

Chapter 3

Guidelines for Capital (Vehicle and Equipment) Projects

This chapter contains information and guidelines associated with vehicle (rolling stock) and other equipment procurements as well as the management of vehicles and equipment purchased with state or federal grant funds. This chapter explains the requirements necessary for the grantee to successfully complete the project.

Note: To ensure project compliance, it is important for the grantee's appropriate staff to read the entire grant agreement and confirm the accuracy of the *Scope of Work and Budget*. Many of the agreement's contract provisions describe the required procurement, billing and usage requirements for capital assets acquired with federal or state funds. Grantees must also follow the guidelines found in [Chapter 1](#).

Eligible Use of Vehicles and Equipment

All vehicles and equipment purchased with grant funds must be used to support the passenger transportation services described in the grant agreement. At a minimum, the services provided with the vehicles must be eligible for the funding sources awarded for the project. Additionally, it is WSDOT's policy that grant funds shall not be used to replace "spare" vehicles.

Local Match

Each grant program administered by WSDOT has specific local match requirements and parameters in the grant agreement. The following is a brief summary description of each grant program's match requirements:

- **Consolidated Grant Program** – includes FTA programs 5310, 5311, 5316 and 5317.
 - The match requirement varies and is specified in the grant agreement.
 - Federally funded grants require a 20 percent match from non-federal sources.
 - The match must be in the form of cash.
 - The match cannot be derived from sources that place any restriction on the services provided with the equipment or place a lien on the equipment.
- **Discretionary Grant Programs** – includes FTA programs 5339, 5309, and 5308.
 - The match requirement is 20 percent but can vary by Notice of Funding Availability.
 - The match must be in the form of cash unless otherwise specified.
 - The match cannot be derived from sources that place any restriction on the services provided with the equipment or place a lien on the equipment.

Note: Acquiring vehicles to comply with or maintain compliance with ADA or the Clean Air Act can cover 85 percent of net project costs. FTA grants for vehicle-related equipment needed to comply or maintain compliance with ADA or the Clean Air Act remains at 90 percent of the incremental net project cost.

- **Surface Transportation Program (STP/Flex)**
 - Federally funded grants require between 13.5 and 20 percent match from non-federal sources.
 - The match must be in the form of cash.
 - The match cannot be derived from sources that place any restriction on the services provided with the equipment or place a lien on the equipment.
- **Veteran’s Initiative grants**
 - The match requirement is 20 percent.
 - The match can be either cash or eligible in-kind.
 - Up to 10 percent of the project’s administration cost is an eligible expense.

Importance of Making Progress with Purchase(s)

While it is important that grantees communicate and work with the assigned community liaison throughout the development, implementation and completion of a project, it is critical that the community liaison is notified as soon as problems arise associated with the capital project. This is especially important with problems or complications that delay project startup or vehicle/equipment orders. WSDOT Public Transportation staff will assist grantees to ensure successful implementation of the capital project. It is crucial that grantees initiate the purchase of grant-funded vehicles and equipment in a timely manner.

Note: Quarterly Progress Reports (QPRs) are required to be submitted to the WSDOT community liaison until the project is completed.

State Funds Expire June 30, 2017

Organizations awarded state grant funds through the Consolidated Grant Program must take delivery of and accept all grant-funded vehicles and equipment on or before June 30, 2017. Vehicles and equipment received after this date will not be eligible for reimbursement.

Federal Funds Must Be Used in a Timely Manner

WSDOT is responsible for ensuring that FTA grant projects are completed in a timely manner. Therefore, WSDOT established the following policy regarding time limits for initiating the procurement process for federal capital vehicle and/or equipment grants.

Capital vehicle and equipment acquisition grants are awarded to satisfy the

immediate needs identified in the current biennium. Capital grants where the procurement process has not been initiated in the biennium the funds were awarded shall be deemed as not an immediate need and the organization will be subject to forfeiture of its capital grant funding. Capital projects may receive an exemption from this requirement only upon written request and WSDOT written approval demonstrating the unforeseen circumstances to justify a delay in procurement.

The Procurement Process

State and federal funds for vehicles and equipment have specific procurement rules, procedures and requirements that grantees must follow. The following information describes the processes and requirements associated with purchasing vehicles and equipment. For additional information on FTA-funded procurements, read FTA Circular 4220.1F, Super Circular 2 CFR Part 200, 49 CFR Part 18 for governmental agencies, transits and tribes; or 49 CFR Part 19 for nonprofits, hospitals and higher education and Circular 5010.ID.

For additional procurement information and assistance, contact WSDOT's vehicle and equipment procurement staff.

WSDOT's Role in Procurement

WSDOT is responsible for ensuring that grantees follow the prescribed state and federal grant fund requirements associated with the use of these funds for vehicle and equipment procurements. WSDOT is involved throughout the procurement process, including Request for Proposal (RFP)/Invitation for Bids (IFB) development; contract development, award, and administration. WSDOT also monitors each grantee throughout the project to ensure compliance. Some of the areas reviewed for compliance include, but are not limited to, the following:

- RFP/IFB compliance with state and FTA requirements.
- Ensuring grantees are using Disadvantaged Business Enterprise vendors, when appropriate.
- Ensuring the grantee purchases vehicles and equipment through a competitive process.
- Ensuring the vehicles and equipment purchased are consistent with the grant agreement.
- Ensuring administration of the contract is consistent with the terms and conditions set forth in the RFP or IFB.
- Ensuring the grantees properly submit requests for reimbursement in a timely manner.
- Ensuring the vehicles and equipment meet the required MAP-21 safety standards.

Note: FTA will issue a rule for implementing the MAP-21 safety testing standards for rolling stock. In the interim, the Altoona bus-testing process still applies.

If grantees choose to purchase vehicles from the Washington State Department of Enterprise Services – Contracts & Legal Services (DES-CLS), WSDOT Public Transportation Vehicle and Equipment Procurement staff will assist grantees with instructions for ordering vehicles and provide a DVD with required procurement documentation.

Grantee's Role in Procurement

Grantees are responsible for procuring vehicles and equipment per the terms described in the grant agreement. There are several alternatives for procuring the vehicle(s) and equipment with grant funds:

- Purchase from current DES-CLS contract(s) at www.des.wa.gov.
- Piggyback from an existing eligible contract with another agency.
- Conduct your own procurement or participate in a joint procurement with another organization.

Note: FTA “Dear Colleague” letter (3/8/2013) – Piggybacking restrictions (excerpt):

“Generally speaking, FTA encourages recipients to use joint procurements, particularly among smaller transit agencies. Recipients often can obtain better pricing by combining their requirements into larger joint purchases. However, they must limit their joint procurement to the amount of property and services required to meet each of their reasonably expected needs, and are prohibited from improperly expanding the procurement to include excess capacity simply for the purpose of assigning contract rights to others at a later date. Accordingly, FTA permits the assignment of unneeded contract rights to another transit agency—piggybacking—only when a recipient has unintentionally acquired more goods and options than it needs to support its transit system.”

