

Meeting of the Procurement & Business Practices Joint Ad Hoc Committee



Date:
Wednesday, February 25, 2026

Starting Time:
11:00 a.m.

Location:
Valley Metro
Conference Room 10B/Webex
101 N. 1st Avenue, 10th Floor

If you require assistance accessing the meetings on the 10th floor, call 602.262.7433.

Agenda

February 23, 2026



Procurement & Business Practices Joint Ad Hoc Committee

Wednesday, February 25, 2026
Valley Metro, 101 N. 1st Avenue, 10th Floor
Conference Room 10B/Webex
11:00 a.m.

1. Methods of Procurement
2. Procurement Timelines
3. Contract Terms
4. Delegations of Authority
5. Draft Policy Recommendations
6. Adjournment

Joint Ad Hoc Committee

Theme 1 – Procurement Practices

February 25, 2026



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Agenda

1. Methods of Procurement
2. Procurement Timelines
3. Contract Terms
4. Delegations of Authority
5. Draft Policy Recommendations

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Methods of Procurement

- Calculation of Contract Value
- Methods of Procurement
 - Competitive: Request for Proposal (RFP), Invitation for Bid (IFB), Request for Qualifications (RFQu)
 - Simplified Acquisition
 - Micro-Purchase
 - Cooperative Contracting
- Thresholds
- Common Examples
 - Competitive
 - Simplified Acquisition

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Calculation of Contract Value

- Value of the purchase largely determines the available process
- Value is based on spend over the maximum term of the contract
- Inventory items and spare parts are based on annual replenishment amount
- Software is based on annual license fee

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Methods of Procurement

Method	Use Case	Threshold
Micro-purchase	Purchase goods or services used one-time or infrequently, purchases may not be split to qualify	Up to \$10,000
Simplified Acquisition	Must obtain quotes from an adequate number of qualified sources (minimum two), purchases may not be split	Up to \$350,000 <i>(current FTA threshold)</i>
Competitive	Requirements are specified and use a competitive process (RFP, IFB, RFQ, etc.)	Above \$350,000
Cooperative	Purchase off federal schedules, FAST Act cooperatives, state and local cooperatives, and contracts with piggyback clauses	Any amount

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Examples of Common Categories

Competitive Procurements



Bus operations and maintenance contracts



Fare inspection and security



Services for cleaning and maintenance

Simplified Acquisition



Inventory items



Parts for trains, vehicles and facilities



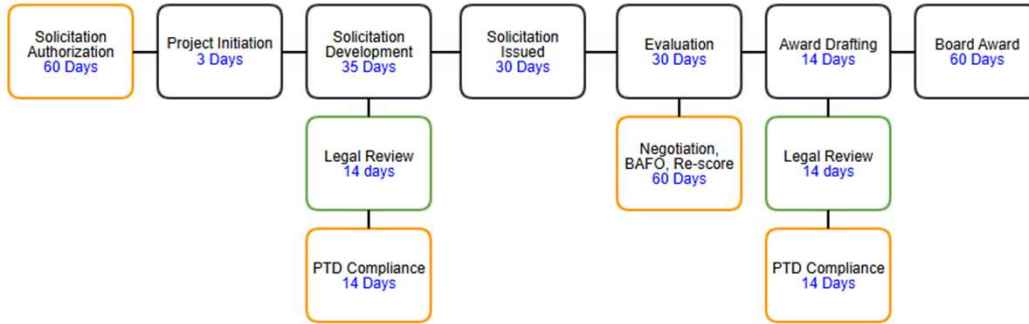
Annual software licenses

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Competitive Procurement Process



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Cooperative Procurement Process



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Simplified Acquisition Process



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Work / Time Analysis

- Completed a basic work/time analysis for each major procurement method
- Assigned time and value to each step
- Used a “basic” project, not a complex project

RFP Process	Activity	Days	Hrs	Hrly	Total Cost						Mid Hrly
In Progress / Additional Information / Kick-off	DAY 0: DEVELOP PROCUREMENT PLAN					Stages					
	1	1	1	\$ 47.91	\$ 47.91	5				C&P Management	\$ 47.91
	C&P Management		3	\$ 39.59	\$ 118.77				Procurement Officer	\$ 39.59	
	Procurement Officer									Department Staff	\$ 40.64
	REVIEW SUBMITTED DOCUMENTS AND KICK OFF MEETING					Steps					
	2	3	3	\$ 39.59		21				Legal	\$ 96.15
	Procurement Officer		1	\$ 40.64					PTD Compliance	\$ 72.12	
	Department Staff		1	\$ 40.64					Manager, Department	\$ 66.51	
	Department Staff					Days				Boards of Directors	\$ -
	DEPARTMENT CONTRACT DEVELOPMENT					162				Evaluator	\$ 72.12
	3	Department Staff	14	10	\$ 40.64	\$ 406.40					

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Work / Time Results

Type	# of Steps	# of Days	# of Dead Days	Work Hours	Total Cost
RFP	44	221	131	720	\$74,275
IFB	28	150	112	305	\$27,420
RFQu	44	217	121	767	\$77,446
Coop	21	162	141	165	\$12,532

