

MODEL BEST VALUE REQUEST FOR PROPOSALS (RFP) FOR
PURCHASE OF ROLLING STOCK BY US TRANSIT AGENCIES (version
for "Big Buys.")

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DEFINITIONS

As used in this RFP, the following capitalized terms will have the following meanings. All definitions include both the singular and plural form.

ACTIONABLE FAILURE means, with regard to U.S. Employment Plan Commitments and related reporting requirements:

- a. The material failure to comply with or satisfy U.S. Employment Plan Commitments, except where U.S. Employment Plan Commitments are explicitly amended in writing by Contractor and Agency, after public notice and comment period regarding such proposed amendment. Public notice and comment period regarding such amendments shall include, at a minimum, placement on Agency's website and a 30 day public comment period; or,
- b. The failure to submit any required reports or requested compliance information relating to U.S. Employment Plan Commitments within 15 days after the due date specified in the Contract or requested in writing by the Agency.

Minor irregularities, informalities or apparent clerical mistakes in any report or minor deficiencies in the compliance with U.S. Employment Plan Commitments shall not be considered Actionable Failures.

APTA means the American Public Transportation Association which is a nonprofit international association of over 1,500 public and private member organizations including transit systems and commuter rail operators; planning, design, construction and finance firms; product and service providers; academic institutions, transit associations and state departments of transportation. More information can be found at:

<http://www.apta.com/about/Pages/default.aspx>

AGENCY means the transit or other government institution responsible for issuing this RFP (insert legal name of Agency here).

AMENDMENT means any addenda or requirement added to or deleted from the RFP after the initial date of issuance.

AREA OF CONCENTRATED POVERTY means a U.S. Census tract that qualifies as a HUD designated Qualified Census Tract (QCT) in which 50 percent of all households have incomes less than 60 percent of the area median income (AMI) – OR – the poverty rate in the tract is 25

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percent or more.¹ To determine an employee's eligibility, enter the employee's home address or census tract within HUD's QCT mapping application:

<http://www.huduser.org/QCT2013/qctmap.html>.

BAFO means best and final offer, which is an updated version of the Proposal submitted by a Proposer in the Competitive Range towards the end of the Evaluation Period. If requested by the Agency, the best and final offer will be the basis for the award of the Contract by the Committee. Every effort will be made by Agency to ensure that only one BAFO is requested of Proposers with Proposals in the Competitive Range for this Project.

BEST VALUE refers to the Proposal that contains the combination of Evaluation Criteria offering the best overall value to the Agency, as described herein.

BUY AMERICA means the requirements for minimum domestic content for all Rolling Stock purchases, set forth in 49 U.S.C. § 5323(j); 49 C.F.R. Part 661 and any amendments thereto, and any implementing guidance issued by the FTA or any other agency of the DOT.

COMMITTEE means the selection committee established by the Agency for the evaluation of Proposals submitted pursuant to this RFP. This Committee will be composed of Agency staff, as well as other participants that Agency may deem appropriate.

COMPETITIVE RANGE refers to the set of Proposals that the Agency determines: (i) are Responsive; (ii) are submitted by a Proposer that the Agency has deemed Responsible; (iii) meet the functional requirements of the Technical Specifications; (iv) for which the Proposer is prepared to implement all aspects of the U.S. Employment Plan; and (v) offers pricing that is generally competitive with other Proposals received.

COMPREHENSIVE WORKFORCE DEVELOPMENT PROGRAM means a program created by the Proposer to recruit New Hires and to provide Workforce Training to its workforce responsible for all aspects of design and production of Vehicles pursuant to the Proposal and Contract.

¹ For more on Qualified Census Tracts, see: HUD User, "HUD Designates Low-Income Housing Tax Credit Qualified Census Tracts for 2013," http://www.huduser.org/portal/pdredge/pdr_edge_research_042412.html.

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CONTRACT OR CONTRACT DOCUMENTS means the agreement and all attachments and exhibits related to the purchase by Agency of the Vehicles, as awarded pursuant to the procedures and requirements set forth in this RFP and other Agency contract award guidelines.

CONTRACTOR means a party to an executed Contract with the Agency.

COST ACCOUNTING SYSTEM means an internal software accounting system that allows Proposers and Contractors to segregate direct hours and costs to allow for the Agency to verify and validate allocable jobs created and hours expended on direct work under the Contract.

DBE means a Disadvantaged Business Enterprise as certified by the federal government, pursuant to 49 CFR, Part 26.

DISABILITY means, with respect to an individual, a physical or mental impairment that substantially limits one or more life activities of such individual.

VETERAN means any person, who served honorably on active duty in the armed forces of the United States.

DISABLED WORKER refers to a person who has a type of Disability that is targeted for emphasis in affirmative action planning for federal employment by the Office of Personnel Management (See, http://www.opm.gov/diversityandinclusion/reports/disability/DisabilityReportFY11_07-24-12.pdf) and who has documentation of her/his Disability from a licensed medical professional (e.g., a physician or other medical professional certified by a state, the District of Columbia, or a U.S. territory to practice medicine); a licensed vocational rehabilitation specialist (i.e., state or private); or any Federal agency, state agency, or agency of the District of Columbia or a U.S. territory that issues or provides disability benefits. Targeted disabilities include deafness, blindness, missing extremities, partial paralysis, complete paralysis, convulsive disorders, intellectual disabilities, mental illness, genetic or physical condition affecting limbs and/or spine.

DISADVANTAGED WORKER means an individual who (a) prior to commencing work on the Project, has a household income of less than 50 percent of the Area Median Income (AMI) as defined by the U.S. Department of Housing and Urban Development. See: <http://www.huduser.org/portal/datasets/il.html> and, (b) faces at least one of the following four (4) barriers to employment:

- a. Being a Disabled Worker,

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- b. Being a current recipient of Supplemental Nutrition Assistance Program (SNAP) benefits or Temporary Assistance for Needy Families (TANF) benefits because of extreme poverty,
- c. Being a Veteran;
- d. Being an individual who resides in an Area of Concentrated Poverty. (To determine an employee's eligibility for this status, enter the employee's home address or census tract within HUD's QCT mapping application:
<http://www.huduser.org/QCT2013/qctmap.html>.)

DOMESTIC FACILITY means a physical plant or factory located within the 50 states or territories of the United States.

DOMESTIC PRODUCTION means the design, Manufacture and Final Assembly of Vehicles within the 50 states or territories of United States of America.

ECONOMIC MULTIPLIER means a figure that will be applied to the total employment value as calculated on the U.S. Employment Plan Labor Value Form, to capture the induced effects on total economic activity (output) resulting from the increased employment income generated by the Contractor and any Subcontractors. The economic multiplier for the railroad Rolling Stock and bus Rolling Stock manufacturing industries, is 1.62 and is derived from the IMPLAN 3.0 software using the IMPLAN 2010 dataset, constructed by the Minnesota IMPLAN Group Inc.²

EQUAL EMPLOYMENT OPPORTUNITY LAWS AND REGULATIONS means the federal laws and regulations prohibiting discrimination based on race, color, religion, national origin, disability, age or sex. See <http://www.eeoc.gov/policy/ada.html>.

EVALUATION means the review and scoring of a Proposal based on the Evaluation Criteria.

EVALUATION CRITERIA means the criteria for scoring and evaluating the Proposals set forth in this RFP and in any Amendments.

² IMPLAN 3.0 is the Minnesota IMPLAN Group. Inc.'s new economic impact assessment software system. See: http://implan.com/v4/index.php?option=com_content&view=article&id=282:what-is-implan&catid=152:implan-appliance-&Itemid=2 for more information about the software, <http://reic.uwcc.wisc.edu/implan/> for more about the IMPLAN methodology, and http://implan.com/v4/index.php?option=com_content&view=article&id=64&Itemid=25 for a list of clientele (including the U.S. Department of Transportation).

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EVALUATION PERIOD means the time period that begins with the formal submission of Proposals and ends with the issuance of a Notice of Intent to Award.

EVALUATION PRICE means the Vehicle price that will be used in the price component of the Evaluation. The Evaluation Price is determined by application of the Price Adjustment to the Unadjusted Price.

FINAL ASSEMBLY means –in the case of the production of a new, remanufactured, or overhauled rail car –the Installation and interconnection of car bodies or shells, propulsion control equipment, propulsion cooling equipment, brake equipment, energy sources for auxiliaries and controls, heating and air conditioning, communications equipment, pneumatic and electrical systems, door systems, passenger seats, passenger interiors, destination signs, wheelchair lifts, motors, wheels, axles, and gear units, suspensions, frames, and chassis; the inspection and verification of all installation and interconnection work; and the in-plant testing of the stationary product to verify all functions.

In the case of a new, remanufactured, or overhauled bus or van, Final Assembly means the installation and interconnection of car bodies or shells, the engine and transmission (drive train), axles, chassis, and wheels, including the cooling and braking systems; the installation and interconnection of the heating and air conditioning equipment; the installation of pneumatic and electrical systems, door systems, passenger seats, passenger grab rails, destination signs, wheelchair lifts; and road testing, final inspection, repairs and preparation of the vehicles for delivery.

FTE means full-time equivalent employee, which is the mathematical equivalent of one full-time employee based on 2080 hours worked per year.

FRA means the United States Federal Railroad Administration.

FTA means the United States Federal Transit Administration.

HIRES means the natural persons to be employed by Contractor and all Subcontractors to produce the Vehicles. Hires may not include: 1) current employees who will not be working on the Project; 2) former, furloughed, and/or laid off employees who are separated from employment with a Contractor or Subcontractor on or after the date of Agency's Notice of Intent to Award unless they are rehired to work on the Project; 3) employees hired by a Contractor or Subcontractor to work on other Projects to fill in or replace current employees reassigned to this Project, 4) hours and costs that cannot be segregated and audited pursuant to internal Cost Accounting Systems of the Contractor or Subcontractors.

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HUD means the United States Department of Housing and Urban Development.

INCUMBENT WORKERS means Proposers' current employees who will be employed solely to perform work in furtherance of the Contract.

INDEPENDENT COST ESTIMATE is a tool to assist in determining the reasonableness or unreasonableness of a Proposal being evaluated and is required for all procurements receiving federal funding regardless of dollar amount. FTA [Circular 4220.1F](#), Ch. VI, Para. 6, advises grantees to "perform a cost or price analysis in connection with every procurement action, including contract modifications . . . The starting point for these cost/price analyses is an independent cost estimate which is made before receiving bids or proposals." The Best Practices Procurement Manual ([BPPM](#)), Section 5.2 - Cost and Price Analysis, suggests that the independent estimate can range from a simple budgetary estimate to a complex estimate based on inspection of the product itself and review of items like drawings, specifications and prior procurement data.

LEASE means a written agreement that entitles Proposer to Manufacture or do Final Assembly of the Vehicles on real property located in the United States.

LETTER OF INTENT FOR FACILITY means a letter written and sent by Proposer to owner or holder of an interest in a piece of real property in the United States establishing the intent to Manufacture and/or do Final Assembly of the Vehicles on that property if awarded the Contract.

MANUFACTURING OR MANUFACTURE means all activities relating to the engineering and design and production of the component parts of the Vehicles in the United States **except for** the Final Assembly of the Vehicles.

MILESTONE PAYMENT means a mandated payment by the Agency to the Contractor at a certain stage of performance of the Contract.

NEW DISADVANTAGED WORKERS means New Hires who qualify as Disadvantaged Workers whose first day of employment will be on or after the date the Contract begins, and who will be employed solely to perform work in furtherance of the Contract.

NEW HIRES means new employees whose first day of employment will be on or after the date the Contract begins, and who will be employed solely to perform work in furtherance of the Contract.

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NOTICE OF INTENT TO AWARD means a written notice by Agency of a Committee decision to award a Contract to a particular Proposer.

NON-RESPONSIVE describes a Proposal that is not Responsive, under standards and evaluation procedures described herein.

PRICE PROPOSAL means a Proposer's price submission in response to this RFP, using methodology as set forth in this RFP. The Price Proposal includes the Proposer's Unadjusted Price, the form submissions and supporting documentation required for calculation of the Price Adjustment, if taken, and the resulting Evaluation Price.

PRICE ADJUSTMENT means the optional analysis that allows Proposers to calculate the value of labor, Workforce Training, the Disadvantaged Worker credit and the credit for limited facilities investment in Manufacture of the Vehicles and then deduct that value from the Unadjusted Price, using methodology described herein.

PROJECT means performance of the Contract.

PROPOSAL means a submission to the Agency in response to and as described in this RFP, required in order to be eligible for award of a Contract. A Proposal includes a Price Proposal, a Technical Proposal, and other elements described herein.

UNADJUSTED PRICE means the actual cost of the Vehicles as summarized in the transit vehicle price form in this RFP, prior to the optional Price Adjustment.

PROPOSER means an entity that submits a Proposal and that would serve as the Contractor if awarded the Contract.

