(b)(1))
- Geographic location may be a selection criterion if an appropriate number of qualified firms are eligible to compete for the contract.

Rolling Stock

The term “rolling stock” applies to vehicles used to transport passengers and includes buses and vans. Light duty vehicles used to transport passengers are considered rolling stock. Light duty vehicles such as vans, sedans, and pick-up trucks used for administrative and maintenance purposes are considered equipment.

DART will comply with the requirements of FTA C 4220.1G, Chapter 4, Section 2.e., Rolling Stock – Special Requirements when procuring rolling stock. These requirements include accessibility, special DBE requirements, minimum service life, spare ratios, air pollution and fuel economy, pre-award and post-delivery review, bus testing, time limits on options, and lease versus purchase decisions.

Revenue

- A revenue contract is one in which DART provides access to public transportation assets to generate revenue or create business opportunities.
- There are two types of revenue contracts:
 - Limited Contract Opportunities: A contract opportunity that is not open to all similar parties due to its limited nature (e.g., there is limited space on the side of a bus for advertising). DART uses a competitive process for these to allow interested parties an equal chance to obtain that limited opportunity.
 - Open Contract Opportunities: A contract opportunity that is open to any interested party, so no competitive process is necessary. DART's open contract opportunities include Unlimited Access contracts, Caravan (vanpooling) contracts, and special events contracts.

Sole Source

Definition: A Sole Source procurement is one that has been accomplished through the solicitation and acceptance of a proposal from only one source, when normally competition would be required.

When It's Used:

- Sole Source procurements can be used only if only one source is practically available.
- Circumstances that may lead to and justify a sole source action are:
 - **Unique Capability or Availability.**
 - Unique or Innovative Concept. The offeror demonstrates a unique or innovative concept or capability not available from another source. Unique or innovative concept means a new, novel, or changed concept, approach, or method that is the product of original thinking, the details of which are kept confidential or are patented or copyrighted, and is available to DART from only one source and has not in the past been available to DART from another source.

- Patent or Restricted Data Rights. Patent or data rights restrictions preclude competition.
- Substantial Duplication Costs. In the case of a follow-on contract for the continued development or production of highly specialized equipment or services and major components thereof, when it is likely that award to another contractor would result in substantial duplication of costs that are not expected to be recovered through competition.
- **Single Bid or Proposal.** Upon receiving a single bid or proposal in response to a solicitation, the Procurement and Contracts Manager will determine if competition was adequate. This should include a review of the specifications for undue restrictiveness and might include a survey of potential sources that chose not to submit a bid or proposal.
 - Adequate Competition: Procurement and Contracts Manager acknowledges competition to be adequate when the reasons for few responses were caused by conditions beyond DART's control. Many unrelated factors beyond DART's control might cause potential sources not to submit a bid or proposal. If the competition can be determined adequate, DART's competition requirements will be fulfilled, and the procurement will qualify as a valid sole source.
 - Inadequate Competition: Procurement and Contracts Manager acknowledges competition to be inadequate when caused by conditions within DART's control. For example, if the specifications used were within DART's control and those specifications were unduly restrictive, competition will be inadequate.
- All change orders (amendments) outside the scope of the original contract are considered a sole source procurement.
- A written justification for the sole source procurement is required.

Emergency

Definition: An Emergency Procurement is one that has been made without following normal procedures and competition guidelines, due to an emergency.

When It's Used/Additional Information:

- Emergency procurements are allowed only when a delay could result in jeopardy to persons or property.
- The situation leading to the emergency should be one that could not normally be anticipated.
- In all cases of emergency purchases, solicitations should be requested from as many potential sources as is practicable under the circumstance.
- Justification for the emergency procurement and a statement of reasonableness of costs must be documented and submitted to the Procurement and Contracts

Manager for approval. This documentation must be attached to the purchase order and placed in the procurement file.

Approval: Must be approved by the Procurement and Contracts Manager. If it's above Commission threshold, it must be approved by the DART Commission at the next feasible opportunity following the emergency procurement.

State or Local Government Purchasing Schedules or Purchasing Contracts

A state or local government purchasing schedule or purchasing contract means an arrangement that a State or local government has established with multiple vendors in which those vendors agree to provide essentially an option to the State or local government, and its subordinate government entities and others it might include in its programs, to acquire specific property or services in the future at established prices.