Grantees that intend to purchase from the DES-CLS contract(s) or piggyback using another eligible organization’s procurement contract have specific responsibilities to follow. Some of these include, but are not limited to:

- Determining if your agency is eligible to purchase from state contracts and obtaining advanced written approval from WSDOT to proceed with your purchase.
- Obtaining advanced written approval from another agency/organization allowing your agency to piggyback off its current procurement contract. This usually involves both parties signing an inter-local agreement that assigns an available option(s) to your organization to purchase from the existing contract.
- Following state and FTA procurement regulations and procedures.
- Participating in pre-award and post-delivery audit processes when applicable.
- Obtaining written approval from WSDOT for vehicles and equipment specifications and costs prior to award and contract execution.
- Awarding, executing and administering the vendor contract for the purchase of the vehicles and equipment.
- Providing required documents to WSDOT in a timely manner.

- Inspecting vehicles and equipment to ensure:
 - The vehicles and equipment delivered meet the general and technical specifications.
 - The vehicles and equipment are in good working order with no apparent cosmetic or mechanical defects.
 - Issuing timely notification (e.g., within 15 days from delivery) to the vendor of vehicle and equipment acceptance or rejection.
 - Paying the vendor in a timely manner per the terms of the purchase contract. This is typically 30 days from the date of acceptance.
 - Maintaining all required documentation and records of the procurement process in your organization’s procurement files.
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Note: If a grantee intends to piggyback another organization’s eligible procurement contract, documentation of written approval from the organization must be provided to WSDOT before proceeding with the procurement. The grantee must also request and obtain approval from WSDOT. The grantee is responsible for obtaining copies of all procurement documents as if the grantee had conducted its own procurement process. Review the Procurement File Contents Checklist located in [Appendix E](#) for specific information. All procurement-related records and documentation must be maintained for six years beyond the useful life of the vehicles and equipment.

Initiating Procurement Options

Grantees should begin exploring procurement options as soon as a WSDOT grant-award notification is received. WSDOT community liaisons work with grantee staff to develop and finalize a *Scope of Work and Budget* for all funded capital projects. The grant application and the WSDOT grant award are used to ensure that the grant agreement contains a comprehensive, accurate description of the project. Based on the *Scope of Work and Budget*, the grantee may select a preferred procurement option. WSDOT vehicle and equipment procurement staff can assist with determining which procurement method is best suited for the type of vehicles and/or equipment purchased. The timeline for acquiring vehicle(s) or equipment and the level of procurement experience among your organization’s staff may dictate which procurement option will serve you best.

When developing your agency’s procurement plan, consider the type of funds awarded (state or federal) and the nature and size of the procurement. Specific requirements may be triggered depending on the item(s) to be purchased and the overall costs of the purchase(s). These considerations are discussed below.

State-Funded Procurements

Grantees using state funds to purchase vehicles and equipment must go through a competitive procurement process. The procurement process must be in accordance with each grantee’s purchasing policies and follow all applicable state laws. Grantees must submit their purchasing policies and procedures along with the bid documents to WSDOT for review and approval prior to bid solicitation. Any

grantee that does not obtain procurement approval from WSDOT may not be eligible for reimbursement. For procurement assistance, contact WSDOT vehicle and equipment procurement staff.

Note: State funds have no pre-award authority. It is important to remember that any costs incurred prior to the beginning date of the grant agreement will not be eligible for reimbursement.

FTA-Funded Procurements

Grantees using FTA funds to purchase vehicles and equipment must comply with applicable FTA third-party contracting requirements identified in FTA Circular 4220.1F, 2 CFR Part 200, 49 CFR Part 18 or 19 (depending on agency type) and all applicable state laws. Grantees that choose to participate in state procurements must, at a minimum, comply with six specific federal requirements found in FTA Circular 4220.1F (also located in [Appendix G](#)):

- A requirement for full and open competition.
 - A prohibition against geographic preference.
 - Inclusion in contracts of all the Federal clauses required by Federal statute governing procurement for such services.
 - Award to responsible contractors.
 - For rolling stock, a five-year limitation on the contract period of performance.
 - Comply with the Brooks Act for procurement of architectural and engineering services.
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Note: FTA is considering a one-year pilot program that bases hiring preferences on geography. It was previously disallowed due to concerns about adverse impacts on competition. This will only affect construction contracts awarded or advertised in FY 2015. Based on the findings of this program, USDOT may provide further guidance regarding such restrictions.

Governmental sub-recipients of the state: Each governmental sub-recipient may use state procurement procedures for its third-party contracts. Only the FTA Circular 4220.1F provisions identified above, 2 CFR Part 200, and USDOT regulations, “Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments,” 49 CFR Part 18, applicable to the state apply to procurements by the state’s governmental sub-recipients.

Private nonprofit sub-recipients of the state: Only the FTA Circular 4220.1F provisions identified above, 2 CFR Part 200, and USDOT regulations, “Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Educations, Hospitals and other Nonprofit Organizations,” 49 CFR Part 19, apply to a nonprofit sub-recipient of the state.

Note: Governmental sub-recipients include transits, local governments and tribes.

Procurement Levels

FTA identifies three unique categories of purchases: micro-purchases, small purchases and large procurements. Micro- and small purchases are exempt from Buy America provisions.

Micro-Purchases – Procurements less than or equal to \$3,000. If permitted by state and local law, you may acquire equipment valued up to \$3,000 without obtaining competitive quotations. The following procedures apply to micro purchases:

- Micro-purchases should be equitably distributed among qualified suppliers.
- Grantees may not divide or reduce the size of the procurement expressly to be within the micro-purchase limit.
- Grantees should document that the purchase was “fair and reasonable” with a description of how this determination was made (FTA does not require that a rationale be provided for the procurement method used, selection of contract type, or the reason for contractor selection or rejection).

Small Purchases – Procurements greater than \$3,000 but less than \$150,000. Lower thresholds may be set for small purchases in compliance with state or local laws, or as organizations deem appropriate. The following procedures apply to small purchases:

- Perform an independent cost estimate (discussed later in this chapter).
- Avoid unreasonable qualifications, specifying brand-name products without allowing offers of an equal product, and geographic preference.
- Clear, accurate and complete specifications that provide for full and open competition.
- Contract-term limitation should be considered to foster competition, pricing, fairness and public perception. Contract extensions that amount to an out-of-scope change will require a sole-source justification.
- Grantees must obtain documented price or rate quotations from an adequate number of qualified sources.
- Grantees cannot divide or reduce the size of the procurement to avoid the additional procurement requirements applicable to larger acquisitions.
- Grantees must perform a cost or price analysis (discussed later in the chapter).

Large Procurements – These procurements (\$150,000 or more) require a formal bid process and must adhere to all FTA procurement requirements (including Buy America) regardless of whether an ITB or RFP process is followed. The vehicles and equipment procurement must be publicly solicited and the vehicles and equipment specifications should follow the Full and Open Competition Principle (BPPM 2.4.2.1) and not restrict competition. Bid documents must be approved by WSDOT prior to solicitation.

- **ITB** – Award is based on the lowest responsive bid (i.e., lowest cost). This method is well-suited for uniform goods and services readily available and comparable in quality and function. Depending on the level of experience among the grantee’s staff, the procurement process may be conducted directly.
- **RFP** – Award is based on a combination of cost and non-cost factors that equate to “best value.” This method is ideal for unique goods and services that vary in design and quality and may not be readily comparable. This method is also used if the grantee has not determined a product or service, relying instead on the contractor/vendor to propose a solution. In this case, the grantee would evaluate the proposals to determine which best satisfies its needs. Depending on the level of experience among the grantee’s staff, the procurement process may be conducted directly.
- **Joint Procurement** – Whether ITB or RFP, the grantee jointly participates in another transit agency’s or organization’s bid. This requires all parties to agree on a common specification for a product and then commit to the results of the joint procurement, including quantities to be purchased.

Note: In some instances, a grantee’s purchase threshold may be in conflict with state or federal requirements. Grantees must apply the lowest appropriate threshold when using state or federal funds.

Type of Procurement

The product or service may also affect the procurement requirements. FTA requires specific provisions, clauses and certifications depending on the type of procurement:

- Rolling stock
- Equipment, materials and supplies
- Purchase of service; e.g., operations/management ([Chapter 2](#))
- Professional services; e.g., architectural and engineering ([Chapter 4](#))
- Construction ([Chapter 4](#))

While many of the requirements apply to all types of procurement, each procurement may vary based on the combination of cost and product/service. Vehicle and equipment procurement staff are available to help grantees determine which requirements will apply.

Note: A list of the required provisions, clauses and certifications required depending on the type of procurement can be found at the end of this chapter.

Basic Requirements

Depending on the procurement method selected, grantees are required to submit the following documents to WSDOT for review and approval prior to placing an order.

Purchasing from Washington State Master Contracts

- An itemized price quote and product specifications from the vendor.
- Floor plan from the vendor (vehicles only).

DES will confirm the grantee is eligible to purchase from the state contract and that the price quote and options conform to the contract. WSDOT will notify the grantee that they may proceed with the procurement. Upon WSDOT's approval to proceed, the grantee must submit a copy of the purchase order or purchase contract to WSDOT Vehicle and Equipment Procurement.

Piggybacking from another Eligible Purchasing Contract

- Copy of the original procurement contract.
- A signed inter-local agreement or contract to exercise an option from the agency holding the purchase contract.
- Pre-award certifications.
- An itemized price quote and product specifications from the vendor.
- Floor plan from the vendor (vehicles only).

WSDOT vehicle and equipment procurement staff will review the procurement contract to ensure that it complies with federal requirements and includes an assignability clause. Upon WSDOT approval to proceed, the grantee must submit a copy of the purchase order to WSDOT vehicle and equipment procurement staff.

Conducting Your Procurement or Participating in a Joint Procurement

This requires separate approvals from WSDOT before issuing the bid documents and before awarding the contract.

- Proposed bid documents (discussed later in this chapter).

Once WSDOT approves the bid documents, the grantee must submit the following information and documents to WSDOT:

- Grantee's basis for determining contract award.
- Proposed vendor award contract with appropriate clauses.
- Vendor pre-award compliance certifications for:
 - Americans with Disabilities Act (ADA)
 - Federal Motor Vehicle Safety Standards (FMVSS), if applicable
 - Altoona bus testing, if applicable
 - Debarment and Suspension, if procurement > \$25,000
- Procurements exceeding \$100,000:
 - Pre-award Buy America Act
 - Pre-award purchaser's requirement
 - Transit Vehicle Manufacturer (TVM) certification, if applicable
 - Lobbying certification

Note: The grantee may only proceed with the contract award after receiving WSDOT second approval. Grantee must submit copies to WSDOT of any purchase orders for grant-funded purchases under this procurement contract.

Allowable Contracts (FTA C 4220.1F, Cap VI, 2)

Federally funded procurements are limited to the following contract types:

- Firm fixed price
- Cost reimbursement
- Purchase order
- Incentive contract

Prohibited Contracts or Contracts with Specific Restrictions

- Cost plus percentage of cost contracts (prohibited)
- Time and materials cost reimbursement (specific restrictions)

Time-and-materials contracts can only be used if no other contract type is suitable and must contain a firm-ceiling-price provision.

Common Areas of Deficiency

Regardless of the type or size of the procurement, overlooking any of the basic requirements can cause your procurement to be ineligible for federal participation. Some of these common deficiencies are discussed below.

Purchasing Policies and Procedures (FTA C 4220.1F, Chap III & VII)

Written standards of conduct should be incorporated in the organization procurement policies and procedures specifying how the organization will procure various items, including goods and services. At a minimum, they should cover ethics, purchase authority, purchase thresholds, basis of award, and protest and appeal processes. See [Chapter 1-14](#) for detailed information regarding each of these provisions.

Written Record of Procurement (FTA C 4220.1F, Chap III, 3.d(1))

Grantees are required to maintain and make available records detailing the history of each procurement. At a minimum, records must include:

- The rationale for the method of procurement.
- The reason for the selection of the contract type.
- The reason for the contractor/vendor selection or rejection.
- The basis for the contract price.

Independent Cost Estimate (FTA C 4220.1F, Chap VI, 6.)

With every procurement action, grantees must make and document independent estimates before receiving bids and proposals. This can be accomplished by obtaining estimates from published price lists or catalogs, engineering or technical

estimates, independent third-party estimates, or past pricing, if still relevant. These actions should be taken when you list the estimated capital budget in the grant application.

Geographic Preference (FTA C 4220.1F, Chap IV, 2.a. (4)(g))

Grantees shall conduct procurements in a manner that prohibits the use of statutory or administratively imposed in-state or local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable federal statutes expressly mandate or encourage geographic preference.

Note: This requirement does not pre-empt Washington state licensing laws for vehicles. However, not possessing a state vehicle dealer license does not exempt that vendor from submitting a bid for consideration.

