



FREQUENTLY ASKED QUESTIONS

1. What is a DBE?

A Disadvantaged business enterprise or DBE means a for-profit small business concern—

- a. That is at least 51 percent owned by one or more individuals who are both socially and economically disadvantaged or, in the case of a corporation, in which 51 percent of the stock is owned by one or more such individuals; and
- b. Whose management and daily business operations are controlled by one or more of the socially and economically disadvantaged individuals who own it.

2. Why does RFTA require DBE participation?

- (a) To ensure nondiscrimination in the award and administration of its contracts;
- (b) To create a level playing field on which DBEs can compete fairly for contracts;
- (c) To help remove barriers to the participation of DBEs in RFTA's contracts;

3. Why does RFTA check the Colorado Secretary of State's Office to get a Certificate of Good Standing for my business?

Before entering into contract with vendors, RFTA has to be assured that the business is reputable. You can check your status by visiting the following link and typing in your registered business name. This will take you to a page with a few options. Choose the option "Obtain a Certificate of Good Standing". Any issues will be shown on this page or you can print your Certificate of Good Standing.

<http://www.sos.state.co.us/biz/BusinessEntityCriteria.do>

4. What are RFTA's Insurance Requirements?

The coverage thresholds will vary depending on the type of goods or services to be purchased and the anticipated size of the resulting contract.

INSURANCE

- (1) CONTRACTOR shall procure and maintain, until all of its obligations under this Contract have been discharged, including until any warranty periods under this Contract are satisfied, the following types of insurance coverage and limits of liability. These insurance requirements and the obligations of the indemnification agreement that is part of this contract shall apply to anyone hired by CONTRACTOR to work under this agreement.



CONTRACTOR shall procure and maintain in effect the following types of insurance at least as broad and with limits of liability not less than those stated below.

- (2) The insurance requirements herein are minimum requirements for this Contract. RFTA in no way warrants that the minimum limits contained herein are sufficient to protect the CONTRACTOR from liabilities that might arise out of the performance of the Work under this Contract by the CONTRACTOR, representatives, employees, or subcontractors and CONTRACTOR is free to purchase such additional insurance as may be determined necessary.

(a) Workers Compensation and Employer's Liability Insurance

i. Coverage A:

Statutory Coverage: Colorado Statutory Limits

ii. Coverage B:

Employers Liability Coverage: \$100,000 Each Accident
 \$500,000 Disease, Policy Limit
 \$100,000 Disease, Each Employee

iii. Waiver of Subrogation Endorsement included in favor of RFTA

(b) Commercial General Liability Insurance

i. Combined Bodily Injury and Property Damage Liability:

Each Occurrence:	\$1,000,000
Personal and Advertising Injury	\$1,000,000
General Aggregate	\$2,000,000
Products – Completed Operations Aggregate	\$2,000,000
Fire Damage Legal Liability	\$ 50,000
Medical Expense	\$ 5,000

ii. The following coverages must be included under the Commercial General Liability Policy:

- 1) Defense costs outside the limits of liability
- 2) Premises/Operations
- 3) Contingent liability for work performed by subcontractors and Contractors
- 4) Advertising Injury Liability
- 5) Contractual Liability

(c) Business Automobile Liability:

i. Combined Bodily Injury and Property Damage Liability: \$1,000,000 each accident



- ii. Liability Coverage for the following must be included:
 - 1) Owned Automobiles
 - 2) Non-Owned and Hired Automobiles
 - 3) Contractual Liability
- (d) Umbrella Policy Occurrence form:
 - i. \$5,000,000 Each Occurrence/\$5,000,000 Aggregate excess of the Employers Liability, Commercial General Liability and Automobile Liability on a following form basis.
 - ii. The Umbrella shall include liability coverage for damage to the insured's completed work equivalent to that provided under ISO form CG 00 01. This policy shall provide coverage for defense costs outside the limit of liability.
- (e) Professional Liability (Errors and Omissions Liability):
 - i. The policy shall cover professional misconduct or lack of ordinary skill for those services defined in the Scope of Work of this Contract.
 - ii. In the event that the professional liability insurance required by this Contract is written on a claims-made basis, CONTRACTOR warrants that any retroactive date under the policy shall precede the effective date of this Contract; and that either continuous coverage will be maintained or an extended discover period will be exercised for a period of two (2) years beginning at the time work under this Contract is completed.
 - iii. Minimum Limits:
 - 1) Per Loss \$1,000,000
 - 2) Aggregate \$2,000,000
- (3) Certificates of Insurance: The Contractor shall furnish to RFTA a certificate(s) of insurance (using ACORD form or equivalent) provided by the Contractor's insurance carrier or agent to show that the insurance specified in this contract is in force stating policy numbers, dates of expiration, limits of liability and coverages thereunder, the name of the project, or "Any and All Operations" if working on more than one project and further providing that the insurance shall not be cancelled until the expiration of thirty (30) days after written notice of such cancellation has been mailed to RFTA. Such notice shall be mailed certified mail, return receipt requested.
- (4) Waiver of Subrogation: Contractor and RFTA waive all rights against (1) each other and any of their Contractors, agents and employees, each of the other, and (2) RFTA, separate contractors, and any of their contractors, subcontractors, agents and employees for damages caused by fire or other perils to the extent covered by property insurance provided under the contract or other property insurance applicable to the work, except such rights as they may have to proceeds of such insurance held by the RFTA as fiduciary.
 - (a) Contractor shall require their agents and employees, by appropriate agreements, written where legally required for validity, similar waivers in favor of other parties enumerated herein. The policies shall provide such waivers of subrogation by



endorsement or otherwise. A waiver of subrogation shall be effective as to a person or entity even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, did not pay the insurance premium directly or indirectly, and whether or not the person or entity had an insurable interest in the property damaged.

(5) Special Provisions:

- (a) If Contractor fails to procure and maintain such insurance, CONTRACTOR will be in breach of the Contract and RFTA shall have the right to proceed with Termination of the Contract and whatever judicial remedies may be appropriate.
- (b) Maintenance of the foregoing insurance coverage shall in no way be interpreted as relieving the Contractor of any responsibility hereunder. The Contractor may secure, at its own expense, such additional insurance as the Contractor deems necessary.
- (c) Insurance coverage carried by the Contractor shall not be subject to limitations, conditions or restrictions reasonably deemed by RFTA to be inconsistent with the intent of the Insurance Requirements to be fulfilled by Contractor under this Article 17.
- (d) All policies are to be written through companies duly entered and authorized to transact that class of insurance in the state in which the project is located. The insurance companies must have an A.M. Best rating of A:IX or better in the most recent Best's Key Rating Guide.
- (e) Approval, disapproval or failure to act by RFTA regarding any insurance supplied by the Contractor shall not relieve the Contractor of full responsibility or liability pursuant to Article 16 for damages. Neither shall the bankruptcy, insolvency or denial of liability by the insurance company exonerate the Contractor from liability.
- (f) Cross-Liability Coverage. If the liability policies do not contain the standard ISO separation of insureds provision, or a substantially similar clause, they shall be endorsed to provide cross-liability coverage.
- (g) Contractor shall make no special payments for any insurance that the Contractor may be required to carry as identified under this Article 17; all are included in the contract price and in the contract unit prices.
- (h) Contractor shall require all subcontractors to procure and maintain all insurance as set forth in this contract.
- (i) Contractor shall furnish copies of certificates of insurance evidencing coverage for each subcontractor when required by RFTA.
- (j) RFTA shall have the right, but not the obligation, of prohibiting Contractor or any subcontractor from entering the project site until such certificates or other evidence that insurance has been placed in complete compliance with these requirements is received and approved by RFTA.
- (k) CONTRACTOR and Subcontractors – CONTRACTOR shall require all of its subcontractors to provide the aforementioned coverage at levels that the CONTRACTOR and its subcontractors may consider necessary and any deficiency



in the coverage or policy limits of the subcontractors will be the sole responsibility of CONTRACTOR.

