

# Procurement Outside MiDeal

RTMW

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# Availability of MiDeal has changed

- ▶ The change is discussed in Kim Johnson's Oct. 22, 2014, letter
- ▶ MiDeal contracts that aren't administered by MDOT are not FTA-compliant.
- ▶ Agencies can buy off non-FTA-compliant MiDeal contracts only if using 100% local funds
- ▶ Agencies can still buy off MDOT bus and accessible vans contracts using federal and state funds
- ▶ MDOT does not plan to develop and administer MiDeal contracts for items other than buses and accessible vans

# Joint procurements

- ▶ Joint procurements can be a cost-effective way to conduct local procurements.
- ▶ One agency serves as the lead. Agencies work together to develop specs that meet everyone's needs.
- ▶ Examples: Huron led a joint procurement for medium heavy-duty buses. Bay Metro is leading a joint procurement for full-size vans.

# Operating procurements

- ▶ MDOT reviews procurements and third-party contracts for third-party operators.
- ▶ MDOT does not review purchases that qualify as operating expenses (e.g., office supplies, fuel, auditing services, etc.). However, because you are using federal operating assistance (Section 5311), you should be following the same procedures used for capital procurements.

# Local procurement challenges

## Good specifications:

- ▶ Must be clear and specific enough to get what you want, without being restrictive

## Evaluation of proposals:

- ▶ Criteria needs to be appropriately weighted to reflect your needs
- ▶ Determine in advance what different scores mean

# CASE STUDIES

The background features abstract, overlapping geometric shapes in various shades of green, ranging from light lime to dark forest green. These shapes are primarily located on the right side of the frame, creating a dynamic, layered effect. The rest of the background is plain white.

# New copier

The specifications say, “Monochrome multifunction printer with ability to print, copy, scan and fax. Ability to handle letter-size and legal-size paper. Suggested equipment: Xerox WorkCentre 3655 or equivalent.”

**Are these specifications OK? Discuss why or why not.**

# Good specs or bad?

An agency need to replace a roof. The Statement of Work says:

- ▶ Remove and replace gutters
- ▶ Remove and clean up old shingles and related debris
- ▶ Install new shingles and properly seal roof vents
- ▶ Coordinate color/shape/size of new materials with adjacent maintenance building
- ▶ Labor, materials, permits, insurance, etc. are to be included in the bid
- ▶ Warranty for workmanship and materials for at least one year from date of completion and acceptance

**What's good or bad about these specifications?**



# Replace an engine

An agency needs to replace a bus engine. They go to the local Ford dealer and get a new engine put in.

**Is this OK?**

# More or less than \$100,000?

An agency is procuring equipment for which the estimated cost is right around \$100,000. In the solicitation, the agency used the federal contract clauses that apply to projects more than \$100,000.

**Were these the right clauses to use? Why or why not?**

# Buy America certification

The low bidder filled out the Buy America certification incorrectly; they signed both sections certifying the firm **COULD** and **COULD NOT** comply with Buy America.

**Can you award the contract to them?**

# What a great price! Or is it?

An agency is doing a construction project. The Independent Cost Estimate is \$100,000. In response to the Invitation To Bid, they got three bids. The first was \$145,000, the second was \$140,000 and the third was \$58,000.

**Are the two highest bids out of line? Should the agency award to the low bidder? What does the agency need to look at before making a decision?**