

**Guidelines
for
Local Vehicle Purchase
on State Administered Grants
Checklist for Purchase**
Revised November 9, 2009



**Bureau of Passenger Transportation
Bus Acquisition & Intercity Transportation Section**

Purpose

To provide guidelines for public transit agencies desiring to locally purchase public transit vehicles using a combination of local, state, and federal funds.

Information

1. These guidelines provide a uniform local procurement procedure for vehicles and should be used as a supplement to local procurement requirements.
2. When a transit agency is given written authorization by the Michigan Department of Transportation (MDOT) Bureau of Passenger Transportation (BPT) to procure vehicles, they may choose to procure their own vehicles, participate in a vehicle procurement consortium (two or more transit agencies), work through a local governmental agency, or purchase vehicles through another transit agency's existing vehicle contract (piggyback). In all cases, the transit agency remains the responsible party, even when another agency is designated as the procuring agent.
3. Transit agencies agree to adhere to the terms and condition of MDOT's annual master agreement with the Federal Transit Administration (FTA) when they execute their State/Local master agreement and project authorization.
4. A transit agency must, at a minimum, follow **Federal Circular 4220.1F *Third Party Contracting Guidance*** for procurement procedures that can be found on FTA's website at:

www.fta.dot.gov/documents/FTA_Circular_4220.1F_-_Finalpub1.pdf

5. The transit agency will develop a bid package which will include the vehicle specification. A transit agency may use any specification as a guideline including BPT specifications, those of other transit agencies, and local government agencies, states, or the federal government. As a minimum, the vehicle specification must require the manufacturer to meet all applicable:
 - Michigan Motor Carrier Vehicle Codes
 - Federal Motor Vehicle Safety Standards (FMVSS)
 - American with Disabilities Act (ADA)
 - Any other federal requirements for vehicle specifications outlined in MDOT/FTA master agreement.

6. It is extremely important transit agencies contract only for their **reasonably anticipated needs** and do not add quantities or options to contracts solely to assign these quantities at a later date. Document, in the bid, other authorized transit agencies purchasing vehicle(s) from the contract (piggybacking). The lead transit agency **will provide** the vendor a letter authorizing specific agencies to purchase vehicles from their contract.
7. The eligible cost in the state/local contract between the transit agency and MDOT should include the total cost of the vehicle and documented administrative expense (up to 2% of the total cost of the vehicle) attributed to the purchase of the vehicle.
8. The transit agency will be responsible for paying any additional cost for the vehicle if the bid price is in excess of the eligible costs in the state/local contract between the transit agency and MDOT. The transit agency is not entitled to excess funds in the contract when a bid price is less than the state/local contract amount.
9. For third party contracts **\$25,000 and under**, transit agencies shall document competitive quotations. For third party contracts **\$25,000 and over**, transit agencies shall utilize the competitive bid process. Under this process, transit agencies are required to post a public notice, in a newspaper, trade publication, Internet Web Site, or a circulation that specifically targets the vehicles and equipment being purchased. Third party agreements in excess of \$25,000 require MDOT approval. Those transit agencies certified by FTA or MDOT are not required to obtain this approval. **It is also highly recommended that transit agencies notify potential vendors about the bid. This can be via mail, e-mail, telephone, or in-person. The ultimate goal is to get competitive bids from multiple vendors; otherwise, if only one bid is received then it will be considered sole source and will require further analysis per the FTA.**
10. Nonurban transit agencies shall designate the **State of Michigan Department of Transportation; Bureau of Passenger Transportation; 425 W. Ottawa; Lansing, Michigan, 48909**, as the **“First Secured Party”** on all vehicles purchased locally from state administered grants.
11. The costs for additional vehicle options that are not contained in the local contract bid/award are not eligible for state/federal reimbursement. Local funds may be used to purchase these additional options; however, local procurement requirements should be followed.

Procedure

1. Transit agencies desiring to purchase vehicles locally shall indicate their intent on their annual application and/or during the vehicle verification process. Written authorization to procure the vehicle(s) will be mailed along with the fully executed MDOT/Local contract.

NOTE: *If a transit agency decides to purchase vehicles through the **MiDEAL (Extended) Purchase Program** after the annual application and vehicle verification processes, they must request approval from their **MDOT project manager**. This request should contain the following:*

- a. *The quantity of vehicle(s) including size & type.*
- b. *The state/local contract number.*

MDOT project manager will provide the transit agency with an authorization letter to proceed with the vehicle purchase and the proper procurement packet.