- (l) Contractual Liability – The insurance provisions in this Contract in no way affect the liability of CONTRACTOR or the indemnity covenants stated elsewhere in this Contract.
 - (m) Deductibles and Self-Insured Retention – All deductibles and/or self-insured retention amounts must be declared to RFTA.
 - (n) Certificates of Insurance – Before commencing performance on the Contract, CONTRACTOR and its subcontractors must furnish certificate(s) of insurance (using ACORD form or equivalent) to RFTA evidencing:
 - i. Insurance coverage in accordance with this Article 17 - Insurance.
 - ii. Signature by person authorized by insurer to bind coverage on its behalf.
 - iii. Effective expiration dates of policies.
 - iv. RFTA must be given thirty (30) days written notice, in accordance with policy terms, of all cancellation, non-renewal, or material changes in policy by either Insurer or CONTRACTOR.
 - v. RFTA is added as Additional Insured party on the Commercial General Liability policies.
 - vi. A waiver of subrogation endorsement has been attached to the Worker's Compensation and General Liability policies.
 - vii. Any deductible and/or self-insured retention.
 - viii. Certificate of Insurance title block format is as follows: Roaring Fork Transportation Authority, 0051 Service Center Drive, Aspen, Colorado 81611
- (6) Failure to maintain the insurance policies as required by this Contract or to provide evidence of renewal is a material breach of the Contract.

5. How do I find out about upcoming procurements?

Visit our website at <http://www.rfta.com/rfps.html> to complete a vendor registration form. Then email, fax or mail it in to us. This will add you to our vendor database. In addition, be sure to check for advertisements for current and upcoming solicitations in the local papers, trade magazines and on our website.

6. I need help with my proposal. Is there someone I can call to answer questions?

Collina Washington, RFTA Procurement Manager 970-384-4886 cwashington@rfta.com

Barbara Hauptli, RFTA Procurement Specialist, 970-384-4861, bhauptli@rfta.com

Tammy Sommerfeld, RFTA Procurement Specialist, (970) 384-4869, tsommerfeld@rfta.com



7. Do you always take the lowest bidder on all solicitations?

RFTA issues several types of solicitations. We'll explain each one and the way we select a vendor using each.

- a. **Request for Written Quotations (RFWQ):** Vendors are usually chosen based upon the lowest cost. Types of goods and services would be mechanical parts, fluids (oil, transmission, A/C), hardware.
- b. **Invitation for Bid (IFB):** With this type of solicitation, we choose the *lowest responsive, responsible bidder*. Types of service would be waste management or portable toilet service, construction.
 - i. **What is the lowest responsive and responsible bidder?** This is the vendor who correctly submits all of the required information in the format that has been requested (**responsive**) and who meets ALL of the minimum requirements outlined in the bid (**responsible**), who also has the lowest price.
- c. **Request for Proposals (RFP):** An RFP gives RFTA a little "wobble room." We get to choose based on criteria other than cost. This type solicitation puts heavy emphasis on experience, qualifications and references. Since we are allowed to negotiate cost in this process, pricing doesn't usually carry as much weight as in the other methods we would use. This is typically used for professional services or large dollar jobs.
- d. **Request for Qualifications (RFQ):** With an RFQ, RFTA can just focus on the qualifications of the vendor, because that is usually the most important aspect of the project when we use this method of procurement. Types of service would be architectural, engineering, or program/project management.

8. I know someone or have a family member that works at RFTA. Can I still submit a bid or proposal?

Yes, as long as your friend, acquaintance or family member has no control over awarding the bid or proposal. If so, RFTA will ask that person to excuse themselves from the decision making process so that everyone gets a "fair shake" at getting the business. If RFTA Procurement discovers that there is a relationship that was not previously revealed, the contract may be cancelled. So, it's always important to let us know up front so that we can take the proper steps to maintain free and open competition amongst our vendors.

9. I know a RFTA Staff person in the Department that is soliciting the contract. Can I call him/her directly with questions about the solicitation? Why or why not?

No. During the procurement process, RFTA has strict restrictions on communications with its staff. You may only direct your questions to a member of the Procurement Department at procurement@rfta.com, who will respond to you in writing. While another Staff member



may be well-meaning, they may provide you with incorrect or incomplete information that could cause you to respond incorrectly to our solicitation. RFTA is not bound by any verbal communications between a vendor and its Staff. All official communications will ALWAYS be in writing.

10. Why can't RFTA just call up a company and order the service or buy the item directly?

RFTA is a governmental entity that receives funding from local, state and federal agencies. As a result, RFTA has to be a responsible steward of those funds and ensure that we are always getting the best quality product or service at the best value. It's how we are accountable to those who entrust us with millions of dollars each year and it's how we ensure that we have access to those funds moving into the future.

11. I have a part or service RFTA's Parts or Maintenance Departments maybe interested in. How do I go about contacting them?

Danny Knight, RFTA Parts Manager can be reached at 970-384-4988 or dknight@rfta.com.