

BOARD OF DIRECTORS AGENDA 8/20/2015; ITEM II.H.

Procurement Manual Amendment

**Ozarks Transportation Organization
(Springfield, MO Area MPO)**

AGENDA DESCRIPTION:

The OTO Procurement Manual was updated and adopted in April 2014. This major revision included better compliance with federal requirements. One such revision included the procurement of office space through a lease. A lease was excluded from the standard procurement process in order to allow a reasonable process that did not require a formal bidding process. However, the lease exclusion was placed under a section for purchases of less than \$100,000. While the current lease and likely future leases are under \$100,000 annually, over a five year term the total lease amount exceeds \$100,000. In order to ensure that OTO complies with the policy, staff is proposing to add an exemption for leases over \$100,000.

The proposal is attached and includes an exception from the formal bidding process for the leasing of property exceeding \$100,000. The process will still require consideration of a minimum of 3 properties but will allow OTO to obtain listings directly from an agent. The formal bidding process would limit OTO's ability to consider available properties. The OTO has considered building versus leasing and it has been deemed that it is best for the OTO to continue leasing at this time.

Please see pg. 13 of the attached procurement manual for the revision.

BOARD OF DIRECTORS ACTION REQUESTED:

That a member of the Board Directors makes one of the following motions:

"Move to accept the OTO Procurement Manual Amendment as proposed."

OR

"Move to return to staff the OTO Procurement Manual Amendment with the following modifications....."

CHAPTER 3 – Procurement and Bidding Policies

Property Leasing.

Due to the small size of the Ozarks Transportation Organization and the constant turnover of properties listed in the real estate market, a formal bidding process would eliminate a lot of affordable properties in good repair. No formal advertising or bid solicitation shall be required. However, in order to ensure competition, a minimum of three properties will be considered. Selection will be made considering price, location, and the space needs for the function and growth of the OTO.

Sole Source.

When the recipient requires supplies or services available from only one responsible source, and no other supplies or services will satisfy its requirements, the recipient may make a sole source award. When the recipient requires an existing contractor to make a change to its contract that is beyond the scope of that contract, the recipient has made a sole source award that must be justified.

1. Unique Capability or Availability. The property or services are available from one source if one of the conditions described below is present:
2. 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 the recipient only from one source and has not in the past been available to the recipient from another source.
3. Patents or Restricted Data Rights. Patent or data rights restrictions preclude completion.
4. Substantial Duplication Costs. In the case of a follow-on contract for the continued development or production of highly specialized equipment 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.
5. Unacceptable Delay. In the case of a follow-on contract for the continued development or production of a highly specialized equipment and major components thereof, when it is likely that award to another contractor would result in unacceptable delays in fulfilling the recipient's needs.

Emergency Purchases.

Regardless of the estimated purchase price or fees, neither formal nor informal bidding will be required in the case of a declared emergency by the Executive Director.