To: Chair Cristol and the VRE Operations Board  
From: Doug Allen  
Date: June 21, 2019  
Re: Recommend Authorization to Amend PRTC/VRE’s Public Procurement Policy and Procedures

Recommendation:

The VRE Operations Board is asked to recommend the Commissions authorize an amendment to the PRTC/VRE Public Procurement Policy and Procedures Manual to a) increase the current threshold for micro-purchases to $10,000 for all purchases and b) change the level of competition for small purchases, effective July 1, 2019.

Summary:

VRE staff seeks to amend the PRTC/VRE Public Procurement Policy and Procedures Manual to adopt the Federal Transit Administration’s (FTA) new $10,000 threshold as a ceiling for all micro-purchases. VRE’s current micro-purchase threshold is $3,000 for federally funded purchases and $5,000 for non-federally funded purchases. An increase in the micro-purchase threshold will allow for greater flexibility for the procurement of goods typically sold “off-the-shelf” as well as select services. Staff also seeks to update the level of competition for small purchases to reflect changes to the Virginia Public Procurement Act (VPPA).

Background:

Micro-purchases are generally for the procurement of goods typically sold “off-the-shelf” as well as select services (e.g. propane gas for forklifts and water pumps for locomotives). The
acquisition of goods and services below the micro-purchase threshold may be accomplished without competitive quotes. An award is made only if it is determined the price is fair and reasonable.

In June 2018, the U.S. Office of Management and Budget issued memorandum OM-18-18, “Implementing Statutory Changes to the Micro-Purchase and the Simplified Acquisition Thresholds for Financial Assistance.” This memorandum raised the threshold for micro-purchases under federal financial assistance awards to $10,000 for all recipients. The increase applies to FTA-funded procurements made on or after June 20, 2018.

VRE staff seeks to amend the PRTC/VRE Public Procurement Policy and Procedures Manual to adopt the FTA’s $10,000 threshold as a ceiling for all micro-purchases. VRE’s current micro-purchase threshold is $3,000 for federally funded purchases and $5,000 for non-federally funded purchases.

The degree of required competition for small purchases will be revised to reflect the $10,000 micro-purchase limit as well as to adjust the number and type of quotes required based upon the magnitude of the anticipated expenditure as reflected in the tables below. These changes align our policy with the current VPPA.

### Degree of Required Competition – Current Thresholds

<table>
<thead>
<tr>
<th>Anticipated Expenditure</th>
<th>Degree of Competition Required</th>
</tr>
</thead>
<tbody>
<tr>
<td>Micro: Up to $5,000 ($3,000 if federally funded)</td>
<td>1 Documented Quote; Exempt from Competition</td>
</tr>
<tr>
<td>Small: $5,001 to $15,000</td>
<td>At Least 2 Verbal Quotes Sought and Documented</td>
</tr>
<tr>
<td>Small: $15,001 to $30,000</td>
<td>At Least 3 Written Quotes Sought and Documented</td>
</tr>
<tr>
<td>Small: $30,001 to $50,000</td>
<td>At Least 4 Written Quotes Sought and Documented</td>
</tr>
<tr>
<td>Small: $50,001 to $100,000 (Goods &amp; Non-Professional Services)</td>
<td>At Least 4 Written Quotes Sought and Documented</td>
</tr>
<tr>
<td>Greater Than $50,001 (Professional Services)</td>
<td>Competitive Negotiation Required; Request for Proposals</td>
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</table>

### Degree of Required Competition – Revised Thresholds

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</tr>
<tr>
<td>Greater Than $80,000 (Professional Services)</td>
<td>Competitive Negotiation Required; Request for Proposals</td>
</tr>
<tr>
<td>Greater Than $100,000 (Non-Professional Services and Goods) *</td>
<td>Competitive Sealed Bidding (or Competitive Negotiation if permissible and warranted)</td>
</tr>
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</table>

*Reflects the current threshold established by the Virginia Public Procurement Act.*
This action and subsequent Commission approval will authorize an amendment to the PRTC/VRE Public Procurement Policy and Procedures Manual to reflect these changes.

**Fiscal Impact:**

There is no direct funding impact associated with amending the PRTC/VRE Public Procurement Policy and Procedures Manual.
Virginia Railway Express
Operations Board

Resolution
8A-06-2019

Recommend Authorization to Amend PRTC/VRE's Public Procurement Policy and Procedures

WHEREAS, the acquisition of goods and services below the micro-purchase threshold may be accomplished without competitive quotes; and,

WHEREAS, the current threshold for micro-purchases is $3,000 for federally funded purchases and $5,000 for non-federally funded purchases; and,

WHEREAS, VRE staff seeks to amend the PRTC/VRE Public Procurement Policy and Procedures Manual to increase the threshold for all micro-purchases to $10,000 in accordance with the U.S. Office of Management and Budget memorandum OM-18-18, “Implementing Statutory Changes to the Micro-Purchase and the Simplified Acquisition Thresholds for Financial Assistance,” issued June 2018;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby recommend the Commissions authorize an amendment to the PRTC/VRE Public Procurement Policy and Procedures Manual to increase the threshold for micro-purchases from $3,000 for federally funded purchases and $5,000 for non-federally funded purchases to $10,000 for all purchases and update the level of competition for small purchases, effective July 1, 2019 as shown in Attachment A.