2. Urban transit agencies may proceed with the procurement. Nonurban transit agencies and urban transit agencies that are not self-certified must submit their bid package for review and approval of the third party contract to their **MDOT project manager** prior to making an award. This bid package must include:
 - a. Vehicle specifications.
 - b. The standard 3rd party contract terms and conditions (Use “unit price” in Contract Price terms)
 - c. Federally required contract clauses found on the MDOT or FTA’s Web Site at:

www.fta.dot.gov/funding/thirdpartyprocurement/bppm/grants_financing_6195.html

- d. Request for purchase (RFP) or Invitation for Bid (IFB) documents
- e. Advertisement or public notice in a newspaper, trade publication, Internet Web Site, or a circulation that specifically targets the vehicles and equipment you are purchasing.
- f. Bid tabulation
- g. Evaluation process and award recommendation
- h. Purchase order or itemized cost model listing all vehicle features and options (total costs must match terms in the third party contract)
- i. Authorization to participate in a vehicle procurement consortium (two or more transit agencies), to work through a local governmental agency, or to purchase vehicles through another transit agency’s existing vehicle contract (piggyback) (if applicable).

Please submit a neat and organized bid package. After MDOT approval, the nonurban transit agencies should proceed to execute the third party contract and provide a copy to **MDOT/BPT/Planning and Programming Section**.

3. Upon the execution of the third party contract, the transit agency may submit a purchase order to the vendor.
4. After the acceptance of the vehicle(s), transit agencies shall forward the following information to **MDOT project manager** requesting payment:
 - a. For nonurban transit agencies and urban transit agencies that are not self-certified:
 - i. Letter/agency invoice (including budget summary) requesting payment. This request should include the MDOT third party contract number (ie. 2010-####/Z1/S1) and the amount of payment.
 - ii. Copy of vendor invoice. The vendor's invoice shall have sufficient detail and include:
 - Local Contract (eligible for reimbursement)
 - (1) Quantity of buses, vehicle information/seating (ie. 11+1 passenger with front passive lift)/unit cost.
 - (2) Local contract options quantity/description/unit cost.
 - Additional options not included in local contract (not eligible for reimbursement)
 - (1) Quantity/description/unit cost.
 - iii. Vendor's Vehicle acceptance form(s). This form acknowledges the transit agency's receipt and acceptance of the vehicle(s).
 - iv. Application for Michigan Title (Form RD108 processed by Secretary of State) or if vendor is out of state, Application for Michigan Title (Form TR-11 processed by Secretary of State).
 - v. Pre-award & Post-delivery Audit Checklist, Certifications & Worksheets (Attachment A-1 through A-12).
 - vi. Copy of cover page from Altoona Test for vehicle(s) being purchased.
 - b. For urban transit agencies:
 - i. Letter/agency invoice (including budget summary) requesting payment. This request should include the contract number and the amount of payment.
 - ii. Copy of vendor invoice
 - iii. Application for Michigan Title (Form RD108 processed by Secretary of State) or if vendor is out of state, Application for Michigan Title (Form TR-11 processed by Secretary of State).
 - iv. Copy of cover page from Altoona Test for vehicle(s) being purchased.

Technical Assistance

For additional assistance regarding the local purchase process or arrange a meeting between MDOT and your agency, please contact:

Michael Frezell
Vehicle Procurement Analyst (VPA)
Bus Acquisition & Intercity Transportation Section (BAITS)
Michigan Department of Transportation
Phone: (517) 335-0904
e-mail: frezellm@michigan.gov

Local Vehicle Purchase
Transit Agency Checklist

- _____ A. Received copy of:
- _____ 1. Fully executed MDOT/Local contract along with authorization letter to proceed with procurement and the current guidelines for local vehicle purchase. (Go to step B.)
- OR
- _____ 2. If MDOT/local contract was executed and the transit agency had elected to do a local purchase and now prefers to do an extended purchase then the transit agency must:
- _____ a. Request approval from MDOT project manager which includes:
- _____ i. The quantity of vehicle(s) including size and type.
- _____ ii. The state/local contract number.
- _____ b. Received authorization letter to proceed with purchase and the proper vehicle procurement packet from MDOT project manager. (Follow the “Guidelines - State of Michigan Extended Purchasing Program - Vehicles)
- _____ B. Procurement meeting with **Michael Frezell, BAITS VPA** in charge of local purchases (if necessary).
- _____ C. Nonurban transit agencies must submit their bid package for review and approval of the third party contract to BAITS VPA prior to making an award. This bid package must contain the following:
- _____ 1. Vehicle Specifications
- _____ 2. Standard 3rd party contract terms and conditions (Use “unit price” in Contract Price terms)
- _____ 3. Federally required clauses found on the MDOT or FTA’s Web Site:
- www.fta.dot.gov/funding/thirdpartyprocurement/bppm/grants_financing_6195.html**
- _____ 4. Request for purchase (RFP) or Invitation for Bid (IFB) documents
- _____ 5. Advertisement or public notice in a newspaper, trade magazine, Internet website, or a circulation that specifically targets the vehicles and equipment you are purchasing..