- Dead days represent external processes, such as Legal review, PTD Review, Board routings (30-day publication)
- Dead days drive the schedule
- Cost is driven by work hours

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Delegation of Authority – Board to CEO

Board	Proc Action	Threshold	Approval	Action
RPTA or Joint	Issue Solicitation	\$350,000 or higher	Board	Solicitation released
RPTA or Joint	New Contract Award or Requisition	\$50,000 or higher	Board	CEO executes contract or req
VMR	New Contract Award or Requisition	\$150,000 or higher	Board	CEO executes contract or req
Either	Intergovernmental Agreement (IGA)	Any dollar value	Board	CEO executes agreement
Either	IGA	Funding/Pass Thru	CEO	CEO executes agreement

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Current Delegations of Authority (cont'd)

RPTA CEO Delegation of Authority

Agency Staff	Proc or Contract Action	DCP or Designee	Dollar Threshold
Division Director	Generate/Approve Purchase Requisition	N/A	Board approved division budget or CEO/CFO
Division Director	Execute New Agreements and Contracts	Concurrence	Up to \$50,000 provided within Division's budget
Division Director	Execute Task Orders, Contract Options, Modifications, and Change Orders	Concurrence	Up to \$50,000 provided within Division's budget

VMR CEO Delegation of Authority

Agency Staff	Proc or Contract Action	DCP or Designee	Dollar Threshold
Division Director	Generate/Approve Purchase Requisition	N/A	Board approved division budget or CEO/CFO
Division Director	Execute New Agreements and Contracts	Concurrence	Up to \$100,000 provided within Division's budget
Division Director	Execute Task Orders, Contract Options, Modifications, and Change Orders	Concurrence	Up to \$100,000 provided within Division's budget

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Trial Use or Demonstration Contracts

- Contract or purchase order to temporarily utilize a procurement item that is new, unique, or previously unused by Valley Metro
- Made for the minimum quantity and time necessary to test the item
- May not exceed 24-month term without written exception
- Must use a competitive process if future use is desired

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Management Guidance - Transparency

- Task Order and Job Order Contract (JOC) Reporting
 - Option – Report task orders and JOCs issued over \$150,000
 - Report Option 1 (recommended) – Add to the Solicitation Report that is provided to the Board on a monthly basis
 - Report Option 2 – Add to the relevant Board agenda as an informational item

Sample of Board Notice

On Call or JOC	Description of Work	Cost	Period
Planning Support Services HDR Engineering, Inc. Task Order 02E	FY2026 Engineering Support Services • Task1: General engineering support • Task 2: Fare collection system modernization • Task 3: Gilbert park-and-ride support	Task Order 02E: \$671,399.55 Task Order 02 Total \$2,333,699.55	July 1, 2025 to Jun 30, 2026

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Policy Recommendations

- Timelines
 - Option – Eliminate solicitation authorizations for RPTA

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Policy Recommendations (cont'd)

- Delegation of Authority
 - Option 1 – Match RPTA and VMR at \$150,000

Board	Proc Action	Threshold	Approval	Action
RPTA or Joint	Issue Solicitation	\$350,000 or higher	Board	Solicitation released
RPTA or Joint	New Contract Award or Requisition	\$150,000 or higher	Board	CEO executes contract or req
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Either	Intergovernmental Agreement (IGA)	Any dollar value	Board	CEO executes agreement
Either	IGA	Funding/Pass Thru	CEO	CEO executes agreement

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Policy Recommendations (cont'd)

- Delegation of Authority
 - Option 2 – Match RPTA and VMR and increase to \$350,000, and route simplified acquisition purchases to the Board for transparency

Board	Proc Action	Threshold	Approval	Action
RPTA or Joint	Issue Solicitation	\$350,000 or higher	Board	Solicitation released
RPTA or Joint	New Contract Award	\$350,000 or higher	Board	CEO executes contract
VMR	New Contract Award	\$350,000 or higher	Board	CEO executes contract
Either	Intergovernmental Agreement (IGA)	Any dollar value	Board	CEO executes agreement
Either	IGA	Funding/Pass Thru	CEO	CEO executes agreement
All	Simplified Acquisition	\$10,000 to \$350,000	CEO	CEO executes, reports to Board

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Policy Recommendations (cont'd)

- Exercise of Option Periods
 - Option 1 – Discontinue routing all option period exercises if approved with the initial board award
 - Option 2 – Limit option period exercise routing to the Board for key contracts
 - Rail operations
 - Fare inspection and security
 - Bus operations and maintenance
 - Demand response (ADA paratransit, RideChoice, micro-transit)

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Policy Recommendations Summary

Management Guidance

- Task Order and Job Order Contract (JOC) Reporting
 - Option – Report to the relevant Board all task orders and JOCs issued over \$150,000

Policy Recommendation Options

- Timelines
 - Option – Eliminate solicitation authorizations for RPTA
- Delegation of Authority
 - Option 1 – Match RPTA and VMR at \$150,000
 - Option 2 – Match RPTA and VMR and increase to \$350,000, and route simplified acquisition purchases to the Board for transparency

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