PURCHASE AGREEMENT means a written and executed agreement for the purchase of real property in the United States by Proposer or Contractor for Manufacture and/or Final Assembly of the Vehicles.

RECRUITMENT means the process of finding candidates, reviewing applicant credentials, screening potential employees, and selecting employees for an organization. The most common and effective Recruitment strategies include:

- Obtaining referrals from current employees, especially those employees who are Disadvantaged Workers.
- Participating in online social networking at sites such as LinkedIn, Twitter, and Facebook.

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- Tapping into the online and off-line social networks of current employees.
- Offering an effective, informational corporate recruiting website.
- Participating in in-person networking at community and professional events, especially those focused on providing support for Disadvantaged Workers.
- Attending and exhibiting at job and career fairs at colleges and universities and community and organization-sponsored events, especially those that focus on Recruitment of Disadvantaged Workers.
- Posting job openings on job boards.
- Advertising job openings in newspapers and their associated websites, especially those that focus on Recruitment and training of Disadvantaged Workers.
- Sponsoring scholarships, activities, class projects and events at local colleges and universities.
- Contracting for the services of a Recruitment firm or headhunter.
- Searching and using other employer-employee matching methods at a variety of job boards.

RFP means this Request for Proposals.

RESPONSIBLE describes a Proposer that the Agency has determined possesses the apparent ability to meet and successfully complete the requirements of the Contract, using standards and procedures set forth herein.

RESPONSIVE describes a Proposal that the Agency has determined materially responds to or satisfies all mandatory Submittal Requirements, that meets or exceeds minimum Technical Specifications and other requirements of this RFP, and that has an Evaluation Price within reasonable range of the Independent Cost Estimate, as described herein.

ROLLING STOCK means transportation equipment utilizing railways or paved roads, including automotive vehicles, buses, locomotives, and railroad cars.

SUBMITTAL REQUIREMENTS means all RFP response components and information required by this RFP, including direct and complete responses to prompts 1 – 5 in the U.S. Employment Plan Application Form. Completion and submittal of the U.S. Employment Plan Workbook and accompanying documentation is voluntary and only required for those Proposers who elect to utilize the optional Price Adjustment. Proposals that do not include a completed U.S. Employment Plan Workbook and accompanying documentation will be considered Responsive, but will **not** be eligible for the Price Adjustment.

SUBCONTRACTOR means any entity entering into a Contract to assist in performance of the Contract, including Suppliers.

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SUPPLIER means any Subcontractor producing or supplying Vehicle component parts as part of performance of the Contract.

SURVEY OF EMPLOYER PROVIDED TRAINING – EMPLOYEE PROGRAM means the Program managed by the Bureau of Labor Statistics of the United States Department of Labor that provides detailed information on training by major industry division and by size of establishment from surveys conducted in 1993 and 1995.

TECHNICAL PROPOSAL means a Proposer's submission in response to this RFP on matters described herein, including the Technical Specifications, past performance, experience, and other matters.³

TECHNICAL SPECIFICATIONS means the specifications for type and desired functionality of the Vehicles that Agency wishes to purchase through the RFP, as set forth herein.

U.S. EMPLOYMENT PLAN means a written description of the number and quality of U.S. jobs to be created under a Proposal pursuant to a prospective Contract award. A U.S. Employment Plan shall contain the elements and forms set forth herein as requested in the U.S. Employment Plan Application Form. For those Proposals that utilize the optional Price Adjustment, the U.S. Employment Plan must also contain the information and supporting documentation requested in the U.S. Employment Plan Workbook, which will determine the amount of Price Adjustment and the resulting Evaluation Price.

U.S. EMPLOYMENT PLAN APPLICATION FORM means the form requesting detailed narrative information about a Proposer's U.S. Employment Plan, attached to this RFP. To be considered Responsive, a Proposal must include the direct and material responses to prompts 1 – 5 in the U. S. Employment Plan Application Form. The information provided in response to prompts 1 – 5 in the U.S. Employment Plan Application Form will not be scored and will only be evaluated as Responsive or Non-responsive.

U.S. EMPLOYMENT PLAN COMMITMENTS means a Proposer's commitments, assertions, and statements of intention made in the U.S. Employment Plan or elsewhere in the Proposal, the BAFO, or the Contract, relating to the creation of programs, provision of Workforce Training, establishment or improvement of Domestic Facilities, expenditures, wages, number of Hires, the hiring of New Disadvantaged Hires, other aspects of the Proposer's U.S. Employment Plan,

³ Model technical components of Rolling Stock RFPs, can be found at www.APTAstandards.com.

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and any other information provided by Proposer and taken into account in calculation of the Price Adjustment.

U.S. EMPLOYMENT PLAN WORKBOOK means the set of forms attached to this RFP and designated as such, to be used for certain calculations related to the Price Adjustment. Completion of the U.S. Employment Plan Workbook is required only for those Proposers electing to utilize the Price Adjustment.

VEHICLES means the Rolling Stock equipment that the Agency wishes to purchase through this RFP.⁴

WORKFORCE TRAINING means all activities related to the provision of skills, knowledge and capacity to Hires working on the Contract. For those Proposers that elect to utilize the Price Adjustment, allowable expenditures for Workforce Training can be included in the U. S. Employment Plan Workbook and may include funds spent on teachers, trainers or special equipment to help Hires build the skills necessary to successfully work on the Contract. These allowable expenditures may also include wages and benefits spent on experienced Contractor employees not working on the Contract, if those experienced employees are designated by Contractor to provide on-the-job training to Hires. In addition, allowable expenditures may include funding paid by Contractor to outside workforce development groups or programs so long as the skills acquired in those programs are related to the Manufacture or Final Assembly of the Vehicles.

⁴ This is the place to put a specific definition of the type of Rolling Stock that the Agency wishes to purchase with this RFP, for example "100 CNG buses".

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(AGENCY NAME)

INVITATION FOR PROPOSALS

FOR THE PROCUREMENT

OF TRANSIT VEHICLES

BACKGROUND

Since (date), Agency has operated a robust and growing transit system in (location) and has purchased Rolling Stock through a competitive procurement process designed to acquire the highest quality buses and rail cars, produced in a timely manner and for a reasonable price. Increasingly, Agency has purchased Rolling Stock made and/or assembled – at least in part – in the United States, primarily through active enforcement of the DOT's Buy America requirements.

However, because of increasing unemployment and poverty in the United States, the Agency has incorporated new elements into its competitive procurement process that will incentivize the creation of high-quality employment opportunities for U.S. residents, including veterans, and the long-term unemployed. This procurement for (number and type of vehicles) includes a requirement that respondents to this RFP create a U.S. Employment Plan as part of any Proposal. This U.S. Employment Plan must describe in narrative form the number and quality of U.S. jobs proposed to be created if a contract is awarded as well as a proposed Comprehensive Workforce Development Program that emphasizes the creation of permanent employment opportunities and permanent, transferable workforce skills. As part of the creation of this U.S. Employment Plan, Proposers will be permitted, but not required, to utilize the Price Adjustment, deducting the value of labor, Workforce Training and limited facilities investment in Manufacture of the Vehicles from the initial Unadjusted Price. The adjusted price will be the basis for the Evaluation Price as part of the competition for award of the Contract. However,

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Proposals that do not include a Price Adjustment will still be considered Responsive, as described herein, and can be the basis for a Contract award.

While this new approach to the procurement of Vehicles provides added incentive for the creation of U.S.-based jobs related to the production of these (type of Vehicle), Agency will continue to conduct a competitive bidding process that will seek to purchase the highest quality Vehicles for the lowest Evaluation Price. This means that Technical Specifications and low cost will continue to be important criteria in the consideration of Proposals. The Proposal that provides the Best Value to the Agency in purchase of the Vehicles will prevail.

INVITATION

Notice is hereby given that Proposals will be received until the hour of (time and date) at (location), for the procurement of Vehicles, RFP (number and Proposal title). This procurement will be based on a Best Value competitive negotiation procedure.

Performance of this Contract in general consists of providing the design, engineering, mockups, manufacture, assembly, testing, delivery, materials, tools, equipment, performance and acceptance testing for (number and type of Vehicles) ready for service as an integral part of Agency's transportation system, and associated Program management, in-service support, publications, warranty, training and data submittal, all as more fully described in the Contract Documents. Additionally, (if options) there are (number and type of options.)

This Contract is subject to a financial assistance contract between the Agency and the DOT. This Contract is partially funded under a grant from the (DOT agency name). Attention is directed to the Proposal Forms and Certification where all Proposers and certain proposed Subcontractors and Suppliers will be required to certify that they and any such proposed Subcontractors and Suppliers have not been debarred, suspended or declared ineligible to participate in federal contracting activity. Suppliers will be required to comply with all applicable Equal Employment Opportunity Laws and Regulations. In addition, Proposers shall comply with all Buy America requirements, including the submittal of a declaration certifying either compliance or noncompliance with Buy America and all requested documentation.

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INSTRUCTIONS TO PROPOSERS

P-01 PREPARATION OF PROPOSAL

A. Proposals submitted in response to this RFP must be formatted in accordance with the requirements specified herein. Proposals must include the forms provided with this RFP. Proposers shall complete the forms in accordance with the directions specified in these instructions and the forms. All required explanatory narratives and the supplementary data are to be included with the Proposal forms as indicated.

B. Failure to comply with the requirements outlined in this RFP may render the Proposal(s) Non-responsive and may cause rejection of the Proposal. This RFP does not commit Agency to enter into a Contract nor does it obligate Agency to pay for any costs incurred in the preparation and submission of Proposals.

P-02 EVALUATION OF PROPOSALS

A. Upon timely receipt of a Proposal, Agency will determine if the Proposal is Responsive and if the Proposer is Responsible, as follows:

1. Initial responsiveness determination: In order for a Proposal to be deemed Responsive, a Proposer must provide responses to all defined elements in the Submittal Requirements section of this RFP. Failure to respond to and complete all Submittal Requirements, including the U.S. Employment Plan Application Form, prompts 1 – 5, the Pricing Forms Workbook and the provision of all supporting documentation, will result in a Proposal being deemed Non-responsive and thus disqualified from further consideration. However, if a Proposal is initially deemed to be "Non-responsive," the Proposer may be given one additional opportunity to remedy deficiencies in the initial submission. Agency also reserves the right to communicate with any Proposer for the sole purpose of eliminating minor irregularities, informalities or apparent clerical mistakes in a Proposal. Major items and/or gross omissions that cannot be corrected without major or complete resubmission of Proposal will be cause for a Proposal to be found Non-responsive. Completion of the Buy America pre-award certification forms with accompanying documentation is required as a matter of Responsiveness. Completion of the U.S. Employment Plan Workbook is required for those Proposers that elect to utilize the Price Adjustment. If an otherwise Responsive Proposal includes an incomplete U.S. Employment Plan Workbook, the Price Adjustment will not be available, but the Proposal will otherwise be considered Responsive.

2. Initial responsibility determination: After a Proposal is deemed Responsive, Agency will make a determination as to whether the Proposer is Responsible. The evaluation of responsibility

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includes, but is not limited to: consideration of a Proposer's trustworthiness, the quality of past performance, financial ability, and fitness and capacity to do the proposed Project in a satisfactory manner. The evaluation also includes an assessment of whether the Proposer has the necessary facilities and financial resources, the requisite integrity, skill and experience to faithfully perform and complete the Project in accordance with the Contract Documents and finally that it is otherwise qualified and eligible to receive an award under applicable laws and regulations. A Proposer may be required to present further evidence that it has successfully performed Projects of comparable magnitude or provide other proof satisfactory to Agency that it is competent to successfully fulfill terms of the Contract. Those Proposers found to be Non-Responsible will be eliminated from further consideration.

B. The overall evaluation process will be performed by Agency's Selection Committee.

C. In order to be eligible for award of a Contract, notwithstanding its relative qualifications for purposes of the Evaluation Criteria and in other respects, a Proposer must demonstrate to the satisfaction of Agency that its other commitments and contractual obligations will not impair or adversely impact its performance of this Contract.

D. The Committee will evaluate and score the Proposals deemed Responsive and the Proposers deemed Responsible and determine which Proposals are in the Competitive Range. The Proposer is urged to include the most favorable pricing terms possible since less than best pricing could result in a determination that the Proposal is not in the Competitive Range and thus excluded from further consideration. In order to be deemed to be in the Competitive Range, a Proposal must propose performance of the Contract under standards that meet or exceeds minimum Technical Specifications and other requirements of this RFP, and must have an Evaluation Price within reasonable range of the Independent Cost Estimate. For those Proposers determined to be in the Competitive Range, the Committee may conduct discussions to identify Proposal deficiencies and to ensure that the Proposer fully understands all requirements of the RFP and has proposed equipment or material that conforms thereto.