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- _____ 6. Bid tabulation
 - _____ 7. Evaluation process and award recommendation
 - _____ 8. Purchase order or itemized cost model listing all vehicle features and options (total costs must match terms in the third party contract)
 - _____ 9. Authorization to participate in a vehicle procurement consortium (two or more transit agencies), to work through a local governmental agency, or to purchase vehicles through another transit agency's existing vehicle contract (piggyback) (if applicable).
- _____ D. Received approval from MDOT to proceed with executing the 3rd party contract.
 - _____ E. Execute third party contract and send a copy to **MDOT/BPT/Planning and Programming Section**.
 - _____ F. Complete Pre-award Audit Checklist, Certifications and Worksheets (Attachment A-1 through A-6).
 - _____ G. Issue purchase order to vendor.
 - _____ H. Prior to new vehicle delivery and acceptance, request Post Delivery Audit information from vendor (Attachment A-6 through A-10).
 - _____ I. New vehicle delivered. Complete Post Delivery Audit Checklists, Certifications and Worksheets (Attachment A-1, A-6 through A-12).
 - _____ J. Payment Request:
 - _____ 1. **Nonurban transit agencies and urban transit agencies that are not self-certified** must submit the following documents to **MDOT project manager** requesting payment:
 - _____ a. Transit Agency letter/invoice (including budget summary) requesting payment. This should include the MDOT third party contract number (ie. 2010-####/Z1/S1) and amount of payment.
 - _____ b. Copy of the vendor's invoice. The vendor's invoice shall have sufficient detail and include:
 - Local Contract (eligible for reimbursement)
 - (1) Quantity of buses, vehicle information/seating (ie. 11+1 passenger with front passive lift)/unit cost.
 - (2) Local contract options quantity/description/unit cost.
 - Additional options not included in local contract (not eligible for reimbursement)

- (1) Quantity/description/unit cost.

- _____ c. Copy of the Vendor's Vehicle Acceptance form (provided by the vendor). This form acknowledges the transit agency's receipt and acceptance of the vehicle(s).

- _____ d. Application for Michigan Title (Form RD108), or if vendor is out of state, Application for Michigan Title (Form TR-11L).

- _____ e. Pre-award & Post-delivery Audit Checklist, Certifications & Worksheets (Attachment A-1 through A-12).

- _____ f. Copy of cover page from Altoona Test for vehicle(s) being purchased.

- _____ 2. **Urban transit agencies** submit the following documents to **MDOT project manager** requesting payment:
 - _____ a. Transit Agency letter/invoice (including budget summary) requesting payment. This should include the MDOT third party contract number (ie. 2010-####/Z1/S1) and amount of payment.

 - _____ b. Copy of the vendor's invoice.

 - _____ c. Application for Michigan Title (Form RD108) or if vendor is out of state, Application for Michigan Title (Form TR-11L).

 - _____ d. Copy of cover page from Altoona Test for vehicle(s) being purchased.

- _____ K. Receive payment from MDOT and pay vendor for vehicle(s).

**ATTACHMENT A-1
CHECKLIST FOR PRE-AWARD POST-DELIVERY AUDITS**

Pre-Award Audit

<u>Item</u>	<u>Completion Date</u>
Analysis of Manufacturer's list of component and subcomponent parts.	_____
Buy America Certification	_____
Bid Specification Certification of manufacturer's capability to produce vehicle as bid and that the vehicle proposed is same as the vehicle in the specifications.	_____
Federal Motor Vehicle Safety Standard's certification or its inapplicability.	_____

Post Delivery Audit

<u>Item</u>	<u>Completion Date</u>
Buy America Certification stating regulations are still being met.	_____
Bid Certification	
Vehicle sight inspection	_____
Vehicle road test	_____
Were there 11 or more vehicles purchased?	Yes__ No __
If yes obtain Inspectors report	_____
Certification vehicle meets bid specifications	_____
Federal Motor Vehicle Safety Standard's certification	_____

ATTACHMENT A-2
BUY AMERICA CERTIFICATION
Pre-Award

In Accordance with the "Buy America" regulations adopted by the Federal Transit Administration on January 9, 1991, I certify that the vehicles proposed to be delivered under this contract are in compliance with the requirements of section 165(b)(3), of the Surface Transportation Assistance Act of 1982, as amended, and the regulations of 49 CFR 661.11.