Note: Reciprocal procurement agreements in which special consideration is given to a third-party contractor for past, present or future business relationships are ineligible for federal participation.

Inclusion of All Federal Clauses in Contracting

When contracting with federal funds, many of the provisions in your agency's grant agreement "pass through" to third parties, and grantees are required to include the appropriate federal clauses in their procurement contracts.

Some of these clauses are required in all contracts, while others only apply to certain monetary thresholds or types of procurements. A table identifying applicable third-party contract provisions is included at the end of this chapter. Alternatively, the required federal contract clauses and certifications can be queried using RTAP's Procurement Pro through the National Rural Transit Assistance website at www.nationalrtap.org/webapps/procurementpro.aspx.

Some federal clauses require the vendor to certify compliance with federal terms, such as debarment and suspension, lobbying, and Buy America provisions. A table listing the various certifications that typically apply is provided at the end of this chapter.

Note: Due to the complexity and strict enforcement of the Buy America provisions, the grantee may wish to seek additional technical assistance from WSDOT staff on this topic.

Buy America (49 CFR Part 661)

Procurements exceeding \$100,000 must meet Buy America standards unless a waiver exempting the purchase from Buy America requirements has been granted by FTA.

FTA may waive the general requirements of Buy America if the FTA Administrator determines that:

- They would be inconsistent with the public's best interest.

- The materials for which the waiver is requested are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality.
- The inclusion of a domestic item or domestic material increases the cost of the contract between the grantee and the supplier for that item or material by more than 25 percent.

Note: MAP-21 does not make any changes to Buy America waivers. However, MAP-21 does require FTA to publish in the Federal Register and on FTA's website a detailed written explanation of waivers, and submit an annual report to Congress listing any waivers issued during the preceding year.

All rolling stock and equipment purchased with FTA capital assistance must still meet Buy America requirements (49 USC § 5323(j) and 49 CFR Part 661). This requirement varies depending on the item purchased.

For rolling stock, 60 percent of the total cost of the vehicle must be from domestic sources and final assembly must occur in the United States. Regarding equipment and construction materials, no FTA funds may be obligated and used unless all steel, iron and manufactured products used in the project are produced in the United States. The general requirements of § 661.5 are reproduced below.

§ 661.5 General Requirements

- (a) *Except as provided in §661.7 and §661.11 of this part, no funds may be obligated by FTA for a grantee project unless all iron, steel, and manufactured products used in the project are produced in the United States.*
- (b) *All steel and iron manufacturing processes must take place in the United States, except metallurgical processes involving refinement of steel additives.*
- (c) *The steel and iron requirements apply to all construction materials made primarily of steel or iron and used in infrastructure projects such as transit or maintenance facilities, rail lines, and bridges. These items include, but are not limited to, structural steel or iron, steel or iron beams and columns, running rail and contact rail. These requirements do not apply to steel or iron used as components or subcomponents of other manufactured products or rolling stock, or to bimetallic power rail incorporating steel or iron components.*
- (d) *For a manufactured product to be considered produced in the United States:*
 - (1) *All of the manufacturing processes for the product must take place in the United States; and*
 - (2) *All of the components of the product must be of U.S. origin. A component is considered of U.S. origin if it is manufactured in the United States, regardless of the origin of its subcomponents.*

Price/Cost Analysis (FTA C 4220.1F Chap VI, 6)

Grantees must perform a cost or price analysis in connection with every

procurement action, including contract modification. This is to ensure that the price offered is fair and reasonable.

Cost analysis is used when:

- Adequate competition is lacking and for sole source procurement, including contract modification or change orders.
- The offeror is required to submit the elements (e.g., labor hours, overhead, materials, etc.) of the estimated cost.

Price analysis may be used in all other instances to determine price offered is fair and reasonable (historical cost, price list).

Sole Source – If goods or services are available from only one responsible source and no other goods or services will satisfy the requirements, the grantee may make a sole-source award. To justify a sole source, one of the following conditions must be present:

- Unique or innovative concept
- Patents or restrictive data rights
- Substantial duplication costs
- Unacceptable delay
- Only one bid was received

For additional information and guidance contact your community liaison.

Award to Responsible Contractor (FTA C 4220.1F, Chap VI, 8.(b))

Grantees shall make awards only to responsible contractors possessing the ability to perform successfully under the terms and conditions of the proposed procurement. Consideration shall be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

Grantees must verify all awarded third-party contractors are not debarred or suspended from participating in federally funded contracts. Grantees must review the System for Award Management at www.sam.gov and retain a screenshot of your search in your procurement files documenting you verified the contractor's eligibility.

Formal Bid Process

This information applies to all grantees that wish to perform their own formal bid process for purchasing vehicles or equipment.

Bid Documents

The bid documents must include the following information:

- Purpose of the bid.
- Purchaser contact information.

- Method used to conduct the vehicles and equipment procurement (i.e., ITB or RFP).
- Bid information, instructions and timeline for communication, bid submittal, bid opening and award.
- Minimum and maximum number of vehicles and equipment to be purchased.
- Term (length) of the contract to be awarded.
- All applicable FTA terms and conditions.
- General and technical specifications of the vehicles and equipment, which allow open competition.
- Protests and appeals procedures.
- Basis upon which your organization will evaluate bid proposals and award bids.

Bid Process

Grantees may proceed with the bid process and the following related activities after written approval from WSDOT is received:

- **Advertise the Bid** – Grantees must advertise and publicize bid solicitation in major local newspaper(s) or commercial and trade journals and other known sources. The bid solicitation should allow sufficient time for vendors to prepare bids before the date of bid opening. Grantees should allow a minimum of two weeks to increase opportunity for open competition.
- **Mail the Bid Document to All Known Vendors** – Grantees should send the bid solicitation to all known vendors to ensure participation.
- **Conduct the Review and Approval/Rejection of Request for Equals** – Vendors may request changes or substitutions to the specifications. Grantees shall review and evaluate vendor requests based on performance, intended use and costs of the proposed equals. The grantee must then approve/reject vendor requests and send all responses to all vendors who have received the bid solicitation within the timeframe set forth in the IFB. Grantees may seek the WSDOT vehicle and equipment procurement staff for assistance in the review of vendor requests.
- **Conduct the Review and Approval/Rejection of Request for Reconsiderations** – Vendors may request reconsideration of the request for equals that the grantee rejected. Vendors may also submit backup documentation about the proposed item requested for substitution. Grantee shall review and evaluate vendor requests for reconsideration based on performance, intended use and cost of the proposed equal.

Note: Grantees may not specify a brand name product without allowing potential bidders to offer an equal product.

- **Conduct a Protest or Appeal**
 - **Appeal Procedures** – A vendor who is aggrieved in connection with the bid process may submit an appeal to WSDOT. Vendor must submit a detailed

description of the facts and disagreement that form the basis of the appeal, including any supporting documentation related or referred to in the appeal and the specific decision requests. Grantee must review the appeal and respond to the vendor within the timeframe set forth in the appeal procedures. Vendor and grantee must follow the appeal procedures set forth in the bid documentation.

- ***Protest Procedures*** – The vendor may further file a protest of the decision that resulted in the appeal process to grantee’s administrator for consideration. The protest must include a detailed description of the facts and disagreement that forms the basis of the vendor’s protest. Vendor may provide supporting documentation related or referred to in the protest and the specific decision requests. Grantee must review the protest and respond to the vendor within the timeframe set forth in the protest procedures. The vendor must follow all procedures set forth in the protest procedures of the bid document.
- ***Bid Submittal Deadline*** – Vendor must submit the bid on or before the bid due date prescribed in the bid solicitation. Any vendor bid submitted after the prescribed date and time will be neither accepted nor opened.
- **Conduct the Bid Opening** – Bids must be publicly opened at the time and place prescribed in the bid document. Bids can be read and recorded in a bid abstract document and made available to bid-opening attendees for review and inspection.
- **Conduct the Pre-Award Review of Your Lowest-Priced, Most Responsive and Responsible Bidder** – This step may include a visit to the factory where the vehicles and equipment are assembled. Review the “Pre-Award Factory Visit” section for more details. For detailed information, refer to the “Pre-Award Review” section on the following page.

Note: FTA-funded procurements cannot require excessive qualifications, unnecessary experience or improper pre-qualifications.

Pre-Award Review

Before awarding any bid for vehicles, grantees must conduct a pre-award review of the lowest-priced, most responsive and responsible bidder. The purpose of conducting the review is to verify that the manufacturer is able to construct the vehicle according to the specifications and to ensure the manufacturer is able to comply with:

- Altoona bus testing
- Buy America requirements
- FMVSS
- Debarment and suspension certification (if not included as part of the IFB or RFP)
- TVM certification

Note: The dealer may not substitute for the manufacturer. Record when and how the review requirements were met as well as the data received from the manufacturer. Read the Pre-Award Audit Checklist in [Appendix E](#) for details of certification requirements.

Bus Testing

The vehicle manufacturer must certify that its bid complies with FTA bus testing regulations by submitting an Altoona testing report for each vehicle model bid as part of its bid submittal. Grantees are required to maintain a copy of the Altoona testing report in the appropriate vehicle procurement file.

When procuring buses or other rolling stock with FTA funds, grantees should ensure the procured items comply with new MAP-21 testing requirements. MAP-21 provides for an FTA-funded facility at which all new vehicles purchased with FTA assistance must be tested to meet standards for safety, structural integrity, reliability, performance (including braking), maintainability, emissions, noise and fuel economy (49 USC Sections 5318 / MAP-21 Section 20014).

FTA will work with the industry to develop a pass/fail standard for U.S. testing. This standard must include safety provisions established by FTA pursuant to Section 5329(b)(safety). Vehicles that do not receive a “pass” rating would not be eligible for purchase with federal funds. Test results cannot be interpreted as a warranty or guarantee that the tested bus will meet the purchaser’s specific requirements.

Until FTA issues a rule implementing the standard, the current Altoona bus testing process applies.

Note: Non-modified passenger vans, minivans and raised-roof vans are not subject to Altoona bus testing. For the purposes of the FTA program, ADA low-floor modified minivans and van-chassis or truck- chassis cutaways (commonly referred to as minibuses) are subject to Altoona testing.

Buy America

Under the Buy America federal requirement for rolling stock (vehicles), at least 60 percent of the vehicle’s costs must be from American-made products and its final assembly must take place in the United States. Prior to award, the manufacturer must certify its ability to comply with this requirement. The supporting documentation received from the manufacturer must detail, by component, how the 60 percent Buy America requirement will be met and detail what final assembly entails. Grantees are required to verify the manufacturer’s documentation to support the manufacturer’s Buy America certification. Upon delivery, complete the post-delivery Buy America certification described in the Post-Delivery Audit section.

Non-rolling stock procurements over \$100,000 must meet 100 percent Buy America criteria for iron, steel and manufactured goods.

Note: Braun and Eldorado ADA low-floor minivans built on a Chrysler/Dodge Caravan now satisfy Buy America requirements for final manufacture.

Federal Motor Vehicle Safety Standards

To verify compliance with FMVSS, review the manufacturer's documentation to ensure that all vehicles purchased with grant funds have passed all tests required by the National Highway Transportation Safety Administration under 49 Code of Federal Regulations (CFR) 663. The tests may also include other FMVSS tests required by the vehicle specifications. Retain a copy of the vehicle testing report for each vehicle type and keep it in the related vehicle procurement file.

Factory Visit and Inspections

Should your organization determine that a factory visit trip is warranted and seeks to have the costs associated with the trip reimbursed by WSDOT, you must submit a request and receive approval from WSDOT prior to taking the trip. It is recommended that trip requests be submitted at least 30 days in advance of the scheduled trip. WSDOT will not reimburse organizations for expenses associated with the factory inspection or visit after the trip has been completed if prior trip approval was not obtained from WSDOT.

For pre-approved factory site visits, grantees may hire a qualified independent contractor who specializes in public transportation vehicle manufacturing inspections to conduct the factory site visits on their behalf. Contractor receipts and inspection report for the factory site visit must be included with the reimbursement request to be eligible for payment.

Note: If conducting a factory visit, use the appropriate factory visit checklist (Pre-Award Factory Visit Checklist or Mid-Construction Factory Visit Inspection Checklist) in [Appendix E](#) and vehicle specifications identified in the RFP and/or contract.

Note: Procurements of more than 10 vehicles (serving urbanized areas) or more than 20 vehicles (serving non-urbanized areas) require factory visits at different stages of vehicle production. These inspections may include up to four trips to the factory during the various construction stages of the vehicles.

Compliance with the Specifications

The final element in the pre-award review is to verify:

- The bid was made by the lowest-priced, most responsive and responsible manufacturer in the ITB process, or the bid represents the best value using the pre-defined scoring criteria identified in the RFP. Scoring criteria may include factors such as fleet uniformity, maintenance costs and parts availability along with traditional factors such as price.
- The manufacturer has the capability to construct the vehicle.
- Continuity of the manufacturer's warranties can be ensured.

Post-Delivery Audit

Once vehicles are delivered, grantees are required (for each grant-funded vehicle) to complete and sign the respective forms associated with the post-delivery vehicle audit process. The following provides a summary of the process.

- First, use the Vehicle Visual Inspection Form ([Appendix E](#)) to conduct a visual inspection of each vehicle received. Note any apparent defects as well as whether a specific inspected item is acceptable. Ensure that the manufacturer has provided the following:
 - **Post-Delivery Buy America Certification** – A post-delivery American Content report was received upon delivery of the vehicle. The report must be dated prior to the vehicle invoice date. Sign the post-delivery Buy America compliance certification or the post-delivery Buy America exemption certification, whichever applies.
 - **FMVSS** – The FMVSS report (for each vehicle delivered) was received and the manufacturer has affixed the metal placard on the driver door frame of each vehicle. Sign the post-delivery FMVSS Compliance Certification or the post-delivery FMVSS exemption certification, whichever applies.
- Second, perform a road test for each vehicle received to verify that the vehicle is in good working order and has no mechanical defects. Document and report the results on the road test form ([Appendix E](#)).
- Third, list and provide the necessary requested information for all vehicles that have satisfactorily met all the contract specifications on the post-delivery purchaser's requirements certification ([Appendix E](#)). Use the appropriate form based upon the number of vehicles procured (e.g., more than 20 or fewer than 20).

Note: [Appendix E](#) identifies the specific forms to be used for completing the vehicle inspection and certification process. Inspection and certification forms must accompany the grantee's request for reimbursement. WSDOT will not process payment until the required forms for all accepted vehicles are received.

Timeline for Accepting Delivered Vehicles

Delivery and acceptance timelines are outlined in the specific ITB or RFP used to purchase the vehicles. Once the vehicles are delivered, grantees have 15 calendar days to complete inspections and either accept or reject the vehicles. If the vehicles are acceptable, issue an acceptance letter to the contracted vendor. If the vehicles do not meet the specifications or defective parts and/or deficiencies are found, a non-acceptance letter to the contracted vendor must be issued within the 15 calendar-day period. The non-acceptance letter should include detailed information about the defective part(s) and/or deficiencies and a request that the contractor take appropriate actions to correct the problem(s). A vehicle may not be placed in service until it is fully accepted. A copy of the non-acceptance letter must also be sent to WSDOT.

Note: Failure to notify the contractor within the 15-day period or the timeframe set forth in the bid document may constitute acceptance of the vehicle as delivered, depending on the ITB or RFP.

Grantees shall pay the vendor according to the procurement contract for all accepted vehicles. Partial vehicle acceptance should not delay payment for accepted vehicles.

Grantees shall submit request for reimbursement to WSDOT for all accepted vehicles within 30 days of the acceptance date.

Vehicle Procurement Records and Retention

Grantees must file and maintain all pertinent procurement records in the procurement file for all grant-funded procurements. Grantee shall maintain the complete procurement file for six years beyond the useful life of the vehicle(s) regardless of the process used to purchase the vehicles. The minimum useful life of a vehicle is shown in [Appendix E](#). Read the Procurement File Contents checklist in [Appendix E](#) for details on those documents which must be retained.

Title of Vehicles

When obtaining the vehicle titles with state or federal funds administered by WSDOT, your organization must be shown as the registered owner and WSDOT must be shown as the legal owner. The following information must appear on the title:

Legal Owner
Washington State Department of Transportation
Public Transportation Division
PO Box 47387
Olympia, WA 98504-7387

Note: All applicable licensing and title fees are the responsibility of the grantee. Those costs are not eligible for reimbursement under the capital grant.

Title Retention

The length of time WSDOT retains title to vehicles purchased for the project will depend on the size and type of vehicle purchased. The vehicle disposition schedule ([Appendix E](#)) identifies the retention schedule for vehicles, also known as the *minimum useful life* of the vehicle.

WSDOT will release legal ownership of all vehicles based on the vehicle acceptance date and identified minimum useful life (based on its age or mileage, whichever comes first).

Note: After WSDOT releases the vehicle title, grantees must complete the transfer of legal

ownership of the vehicle with the Washington State Department of Licensing (DOL) within 15 calendar days. Failure to do so may result in penalties imposed on the grantee by DOL.

Note: Small buses, cutaways and modified vans that do not exceed 28 feet in length used for special needs transportation may qualify for rideshare license plates, which are exempt from sales tax per [RCW 46.74.010](#).

Vehicles Purchased for Replacement

Organizations using grant funds to replace a vehicle in its fleet are expected to retire the vehicle identified in the grant application within three months of accepting the replacement vehicle.

Retiring a vehicle means it is sold, surplussed, donated or placed in spare status (service not exceeding 30 percent of prior use). Assigning the vehicle to another service area or contractor or leasing the vehicle is generally not acceptable. Contact your community liaison for additional assistance with this determination.

Note: Failure to retire the replaced vehicle in a timely manner is considered a breach of the grant agreement and may result in disqualification for future grants and/or repossession of the new vehicles.

Equipment Procurement

This section describes the necessary steps and requirements associated with purchasing equipment other than vehicles. All equipment purchased with grant funds from WSDOT must be used to support the passenger transportation services described in the grant agreement.

Purchasing Procedures

While WSDOT does not prescribe specific procedures for the purchase of equipment, it does require that grantees have established written procedures in place describing the equipment purchase process. For more detailed guidance on developing purchasing procedures, read the “Purchasing Policies” section in [Chapter 1](#). At a minimum, the procedures must include:

- A dollar threshold for phone quotes versus bids.
- The designation of officials who have signature authority for various types of purchases.
- The point at which board approval is required.
- Policies for purchasing from DBE vendors if FTA funds are used (for more information, read the DBE requirements in [Chapter 1](#)).

Grantees awarded FTA grant funds for equipment must have procedures that comply with FTA Circular 4220.1F. An Internet link to that circular can be found in [Appendix G](#).

Managing Vehicles and Equipment

Grantees are expected to ensure that vehicles and equipment are properly maintained and used for the services described in the grant agreement. The information below provides guidance on how to properly manage grant-funded equipment and vehicles.

Allowable Uses

All vehicles and equipment purchased with grant funds must be used throughout their minimum useful life to support the passenger transportation services described in the grant agreement and be consistent with grant funding requirements. The service parameters include but are not limited to:

- Service area.
- Service mode (demand response, fixed route, vanpool, etc.).
- Population to be served (general public, special needs, etc.).
- Type of service (job access, complementary paratransit, etc.).

Minimum Service Thresholds for Vehicles

Vehicles (excluding vanpool vehicles) funded through WSDOT's grant programs must be used to provide a minimum level of service in the community. Those minimums are:

- 100 passenger trips per week.
- 100 service miles per week.

Failure to meet the minimum service thresholds may result in WSDOT removing the vehicles and may jeopardize your organization's ability to remain in compliance with WSDOT's In Good Standing policy.

Note: Depending on federal funding sources, grantees may use the vehicles for other passenger transportation services if the use is incidental and does not diminish the services identified in the grant agreement. Contact your assigned Community Liaison to determine eligibility.

Maintenance of Vehicles and Equipment

Grantees are required to maintain all vehicles and equipment purchased with grant funds according to the manufacturer's recommendations and transit asset management plan (TAMP), or other transportation organizations' vehicle maintenance plan (VMP). The maintenance plan typically consists of a graduated preventive maintenance program. Refer to the owner's manuals received from the vehicle and equipment manufacturers and any installed components (such as wheelchair lift, bicycle rack, air conditioning unit) in order to establish a preventive maintenance program. Samples of maintenance plans and preventive maintenance inspection forms are available from WSDOT upon request.

Asset Management Plan

Moving Ahead for Progress in the 21st Century (MAP-21) and [RCW 81.112.086](#) require transit agencies and grantees receiving FTA and state funds for public transportation capital projects to develop and implement a TAMP or VMP. Transit agencies and grantees must submit TAMP/VMP recertification and/or an update of their plan to WSDOT on or before Feb. 15, 2017. TAMP/VMP recertification is due every other year on an odd-year basis.

MAP-21 and state AMP requirements consist of several important elements:

- Capital-asset inventory.
- Condition assessments and reporting.
- Maintenance plans for vehicles, equipment and facilities.
- Capital-investment prioritization for bringing public transit systems into a state of good repair.

Newly formed transit agencies can find guidance on developing an AMP at www.wsdot.wa.gov/transit/library. For more information about AMPs and VMPs, contact a WSDOT vehicle and equipment procurement staff member.

Required Elements for an AMP

Transit agencies and grantees must develop an AMP including:

- Inventory report system
- Lowest life-cycle cost (LLCC) methodologies
- Preventive maintenance program
- Maintenance recordkeeping system
- State of good repair
- Performance-based planning progress

Annual Transit Asset Inventory

Transit agency AMPs must include an inventory of all transit assets. Asset inventories are due every Jan. 31. For more information about annual asset inventories, contact a WSDOT asset management staff member.

Note: As a condition of receiving FTA and state funds, grantees must have an AMP certified by WSDOT. WSDOT considers the preventive maintenance requirements described in the transit AMP to be best practices for all grant recipients.

Vehicle Maintenance Plan (all other Grant-Funded Vehicles)

Non-transit agency grantees are required to submit a written VMP that covers all vehicles purchased with state or federal grant funds to WSDOT for approval by Oct. 1, 2015, for current WSDOT-funded grantees. For new WSDOT funded grantees, a VMP is due prior to the receipt of its first grant-funded vehicle.

Required Elements for a VMP

Non-transit agency grantees must develop a VMP including:

- Inventory report system
- LLCC methodologies
- Preventive maintenance program
- Maintenance recordkeeping system

Annual Asset (Vehicle) Inventory

Agency AMPs must include an inventory of all transportation vehicles. Asset inventories are due every Jan. 31. For more information about annual asset inventory, contact a WSDOT vehicle and equipment procurement staff member.

AMP and VMP Technical Support

WSDOT's guidance for FTA and Consolidated Grant program grantees is available at www.wsdot.wa.gov/transit/library. Select "Guide to Preparing Your Transit Asset Management Plan" or "Guide to Preparing your Vehicle Maintenance Plan," whichever is applicable.

Note: As a condition of receiving FTA and state funds, grantee must have a VMP certified by WSDOT. WSDOT considers the preventive maintenance requirements described in the VMP to be best practices for all grant recipients. Further guidance on the VMP is published in a separate document. For additional information, contact a WSDOT asset management staff member.

Insurance Requirements

Vehicles purchased with grant funds must be insured to be in compliance with state law. Grantees must provide a certificate of insurance documenting liability, comprehensive and collision insurance for all grant-funded vehicles of which WSDOT retains legal ownership, with WSDOT listed as the loss payee. Self-insured organizations must provide WSDOT with a declaration of self-insurance including a description of how the self-insurance pool is funded. For specific insurance requirements, refer to the "Loss or Damage of Project Equipment" section of the capital grant agreement.

Damages and Repairs

Grantees are responsible for reporting and repairing any damage to grant-funded vehicles of which WSDOT retains legal ownership. WSDOT must be notified in writing within five business days if the vehicle sustains disabling damage (e.g., vehicle is removed from service for ten or more operating days or is totaled) or the circumstances of the incident trigger an FTA drug-and-alcohol test. The following information must be submitted to WSDOT:

- The nature of the incident.
- The level of damage to the vehicle.

- The grantee's intentions regarding replacement of the vehicle if the damage resulted in a total loss of the vehicle.
- The incident report on file with local law officials.
- The investigation summary conducted by your organization.
- A copy of witness statement/comments.
- If FTA 5309 or 5311 funds were used for the purchase, an explanation of whether your organization's decision to conduct post-accident drug-and-alcohol tests were conducted or, if not, why they were not conducted.

WSDOT does not need to be notified if the damage does not require removal from service. However, any damage should be repaired as quickly as possible.

Note: Any costs of the repair which are not covered by insurance are the responsibility of the transit agency.

Vehicle Total Loss

If the vehicle is deemed a total loss by the insurance carrier, the insurance proceeds shall be paid directly to WSDOT. Grantees that do not intend to replace a vehicle deemed a total loss will be forwarded the proportionate local share of the insurance proceeds received by WSDOT, provided that the grantee is in compliance with the grant agreement.

Grantees that intend to replace a vehicle deemed a total loss must replace it with a new or similar vehicle (value at the time of the incident, capacity, wheelchair accessibility, etc.). Once the replacement vehicle is received, a copy of the vendor invoice and the registration showing WSDOT as legal owner must be submitted to WSDOT. WSDOT shall reimburse the grantee up to the insurance proceeds paid. Any replacement costs in excess of the insurance proceeds must be assumed by the grantee.

If the grantee orders a replacement vehicle within 60 days of the incident and before the insurance proceeds have been processed, WSDOT may waive the requirement for the proceeds to be received directly by WSDOT, and may in writing allow the insurance to be paid directly to the grantee to expedite the replacement.

Note: WSDOT will release legal ownership of the replacement vehicle based on the acceptance date and the minimum useful life of the original vehicle.

Change of Use

Written notification to and the approval of your community liaison is required if any grant-funded vehicle or equipment is no longer needed for the services described in the grant agreement. In either case, here is an overview of the options that may be available:

- Grantees providing other passenger-transportation services in the same service area may request to use the vehicles or equipment for those services.
- Grantees that are Medicaid brokers (and thus cannot provide Medicaid service) may request to assign existing vehicles or equipment to another eligible service provider. Under this option, grantees must:
 - Submit the proposed agreement to WSDOT for approval.
 - Execute the approved agreement with the service provider.
 - Send a signed copy of the agreement to WSDOT.