E. Contract award will be made utilizing a Best Value decision making process⁵. Best Value will be determined by reviewing the final overall score of the Proposer that submitted the lowest Evaluation Price and determining – based on the concept of better value to the Agency, if it is more advantageous to the Agency to accept a higher Evaluation Price based on added value (greater capability of the Proposer to perform, greater experience of the Proposer or other measurable advantages) offered by the higher Evaluation Price. An assessment of the cost versus benefits will determine what incremental cost above that of the lowest Evaluation Price

⁵ model scoring options for a Best Value or firm fixed-price Rolling Stock RFP can be found at www.APTAstandards.com.

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(if any) is justified from a business standpoint.⁶ Under this decision-making process, the Contract may not be awarded to the Proposer with the lowest Price Proposal or the most highly scored Technical Proposal, but rather to the Proposer with the Proposal that presents the best overall value to the Agency.

F. The Committee will determine what changes, if any, should be made to the Technical Specifications and RFP in order to obtain lower prices or greater utilization of reliable, service-proven equipment or software. If changes to the requirements are determined to be beneficial, an Amendment to the RFP will be issued.

G. Agency may award a Contract on the basis of initial Proposals received, without discussions. Therefore, each Proposal should contain the Proposers best terms.

H. After the Evaluations of the Price Proposal and the Technical Proposal, Proposers may be given the opportunity to modify them by submitting a BAFO. The BAFO shall fully comply with the RFP, including all Amendments. Agency will make every effort to only request one BAFO from Proposers in the Competitive Range for this Project. Final determination of acceptability of any Proposal will be made by the Committee based on the information contained therein.

I. Following the Evaluation Period, the Notice of Intent to Award will be sent to all Proposers and posted on the Agency's website.

P – 03 PROPOSAL EVALUATION CRITERIA

All Proposals will be evaluated based on the Evaluation Criteria described below. In order to be properly evaluated, Proposers must respond to all defined elements in the Submittal Requirements section of this RFP. The Evaluation Criteria consist of the following main factors in descending order of importance: 1. Evaluation Price, 2. Technical Proposal. Criteria #1 is considered most important. [Agency can change the order of importance of the Evaluation Criteria, but the order of importance of the Evaluation Criteria must be clearly stated here.]

Proposal Evaluation Criteria

Criteria
1. Evaluation Price

⁶ (cite to state law permitting Best Value procurements)

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2. Technical Proposal

[Requirements for the Technical Proposal will generally include a Technical Specifications section as well as a Past Performance and Experience section. For model Rolling Stock RFP Technical Proposals requirements and scoring options, see www.APTAstandards.com.

1. Evaluation Price:

The most important Proposal Evaluation Criteria will be the Evaluation Price. For Proposers who **decline** to take advantage of the Price Adjustment, the Evaluation Price will be the same as the Unadjusted Price. For Proposers who elect to utilize the Price Adjustment, the Evaluation Price will be comprised of the Unadjusted Price as fully set forth in the accompanying Pricing Forms Workbook, **minus** the monetized value of the labor, Workforce Training and limited facilities investment in Manufacture of the Vehicles, as fully set forth in the Proposer's completed U.S. Employment Plan Workbook. In effect, this will constitute the monetized value of Proposer's U.S. Employment Plan. The Committee will then score and evaluate this Evaluation Price proposal along with the Technical Proposal.

U.S. Employment Plan

Each Proposer must submit a U.S. Employment Plan with its Proposal. This U.S. Employment Plan must set forth the number and quality of U.S. jobs proposed to be created if a Contract is awarded as well as a proposed Comprehensive Workforce Development Program for New and Retained Hires that emphasizes the creation of permanent employment opportunities and permanent, transferable workforce skills. As part of the creation of this U.S. Employment Plan, Proposers may elect to utilize a Price Adjustment, which will deduct the value of labor, Workforce Training and limited facilities investment in Domestic Production of the Vehicles from the Unadjusted Price. The adjusted price will constitute the Evaluation Price Proposal and will be the basis for the competition for award of the Contract. However, Proposals that do not include a Price Adjustment will still be considered Responsive, as described herein, and can be the basis for a Contract award.

Proposers, and any of their Subcontractors/Suppliers must certify that they are able to segregate direct hours and costs within their internal Cost Accounting Systems to allow for Agency to verify and validate allocable jobs created and hours expended on direct work under Contract with Agency. A certification is attached herein and is required with the Proposer's subsequent U.S. Employment Plan submittal.

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The Price Adjustment

As described herein, the Price Adjustment is available to those Proposers, but is not required in order for a Proposal to be deemed responsive.. The Price Adjustment shall be calculated as follows, utilizing the U.S. Employment Plan Workbook:

(1) Adjusted total value of Project employment [(Line 1a +Line 1b) x Line 1c]

- (a) Contractor total (U.S. Employment Plan Workbook, U.S. Jobs Form, Base Only or Base plus Options)
- (b) Subcontractor total (U.S. Employment Plan Workbook, U.S. Jobs Form, Base Only or Base plus Options)
- (c) Standard U.S. Economic multiplier for induced effects in Transit Vehicle manufacturing.

(2) Disadvantaged Worker Credit (U.S. Employment Plan Workbook, Disadvantaged Worker Form)

(3) Allowable value of new construction and/or repair of existing Domestic Facility to Manufacture the Vehicles (U.S. Employment Plan Workbook, Facility Investment Form).

(4) Price Adjustment (Line 4a + Line 4b + Line 4c)

- (a) Adjusted total value of Project employment (Line 1)
- (b) Disadvantaged Worker Credit (Line 2)
- (c) Total value of allowable Manufacturing facility investment (Line 3)

(5) Evaluation price (Unadjusted Price - Price Adjustment)

- (a) Unadjusted Price (Pricing Forms Workbook, Contract Price Summary Form)
- (b) Price Adjustment Value (Line 4)

Explanation of the Price Adjustment⁷

⁷ Methodology developed by Professor Jeannette Wicks-Lim, labor economist at the University of Massachusetts, Amherst; Professor Manuel Pastor, economist at the University of Southern California; and Mirabai Auer, Data Analyst at the University of Southern California. For more information on Jeannette Wicks-Lim see: http://www.peri.umass.edu/fileadmin/pdf/cvs/WicksLim_Oct10.pdf. For more information on Manuel Pastor see: http://dornsife.usc.edu/pere/documents/Pastor_CV-full.pdf. For more information on Mirabai Auer see: <http://dornsife.usc.edu/pere/home/auer.cfm>.

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The adjusted total value of Project employment consists of the total value of Vehicle production – employment generated by both the Contractor and the Subcontractors/suppliers. An Economic Multiplier of 1.62 is then applied to this adjusted total employment value, to capture the induced effects on total economic activity (output) resulting from the increased employment income generated by the prime Contractor and Subcontractors/Suppliers. This 1.62 economic multiplier is for both the railroad and bus Rolling Stock manufacturing industry, derived from the IMPLAN 3.0 software using the IMPLAN 2010 dataset, constructed by the Minnesota IMPLAN Group Inc.⁸

Special Disadvantaged Worker Credit

Contractor employment spending on the retention and/or hiring of New Disadvantaged Workers, if any, can also be adjusted upwards to include a credit for up to 10 percent of the workforce that is comprised of New Disadvantaged Workers. The adjustment for New Disadvantaged Workers is equal to 20 percent the value of Project employment apportioned to New Disadvantaged Workers. This bonus credit reflects the additional costs the Proposer may incur recruiting and training New Disadvantaged Workers over and above the training and recruiting costs for the average manufacturing worker.

Proposers may select the total percentage of all Hires that they intend to employ from the Disadvantaged Worker categories (described in the Definitions section and below), **up to a maximum of 10% of total Hires**. Because utilization of the Disadvantaged Worker Credit is voluntary, the value of the credit depends on the percentage of the workforce that the Proposer commits to hire from the Disadvantaged Worker categories.

A Disadvantaged Worker is an individual who (a) prior to commencing work on the Project, has a household income of less than 50 percent of the Area Median Income (AMI) as defined by the U.S. Department of Housing and Urban Development. See: <http://www.huduser.org/portal/datasets/il.html> and, (b) faces at least one of the following four (4) barriers to employment:

- a. Being a Disabled Worker,

⁸ IMPLAN 3.0 is the Minnesota IMPLAN Group. Inc.'s new economic impact assessment software system. See: http://implan.com/v4/index.php?option=com_content&view=article&id=282:what-is-implan&catid=152:implan-appliance-&Itemid=2 for more information about the software, <http://reic.uwcc.wisc.edu/implan/> for more about the IMPLAN methodology, and http://implan.com/v4/index.php?option=com_content&view=article&id=64&Itemid=25 for a list of clientele (including the U.S. Department of Transportation).

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- b. Being a current recipient of Supplemental Nutrition Assistance Program (SNAP) benefits or Temporary Assistance for Needy Families (TANF) benefits because of extreme poverty,
- c. Being a Veteran; or
- d. Being an individual who resides in an Area of Concentrated Poverty. (To determine an employee's eligibility for this status, enter the employee's home address or census tract within HUD's QCT mapping application: <http://www.huduser.org/QCT2013/qctmap.html>.)

If a Contract is awarded, Proposer will be required to satisfy the commitment made to hire Disadvantaged Workers from these categories. Proposer has full discretion to hire Disadvantaged Workers from any or all of the categories. **However, no more than 30% of a Proposer's total credited number of Disadvantaged Workers may come from any one of the five categories.**

Training costs for manufacturing workers have been estimated by the Department of Labor's Survey of Employer Provided Training-Employee Program. The Labor Department estimates the annual cost of training for the average manufacturing worker is equal to approximately 5 percent of total compensation costs (including wages, salaries, and benefits).⁹ Recruiting costs for the average manufacturing position is about 3 percent annually, based on cost-per-hire estimates by human resource firms and a 30 percent annual average turnover rate in the industry from 2002 to 2011.¹⁰ In sum, recruiting and training costs for the average

⁹ According to the Labor Department's published Survey of Employer-Provided Training data, in 1994 employers in the durable goods manufacturing industry spent, at minimum, an average of \$10 billion on informal and formal training over six months, or about \$20 billion over a full year. This figure combines the sum of selected direct expenditures on training (approximately \$4 billion, see Table 9, "Selected expenditures by industry in 1994," from the December 1996 Bureau of Labor Statistics Economic New Release, "1995 Survey of Employer-Provided Training-Employer Results") as well as the indirect costs to employers represented by the wages and salaries they pay to workers while workers receive training (approximately \$16 billion, see Table 12, "Total wage and salary costs of training by industry and size class, May-October 1995," from the December 1996 Bureau of Labor Statistics Economic New Release, "BLS Reports on the Amount of Formal and Informal Training Received by Employees"). The selected direct employer training expenditures include the wages and salaries to in-house trainers, tuition reimbursements, payments to outside trainers and contributions to outside training funds. According to the Economic Census in 1997, the total payroll of the durable goods manufacturing was about \$373 billion. Therefore, training costs for the average manufacturing employers, amounted to, at minimum, 5 percent of total compensation (\$20 billion/\$373 billion=5.4 percent; 1 percent for direct costs and 4 percent for indirect costs).

¹⁰ Two 2011 estimates of recruiting costs for industries with high Recruitment costs, such as manufacturing, range between \$4,000 and \$6,400 per hire. The \$4,000 figure is based on a survey conducted by the Society for Human Resource Management (SHRM), a human resource management association as reported in, "The Average

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manufacturing worker is approximately 8 percent of the total annual compensation. This is approximately equal to \$5,500 per FTE worker per year given 2011 annual total compensation cost of \$68,600 estimated by the Labor Department's National Compensation Survey (see footnote 8).

New Disadvantaged Workers can be expected to require costlier recruiting and more than average training, including in basic skills, other training to reach entry-level requirements, as well as, on-the-job training. It is reasonable to assume that these costs would be approximately three times costlier to employers when employing Disadvantaged Workers—equivalent to an additional 16 percent of total compensation.¹¹ There are also additional community-wide

Recruitment Cost," by Beth Greenwood, Houston Chronicle on-line, accessed October 19, 2012 at <http://work.chron.com/average-recruitment-cost-3664.html>. The \$6,400 figure from Bersin and Associates, a human resource consulting firm, is reported in, "For Smaller Firms, Recruiting Costs Add Up," by Lauren Weber, accessed October 19, 2012 at <http://online.wsj.com/article/SB10001424052970203764804577056603280231204.html>. The annual cost to employers based on these figures can be estimated by using the average annual turnover rate of 30 percent for manufacturing workers as estimated by the Labor Department's Job Openings and Labor Turnover Program over 2002-2011 (see: <http://www.bls.gov/jlt/>). Given this turnover rate, the recruitment expense would effectively represent an annual cost of about \$1,920 annually per position [$\$6,400 / (1/0.30) = \$1,920$]. According to the Labor Department's National Compensation Survey, manufacturer's employer cost of total compensation average \$33.00 per hour in 2011 (see: <http://www.bls.gov/ncs/ect/home.htm>) or \$68,600 for a full-time year-round worker ($\$33/\text{hour} \times 40 \text{ hrs./wk} \times 52 \text{ wks./year}$). Average recruiting costs therefore represents about 3 percent of the average annual compensation per FTE worker ($\$1,920 / \$68,600 = 3 \text{ percent}$).

¹¹ Past empirical research is used to approximate how much larger recruiting and training Programs will be for disadvantaged workers. A rigorous 2010 study of three different Programs that effectively trained and placed disadvantaged workers in specific sectors such as manufacturing, healthcare, construction and information technology estimated direct training and placement costs at approximately \$6,000 per participant (*Tuning in to Local Labor Markets: Findings from the Sectoral Employment Impact Study* by Sheila Maguire, Joshua Freely, Carol Clymer, Maureen Conway, and Deena Schwartz, Philadelphia: Public/Private Ventures, 2010). The 2011 average wage for a production worker in transportation equipment manufacturing (\$25.36 according to the Labor Department's Current Employment Statistics Program) however is about double the average wage of the jobs that these participants obtained through the Programs (\$12.50 per hour). If these differences in pay rates approximate the relative costs of training required for these different sets of jobs, it is reasonable to assume that the \$6,000 in direct training and placement costs for Disadvantaged Workers in transportation equipment manufacturing would be a very low-end estimate. This in turn implies a total cost of training and recruiting, now including both direct and indirect costs of, at minimum, \$12,000 (this is because, as the figures in footnotes 3 and 4 indicate, the costs of direct training and recruiting combined are about equal to indirect training costs). In other words, the past experience of training and placement Programs for disadvantaged workers suggests that the training and recruiting costs for such workers in manufacturing jobs in transportation equipment would be, at minimum, \$12,000. This is between two and three times the average \$5,500 cost for the average manufacturing worker. Overall then, a reasonable estimate of the additional training and recruiting costs for Disadvantaged Workers

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benefits not accounted for in any of these figures, including for example, a reduction in such subsidy expenditures as Food Stamps (or Supplemental Nutrition Assistance Program). Therefore, Proposers' value of employment for the share of FTE hours apportioned to Disadvantaged Workers will be given a bonus credit equivalent to 20 percent.

Special Facilities Credit for Domestic Manufacturing

Proposers may also receive a special additional voluntary credit for investment in Domestic Facilities related to the Manufacturer of Vehicles. The amount of permissible facilities investment credit is the portion of the cost of the refurbishment or construction of Domestic Facilities related to the Manufacture of component parts of Vehicles; per the definition of Manufacture set forth above, this does not include expenditures related to Final Assembly of the Vehicles. Eligible investments include an allowable percentage of both new construction and repair of existing facilities in industrial rail and bus manufacturing activities related to the Manufacture of the Vehicles.

Over the past three decades, U.S. transportation manufacturing experienced a distinct split between production and employment growth. Between 1980 and 2010, manufacturers' inflation-adjusted output jumped over 50 percent.¹² However, over the same period employment in transportation equipment manufacturing dropped by nearly 38 percent, subtracting over 800,000 jobs from the US economy.¹³ Even with recent signs of a broader manufacturing return, these performance statistics cannot be undone with a year or two of positive gains.

Losing these kinds of manufacturing jobs come at a real cost to the U.S. worker. The typical manufacturing employee in Rolling Stock earned an annual income of over \$67,000 in 2010—far exceeding the average American income of \$49,000.¹⁴ Just as importantly, the listed manufacturing earnings don't include many of the benefits typical for such jobs, from health care coverage to retirement contributions. When the country loses over 800,000 of these high-quality jobs, American workers are left with fewer opportunities for good jobs.

To address this gap, this RFP aims to leverage investments in Rolling Stock to generate more American jobs in Rolling Stock Manufacturing. One way to meet this goal is to expand the

amounts to about three times that of the average worker, representing at least an additional cost to employers equal to 16 percent of annual employment costs.

¹² Source: Brookings analysis of Moody's Economy.com data

¹³ *ibid*

¹⁴ *ibid*

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number of Domestic Manufacturing Facilities, specifically by addressing gaps in the Rolling Stock supply chain.

According to detailed Duke University research, the current Rolling Stock supply chain includes two distinct problem areas.¹⁵ The first is a gap in high-value manufacturing activities. This includes everything from human-driven tasks like engineering and design to complex production steps like propulsion systems and electronic systems, all of which tend to be performed outside the U.S. The second problem area is the lack of domestic demand relative to other countries. Because transit agencies in countries like Japan and France demand more vehicles, large manufacturers prefer to locate activities closer to those markets.

To address these problem areas, this RFP offers manufacturers the opportunity to gain credit for their investments in the supply chain's missing links. Calculating the credit is a relatively straightforward process. First, the Proposer reports the value of all facility investments that do not involve Final Assembly. Second, to ensure the Agency does not bear the full costs for those investments, the Domestic Facility investment's value is reduced to 20 percent of the total value, which is equal to a five-year, straight-line depreciation schedule. This leaves the resulting formula:

$$\text{Facility Credit} = (\text{Value of Non-Assembly Facility Investment}) * 0.20$$

In addition to lowering the Domestic Facility's credited value, the depreciation multiplier includes a distinct benefit for the Proposer. Each Proposer will be permitted to claim credit for a particular Domestic Facility investment over five years, meaning a Proposer can receive credit for prior Domestic Facility construction in future transit procurement applications. This 5-year applicability provides further incentive to invest in the US marketplace, and ensures the credit process doesn't overly promote the construction of new facilities at the expense of older ones. The goal is to fill gaps in the supply chain—not create a glut of facilities.

2. Requirements for Technical Proposal

(For model Technical Proposal Requirements, see www.APTAstandards.com.)

P-04 DISADVANTAGED BUSINESS ENTERPRISE GOAL REQUIREMENTS

¹⁵ For more information on the information discussed in this paragraph, see: Marcy Lowe and Others, "U.S. Manufacture of Rail Vehicles for Intercity Passenger Rail and Urban Transit (Durham: Duke University Center on Globalization, Governance & Competitiveness, June 2010).

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The Agency solicits and encourages DBE participation as a Prime Contractor, joint venture partner, and/or as a Subcontractor for the Project. DBEs will be afforded full consideration and will not be subject to discrimination. All respondents will be required to comply with the FTA's DBE requirements found in 49 CFR Part 26. A Proposer, as a condition of responding to this RFP, must certify, by completing the form CER 7.7, DBE Approval Certification, that it has on file with the FTA an approved or not disapproved annual DBE subcontracting participation goal.

P-05 BUY AMERICA CERTIFICATION

This Contract is subject to the "Buy America" requirements of 49 United States Code (USC) §5323(j) and 49 Code of Federal Regulations (CFR) Part 661, as may be amended from time to time, and applicable federal regulations. Proposers' attention is directed to 49 CFR §661.11, "Rolling Stock Procurements." Proposers have the responsibility to comply with the cited and any governing statutes and regulations, including official interpretations.

A Proposer shall submit to the Agency the appropriate Buy America certification, attached herein, with all offers on FTA-funded contracts. Proposals that are not accompanied by a properly completed Buy America certification are subject to the provisions of 49 CFR 661.13 and will be rejected as Non-responsive.

The two signature blocks on the Buy America certificate are mutually exclusive. Proposers shall sign only one signature block on the certificate. Signing both signature blocks will make the Proposal Non-responsive. A false certification is a criminal act in violation of 18 USC §1001.

A Proposer who has submitted an incomplete Buy America certificate or incorrect certificate of noncompliance through inadvertent or clerical error (but not including failure to sign the certificate, submission of certificates of both compliance and noncompliance, or failure to submit any certification), may submit to the FTA Chief Counsel within ten (10) days of Proposal opening a written explanation of the circumstances surrounding the submission of the incomplete or incorrect certification in accordance with 28 USC §1746, sworn under penalty of perjury, stating that the submission resulted from inadvertent or clerical error. The Proposer will also submit evidence of intent, such as information about the origin of the product, invoices, or other working documents. The Proposer will simultaneously send a copy of this information to the Agency.

The FTA Chief Counsel may request additional information from the Proposer, upon the Chief Counsel's discretion. In case of such request, the Agency may not award the Contract to the Proposer in question unless and until the FTA Chief Counsel issues his or her determination, except as provided in 49 CFR Part 661.15(m).

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Certification based on ignorance of proper application of the Buy America requirements shall render a Proposal Non-responsive, or shall constitute a material breach of Contract terms; inadvertence or clerical error will not be considered a valid defense against a determination of non-responsiveness or breach.

Any party may petition the FTA to investigate a successful Proposer's compliance with the Buy America certification, through procedures set forth in 49 CFR Part 661.15. If the FTA determines the evidence indicates noncompliance, the FTA will require the Agency to initiate an investigation. In such investigation, the successful Proposer will have the burden of proof to establish compliance with its certification. If the successful Proposer fails to demonstrate compliance, then the successful Proposer will be required to substitute sufficient domestic materials without revision of the original Contract terms. Failure to do so will be a breach of the Contract and may lead to the initiation of debarment proceedings under 49 CFR Part 29.

P-06 IDENTIFICATION OF SUBCONTRACTORS

The Proposer may identify a maximum of three (3) possible Subcontractors per subsystem. Agency will notify the Proposer, prior to Request for BAFO, of any Subcontractors who are not compliant with the Contract Documents. After the submittal of BAFO, Proposer may not substitute any other subsystem Subcontractor than those submitted in the BAFO, and as accepted by Agency.

P-07 PRE-AWARD AUDIT

Agency or its representatives, upon reasonable advance written notice, shall have the right to examine any books, records, accounts and other documents of any Proposer to determine the reasonableness, allowability, and allocability of the Proposal.

P-08 AGENCY RIGHTS

Agency may investigate the qualifications of any Proposer under consideration. Agency may require confirmation of information furnished by a Proposer, and require additional evidence of qualifications to satisfy terms of the Contract. Agency reserves the right to:

1. Reject any or all of the Proposals, at its discretion;
2. Remedy errors in the RFP;
3. Cancel the entire RFP;
4. Issue subsequent RFP;
5. Appoint evaluation Committees to review Proposals;
6. Seek the assistance of outside technical experts to review Proposals;
7. Approve or disapprove the use of particular Subcontractors and suppliers;

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8. Establish a short list of Proposers eligible for discussions after review of written Proposals;
9. Solicit BAFO's from all or some of the Proposers;
10. Negotiate with any, all or none of the Proposers;
11. Award a Contract to one or more Proposers, or not award to any of the Proposers;
12. Accept other than the lowest priced Proposal;
13. Disqualify the Proposal(s) upon evidence of collusion with intent to defraud or other illegal practices on the part of the Proposer(s);
14. Waive any informalities or irregularities in any Proposal, to the extent permitted by law; and
15. Award a Contract without interviews, discussions or negotiations.

This RFP does not commit Agency to enter into a Contract, nor does it obligate Agency to pay for any costs incurred in preparation and submission of Proposals or in anticipation of a Contract. In the event Agency chooses to negotiate with more than one Proposer, it may, following the conclusion of all negotiations, issue a revised RFP or portion thereof containing, among other things, any Amendment, matter, offer, condition of enhancement elicited from or proposed or suggested by any Proposer during the course of such negotiations, and solicit BAFO's from such Proposers, or solicit BAFO's utilizing another appropriate procedure. After receipt of BAFO's, AGENCY reserves the right to reopen negotiations with any or all Proposers; however, Proposers shall not have any rights against AGENCY arising at any stage of the solicitation from any negotiations that take place, or from the fact that Agency does not select a Proposer for negotiations.

P-09 PUBLIC RECORDS

Responses to this RFP shall be subject to the applicable provisions of federal and state laws governing the disclosure of public records.

P-10 FILING OF PROTESTS

All Protests shall be filed and resolved in a manner consistent with Agency's protest instructions.

END OF INSTRUCTIONS TO PROPOSERS

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SUBMITTAL REQUIREMENTS

PR-1.0 GENERAL

Proposals will only be received and evaluated from Proposers.

The Proposer must respond to all topics described below, maintaining the numbers, and repeating the direction with the response. The Proposer shall address each of the topics individually and completely, whether or not the same or similar descriptions are provided elsewhere in the Proposal. The Proposer should avoid, to the maximum extent practicable, making references to other Proposal sections from within one Proposal section. The intent of this arrangement is to allow Agency to readily partition the Proposal documents for review by the Committee. In responding to each topic, the Proposer must identify specific elements planned for the Project and the Proposer's experience with the elements proposed. The Proposal shall specify the names of candidate Subcontractors and suppliers. The Proposal shall clearly describe the role of the Proposer and detail the interfaces with all potential Subcontractors and suppliers.

The Proposal shall be clear and concise and explain how the Proposer intends to meet the requirements of this RFP. Legibility, clarity, and completeness of the technical approach are essential. Statements merely indicating that the Proposer shall meet specific requirements are not sufficient. Unless specifically noted to the contrary as an exception, Agency assumes that the Proposal will be fully compliant and will meet all requirements and conditions. The Proposal shall consist of a **Price Proposal**, and **Technical Proposal** including all Proposal forms (U.S. Employment Plan Application Form, the Pricing Forms Workbook, as well as an electronic version of the entire Proposal in PDF format. If the Proposer elects to utilize a Price Adjustment, the Proposal must include the completed U.S. Employment Plan Workbook and Certifications.

The Proposal shall consist of text, plus the forms, charts, drawings, tables, or illustrations as allowed by the Submittal Requirements contained herein. Typing shall be single spaced on 8½ x 11-inch format. No charts, drawings, tables, or illustrations shall be greater than 11-inch by 17-inch format unless specifically requested. Digital versions of graphics are to be submitted in JPEG format. Proposals shall be written in the English language. Dimensions shall be in the English standard of weights and measures. Metric equivalents may be provided in parenthesis.

Copies of the Price Proposal must be submitted in the format required by this RFP, including the Pricing Forms Workbook. The U.S. Employment Plan Workbook, if submitted, must also be submitted in the form of Microsoft Office Excel format. Agency will provide Proposers a CD-ROM with the required format upon request to Agency.

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The Proposal shall consist of a Proposal Letter, Price Proposal (Volume 1), Technical Proposal (Volume 2) Required Certifications (Volume 3) including completion of all applicable forms and worksheets, and DBE information (Volume 4). The Proposal Letter (See Proposal Forms section), must be completed and executed by an authorized representative of the Proposer. Other than those letters required by the U.S. Employment Plan Application Form, no other letter may be included in addition to the Proposal Letter.

PR-2.0 PRICE PROPOSAL (VOLUME 1)

The Price Proposal shall consist of completed Pricing Summary and Schedules (A) – (F) below provided. Schedule G below is required only for those Proposers that elect to utilize the Price Adjustment. Any such Proposer must include a completed U.S. Employment Plan Workbook as a component of its Proposal.

PR-2.1 PRICING FORMS

- (1) Contract Price Summary for price of [VEHICLE] spare parts, special tools, diagnostic test equipment, manuals, training, Agency travel costs, Field Engineer, and insurance (attached Pricing Forms Workbook).
- (2) Schedule A: Detailed schedule for [Vehicle Price Breakdown] (attached Pricing Forms Workbook, to be tailored to fit needs of Agency).
- (3) Schedule B: Detailed schedule for spare parts and consumables (attached Pricing Forms Workbook, to be tailored to fit needs of Agency).
- (4) Schedule C: Detailed schedule for special tools (attached Pricing Forms Workbook, to be tailored to fit needs of Agency).
- (5) Schedule D: Detailed schedule for diagnostic test equipment (attached Pricing Forms Workbook to be tailored to fit needs of Agency).
- (6) Schedule E: Detailed schedule for Agency travel costs (attached Pricing Forms Workbook, to be tailored to fit needs of Agency).
- (7) Schedule F: U.S. Employment Plan Application Form (attached).
- (8) Schedule G: Final Price Adjustment and Evaluation Price Proposal (attached U.S. Employment Plan Workbook).

In addition, Proposers may be required to submit such certified cost or pricing data as Agency may determine necessary to permit full evaluation of the cost of the Vehicles required under this RFP. Agency, or its representatives, reserves the right to examine and audit all records and data of the Proposer relating to negotiating and pricing the Proposal in order to evaluate whether the data is accurate, complete and current.

PR- 2.2 U.S. EMPLOYMENT PLAN

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2.2.1. PLAN CONTENTS

2.2.1.1 If a Proposer elects to utilize the Price Adjustment, the Proposer's U.S. Employment Plan must be accompanied by a certification, executed by a corporate officer of the Proposer and of Subcontractors/Suppliers (as applicable), that certifies the firm has a Cost Accounting System that can segregate employee labor by Project, and that the information provided in the U.S. Employment Plan is true and correct.

2.2.1.2 Proposer shall include responses to (1) – (5) of the following, as indicated and as set forth in the attached U.S. Employment Plan Application Form. Failure to directly and materially respond to these prompts will result in a Proposal being deemed Non-responsive. Proposer is required to respond to (6) and (7) below only if the Proposer elects to utilize the Price Adjustment.

- (1) **Outreach and Recruitment Plans for New Hires:** Describe plans for the Recruitment and hiring of New Hires and Disadvantaged Workers (if any) for new positions, including coordination with at least one nonprofit and/or governmental organization to assist in the Recruitment of New Hires.
- (2) **Workforce Training Plans:** Describe training designed to create permanent, transferable skills for all Hires on the Project by job category. Include in this description any plans to take advantage of publicly funded workforce development Programs or union apprenticeship Programs for the relevant job categories. List applicable transferrable credentialing opportunities that will be provided to any or all Hires on the Project and plans for coordinating with workforce development, apprenticeship and training Programs to deliver that training, if any.

If a Proposer elects to utilize the Price Adjustment and incorporate credit for investment in Workforce Training into the proposed U.S. Employment Plan, the Proposer must submit the provided U.S. Employment Plan Workbook, and specify the estimated dollar commitment that Proposer and Suppliers will make for Workforce Training for Disadvantaged Workers, unskilled people, and the advancement of more experienced New Hires and/or Incumbent Workers. Any planned or projected financial contribution made by Proposer to any nonprofit or governmental institution in furtherance of Workforce Training for New Hires and Incumbent Workers for work on the Project may be counted in the appropriate boxes on the US Employment Plan Labor Value Form and applied to the Price Adjustment.

- (3) **Description of Jobs Created and/or Retained:** Describe the number, quality and range of U.S. employment opportunities for both skilled and unskilled workers proposed to be created under the U.S. Employment Plan, minimum requirements for the positions, and include the extent to which the plan is likely to produce long-term employment in skilled or trade labor for Disadvantaged Workers. This should include a description of the

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opportunities for ongoing promotion, if any, for New Hires and Incumbent Workers in entry level and/or semiskilled positions.

- (4) **Compensation and Benefits:** Describe base compensation provided to all Hires. Also describe eligibility requirements for and employer contributions to be made to employee benefits for Hires, partners and dependents; including out-of-pocket costs for medical and dental coverage, retirement benefits, paid vacation and paid sick leave. If the Proposer elects to utilize the Price Adjustment, a reporting of the dollar value of benefits, base pay and salary, and overtime shall also be included in the attached U.S. Employment Plan Workbook.
- (5) **Commitment to U.S. Production Site:** Provide a signed Letter of Intent, Lease or Purchase Agreement for an identified site—for the location of the Final Assembly and/or Manufacture of the Vehicles. In accordance with federal law, the site may be located anywhere in the United States. Evidence of a commitment to a specific location for Final Assembly of the Vehicles in the U.S. is sufficient to satisfy this requirement.
- (6) **U.S. Jobs Forms:** If the Proposer elects to utilize the Price Adjustment, the Proposer shall submit the provided U.S. Employment Plan Workbook and specify therein the number of New Hire and Incumbent Worker job hours proposed to be created in the U.S., job category/occupation, duration,, location and the direct dollar value to the Contract. For purposes of the Price Adjustment, only work performed specifically under the Contract for this Project shall be used to measure Hires. Each Proposer shall define the direct hours on this Project to be expended and Hires using the attached U.S. Jobs Base Only and U.S. Jobs Base plus Options forms. If the Proposer wishes to count Subcontractor Hires in the Price Adjustment, Subcontractors shall file separate U.S. Jobs forms. The Workbook must be accompanied by certification, executed by a corporate officer of the Proposer and of Subcontractors/Suppliers (as applicable), that certifies the firm has a Cost Accounting System (CAS) that can segregate employee labor by Project, and that the information provided in the U.S. Employment Plan is true and correct.
- (7) **Facility Investment Credit:** if a Proposer elects to utilize the Price Adjustment, describe any plans to build a new Domestic Facility or invest in significant repairs and renovations to an existing Domestic Facility in order to Manufacture the Vehicles. Include in this description a detailed explanation of the specific component parts or design and engineering work that will be done in this Domestic Facility and specify the exact proposed location of this Domestic Facility. Also describe the extent to which Final Assembly will also be conducted at the same Facility. In order to earn the allowable credit towards the Price Adjustment for a new production facility, dollars towards repairs and renovations to an existing facility and/or new capital expenditures, complete the attached U.S. Employment Plan Workbook.

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Calculating the credit is a straightforward process. First, the Proposer reports the value of all Domestic Facility investments that do not involve Final Assembly. Second, to ensure the Agency does not bear the full costs for those investments, the Domestic Facility investment's value is reduced to 20 percent of the total value, which is equal to a five-year, straight-line depreciation schedule. This leaves the resulting formula:

$$\text{Facility Credit} = (\text{Value of Non-Assembly Facility Investment}) * 0.20$$

In addition to lowering the Domestic Facility's credited value, the depreciation multiplier includes a distinct benefit for the Proposer. Each Proposer will be permitted to claim credit for a particular Domestic Facility investment over five years, meaning a Proposer can receive credit for prior Domestic Facility construction in future transit procurement applications. This 5-year applicability provides further incentive to invest in the US marketplace, and ensures the credit process doesn't overly promote the construction of new facilities at the expense of older ones. The goal is to fill gaps in the supply chain—not create a glut of facilities.

TECHNICAL PROPOSAL (VOLUME 2)

(For models of Technical Proposal requirements for Rolling Stock RFPs, please see www.APTAstandards.com.)

PR-3.0 REQUIRED CERTIFICATIONS (VOLUME 3)

The Certifications shall consist of the following:

PR-3.1 TAB 1: All Representations and Certifications required in the RFP.

REQUIRED CERTIFICATIONS shall be duly completed, executed and notarized, as required.

(To be fully developed by Agency)

PR – 4.0 DISADVANTAGE BUSINESS ENTERPRISES SUBMITTALS AND FORMS (VOLUME 4)

The Contractor will be required to complete DBE Forms for any listed DBE Subcontractor in the performance of the Contract. The Contractor will be notified of such submittals prior to Contract award.

PR – 4.1 CERTIFICATION CONSIDERATIONS IN PROPOSAL PREPARATION

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PR – 4.1.2 CERTIFICATION IS GOVERNED BY FEDERAL REGULATIONS

Only firms certified as eligible DBE's may participate in the DBE Program. Agency has a responsibility to ensure that the only firms who participate in Agency's DBE Program are those certified as eligible DBE's under federal regulations, 49 CFR Part 26, and 13 CFR Part 121. Certification as a DBE means the firm has followed the procedures and met the standards described in the federal regulations.

PR – 4.1.3 AGENCIES GRANTING DBE CERTIFICATION

DBE businesses must identify the Agency that granted them DBE certification and issued them their certification letters.

PR – 4.1.4 VERIFY THAT DBE CERTIFICATION IS CURRENT

Each business represented as a DBE certified business must be verified as a current active participant in the DBE Program prior to the date of bid opening or Proposal submittal. DBE Certification is granted for a period of three years and verified annually. A business can be an active participant in the DBE Program, one that was certified within the last three years. Or a business can be inactive in the DBE Program, one certified more than three years ago but which failed to re-certify after the expiration of each cycle of three-year certification periods. A business can also be active in the DBE Program, but not current, meaning it has been certified within the last three years, but its owners may have failed to provide Agency or with the annual affidavits and reports required to maintain its DBE status. A business that is a DBE will be both active in its certification cycle and current in its affidavit filing and reporting responsibilities. It is only those businesses that are eligible to participate in the Program and only those businesses that will count toward the achievement of DBE contract goals.

Agency will independently verify the certification status of each candidate business representing itself as a DBE.

Submit a copy of the current certification letter from each DBE Subcontractor or source issued to that firm by their certifying authority. The successful Proposer is encouraged to submit a copy of this certification letter with requested DBE forms prior to Contract award. The letter is needed for verification purposes.

PR – 4.1.5 CERTIFICATION IS PROTECTED AND ENFORCED WITH FEDERAL REMEDIES

(a) Suspension or debarment proceedings may be initiated by the DOT against any firm:

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1. That attempts to participate in a DOT-assisted Program as a DBE if the firm does not meet the eligibility criteria stated in the Certification Standards for DBE Programs and if it attempts to participate on the basis of false, fraudulent or deceitful statements or representations or under circumstances indicating a serious lack of business integrity or honesty.

2. That in order to meet DBE contract goals or other DBE Program requirements uses or attempts to use on the basis of false, fraudulent or deceitful statements or representations, another firm that does not meet the DBE eligibility criteria stated in the certification standards.

(b) In either case the DOT may take action itself through its Fraud and Civil Remedies Program or refer the matter to the U.S. Department of Justice for prosecution under appropriate criminal statutes.

(c) While the DOT may consider a purported DBE firm was certified by a valid certification authority, certification does not preclude the DOT from determining that the purported DBE or another firm that has used or attempted to use the purported DBE to meet DBE goals should be suspended or debarred.

PR – 4.1.7 HOW DBE CERTIFICATION IS AWARDED TO SUCCESSFUL APPLICANTS

This is an overview of DBE Certification to help inform those preparing bids or Proposals. It is not intended to be an in-depth description of DBE certification standards. If a Proposer or Subcontractor is not a certified DBE, do not presume it is eligible or ineligible based on this brief description.

PR – 4.1.8 CERTIFICATION INSTRUCTIONS DESCRIBE STANDARDS & PROCEDURES

AGENCY follows the standards and procedures defined by 49 CFR Part D to determine whether an applicant is eligible for DBE certification. These standards and procedures are described in detail in the Certification Instructions, provided with the Application for Certification, at Diversity and Economic Opportunity Department. Interested individuals or companies will start the process by obtaining a copy of the DBE Application and DBE Certification Instructions at AGENCY's Diversity and Economic Opportunity Department.

PR – 4.1.9 DBE CERTIFICATION STANDARDS

Each applicant for DBE certification must prove to the certification authority, by a preponderance of the evidence, that the applicant meets the criteria of the federal regulations concerning group membership, (or individual disadvantage), business size, ownership and control.

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PR – 4.2 AN ELIGIBLE DBE FIRM IS AN SBA DEFINED, “SMALL BUSINESS”

An eligible DBE firm, including its affiliates, must be an existing small business, defined by Small Business Administration (SBA) standards (found in federal regulations at 13 CFR part 121,) appropriate to the type of work that the firm seeks to perform on the DOT-assisted contract. Further, the applicant firm can only be an eligible DBE in any Federal fiscal year if the firm, including its affiliates, has had average gross receipts over the previous three years of less than \$19.57 million. The Secretary of the U.S Department of Transportation adjusts this amount for inflation from time to time (to be updated by Agency).

PR – 4.3 DBE OWNERS MUST BE SOCIALLY AND ECONOMICALLY DISADVANTAGED

Certain groups found by the Small Business Administration (SBA) to be disadvantaged are rebuttably presumed to be socially and economically disadvantaged. Certifications with respect to social and economic disadvantage, including signed notarized statements of personal net worth and supporting documentation are required. If an individual’s Statement of Personal Net Worth shows that the individual’s personal net worth exceeds \$750,000 the individual’s presumption of economic disadvantage is rebutted and the person is not qualified to be a DBE owner.

PR – 4.4 DBE OWNERSHIP BEYOND “PRO FORMA”

A firm’s ownership by socially and economically disadvantaged individuals must be real, substantial and continuing, going beyond pro forma ownership of the firm as reflected in merely the ownership documents.

PR – 4.5 DBE BUSINESSES MUST BE CONTROLLED BY DISADVANTAGED OWNERS

The firm must be independent and not depend on its relationship with another firm or firms to be viable.

END OF SUBMITTAL REQUIREMENTS

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REQUIRED CONTRACT PROVISIONS

Notice is hereby given that If a Contract is awarded, the following terms shall be incorporated into the Contract for the Project.

C-1.0 MONITORING AND ENFORCEMENT OF U.S. EMPLOYMENT PLAN COMMITMENTS

C-1.1 INCORPORATION OF US EMPLOYMENT PLAN COMMITMENTS INTO CONTRACT

If a Proposer is awarded a Contract, then the Proposer's U.S. Employment Plan, including the responses to the U.S. Employment Plan Application Form, the U.S. Employment Plan Workbook, and other forms and attachments, shall be incorporated in their entirety into the Contract and shall become U.S. Employment Plan Commitments. A Proposer's U.S. Employment Plan Commitments shall become terms of the Contract, enforceable by Agency on a similar basis as other Contract terms, which are described herein.

C-1.2 REPORTING REQUIREMENTS

The Contract will require Contractor to submit regular reports regarding compliance with U.S. Employment Plan Commitments by Contractor and any Subcontractors on forms to be provided by Agency and on a schedule to be provided by Agency and included in the Contract. Agency shall have the right to access additional information necessary to determine Contractor and Subcontractor compliance with U.S. Employment Plan Commitments, including inspection of records and site visits where necessary. Actionable Failure with regard to report submission or provision of additional information necessary to determine compliance shall cause a suspension in Milestone Payments until such time as the required information is received by the Agency.

C-1.3 SPECIAL REQUIREMENTS FOR IMPLEMENTATION OF DISADVANTAGED WORKER CREDIT

In addition to the obligations in 3.2., the Contract for Contractors who seek the Disadvantaged Worker Credit, will require the submission of regular reports regarding compliance with specific Disadvantaged Worker Credit commitments by Contractor on forms to be provided by Agency and on a schedule to be provided by Agency and included in the report. These reports will require that the Contractor demonstrate that a pro-rata share of the workforce represents compliance with the Disadvantaged Worker hiring commitment set forth in the Contract.

In addition, within six months of the Contract effective date:

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1. The Contractor will be required to have a written affirmative hiring policy for New Disadvantaged Workers which addresses Recruitment, Training, and retention for individuals who at the time of hire have a household income of less than 50% of the AMI and are Disabled Workers, individuals who are a current recipients (SNAP) or (TANF) benefits, Veterans; or persons who reside in an Area of Concentrated Poverty;
2. The Contractor will be required to demonstrate it has agreements with a minimum of two government or government funded workforce development institutions and/or nonprofit organizations for the purpose of Recruitment and referral of New Disadvantaged Workers;
3. The Contractor will show that it maintains and has available for review a written policy and application forms providing for all applicants at the pre- hire stage to be invited to voluntarily self-identify, consistent with Federal and relevant State law, as an individual with a Disability; individuals who are current recipients of (SNAP) or (TANF) benefits; a Veteran; or an individual who resides in an Area of Concentrated Poverty. Contractors also will be required to provide a written policy and process for post-offer voluntary self-identification of one or more of these statuses;
4. The Contractor will show that it maintains and has available for review a non-discrimination policy that provides that the Contractor, as an equal opportunity employer, complies with all applicable federal and state laws regarding nondiscrimination. This nondiscrimination policy will also show that Contractor is committed to a policy of equal opportunity for all persons and does not discriminate on the basis of race, color, national origin, age, marital status, sex, sexual orientation, gender identity, gender expression, current or past receipt of (SNAP) or (TANF) benefits, residents of an Area of Concentrated Poverty, disability, or veteran status in employment. Finally, the Contractor will maintain and have available for review a complaint procedure for any violation of this nondiscrimination policy.

C – 1.4 REMEDIES

An Actionable Failure shall constitute a breach of the Contract, Agency's available remedies for which shall include all remedies set forth in the Contract. The Contract shall provide that, for Actionable Failure to satisfy a particular U.S. Employment Plan Commitment that was assigned a dollar value in the Price Adjustment process, Agency's monetary damages shall be considered to be no less than such dollar value. U.S. Employment Plan Commitments concerning payment of wages may be enforced directly against Contractor and Subcontractors by affected workers, as intended third-party beneficiaries of wage and benefit commitments of the Contract and relevant Subcontracts.

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C – 1.5. WITHHOLDING OF MILESTONE PAYMENTS

Notice is hereby given that, in the event Agency determines that there has been an Actionable Failure by Contractor or its Subcontractors, Agency shall notify the Contractor in writing and shall provide the Contractor with 60 (sixty) days to correct such non-compliance. If such non-compliance is not corrected to the satisfaction of Agency within such 60-day period (or such longer period as Agency may in its discretion allow), Agency may withhold a portion of the next Milestone Payment due to the Contractor, in an amount that Agency determines in its discretion to be reasonable and appropriate based on the nature and extent of the Contractor's non-compliance. For an Actionable Failure to satisfy a particular U.S. Employment Plan Commitment that was assigned a dollar value in the Price Adjustment process, the amount withheld shall be no less than such dollar value. Any amounts withheld by Agency under this subsection shall be provided to the Contractor, as part of the next Milestone Payment due, when the Contractor demonstrates to the satisfaction of Agency that it has corrected the non-compliance. Any withholding under this subsection shall not affect the right of Agency to exercise other remedies available under the Contract for the Contractor's non-compliance with U.S. Employment Plan Commitments.

C – 2.0 DBE REQUIREMENTS FOR CONTRACTORS

C –2.1 FEDERAL OBLIGATION

Agency, as a recipient of federal financial assistance, is required to take all necessary and reasonable steps to ensure nondiscrimination in the award and administration of contracts. Consequently, the federal regulatory provisions of 49 Code of Federal Regulation (CFR) Part 26, as amended, concerning the utilization of DBE applies to this contract.

C –2.2 AGENCY POLICY STATEMENT

Agency has established a DBE Program in accordance with 49 CFR Part 26. It is the policy of Agency to implement the following steps in the administration of its Program to ensure DBEs have an equal opportunity to receive and participate on Agency DOT-assisted contracts:

- (1) To ensure nondiscrimination in the award and administration of DOT-assisted contracts;
- (2) To create a level playing field on which DBEs can compete fairly for DOT assisted contracts;
- (3) To ensure that the DBE Program is narrowly tailored in accordance with applicable law;
- (4) To ensure that only firms that fully meet 49 CFR Part 26 eligibility standards are permitted to participate as DBEs;
- (5) To help remove barriers to the participation of DBEs in assisted contracts; and

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- (6) To assist the development of firms that can compete successfully in the marketplace outside the DBE Program.

C –2.3 INTERPRETATION

Any conflict, error, omission or ambiguity which may arise between these instructions and the federal regulations or Agency's DBE Program shall be resolved first in favor of the federal regulation and second, Agency's DBE Program.

C –2.4 AGENCY OVERALL DBE GOAL

As a requirement of compliance with 49 CFR Part 26, Agency has set an overall goal for DBE participation on its federally assisted contracts. The overall goal applies to federal-aid funds Agency expects to expend for the fiscal year. To ascertain whether the overall DBE goal is being achieved, Agency will track the dollar amount paid to all certified DBE firms performing work called for in this Contract that is eligible to be credited toward Agency's overall goal.

C –2.5 DBE PARTICIPATION

C –2.5.1 CONTRACTOR ASSURANCE

The Contractor makes the following assurance and agrees to include the assurance in each contract that the Contractor signs with a Subcontractor:

The Contractor, or Subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The Contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of federally-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate.

C –2.5.2 DBE INFORMATION

Contractors are informed of the following:

- (1) A DBE must be a small business concern as defined pursuant to Section 3 of U.S. Small Business Act and relevant regulations promulgated pursuant thereto;
- (2) A DBE may participate as a Contractor, Subcontractor, joint venture partner with a Proposer or subcontractor, vendor of material or supplies, or as a trucking company;
- (3) A DBE joint venture partner must be responsible for specific contract items of work, or clearly defined portions thereof. Responsibility means actually performing, managing and supervising the work with its own forces. The DBE joint venture partner must share

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in the capital contribution, control, management, risks and profits of the joint venture commensurate with its ownership interest;

- (4) A DBE must perform a commercially useful function, i.e., must be responsible for the execution of a distinct element of the work and must carry out its responsibility by actually performing, managing and supervising the work;
- (5) DBE firms must be certified by the appropriate state Agency.

C –2.5.3 RECOMMENDED DBE OUTREACH

- 1) Proposers shall solicit certified DBE firms that have the capability to perform the work of the Contract through all available means. Proposers shall also provide sufficient time for DBE firms to respond and take appropriate steps to follow-up on initial solicitations.

Examples of outreach activities include:

- A. Outreach to community-based organizations and small business associations.
- B. Outreach to the Department of Commerce’s Manufacturing Extension Partnership (<http://www.nist.gov/mep/>).
- C. Attendance at a pre-proposal meeting, if any, scheduled by the Agency to inform DBEs of subcontracting opportunities under a given solicitation.
- D. Advertisement in general circulation media, trade association publications, and minority-focus media for at least twenty (20) days before proposals are due.
- E. Written notification to capable DBEs that their interest in the contract is solicited.

When potential sub-contracting DBEs are identified:

- F. Meet with them to assess capacity, experience, staffing, equipment needs, current workload, bonding capacity, creditworthiness, and references from other prime contractors they have worked with in the past.

- 2) Proposers can access numerous available DBE Databases. In addition to state-specific Department of Transportation’s Unified Certification Program (UCP) DBE database, Proposers can use the following list of databases and organizations to identify certified DBE, MBE, and WBE firms. Additionally, Proposers are advised to search the Internet for local professional associations in their area. Sample search terms include: local DBE firms, minority business council, professional associations, local DBE associations, etc.

- [National Minority Supplier Development Council](#);

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- [U.S. Small Business Administration \(SBA\)](#) for Small Disadvantaged Business and HUB zone certified firms, the [Women-Owned Small Business Federal Contract](#), and [Service-Disabled Veteran-owned Small Business Concern Procurement Programs](#);
- [Ethnic Majority's compilation](#) of government-certified minority-owned businesses;
- [National Association of Minority Contractors National Database](#); and
- Women in Transportation's (WTS International) [DBE Members](#).

- 3) Select portions of work to be performed by DBE firms in order to obtain DBE participation, which may include breaking out Contract work items into economically feasible units to facilitate DBE participation even when the Proposer might otherwise prefer to perform these work items with its own work forces.
- 4) Provide interested DBE firms with adequate information about the plans, specifications, and requirements of the Contract in a timely manner to assist with response to a solicitation.

Prepare a special packet with copies of the RFP as well as information on the specific roles, qualifications, and capacities that the Proposer would expect DBEs to perform. Respond to DBEs in a timely manner to clarify bid specifications.

- 5) Negotiate in good faith with DBE firms. Proposers are expected to avoid making false or misleading statements and to act professionally at all times.

Proposers are required to consider all qualified DBEs who express an interest in performing work under the contract. This means that Proposers cannot reject a DBE as unqualified unless the bidder has sound reasons based on a thorough investigation of the DBE's capabilities. Further, the DBE's standing within its industry, membership in specific groups, organizations or associations and political or social affiliation (for example, union vs. non-union employee status) are not legitimate causes for the rejection or non-solicitation of bids in the Contractor's efforts to meet the contract DBE participation goal.

- 6) Make efforts to assist interested DBE firms in obtaining bonding, lines of credit or insurance as required for the Contract. Where available, Proposers can offer participation in Contractor or Owner Controlled Insurance Programs (CCIP/ OCIP) to DBE sub-contractors.
- 7) Make efforts to assist interested DBEs in obtaining necessary equipment, supplies, materials, or related assistance or services.
- 8) Effectively use the services of available minority/women business organizations and other business assistance offices to provide assistance in the recruitment of DBE firms.

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C –2.5.4 REPLACEMENT OF A DBE FIRM

If a Proposer or Contractor lists a DBE firm, which is denied prequalification, the Proposer or Contractor may replace the DBE firm with another Subcontractor. The Proposer or Contractor is encouraged to replace the DBE firm with another DBE firm. The Proposer or Contractor shall notify Agency in writing prior to such replacement.

C –2.6 CALCULATING AND COUNTING DBE PARTICIPATION

C –2.6.1 CALCULATING DBE PARTICIPATION

Agency is only able to count toward the achievement of the overall goal the value of payments made for work actually performed by DBE firms. There will be no credit for work performed by a non-DBE Contractor or Subcontractor. DBE participation listed in the Proposal must comply with the provisions of this section.

C –2.6.2 COMMERCIALY USEFUL FUNCTION

A DBE must perform a commercially useful function on the Contract to be counted. A commercially useful function is performed when the DBE is Responsible for the execution of the work and is carrying out its responsibilities by actually performing, managing, and supervising the work involved. A DBE Contractor or Subcontractor must perform at least 30 percent of its listed work with its own workforce or must not subcontract a greater portion of the work than would be expected on the basis of normal industry practices for that type of work.

Agency and the Contractor are governed by the provisions of 49 CFR Part 26.55(c) on questions of commercially useful functions as it affects the work. Specific counting guidelines are provided in 49 CFR Part 26.55, the provisions of which govern over the summary contained herein.

C –2.7 CONTRACT COMPLIANCE

COMPLIANCE MONITORING

Agency will monitor the Contractor's compliance with the DBE Program and administrative requirements for this Contract as provided in the Federal Contract Compliance Manual, to be incorporated into the Contract. The Federal Contract Compliance Manual is available at <http://www.dol.gov/ofccp/regs/compliance/fccm/fccmanul.htm>.

C-3.0. ACCESS TO RECORDS

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The Contractor agrees to maintain all books, records, accounts and reports required under the Contract for a period of not less than three years after the date of termination or expiration of the Contract, except in the event of litigation or settlement of claims arising from the performance of the Contract, in which case Contractor agrees to maintain same until the Agency, the FTA Administrator, the Comptroller General or any of their duly authorized representatives has disposed of all such litigation, appeals, claims or exceptions related thereto. See 49 CFR 18.39(i)(11).

C – 4 .0. FEDERAL FUNDING, INCORPORATION OF FTA TERMS AND FEDERAL CHANGES

The preceding provisions include, in part, certain standard terms and conditions required by the Department of Transportation (DOT), whether or not expressly set forth in the preceding Contract provisions. All contractual provisions required by DOT, as set forth in FTA Circular 4220.1F or its successor are hereby incorporated by reference. Anything to the contrary herein notwithstanding, all FTA mandated terms shall be deemed to control in the event of a conflict with other provisions contained in this agreement. The Contractor shall not perform any act, fail to perform any act or refuse to comply with any [name of grantee] requests that would cause [name of grantee] to be in violation of the FTA terms and conditions.

The Contractor shall at all times comply with all applicable FTA regulations, policies, procedures and directives, including without limitation those listed directly or by reference in the Master Agreement between Agency and FTA, as they may be amended or promulgated from time to time during the term of the Contract. Contractor's failure to so comply shall constitute a material breach of the Contract.

C- 5.0. FEDERAL ENERGY CONSERVATION REQUIREMENTS

The Contractor agrees to comply with mandatory standards and policies relating to energy efficiency that are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

C- 6.0: CIVIL RIGHTS REQUIREMENTS

The following requirements apply to the Contract:

1. Nondiscrimination: In accordance with Title VI of the Civil Rights Act, as amended, 42 USC § 2000d, section 303 of the Age Discrimination Act of 1975, as amended, 42 USC § 6102, section 202 of the Americans with Disabilities Act of 1990, 42 USC § 12132, and federal transit law at 49 USC § 5332, the Contractor agrees that it will not discriminate against any employee

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or applicant for employment because of race, color, creed, national origin, sex, age, or disability. In addition, the Contractor agrees to comply with applicable federal implementing regulations and other implementing requirements FTA may issue.

2. Equal Employment Opportunity: The following equal employment opportunity requirements apply to the underlying Contract:

a. Race, Color, Creed, National Origin, Sex: In accordance with Title VII of the Civil Rights Act, as amended, 42 USC § 2000e, and federal transit laws at 49 USC § 5332, the Contractor agrees to comply with all applicable equal employment opportunity requirements of U.S. Department of Labor (U.S. DOL) regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," 41 CFR Parts 60 et seq., (which implement Executive Order No. 11246, "Equal Employment Opportunity," as amended by Executive Order No. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," 42 USC § 2000e note), and with any applicable federal statutes, executive orders, regulations, and federal policies that may in the future affect construction activities undertaken in the course of the Project. The Contractor agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, national origin, sex or age. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

b. Age: In accordance with section 4 of the Age Discrimination in Employment Act of 1967, as amended, 29 USC §§ 623 and federal transit law at 49 USC § 5332, the Contractor agrees to refrain from discrimination against present and prospective employees for reason of age. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

c. Disabilities: In accordance with section 102 of the Americans with Disabilities Act, as amended, 42 USC § 12112, the Contractor agrees that it will comply with the requirements of U.S. Equal Employment Opportunity Commission, "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 CFR Part 1630, pertaining to employment of persons with disabilities. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

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The Contractor also agrees to include these requirements in each subcontract financed in whole or in part with federal assistance provided by FTA, modified only if necessary to identify the affected parties.

C- 7.0 NO GOVERNMENT OBLIGATION TO THIRD PARTIES

The Agency and Contractor acknowledge and agree that, notwithstanding any concurrence by the federal government in or approval of the Solicitation or award of the Contract, absent the express written consent by the federal government, the federal government is not a party to the Contract and shall not be subject to any obligations or liabilities to the Agency, Contractor, or any other party (whether or not a party to that Contract) pertaining to any matter resulting from the Contract.

The Contractor agrees to include the above clause in each subcontract financed in whole or in part with federal assistance provided by FTA. It is further agreed that the clause shall not be modified, except to identify the Subcontractor who will be subject to its provisions.

C- 8.0. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS

The Contractor acknowledges that the provisions of the Program Fraud Civil Remedies Act of 1986, as amended, 31 USC §§ 3801 et seq. and U.S. DOT regulations, "Program Fraud Civil Remedies," 49 CFR Part 31, apply to its actions pertaining to this Project. Upon execution of the Contract, the Contractor certifies or affirms the truthfulness and accuracy of any statement it has made, it makes, it may make, or causes to be made, pertaining to the Contract or the FTA assisted Project. In addition to other penalties that may be applicable, the Contractor further acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification, the federal government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act of 1986 on the Contractor to the extent the federal government deems appropriate.

The Contractor also acknowledges that if it makes, or causes to be made, a false, fictitious or fraudulent claim, statement, submission or certification to the federal government under a Contract connected with a project that is financed in whole or in part with federal assistance originally awarded by FTA under the authority of 49 USC § 5307, the Government reserves the right to impose the penalties of 18 USC § 1001 and 49 USC § 5307(n)(1) on the Contractor, to the extent the federal government deems appropriate.

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The Contractor agrees to include the above two clauses in each subcontract financed in whole or in part with federal assistance provided by FTA. It is further agreed that the clauses shall not be modified, except to identify the Subcontractor who will be subject to the provisions.

C- 9 .0 SUSPENSION AND DEBARMENT

The Contract is a covered transaction for purposes of 49 CFR Part 29. As such, the Contractor is required to verify that none of the Contractor, its principals, as defined at 49 CFR 29.995, or affiliates, as defined at 49 CFR 29.905, are excluded or disqualified as defined at 49 CFR 29.940 and 29.945.

The Contractor is required to comply with 49 CFR 29, Subpart C, and must include the requirement to comply with 49 CFR 29, Subpart C, in any lower-tier covered transaction it enters into.

By signing and submitting its Proposal, the Proposer certifies as follows: The certification in this clause is a material representation of fact relied upon by [insert Agency name]. If it is later determined that the Proposer knowingly rendered an erroneous certification, then in addition to remedies available to [insert Agency name], the federal government may pursue available remedies, including but not limited to suspension and/or debarment. The Proposer agrees to comply with the requirements of 49 CFR 29, Subpart C, while this Proposal is valid and throughout the period of any Contract that may arise from this Proposal. The Proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

C-10 .0 CLEAN WATER REQUIREMENTS

The Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 USC 1251 et seq. The Contractor agrees to report each violation to the Agency and understands and agrees that the Agency will, in turn, report each violation as required to ensure notification to FTA and the appropriate Environmental Protection Agency (EPA) Regional Office.

The Contractor also agrees to include these requirements in each subcontract exceeding \$100,000 financed in whole or in part with federal assistance provided by FTA.

C-11.0. CLEAN AIR REQUIREMENTS

The Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 USC §§ 7401 et seq. The Contractor agrees to

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report each violation to the Agency and understands and agrees that the Agency will, in turn, report each violation as required to ensure notification to FTA and the appropriate EPA Regional Office.

The Contractor also agrees to include these requirements in each subcontract exceeding \$100,000 financed in whole or in part with federal assistance provided by FTA.

C- 12.0 COMPLIANCE WITH FEDERAL LOBBYING POLICY

Contractors who apply or bid for an award of \$100,000 or more shall file the certification required by 49 CFR Part 20, "New Restrictions on Lobbying." Each tier certifies to the tier above that it will not and has not used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any Agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant or any other award covered by 31 USC 1352. Each tier shall also disclose the name of any registrant under the Lobbying Disclosure Act of 1995 who has made lobbying contacts on its behalf with non-federal funds with respect to that federal contract, grant or award covered by 31 USC 1352. Such disclosures are forwarded from tier to tier, up to the recipient.

C- 13.0 BUY AMERICA

Contractor shall comply with 49 USC § 5323, FTA's "Buy America" regulations at 49 CFR Part 661 and any amendments thereto, and any implementing guidance issued by FTA or any other DOT agency.

C –13.1 Pre-Award and Post-Delivery Audits

The Contractor agrees to comply with 49 USC § 5323(l) and FTA's implementing regulation at 49 CFR Part 663 and to submit the following certifications:

1. Buy America requirements: The Contractor shall complete and submit a declaration certifying either compliance or noncompliance with Buy America. If the recommended Bidder/Proposer certifies compliance with Buy America, it shall submit documentation that lists (1) component and subcomponent parts of the rolling stock to be purchased identified by manufacturer of the parts, their country of origin and costs; and (2) the location of the final assembly point for the rolling stock, including a description of the activities that will take place at the final assembly point and the cost of final assembly.

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2. Solicitation specification requirements: The Contractor shall submit evidence that it will be capable of meeting the bid specifications.
3. Post-delivery audit requirement: A post-delivery review of the first serial production vehicle will be completed before title is transferred to the Agency or before it is placed into revenue service. The Contractor agrees to provide the information requested by the Agency to allow the Agency to complete the post-delivery audit. The Agency may not accept vehicles if the post-delivery audit cannot be completed to verify the Contractor's compliance with the Buy America requirements regarding 60 percent United States content and final assembly in the United States.