Name of Transit Agency Official _____

Agency _____

Date _____

Type of Vehicle _____

Manufacturer _____

**ATTACHMENT A-3
BUY AMERICA PRE-AWARD AUDIT
Component Parts**

<u>Component</u>	<u>Supplier/Manufacturer</u>	<u>Address</u>	<u>Country of Origin</u>	<u>Cost or % of Domestic Origin</u>
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				

Vendor: _____

Vendor's Signature: _____

PLEASE MAKE ADDITIONAL COPIES IF NECESSARY

**ATTACHMENT A-4
BUY AMERICA PRE-AWARD AUDIT
Sub-component Parts**

<u>Subcomponent</u>	<u>Supplier/Manufacturer</u>	<u>Address</u>	<u>Country of Origin</u>	<u>Cost or % of Domestic Origin</u>
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				

Vendor: _____

Vendor's Signature: _____

PLEASE MAKE ADDITIONAL COPIES IF NECESSARY

ATTACHMENT A-5
BID SPECIFICATION AUDIT CERTIFICATION
Pre-Award

I have reviewed the information provided to me by the manufacturer concerning the vehicles to be purchased. I certify that the vehicles proposed to be delivered under this contract are the same vehicles described in the bid specifications used for this solicitation.

In addition, I have also received information that assures me that the manufacturer has the capability to produce the specified product.

Name of Transit Agency Official _____

Agency _____

Date _____

Type of Vehicle _____

Manufacturer _____

**ATTACHMENT A-6
FEDERAL MOTOR VEHICLE SAFETY STANDARDS CERTIFICATIONS**

Check one that applies:

- ___ The vehicles proposed under this contract are subject to the Federal Motor Vehicle Safety Standards (FMVSS) issued by the National Highway Traffic Safety Administration (NHTSA) in part 571 of this title.
- ___ The vehicles proposed under this contract are not subject to the Federal Motor Vehicle Safety Standards (FMVSS) issued by the National Highway Traffic Safety Administration (NHTSA) in part 571 of this title.

I have received a copy of the manufacturer's self-certification information concerning these vehicles compliance with relevant Federal Motor Vehicle Safety Standards. I have had this certification in my possession at both the pre-award and post-delivery stages of the procurement.

Name of Transit Agency Official	Agency	Date
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Pre-Award

Post-Delivery

Name of Transit Agency Official

Name of Transit Agency Official

Agency

Agency

Date

Date

Type of Vehicle _____

Manufacturer _____

BUY AMERICA CERTIFICATION
Post-Delivery

In Accordance with the "Buy America" regulations adopted by the Federal Transit Administration on January 9, 1991, I certify that the vehicles delivered under this contract are in compliance with the requirements of section 165(b)(3), of the Surface Transportation Assistance Act of 1982, as amended, and the regulations of 49 CFR 661.11.

Name of Transit Agency Official _____

Agency _____

Date _____

Contract Number _____

Type of Vehicle _____

Manufacturer _____

**ATTACHMENT A-8
BUY AMERICA POST-DELIVERY AUDIT
Component Parts**

<u>Component</u>	<u>Supplier/Manufacturer</u>	<u>Address</u>	<u>Country of Origin</u>	<u>Cost or % of Domestic Origin</u>
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				

Vendor: _____

Vendor's Signature: _____

PLEASE MAKE ADDITIONAL COPIES IF NECESSARY

**ATTACHMENT A-9
BUY AMERICA POST-DELIVERY AUDIT
Sub-component Parts**

<u>Subcomponent</u>	<u>Supplier/Manufacturer</u>	<u>Address</u>	<u>Country of Origin</u>	<u>Cost or % of Domestic Origin</u>
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				

Vendor: _____

Vendor's Signature: _____

PLEASE MAKE ADDITIONAL COPIES IF NECESSARY

ATTACHMENT A-10
BID SPECIFICATION AUDIT CERTIFICATION
Post-Delivery

I have road tested and visually inspected the vehicle purchased. I certify that the vehicle delivered under this contract meets the contract specifications used for this solicitation.