Approved this 21st day of June 2019

______________________________
Katie Cristol
Chair

______________________________
John Cook
Secretary
Attachment A to Resolution 8A-06-2019

Levels of Competition for Small Purchases

### Degree of Required Competition

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*Reflects the current threshold established by the Virginia Public Procurement Act.*
Agenda Item 8-B
Action Item

To: Chair Cristol and the VRE Operations Board
From: Doug Allen
Date: June 21, 2019
Re: Resolution of Support for Prince William County’s FY 2019 BUILD Transportation Grant Application for the Broad Run Commuter Lot Project

Recommendation:

The VRE Operations Board is asked to support and endorse the application by Prince William County to the FY 2019 Better Utilizing Investments to Leverage Development (BUILD) Transportation Grants program for the Broad Run Commuter Lot Project.

Summary:

The proposed Broad Run Commuter Lot is a key element of an expanded Broad Run Station and Maintenance and Storage Facility (MSF) complex at the western end of the VRE Manassas Line. The project consists of a surface parking lot, with approximately 600 parking spaces located on Residency Road just off the Virginia Route 28 corridor, north of existing VRE Broad Run Station and Maintenance and Storage Facility (MSF) and the Norfolk Southern Railway (NS) railroad tracks. Prince William County is pursuing BUILD grant funding for the additional station parking to supplement existing committed funding for the Broad Run Expansion (BRX) Project.

Background:

On April 23, 2019 the U.S. Department of Transportation issued a Notice of Funding Opportunity to solicit applications for the FY 2019 BUILD Transportation Grant program.
Funds will be awarded on a competitive basis for projects that demonstrate a significant local or regional impact. Applications are due on July 15, 2019.

The Broad Run Commuter Lot will be adjacent to the VRE Broad Run Station on the Manassas Line and, along with the new parking spaces, will include bicycle and pedestrian access as well as facilities to accommodate bus stops and allow for adequate bus circulation within the lot. A true multimodal transportation node, the project will allow commuters to bike, walk or drive to the commuter lot and join up with carpools/vanpools, access buses, or board VRE’s commuter rail service. The new commuter lot is located north of the NS tracks and will be connected to the VRE station platform via a pedestrian tunnel under the tracks.

The Broad Run Commuter Lot Project complements the current VRE BRX Project, which expands the VRE MSF storage capacity, constructs a third NS main track between the Broad Run complex and Wellington Rd., and modifies the Broad Run Station platform and parking south of the tracks. The BRX Project is part of the larger VRE Manassas Line Capacity Improvements Program that is increasing seating on trains and expanding stations, including the Manassas and Manassas Park.

Existing federal, Northern Virginia Transportation Authority, state (REF and I-66 outside the Beltway concession fee), and VRE Capital Reserve funds have been committed to the BRX project. The BUILD grant application will supplement currently committed BRX funding for construction of the commuter parking lot.

**Fiscal Impact:**

There is no fiscal impact.
Resolution of Support for Prince William County’s FY 2019 BUILD Transportation Grant Application for the Broad Run Commuter Lot Project

WHEREAS, the proposed Broad Run Commuter Lot will consist of a surface parking lot with 600 spaces on Residency Road, just off the Virginia Route 28 corridor and north of the existing VRE Broad Run Station and the Norfolk Southern Railway railroad tracks, and is key to expanding both the station and Maintenance and Storage Facility complex at the western end of the VRE Manassas Line; and,

WHEREAS, the U.S. Department of Transportation issued a Notice of Funding Opportunity for the Better Utilizing Investments to Leverage Development Transportation Discretionary Grants program on April 23, 2019 to solicit applications for competitive grants for projects demonstrating a significant local or regional impact; and,

WHEREAS, Prince William County is developing a Better Utilizing Investments to Leverage Development program grant application for the construction of a commuter parking lot north of the NS tracks to supplement currently committed Broad Run Station and Maintenance and Storage Facility project funding;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby support and endorse the application by Prince William County to the FY2019 Better Utilizing Investments to Leverage Development Transportation Grants program for the Broad Run Commuter Lot Project.

Approved this 21st day of June 2019

______________________________
Katie Cristol
Chair

______________________________
John Cook
Secretary
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To: Chair Cristol and the VRE Operations Board
From: Doug Allen
Date: June 21, 2019
Re: Spending Authority Report

On May 15, 2015, the VRE Operations Board approved increasing the Chief Executive Officer’s spending authority from $50,000 to $100,000. It was resolved any purchase of greater than $50,000 would be communicated to the Board as an information item.

- On May 9, 2019, VRE issue a Purchase Order in the amount of $61,366 to Pasco Battery Warehouse for new Head End Power (HEP) and Prime Mover starters for VRE locomotives.