State or local government purchasing schedule or purchasing contracts are subject to federal requirements, including, but not limited to, full and open competition, no geographic preferences, Buy America, and bus testing, and must include all FTA required clauses and certifications with its purchase orders issued under the State contract.

GSA's Cooperative Purchasing Program

- Per FTA Circular 4220.1G, DART can use the GSA's Cooperative Purchasing Program to purchase:
 - Information technology (Section 211 of the E-Government Act of 2002, 40 U.S.C. Section 502(c)(1)) and
 - Products and services to facilitate recovery from a major disaster (Section 833 of the John Warner National Defense Authorization Act for Fiscal Year 2007, Public Law 109-364, amended 40 U.S.C. Section 502(d)).
- All federal requirements, required clauses, and certifications must be properly followed and included, whether in the master contract or DART's purchase documents.

Piggybacking

DART can use contract options held by another recipient (known as "piggybacking") (per FTA C 4220.1G). When DART obtains contractual rights through assignment, it may use these rights only after determining that:

- The original contract price remains fair and reasonable
- The original contract provisions comply with all applicable Federal requirements, including the presence of an "assignability" clause
- The assigning recipient originally procured quantities necessary for their needs (i.e., they did not procure unreasonably large quantities)

- The quantities the assigning recipient acquired, together with the quantities the acquiring recipient seeks, do not exceed the amounts available under the assigning recipient's contract
- The agency with the contract complied with all FTA requirements relating to competition and performance of a cost or price analysis
- The prices it will pay are fair and reasonable (using Price Analysis or Cost Analysis)

All appropriate documentation from the original awarding agency must be obtained and retained in the procurement file for that acquisition.

Prohibited and Restricted Procurement Methods

- (Prohibited) **Cost Plus a Percentage of Cost** and **Percentage of Construction Cost**:
In these contracts, the contractor's fee automatically increases when its costs (time, materials) increase. In other words, the more the contractor spends, the higher the contractor's fee is. This incentivizes inefficiency.
- (Restricted) **Cost Plus Fixed-Fee**
 - Also known as on-call contracts, task order contracts, or Indefinite Delivery Indefinite Quantity (IDIQ) contracts.
 - These contracts don't specify a fixed quantity of services and may be used only for projects for which the requirements and costs cannot be accurately defined upfront.
 - The contractor is reimbursed for its actual costs ("Cost"), and its required fee/profit ("Fixed Fee") is set at the beginning of the contract. Fee/profit is fixed regardless of performance.
 - The initial award should include a commitment from the contractor on rates the contractor will use in pricing each individual task. These rates will be fixed for the life of the contract and applied to each task order, as applicable.
 - When this method is used, both the solicitation and the contract award should contain a minimum and maximum quantity that represent the DART's reasonably foreseeable needs.
- (Restricted) **Time and Materials**
 - In these contracts, the more time it takes the contractor to complete the work, the more it earns. This generates an open-ended contract price and offers the contractor no incentive to control costs.
 - Permitted only if:
 - No other type of contract is suitable, and
 - The contract specifies a ceiling price that the contractor may not exceed except at its own risk
 - DART must oversee these contracts to ensure the contractor is effectively controlling costs.

Procurement Quick Reference

	State/Local Government Purchasing Schedules/ Purchasing Contracts	Micro-Purchases	Small Purchase RFQ	Small Purchase RFP	Large Purchase IFB	Large Purchase RFP	Sole Source	Emergency
Amount of Contract	Any	*Up to \$10,000	*\$10,001-250,000	*\$10,001-250,000	*More than \$250,000	*More than \$250,000	Varies	Varies
Competition Requirement	Already complete (although must be verified)	At least one quote	At least two quotes	At least two proposals	At least two bids	At least two proposals	Waived	Waived
Method of Award	Already awarded	A fair and reasonable price	Lowest bid	Multiple factors in addition to price	Lowest bid	Multiple factors in addition to price	Direct negotiation	Direct negotiation
Advertising Requirement	N/A	None	None	None	Formal advertisement	Formal advertisement	None/Waived	None/Waived
Procurement Lead Time	1-2 days	1-2 days	2-3 weeks	2-3 weeks	12-18 weeks	9-12 weeks	Varies	ASAP

* As of June 2025:

- The Micro-Purchase threshold is \$10,000 (as set by the FAR at 48 CFR part 2)
- The Simplified Acquisition Threshold is \$250,000 (as set by the FAR at 48 CFR part 2)