___ There were fewer than eleven vehicles procured under this solicitation.

___ There were eleven or more vehicles procured under this solicitation. A copy of the inspector's report is attached.

Name of Transit Agency Official _____

Agency _____

Date _____

Type of Vehicle _____

Manufacturer _____

ATTACHMENT A-11 - SAMPLE BUS INSPECTION / ROAD TEST FORM

Agency						71-		State ID #		Mileage			
Contract #			PO #		Purchase Price		Vendor		Body Serial #				
Body Company				Chassis Company			Bus Length		Seating		VIN #		
Ignition Key #		Front Door Key #		Rear Door Key #		Battery Box Key		Fare Box Key #		Vaults Key #		Tachograph Key #	Lift Door Key #

OPTIONS: A/C 21', 553 cap Destination Sign LSD Diesel Propane Tachograph Type 2 Lift
 A/C 25-29', 862 cap Reconditioned Fare Box Large Fare Box Donation Box Rear Exit Window

CHASSIS		EXTERIOR		WHEELCHAIR ACCESSIBILITY	
Specs	Actual	Specs	Actual	Specs	Actual
Alternator (gas 130 AMP)		Mirror, Front Cross View, 8"convex		ADA Interlock	
Alternator (diesel 160 AMP)		Convex, Spot, 2 Loose 3"		Lift Circuit Breaker	
Axle, Front 8,100 lb		Mirror, Ext Rear View 70 sq "		Lift, Passive, REB/RICON	
Axle, Rear 15,000 lb		Steps, Entrance, Stainless		Lift, Platform, REB/RICON	
GVWR 23,100		1st, 11+1" from ground		Door Height, 67" min	
Axel Ratio (gas 5.29:1)		2nd/3rd 9" High, max		Platform width, 30"	
Axel Ratio (diesel 3.90:1)		Tread Depth 9" min		Platform length, 48"	
Batteries, Dual 31-1150		Windows, Top Vent, A-3 Tint		Power Up, Hyd	
Brakes, Power/Hyd Disc		INTERIOR		Power, Down, Hyd	
Clutch Type Fan HD		Specs Actual		Power Fold, Elec Hyd	
Cooling Sys HD		Aisle, 16"min		Manual Override, Hyd	
Drvshaft, Guarded 2 or 3		Antenna Access , 2		Auto Stop, Hyd	
Engine, 427 Gas		Color Scheme		Wheel Stop, Mech	
Engine Diesel, 3116 CAT		Velour - grey or tan		Instr. Labels, Lift and Door	
Fuel Tank, 35 gal		Vinyl - grey or tan		Securement Area, 30"x48"	
Fuel Tank, 60 gal		Emergency Exits w/markings		Tie Downs, Ortho Safe	
Grounds, 3/0		Fare Box, M4, Std		Wheelchair Entrance Light	
Springs, Taped Leaf		Fare Box, Treasury, Opt		SAFETY EQUIPMENT	
Stabilizers, HD		Vaults (2)		Specs Actual	
Steering, Tilt/Power		Keys (4)		Emergency Exit Markings	
Tires, 245/70R19.5F		Flooring, RCA		Doors	
Trans Cooler, HD Ext		Steps and Aisle, Ribbed		Windows	
Transmission Type, AT545		Step Tread, Ribbed 1 piece		Fire Ext, 5lb, 2 A-10BC	
Undercoating		Under Seats, Smooth		Triangles, 3 (Boxed)	
Wheelbase - 145 or 175 or 211		Grabrails, Stainless		OTHER EQUIPMENT	
Wheels, 19.5x6.75 w/		Headroom, 76" min		Specs Actual	
1 spare rim		Heat, Rear 80,000 BTUs, F2200			
EXTERIOR		Heat, Front 40,000 BTUs, R3200			
Specs Actual		Mirror, Flat 4"x16"			
Bumpers, HELP		Roof Hatches, w/Alarms (2) 23"x23"			
Color Scheme, Base		Seats, CE White or Seats Inc			
Color Scheme, Top		Driver's Seat			
Color Scheme, Stripe		Fold Up			
Door, Entrance (elec)		Spacing, 27" KTOH			
Height, 76"		Double Width 35" min			
Width, 30"		Triple Width, 54"			
Door, Emergency (Rear) 24"x60"		5 Passenger Width, 88" min			
Opt Window 20"x60" wFresnel Lens		Seatbelts			
Fender Flare		Stanchions, Stainless, Padded			
Mud Flaps					

ATTACHMENT A-12 - INSPECTION WRITE-UP

JOB NO.	Bus VIN	QTY.	CUST. BUS NO.	DATE	PAGES
ITEM			TAG OR MR NO.	PROD	INSP

Inspected by: