



BOARD OF DIRECTORS REPORT

MEETING DATE: JULY 21, 2026 **AGENDA ITEM #:** 13

TYPE: ACTION ITEM

PREPARED BY: DIRECTOR OF FINANCE AND ADMINISTRATION NANCY TILLIE

REVIEWED BY: GENERAL MANAGER JERRY ESTRADA

SUBJECT: Adoption of MTD Procurement Manual Amendment: Vendor Prequalification

RECOMMENDATION:

Staff recommends the Board of Directors adopt an amendment to the MTD Procurement Manual by adding Section 7.1.1, Vendor Prequalification, to establish standardized procedures for the prequalification of contractors for public works and specialized infrastructure projects.

DISCUSSION:

MTD is entering a phase of significant facility upgrades, with the Terminal 2 – Phase 2 (T2P2) project, involving complex battery-electric bus (BEB) infrastructure, photovoltaic canopies and microgrid integration. To ensure only responsive and responsible vendors with the requisite technical, financial, and safety capacity submit bids for multifaceted projects with required specialization, Staff developed a formal Vendor Prequalification Policy to evaluate a firm's fitness prior to issuing the Invitation for Bids (IFB), Request for Proposals (RFP) or other solicitation.

Reviewed and approved by the Procurement Officer and General Counsel, the policy aligns MTD's manual with California Public Contract Code Section 20101 and Department of Industrial Relations (DIR) requirements. Furthermore, because MTD projects may utilize federal assistance, the policy strictly adheres to Federal Transit Administration (FTA) Circular 4220.1F and 2 CFR §200.319 standards to maintain full and open competition.

For the T2P2 Project, Staff has developed a draft project-specific Prequalification Questionnaire evaluating the following core categories:

- Financial Capacity: Audited financial statements, bonding capacity, and insurance.
- Technical Experience: Minimum years in business and three similar public entity projects.
- Safety Record: OSHA citation history and Workers' Compensation Experience Modification Rates.
- Compliance: Active California Contractor's Licensing and DIR registration.

Adopting this manual amendment will enable issuing the T2P2 Prequalification Questionnaire and allow future use of the Prequalification process.

Attachment: Amendment to MTD Procurement Manual (Revised January 2019, Amended November 2022).