

COUNCIL ACTION FORM

SUBJECT: CHANGE TO PURCHASING POLICIES REQUIRED BY FEDERAL TRANSIT ADMINISTRATION (FTA)

BACKGROUND:

The Federal Transit Administration (FTA) recently completed a review and evaluation of FTA-funded activities through the American Recovery and Reinvestment Act (ARRA) for CyRide. The review was conducted on behalf of the FTA by a consultant. During this review, it was determined that an additional requirement needs to be included in the purchasing policies to comply with FTA requirements:

1. A documented independent cost estimate is required when appropriate for FTA funded contracts prior to the receipt of bids or proposals.

The addition of this clause in the purchasing policies is proposed to address the issue. This is proposed to be added to Section 6, Bids, Quotations, and Proposals under the Special Conditions Section 6.07, G Projects Funded by Federal and State Grants.

ALTERNATIVES:

1. Approve changes to the purchasing policies referencing Federal and State grant requirements.
2. Reject proposed change to the purchasing policies.

MANAGER'S RECOMMENDED ACTION:

It is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving changes to the purchasing policy referencing Federal and State grant requirements.