

REPORT TO THE BOARD OF DIRECTORS

RECOMMENDED REVISIONS TO AUTHORITY CONTRACTING MANUAL OCTOBER 2012

ACTION REQUESTED

The Business Administration Committee recommends Board of Directors' approval of revisions to the Metropolitan Washington Airports Authority's (Airports Authority) Contracting Manual.

BACKGROUND

In December 2008, the Board of Directors approved issuance of the Contracting Manual's Second Edition. The Federal Transit Administration (FTA) conducted a Procurement System Review in 2011 which resulted in a request to update the Contracting Manual to address FTA requirements. Subsequently, the Board of Directors approved updates to the Second Edition in February 2012 to enable issuance of a Request for Proposals (RFP) for the Phase 2 Rail Design/Build project. This update was effective March 1, 2012 and was issued as a Supplement to the Contracting Manual's Second Edition and will be reflected in the Third Edition of the Contracting Manual following Board approval.

Staff subsequently incorporated further proposed changes to the draft Third Edition of the Contracting Manual and the Airport Purchasing Policies and Procedures Manual that reflect the FTA grant program requirements as well as changes necessitated by the Airports Authority's Enterprise Resource Planning (ERP) Program. While the Second Edition of the Contracting Manual did not address the Dulles Rail Project, the Airports Authority followed the contracting requirements of FTA Circular 4220.1F with respect to the federally-funded Phase 1 Dulles Rail project work. Pursuant to a 2011 FTA review of Airports Authority rail project procurement, the FTA requested that the Contracting Manual be revised and supplemented to include specifically the requirements of Circular 4220.1F. These are primarily embodied in a new Chapter 10 in the draft Contracting Manual. The Airports Authority's proposed changes were reviewed and approved by the FTA.

While working on the draft Third Edition of the Contracting Manual, staff also realized that additional changes were necessary to address alterations made to the Authority's procurement process by the implementation of the ERP program, as well as to revise sections of the Manual that address the Authority's FOI policy with respect to the public release of proposal and contract information so that they more clearly state what

information will be released and when. Further details on the proposed changes to the Manual were provided in the May 2012 recommendation paper to the Business Administration Committee.

The proposed Third Edition of the Contracting Manual as well as the revised Airport Purchasing Policies and Procedures Manual were presented to the Board's Business Administration Committee at its May 2012 meeting. The Committee approved the revised Manual and requested staff to initiate a public comment process. The revised Airport Purchasing Policies and Procedures Manual did not require Committee approval, but was provided for information only.

Staff has completed the comment period, along with presentation of the revised manual to the Department of Transportation and U.S. Government Accountability Office.

DISCUSSION

Following approval by the Committee, the proposed Third Edition of the Contracting Manual was issued immediately for a public comment period. Only two very minor comments were received from the U.S. Government Accountability Office, which suggested that the Contracting Manual address the length of time that a solicitation is advertised and when Contracting Officers should obtain certified cost and pricing data. These have been included in Sections 1.5 and 2.2.1 of the Contracting Manual. A red-line of the current draft Third Edition of the Contracting Manual is attached. In addition, a few additional minor administrative changes were also made and are reflected in the attached draft. These changes are not substantive and do not require further Committee approval.

RECOMMENDATION

The Committee recommends that the Board approve the attached Third Edition of the Contracting Manual.

Prepared by
Office of Finance
Procurement and Contracts Department
October 2012

Proposed Resolution

Third Edition of the Contracting Manual

WHEREAS, The staff has proposed a new Third Edition of the Contracting Manual that contains (1) changes to address requirements of the Federal Transit Administration, (2) process changes made necessary by the implementation of the ERP program, and (3) amendments to provisions of the Freedom of Information Policy that apply to procurement documents;

WHEREAS, The Business Administration reviewed the revised Manual at its May 18, 2012 meeting, was satisfied with its new content, and authorized a public comment period before recommending Board action; and

WHEREAS. Limited comments have resulted in minor, non-substantive amendments to the new edition; now, therefore, be it

RESOLVED, That the Third Edition of the Contracting Manual, as presented to the Board at its October 17, 2012 meeting, is hereby adopted.

For consideration by the Board of Directors on October 17, 2012