Note: The transfer of registered ownership under this option does not release the grantee from any responsibilities under the grant agreement. The grantee will still be responsible for ensuring the assignee complies with the terms and conditions associated with the grant.

- Grantees not providing any other passenger-transportation services or reducing the scope of service may return the vehicles or equipment to WSDOT. Upon written notification, WSDOT will:
 - Initiate a fair-market valuation by an independent appraiser.
 - Identify other service providers who are willing and able to accept the vehicle(s) or equipment. If possible, WSDOT will transfer the vehicle or equipment to a provider within the same service area.
 - Initiate the transfer, once another service provider is identified and the fair-market valuation is completed. If local funds contributed to the purchase of the vehicle or equipment, grantees may be reimbursed for the proportionate local share as long as they are in compliance with the grant agreement. Once the transfer is complete, grantees will be released from the terms and conditions of the grant agreement.

Transferring Vehicles or Equipment to a Different Service Area

The process for securing grant funds is very competitive. A major component in selecting projects to be funded is the need for service within the community or communities to be served. For that reason, WSDOT works to keep grant-funded vehicles and equipment in the original service areas described in the grant agreement. If you no longer need the vehicle and/or equipment for the service described in the grant agreement, you must notify your assigned community liaison in writing immediately.

WSDOT will facilitate a fair-market valuation and transfer the vehicles and/or equipment. Grantees may be eligible for reimbursement for the proportionate local share of the vehicle's or equipment's value by the receiving agency.

Note: If WSDOT still retains the title to a grant-funded vehicle it cannot be transferred to a service area not identified in the grant agreement unless WSDOT authorizes the transfer in advance and in writing.

Buyout of the Grant Share of a Vehicle and Other Equipment

Grantees may purchase the state and/or federal share of grant-funded vehicles or equipment at any point during the grant agreement. If you elect to buy out the interest in the vehicles or equipment less than 12 months from the time of the receipt of grant funds, the amount to be returned to the state will be 100 percent of the grant. If the request to buy out the vehicle or equipment is received more than 12 months after the payment of the grant funds, WSDOT will initiate a fair-market valuation of the vehicles or equipment. Grantees will be required to pay the proportionate grant share of the current market value to WSDOT. After payment is received for a vehicle, WSDOT will send the grantee the original certificates of title for the vehicles and release them from any responsibilities under the grant agreement.

Sale of Federally Funded Capital Assets (Vehicles and Equipment)

Typically, FTA and WSDOT retain no interest in the vehicle or equipment after it exceeds its minimum useful life and the title or interest in the capital asset has been released. However, if the grantee sells a federally funded capital asset and receives proceeds in excess of \$5,000, the grantee may be subject to a partial return of funds to FTA per FTA Circular 5010.1D (page IV-25, (4)). The grantee may petition FTA to allow the retention of all proceeds from the sale of the capital asset provided the grantee reinvests the proceeds in a similar vehicle and/or equipment. This would equate to a “like-kind” exchange that retains the original intent and scope of the project.

Note: If any federally funded vehicle or equipment is sold for a fair market value in excess of \$5,000, the grantee must return the prorated federal portion to FTA regardless of who holds the title or interest, unless directed otherwise.

Requesting Capital Grant Reimbursements

WSDOT will reimburse the state and/or federal percentage shares identified in the scope of work of the agreement or the total funds awarded for the purchase, whichever is less. The remaining portion of the cost must be paid with local funds. The local share must be in cash and not derived from any sources that would place restrictions on the use of the equipment or place a lien on the equipment. Eligible expenses include, but are not limited to:

- Factory visits (if required and/or pre-approved by WSDOT). These expenses must fall within state/federal per diem rates. A written request must be submitted to WSDOT for review and approval prior to taking the trip. WSDOT will not reimburse trip expenses without prior written approval. Contact the WSDOT vehicle and equipment procurement program manager prior to taking the trip and for more detailed information and requirements.
- Cost of equipment identified in your grant agreement, including any associated sales or use taxes paid.

- Purchase and installation of other vehicle equipment identified in the grant agreement or otherwise pre-approved by WSDOT (e.g., signage, bike racks, radios, cameras, fare boxes).
- Purchase and installation of striping and/or logos on the exterior of any vehicles purchased under the grant agreement.
- Purchase and installation of non-vehicle equipment specifically identified in the grant agreement.
- Required inspection costs, if performed by a third party contractor.

Note: Ineligible expenses under WSDOT's Capital Grant program include administrative costs incurred to conduct the capital procurement and purchase, costs of maintenance staff for accepting the vehicle and/or preparing it for service, and title and licensing fees. These expenses may be eligible for reimbursement through an operating grant.

To receive reimbursement, submit a completed reimbursement request signed by your agency's financial manager or another authorized representative to the WSDOT Public Transportation Division, along with copies of the vendor invoices and all other required attachments. See [Appendix A](#) for samples of reimbursement forms and detailed instructions.

Attention: WSDOT Requirements for Fiscal-Year Closeout

WSDOT operates on a biennial fiscal cycle, but also performs an annual fiscal closeout. To ensure timely payment, you must submit any reimbursement request or an estimate of charges by July 15, 2016, for any unreimbursed eligible expenses incurred between July 1, 2015, and June 30, 2016. The final reimbursement request for state-funded projects must be received by WSDOT within 30 days of the completion of the project or by July 15, 2017, whichever comes first. Reimbursement requests, for state funded projects, received after July 15, 2017, may not be eligible for payment.

Consolidated Grants Program

A completed reimbursement request for the Consolidated Grant program must include the following information or attachments:

- Invoices from vendors supplying vehicle or related equipment and services.
- Completed visual-inspection and road-test forms for vehicle purchases.
- Completed post-delivery purchaser's requirements certification.
- Completed post-delivery Buy America compliance certification.
- Completed post-delivery FMVSS compliance certification.
- Copy of the insurance certificate covering the vehicle.
- Copy of the factory trip expense worksheet, trip itinerary with travel receipts, WSDOT out-of-state pre-approval letter, and report from the visit to manufacturer's site to verify the vehicle was constructed according to bid specifications if the visit was required.

- Copy of the vehicle registration certificate, issued by DOL, showing WSDOT as the legal owner.
- Copy of the grantee's vehicle acceptance letter to the vendor.

Third-Party Contracts – Clauses to Include

Procurement Pro, a national RTAP product, is a valuable resource for finding third-party contract clauses:

<http://www.nationalrtap.org/Web-Apps/ProcurementPRO>