C- 14.0 CARGO PREFERENCE

The Contractor agrees to the following:

1. To use privately owned U.S.-flag commercial vessels to ship at least fifty (50) percent of the gross tonnage (computed separately for dry bulk carriers, dry cargo liners and tankers) involved, whenever shipping any equipment, material or commodities pursuant to the underlying Contract to the extent such vessels are available at fair and reasonable rates for U.S.-flag commercial vessels.
2. To furnish within twenty (20) working days following the date of loading for shipments originating within the United States or within thirty (30) working days following the date of loading for shipments originating outside the United States, a legible copy of a rated, "onboard" commercial ocean bill of lading in English for each shipment of cargo described in the preceding paragraph to the Division of National Cargo, Office of Market Development, Maritime Administration, Washington, DC 20590 and to the FTA recipient (through the Contractor in the case of a Subcontractor's bill of lading.)
3. To include these requirements in all subcontracts issued pursuant to the Contract when the subcontract may involve the transport of equipment, material or commodities by ocean vessel.

C- 15.0 FLY AMERICA

The Contractor agrees to comply with 49 USC 40118 (the "Fly America" Act) in accordance with the General Services Administration's regulations at 41 CFR Part 301-10, which provide that recipients and sub-recipients of federal funds and their contractors are required to use U.S. flag air carriers for U.S. government-financed international air travel and transportation of their

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personal effects or property, to the extent such service is available, unless travel by foreign air carrier is a matter of necessity, as defined by the Fly America Act. The Contractor shall submit, if a foreign air carrier was used, an appropriate certification or memorandum adequately explaining why service by a U.S. flag air carrier was not available or why it was necessary to use a foreign air carrier and shall, in any event, provide a certificate of compliance with the Fly America requirements. The Contractor agrees to include the requirements of this section in all subcontracts that may involve international air transportation.

C- 16.0 CONTRACT WORK HOURS AND SAFETY STANDARDS ACT

1. Overtime requirements: No Contractor or Subcontractor contracting for any part of the Contract Work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any work week in which he or she is employed on such Work to work in excess of 40 hours in such work week unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of 40 hours in such workweek.
2. Violation; liability for unpaid wages; liquidated damages: In the event of any violation of the clause set forth in Paragraph 1 of this section, the Contractor and any Subcontractor responsible therefore shall be liable for the unpaid wages. In addition, such Contractor and Subcontractor shall be liable to the United States for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in Paragraph 1 of this section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard work week of 40 hours without payment of the overtime wages required by the clause set forth in Paragraph 1 of this section.
3. Withholding for unpaid wages and liquidated damages: The [insert Agency name] shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any monies payable on account of work performed by the Contractor or Subcontractor under any such Contract or any other federal Contract with the same Prime Contractor, or any other federally assisted Contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same Prime Contractor, such sums as may be determined to be necessary to satisfy any liabilities of such Contractor or Subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in Paragraph 2 of this section.

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4. Subcontracts: The Contractor or Subcontractor shall insert in any subcontracts the clauses set forth in paragraphs 1 through 4 of this section and also a clause requiring the Subcontractors to include these clauses in any lower tier subcontracts. The Prime Contractor shall be responsible for compliance by any Subcontractor or lower-tier Subcontractor with the clauses set forth in paragraphs 1 through 4 of this section.

C- 17.0 ADA ACCESS

The Contractor and any of its Subcontractors under the Contract agree to comply with all applicable requirements of the Americans with Disabilities Act of 1990 (ADA), 42 USC §§ 12101 et seq.; Section 504 of the Rehabilitation Act of 1973, as amended, 29 USC § 794; 49 USC § 5301(d); and the following regulations and any amendments thereto:

1. DOT regulations, "Transportation Services for Individuals with Disabilities (ADA)," 49 CFR Part 37;
2. DOT regulations, "Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving or Benefiting from Federal Financial Assistance," 49 CFR Part 27;
3. Joint U.S. Architectural and Transportation Barriers Compliance Board (U.S. ATBCB)/U.S. DOT regulations, "American With Disabilities (ADA) Accessibility Specifications for Transportation Vehicles," 36 CFR Part 1192 and 49 CFR Part 38;
4. Department of Justice (DOJ) regulations, "Nondiscrimination on the Basis of Disability in State and Local Government Services," 28 CFR Part 35;
5. DOJ regulations, "Nondiscrimination on the Basis of Disability by Public Accommodations and in Commercial Facilities," 28 CFR Part 36;
6. General Services Administration regulations, "Accommodations for the Physically Handicapped," 41 CFR Subpart 101-19;
7. Equal Employment Opportunity Commission, "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 CFR Part 1630;
8. Federal Communications Commission regulations, "Telecommunications Relay Services and Related Customer Premises Equipment for Persons with Disabilities," 47 CFR Part 64, Subpart F;

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9. FTA regulations, "Transportation for Elderly and Handicapped Persons," 49 CFR Part 609;
10. U.S. ATBCB regulations, "Electronic and Information Technology Accessibility Standards," 36 CFR Part 1194; and
11. Any implementing requirements FTA may issue.

END REQUIRED CONTRACT PROVISIONS

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SCHEDULE F: U.S. EMPLOYMENT PLAN APPLICATION FORM

PROPOSER: _____

CHECKLIST

REQUIRED DOCUMENTATION	
1. Fully completed U.S. Employment Plan Workbook (by Prime) only required for Proposers that elect to utilize the Price Adjustment	
2. U.S. Employment Plan Workbook Certification (by Prime) only required for Proposers that elect to utilize the Price Adjustment	
3. Fully completed U.S. Employment Plan Workbook (by Subcontractors) only required for Proposers that elect to utilize the Price Adjustment	
4. U.S. Employment Plan Workbook Certification (by Subcontractors) only required for Proposers that elect to utilize the Price Adjustment	
Left intentionally blank	
Left intentionally blank	
5. Signed Letter of Intent, Lease or Purchase Agreement for U.S. Final Assembly site Required for all Proposers	

In order for a Proposal to be deemed Responsive, Proposer must include responses to (1) – (5) of the following, as indicated. Failure to directly and materially respond to these prompts will result in a Proposal being deemed Non-responsive. However, the information provided in response to prompts 1 – 5 below will not be scored and will be evaluated only to determine Responsiveness. Proposer is required to respond to (6) and (7) below only if the Proposer elects to utilize the Price Adjustment.

1. **Outreach and Recruitment Plans for New Hires:** Describe plans for the Recruitment and hiring of New Hires and Disadvantaged Workers (if any) for new positions, including coordination with at least one nonprofit and/or governmental organization to assist in the Recruitment of New Hires.

2. **Workforce Training Plans:** Describe Workforce Training designed to create permanent, transferable skills for all Hires on the Project by job category. Include in this description any plans to take advantage of publicly funded workforce development Programs or union apprenticeship Programs for the relevant job categories. List applicable transferrable credentialing opportunities that will be provided to any or all Hires on the Project and plans for coordinating with workforce development, apprenticeship and training Programs to deliver that training, if any.

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If a Proposer elects to utilize the Price Adjustment and incorporate credit for investment in Workforce Training into the proposed U.S. Employment Plan, the Proposer must use the provided U.S. Employment Plan Workbook, and specify the estimated dollar commitment that Proposer and Suppliers will make for Workforce Training for Disadvantaged Workers, unskilled people, and the advancement of more experienced New Hires and/or Incumbent Workers. Any planned or projected financial contribution made by Proposer to any nonprofit or governmental institution in furtherance of Workforce Training for New Hires and Incumbent Workers for work on the Project may be counted in the appropriate boxes on the US Employment Plan Labor Value Form and applied to the Price Adjustment.

3. **Description of Jobs Created and/or Retained:** Describe the number, quality and range of U.S. employment opportunities for both skilled and unskilled workers proposed to be created for the Project, minimum requirements for the positions, and include the extent to which the plan is likely to produce long-term employment in skilled or trade labor for Disadvantaged Workers. This should include a description of the opportunities for ongoing promotion, if any, for New Hires and Incumbent Workers in entry level and/or semiskilled positions.
4. **Compensation and Benefits:** Describe base compensation provided to all Hires. Also describe eligibility requirements for and employer contributions to be made to employee benefits for Hires, partners and dependents; including out-of-pocket costs for medical and dental coverage, retirement benefits, paid vacation and paid sick leave. If the Proposer elects to utilize the Price Adjustment, a reporting of the dollar value of benefits, base pay and salary, and overtime shall also be included in the attached U.S. Employment Plan Workbook.
5. **Commitment to U.S. Production Site:** Provide a signed Letter of Intent, Lease or Purchase Agreement for an identified site—for the location of the Final Assembly and/or Manufacture of the Vehicles. In accordance with federal law, the site may be located anywhere in the United States. **Evidence of a commitment to a specific location for Final Assembly of the Vehicles in the U.S. is sufficient to satisfy this requirement.**
6. **U.S. Jobs Forms:** If the Proposer elects to utilize the Price Adjustment, the Proposer shall use the provided U.S. Employment Plan Workbook and specify the number of New Hire and Incumbent Worker job hours proposed to be created in the U.S., job category/occupation, duration,, location and the direct dollar value to the Contract. For purposes of the Price Adjustment, only work performed specifically under the Contract for this Project shall be used to measure Hires. Each Proposer shall define the direct hours on this Project to be expended and Hires using the attached U.S. Jobs Base Only and U.S. Jobs Base plus Options forms. If the Proposer wishes to count Subcontractor Hires in the Price Adjustment, Subcontractors shall file separate U.S. Jobs forms. If the Proposer wishes to take advantage of the Price Adjustment, the Workbook must be accompanied by certification, executed by a corporate officer of the Proposer and of Subcontractors/Suppliers (as applicable), that certifies the firm has a Cost Accounting System (CAS) that can segregate employee labor by Project, and that the information provided in the U.S. Employment Plan is true and correct.

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7. **Facility Investment Credit:** if a Proposer elects to utilize the Price Adjustment, describe plans – if any – to build a new Domestic Facility or invest in significant repairs and renovations to an existing Domestic Facility in order to Manufacture the Vehicles. Include in this description a detailed explanation of the specific component parts or design and engineering work that will be done in this Domestic Facility and specify the exact proposed location of this Domestic Facility. Also describe the extent to which Final Assembly will also be conducted at the same Facility. In order to earn the allowable credit towards the Price Adjustment for a new production facility, dollars towards repairs and renovations to an existing facility and/or new capital expenditures, complete the attached U.S. Employment Plan Workbook.

Calculating the credit is a straightforward process. First, the Proposer reports the value of all Domestic Facility investments that do not involve Final Assembly. Second, to ensure the Agency does not bear the full costs for those investments, the Domestic Facility investment's value is reduced to 20 percent of the total value, which is equal to a five-year, straight-line depreciation schedule. This leaves the resulting formula:

$$\text{Facility Credit} = (\text{Value of Non-Assembly Facility Investment}) * 0.20$$

In addition to lowering the Domestic Facility's credited value, the depreciation multiplier includes a distinct benefit for the Proposer. Each Proposer will be permitted to claim credit for a particular Domestic Facility investment over five years, meaning a Proposer can receive credit for prior Domestic Facility construction in future transit procurement applications. This 5-year applicability provides further incentive to invest in the US marketplace, and ensures the credit process doesn't overly promote the construction of new facilities at the expense of older ones. The goal is to fill gaps in the supply chain—not create a glut of facilities.

END OF U.S. EMPLOYMENT PLAN APPLICATION FORM

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**U.S. EMPLOYMENT PLAN
PROPOSER CERTIFICATION**

I _____ [name of corporate office] certify, under penalty of perjury under the laws of the State of _____, that the information provided in the U.S. Employment Plan submitted by _____ [name of Proposer] is true and correct to my knowledge, and [fill out the following line only if Proposer is electing to utilize the Price Adjustment and submitting the U.S. Employment Plan Workbook] that _____ [name of Proposer] has an internal Cost Accounting System that provides for the segregation of work hours and costs that can be utilized to verify the information provided in the U.S. Employment Plan.

Executed on _____, _____ at _____
Date Year Location

Typewritten or Printed Name Signature of Corporate Officer Title

END OF PROPSER CERTIFICATION

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**U.S. EMPLOYMENT PLAN
SUBCONTRACTOR CERTIFICATION**

I _____ [name of corporate office] certify, under penalty of perjury under the laws of the State of _____, that the information regarding _____ [name of Subcontractor] provided in the U.S. Employment Plan submitted by _____ [name of Proposer] is true and correct to my knowledge [fill out the following line only if Proposer is electing to utilize the Price Adjustment], and that _____ [name of Subcontractor] has an internal Cost Accounting System that provides for the segregation of work hours and costs that can be utilized to verify the information provided in the U.S. Employment Plan.

Executed on _____, _____ at _____
Date Year Location

Typewritten or Printed Name Signature of Corporate Officer Title

END OF SUBCONTRACTOR CERTIFICATION